

পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।

**“Investment in capital market involves certain degree of risks. The investors are required to read the prospectus and risk factors carefully, assess their own financial conditions and risk taking ability before making their investment decisions.”**

PUBLIC ISSUE OF 20,000,000 ORDINARY SHARES

ISSUE DATE OF THE PROSPECTUS: \_\_\_\_\_

OFFER PRICE TK. 10.00 EACH AT PAR  
TOTAL SIZE OF FUND TO BE RAISED TK. 200,000,000.00

**Opening and closing date of subscription:**

Opening date of subscription: ..... 2017

Closing date of subscription: ..... 2017

## PROSPECTUS

**Name of Issuer:**



**Indo-Bangla Pharmaceuticals Limited**

**Name of Issue Managers:**



**AFC Capital Limited**



**EBL Investments Ltd.**

**EBL Investments Limited**

**&**



**CAPM Advisory Limited**

**(a) Preliminary Information and Declarations:**

- (i) Name(s), address(s), telephone number(s), web address(s), e-mail(s), fax number(s) and contact persons of the issuer, issue manager(s), underwriter(s), auditors, credit rating company and valuer, where applicable;

<b>Issuer</b>		
<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>
<b>Indo-Bangla Pharmaceuticals Limited (IBPL)</b> 729, College Road, Barisal Sadar, Barisal-8200.	Tel: +88-04-312174811 Fax: +88-04-312174977 Email: info@indo-banglapharma.com Web: www.indo-banglapharma.com	<b>Md. Faruque Hossain</b> Chief Financial Officer
<b>Issue Managers</b>		
<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>
<b>AFC Capital Limited</b> Saiham Sky View Tower (11 <sup>th</sup> Floor), 45 Bijoy Nagar, Dhaka-1000.	Tel: +88-02-8392371 Fax: +88-02-8392372 Email: capital.afc@gmail.com Web: www.afcl.asia	<b>Mahbub H. Mazumdar FCMA</b> Chief Executive
<b>EBL Investments Limited</b> 59 Motijheel C/A, 1 <sup>st</sup> Floor, Dhaka-1000.	Tel: +88-02-7118975 Fax: +88-02-7120251 E-mail: info@eblinvestments.com Web: www.eblinvestments.com	<b>Moinul Hossain Asif</b> Managing Director
<b>CAPM Advisory Limited</b> Tower Hamlet (9th Floor) 16, Kemal Ataturk Avenue Banani C/A, Dhaka-1213.	Tel: +88-02-9822391-2 Fax: +88-02-9822393 E-mail: contact@capmadvisorybd.com Web: www.capmadvisorybd.com	<b>Tania Sharmin</b> Managing Director & CEO
<b>Underwriters</b>		
<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>
<b>AFC Capital Limited</b> Saiham Sky View Tower (11 <sup>th</sup> Floor), 45 Bijoy Nagar, Dhaka-1000.	Tel: +88-02-8392371 Fax: +88-02-8392372 Email: abparvez_afcl@yahoo.com Web: www.afcl.asia	<b>Md. Abul Bashar Parvez</b> Deputy Manager
<b>EBL Investments Limited</b> 59 Motijheel C/A, 1 <sup>st</sup> Floor, Dhaka-1000.	Tel: +88-02-7118975 Fax: +88-02-7120251 E-mail: pankaj@eblinvestments.com Web: www.eblinvestments.com	<b>Pankaj Kumar Mutsuddi</b> Head of Primary Market Operations

<b>NBL Capital and Equity Management Limited</b> Printers Building (8 <sup>th</sup> Floor), 5 Rajuk Avenue, Dhaka-1000.	Tel: +88-02-7118974 Fax: +88-02-7118840 E-mail: knaher@gmail.com Web: www.nblceml.com	<b>Kamrun Naher</b> Chief Executive Officer (CC)
<b>Janata Capital and Investment Limited</b> 48, Motijheel (3 <sup>rd</sup> Floor), Dhaka-1000	Tel: +88-02-7114375 Fax: +88-02-7110496 E-mail: info@jcil.com.bd Web: www.jcil-bd.com	<b>Dina Ahsan</b> Chief Executive Officer
<b>Auditor</b>		
<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>
<b>Mahfel Huq &amp; Co.</b> Chartered Accountants BGIC Tower (4 <sup>th</sup> Floor), 34, Topkhana Road Dhaka-1000.	Tel: +88-02-9553143, +88-02-9581786 Fax: +88-02-9571005 E-mail: mh@mahfelhuq.com Web: www.mahfelhuq.com	<b>Md. Abul Kalam</b> Manager

The Company has no involvement with Credit Rating Company and Valuer.

(ii) A person interested to get a prospectus may obtain from the issuer and the issue managers.

(iii) "If you have any query about this document, you may consult the issuer, issue manager and underwriter"

(iv) "CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE OR OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2015. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER, MANAGING DIRECTOR, CHIEF FINANCIAL OFFICER, COMPANY SECRETARY, ISSUE MANAGER, ISSUE MANAGER'S CHIEF EXECUTIVE OFFICER, UNDERWRITERS, AUDITOR(S), VALUER AND/OR CREDIT RATING COMPANY (IF ANY)."

**(v) 'Risks in relation to the First Issue'**

"This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the securities is Tk. 10.00 (Ten) and the issue price is Tk. 10.00(Ten) each i.e. the face value. The issue price has been determined and justified by the issuer and the issue managers as stated under the paragraph on "justification of issue price" should not be taken to be indicative of the market price of the securities after listing. No assurance can be given regarding an active or sustained trading of the securities or the price after listing."

**(vi) 'General Risk'**

"Investment in securities involves a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offer. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended by the Bangladesh Securities and Exchange Commission (BSEC) nor does BSEC guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'risk factors' given on page number(s) 144-151"

**(vii) 'Indo-Bangla Pharmaceuticals Limited's Absolute Responsibility'**

"The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this prospectus contains all material information with regard to the issuer and the issue, that the information contained in the prospectus are true, fair and correct in all material aspects and are not misleading in any respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."

(b) Availability of Prospectus

- (i) Names, addresses, telephone numbers, fax numbers, website addresses and e-mail addresses and names of contact persons of the institutions where the prospectus and abridged version of prospectus are available in hard and soft forms;

The Prospectus and abridged version prospectus in hard and soft forms of the Company shall be obtained from the following addresses:

<b>Issuer</b>		
<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>
<b>Indo-Bangla Pharmaceuticals Limited (IBPL)</b> 729, College Road, Barisal Sadar, Barisal-8200.	Tel: +88-04-312174811 Fax: +88-04-312174977 Email: info@indo-banglapharma.com Web: www.indo-banglapharma.com	<b>Md. Faruque Hossain</b> Chief Financial Officer
<b>Issue Managers</b>		
<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>
<b>AFC Capital Limited</b> Saiham Sky View Tower (11th Floor), 45 Bijoy Nagar, Dhaka-1000.	Tel: +88-02-8392371 Fax: +88-02-8392372 Email: capital.afc@gmail.com Web: www.afcl.asia	<b>Mahbub H. Mazumdar FCMA</b> Chief Executive
<b>EBL Investments Limited</b> 59 Motijheel C/A, 1st Floor, Dhaka-1000.	Tel: +88-02-7118975 Fax: +88-02-7120251 E-mail: info@eblinvestments.com Web: www.eblinvestments.com	<b>Moinul Hossain Asif</b> Managing Director
<b>CAPM Advisory Limited</b> Tower Hamlet (9th Floor) 16, Kemal Ataturk Avenue Banani C/A, Dhaka-1213.	Tel: +88-02-9822391-2 Fax: +88-02-9822393 E-mail: contact@capmadvisorybd.com Web: www.capmadvisorybd.com	<b>Tania Sharmin</b> Managing Director & CEO
<b>Stock Exchanges</b>		
<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>
<b>Dhaka Stock Exchange Limited</b> DSE Library, 9/F Motijheel C/A, Dhaka-1000	9564601, 9576210-18 Fax: +88-02-9564727, +88-02-9569755 E-mail: research@dsebd.org Web: www.dsebd.org	<b>Afzalur Rahaman</b> Manager

<b>Chittagong Stock Exchange Limited</b> CSE Library, CSE Building, 1080, Sheikh Mujib Road Agrabad, Chittagong- 4100.	Tel: 031-714632-3 Fax: 031-714101 E-mail: jabed@cse.com.bd Web: www.cse.com.bd	<b>Mohammed Javed Sarwar</b> Assistant Manager
---	---	---

Prospectus would also be available on the web sites of BSEC (www.secbd.org) and at the Public Reference Room of the Bangladesh Securities and Exchange Commission (BSEC) for reading and studying.

**(ii) Names and dates of the newspapers where abridged version of prospectus was published.**

Names and dates of the newspapers where abridged version of prospectus was published:

Sl. No.	Name of the Newspaper	Date of Publication
1		
2		
3		
4		

### (iii) Definitions and Acronyms or Elaborations

<b>A</b>	
“Articles” or “Articles of Association” or “AoA”	The Articles of Association of Indo-Bangla Pharmaceuticals Limited, as amended
AFCCCL	AFC Capital Limited
AGM	Annual General Meeting
Allotment	Letter of Allotment of shares
<b>B</b>	
“Board” or “Board of Directors” or “our Board”	The Board of Directors of Indo-Bangla Pharmaceuticals Limited, as duly constituted from time to time including any committees thereof
B.Com	Bachelor of Commerce
B.SC	Bachelor of Science
BAS	Bangladesh Accounting Standards
BDT	Bangladeshi Taka
BFRS	Bangladesh Financial Reporting Standards
BO A/C	Beneficiary Owner's Account
BSEC	Bangladesh Securities and Exchange Commission
<b>C</b>	
CAPMAL	CAPM Advisory Limited
CDBL	Central Depository Bangladesh Limited
Certificate	Share Certificate
CFO	Chief Financial Officer
CIB	Credit Information Bureau
Commission	Bangladesh Securities and Exchange Commission
CSE	Chittagong Stock Exchange Limited
<b>D</b>	
DSE	Dhaka Stock Exchange Limited
<b>E</b>	
Email	Electronic Mail
EPS	Earnings Per Share
ETP	Effluent Treatment Plant
Exchanges	Stock Exchanges
<b>F</b>	
FC A/C	Foreign Currency Account
FDR	Fixed Deposit Receipt
<b>G</b>	
GBP	Great Britain Pound
<b>I</b>	
IBPL	Indo-Bangla Pharmaceuticals Limited
IMS	Intercontinental Marketing Services (an USA based healthcare market surveyor entity)
IPO	Initial Public Offering
Issue	Public Issue of shares

Issue Managers	AFC Capital Limited, EBL Investments Limited & CAPM Advisory Limited
Issuer	Indo-Bangla Pharmaceuticals Limited
<b>L</b>	
L/C	Letter of Credit
<b>M</b>	
“Memorandum” or “Memorandum of Association” or “MoA”	The Memorandum of Association of Indo-Bangla Pharmaceuticals Limited, as amended
M.Com	Master of Commerce
MS-Word	Microsoft word
<b>N</b>	
NAV	Net Asset Value
NBFI	Non-Banking Financial Institution
NRB	Non-Resident Bangladeshi
<b>O</b>	
“Our Company”	Indo-Bangla Pharmaceuticals Limited, a public limited company incorporated under the Companies Act
Offering Price	Price of the Securities of IBPL
<b>P</b>	
PE	Price to Earnings
PSI	Pre Shiftment Inspection
<b>R</b>	
RJSC	Registrar of Joint Stock Companies and Firms
<b>S</b>	
Securities	Share of Indo-Bangla Pharmaceuticals Limited
Securities Market	The Share Market of Bangladesh
Sponsors	The sponsor shareholders of Indo-Bangla Pharmaceuticals Limited
STD A/C	Short Term Deposit Account
Stock Holder	Share Holder
Subscription	Application Money
<b>T</b>	
The Company/Issuer	Indo-Bangla Pharmaceuticals Limited, a public limited company incorporated under the Companies Act
TT	Telephonic Transfer
<b>U</b>	
UK Pound	United Kingdom Pound
USD	United States Dollar
<b>V</b>	
VAT	Value Added Tax
<b>W</b>	
WDV	Written Down Value



## Table of Contents

CHAPTER (I): EXECUTIVE SUMMARY .....	1
(a) About the industry: .....	1
(b) About the Issuer: .....	1
(c) Financial Information: .....	2
(d) Features of the issue and its objects: .....	2
(e) Legal and other Information: .....	3
(f) Promoters' background:.....	4
(g) Capital structure and history of capital raising: .....	5
(h) Summary of Valuation Report of Securities:.....	5
CHAPTER (II): CONDITIONS IMPOSED BY THE COMMISSION IN THE CONSENT LETTER .....	6
DISCLOSURE IN RESPECT OF ISSUANCE OF SECURITY IN DEMAT FORM:.....	6
CONDITIONS UNDER 2CC OF THE SECURITIES AND EXCHANGE ORDINANCE, 1969:.....	6
CHAPTER (III): DECLARATION AND DUE DILIGENCE CERTIFICATES.....	14
DECLARATION ABOUT THE RESPONSIBILITY OF THE DIRECTORS, INCLUDING THE CEO OF THE ISSUER IN RESPECT OF THE PROSPECTUS.....	14
DUE DILIGENCE CERTIFICATE BY ISSUE MANAGER.....	15
DUE DILIGENCE CERTIFICATE BY ISSUE MANAGER.....	18
DUE DILIGENCE CERTIFICATE BY ISSUE MANAGER.....	20
DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER.....	22
DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER.....	24
DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER.....	26
DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER.....	28
CHAPTER (IV): ABOUT THE ISSUER .....	30
Particulars of the Company:.....	30
Name of the Sponsors and Directors:.....	30
Particulars of Auditor and Registrar to the issue:.....	31
Name of the Stock Exchanges where the Securities to be listed: .....	31
CHAPTER (V): CORPORATE DIRECTORY OF THE ISSUER.....	32
CHAPTER (VI): DESCRIPTION OF THE ISSUER .....	33
(a) Summary:.....	33
(b) General Information: .....	34
(c) Capital Structure:.....	40
(d) Description of Business:.....	47
(e) Description of Property:.....	58
(f) Plan of Operation and Discussion of Financial Condition: .....	74
CHAPTER (VII): MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATIONS.....	92
(a) Overview of business and strategies:.....	92
(b) SWOT ANALYSIS: .....	93
(c) Analysis of the financial statements of last five years with reason(s) of fluctuating revenue and sales, other income, total income, cost of material, finance cost, depreciation and amortization expense, other expense; changes of inventories, net profit before and after tax, EPS etc. ....	93

(d) Known trends, demands, commitments, events or uncertainties that are likely to have an effect on the company's business: .....	94
(e) Trends or expected fluctuations in liquidity: .....	94
(f) Off-balance sheet arrangements those have or likely to have a current or future effect on financial condition: .....	94
CHAPTER (VIII): DIRECTORS AND OFFICERS .....	95
(a) Name, Father's Name, age, Residential address, Educational qualification, experience and position of each director and nominated director with nomination period, organization name: .....	95
(b) Date of first Directorship and Expiry of Current Tenure of the directors: .....	98
(c) Name of Interest and Involvement in other business or organization of directors: .....	100
(d) Statement of if any Directors of the issuer are associated with the securities market in any manner and any director of the issuer company is also director of any issuer of other listed securities during last three years with dividend payment history and market performance: .....	100
(e) Family relationship (father, mother, spouse, brother, sister, son, daughter, spouse's father, spouse's mother, spouse's brother, spouse's sister) among the directors and top five officers: .....	100
(f) Brief description of other businesses of the directors: .....	101
(g) Short bio-data of each director: .....	101
(h) Loan status of the issuer, its directors and shareholders who hold 10% or more shares in the paid-up capital of the issuer in terms of the CIB Report of Bangladesh Bank: .....	102
(i) Name, position, educational qualification, age, date of joining in the company, overall experience (in year), previous employment, salary paid for the financial year of the CEO, MD, CFO, CS, Advisers, Consultants and all Departmental Heads. If the Chairman, any director or any shareholder received any monthly salary than this information should also be included: .....	103
(j) Changes in the key management persons during the last three years: .....	104
(k) A profile of the sponsors including their names, father's names, age, personal addresses, educational qualifications, and experiences in the business, positions or posts held in the past, directorship held, other ventures of each sponsor and present position: .....	104
(l) If the present directors are not the sponsors and control of the issuer was acquired within five years immediately preceding the date of filing prospectus details regarding the acquisition of control, date of acquisition, terms of acquisition, consideration paid for such acquisition etc. ....	106
(m) If the sponsors or directors do not have experience in the proposed line of business, the fact explaining how the proposed activities would be carried out or managed: .....	106
(n) Interest of the key management persons: .....	106
(o) All interests and facilities enjoyed by a director, whether pecuniary or non-pecuniary: .....	107
(p) Number of shares held and percentage of shareholding (pre issue): .....	107
(q) Change in board of directors during last three years: .....	108
(r) Director's engagement with similar business: .....	108
CHAPTER (IX): CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.....	109
CHAPTER (X): EXECUTIVE COMPENSATION .....	110
(a) The total amount of remuneration or salary or perquisites paid to the top five salaried officers of the issuer in the last accounting year and the name and designation of each such officer: .....	110

(b) Aggregate amount of remuneration paid to all directors and officers as a group during the last accounting year: .....	110
(c) If any shareholder director received any monthly salary or perquisite or benefit it must be mentioned along with date of approval in AGM or EGM, terms thereof and payments made during the last accounting year:.....	110
(d) The board meeting attendance fees received by the director including the managing director along with date of approval in AGM or EGM:.....	111
(e) Any contract with any director or officer providing for the payment of future compensation: .....	111
(f) If the issuer intends to substantially increase the remuneration paid to its directors and officers in the current year, appropriate information regarding thereto: .....	111
(g) Any other benefit or facility provided to the above persons during the last accounting year: .....	111
CHAPTER (XI): OPTIONS GRANTED TO DIRECTORS, OFFICERS AND EMPLOYEES .....	111
CHAPTER (XII): TRANSACTION WITH THE DIRECTORS AND SUBSCRIBERS TO THE MEMORANDUM.....	112
CHAPTER (XIII): OWNERSHIP OF THE COMPANY'S SECURITIES .....	114
a) The names, addresses, BO ID Number of all shareholders of the company before IPO, indicating the amount of securities owned and the percentage of the securities represented by such ownership: .....	114
b) There shall also be a table showing the name and address, age, experience, BO ID Number, TIN number, numbers of shares held including percentage, position held in other companies of all the directors before the public issue: .....	118
c) The average cost of acquisition of equity shares by the directors certified by the auditors: .....	121
d) A detail description of capital built up in respect of shareholding (name-wise) of the issuer's sponsors or directors. In this connection, a statement to be included: - .....	122
e) Detail of shares issued by the company at a price lower than the issue price: .....	125
f) History of significant (5% or more) changes in ownership of securities from inception: .....	126
CHAPTER (XIV): CORPORATE GOVERNANCE .....	127
a) Management disclosure regarding compliance with the requirements of Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission (BSEC); .....	127
b) A compliance report of Corporate Governance requirements certified by competent authority;.....	127
c) Details relating to the issuer's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committees operate.....	137
CHAPTER (XV): VALUATION REPORT OF SECURITIES PREPARED BY THE ISSUE MANAGERS.....	138
CHAPTER (XVI): DEBT SECURITIES .....	141
CHAPTER (XVII): PARTIES INVOLVED AND THEIR RESPONSIBILITIES .....	141
CHAPTER (XVIII): MATERIAL CONTRACTS .....	142
CHAPTER (XIX): LITIGATIONS, FINE OR PENALTY .....	142
CHAPTER (XX): RISK FACTORS AND MANAGEMENT'S PERCEPTIONS ABOUT THE RISKS.....	143

(i) Internal risk factors may include, among others:.....	144
(ii) External risk factors may include among others:.....	149
(iii) Other risks:.....	151
CHAPTER (XXI): DESCRIPTION OF THE ISSUE.....	152
(a) Issue Size: Tk. 200,000,000.00 .....	152
(b) Number of securities to be issued;.....	152
(c) Authorized capital and paid-up capital; .....	152
(d) Face value, premium and offer price per unit of securities; .....	152
(e) Number of securities to be entitled for each category of applicants; .....	152
(f) Holding structure of different classes of securities before and after the issue; .....	153
(g) Objective of the issue including financing requirements and feasibility in respect of enhanced paid-up capital. ....	153
CHAPTER (XXII): USE OF PROCEEDS.....	157
(a) Use of net proceeds of the offer indicating the amount to be used for each purpose with head-wise break-up; .....	157
(b) Utilization of the total amount of paid-up capital and share premium, if any, including the sponsors' contribution and capital raised of the issuer at the time of submission of prospectus, in details with indication of use of such funds in the financial statements; .....	169
(c) If one of the objects is an investment in a joint venture, a subsidiary, an associate or any acquisition, details of the form of investment, nature of benefit expected to accrue to the issuer as a result of the investment, brief description of business and financials of such venture; .....	169
(d) If IPO proceeds are not sufficient to complete the project, then source of additional fund must be mentioned. In this connection, copies of contract to meet the additional funds are required to be submitted to the Commission. The means and source of financing, including details of bridge loan or other financial arrangement, which may be repaid from the proceeds of the issue along with utilization of such funds;.....	170
(e) A schedule mentioning the stages of implementation and utilization of funds received through public offer in a tabular form, progress made so far, giving details of land acquisition, civil works, installation of plant and machinery, the approximate date of completion of the project and the projected date of full commercial operation etc. The schedule shall be signed by the Chief Executive Officer or Managing Director, Chief Financial Officer and Chairman on behalf of Board of Directors of the issuer; .....	170
(f) If there are contracts covering any of the activities of the issuer for which the proceeds of sale of securities are to be used, such as contracts for the purchase of land or contracts for the construction of buildings, the issuer shall disclose the terms of such contracts, and copies of the contracts shall be enclosed as annexure to the prospectus;.....	170
(g) If one of the objects of the issue is utilization of the issue proceeds for working capital, basis of estimation of working capital requirement along with the relevant assumptions, reasons for raising additional working capital substantiating the same with relevant facts and figures and also the reasons for financing short with long term investments and an item-wise break-up of last three years working capital and next two years projection; .....	170
(h) Where the issuer proposes to undertake one or more activities like diversification, modernization, expansion, etc., the total project cost activity-wise or project-wise, as the case may be;.....	171

(i) Where the issuer is implementing the project in a phased manner, the cost of each phase, including the phases, if any, which have already been implemented;.....	171
(j) The details of all existing or anticipated material transactions in relation to utilization of the issue proceeds or project cost with sponsors, directors, key management personnel, associates and group companies; .....	171
(k) Summary of the project appraisal or feasibility report by the relevant professionals not connected with the issuer, issue manager and registrar to the issue with cost of the project and means of finance, weaknesses and threats, if any, as given in the appraisal or feasibility report.....	171
CHAPTER (XXIII): LOCK-IN .....	180
CHAPTER (XXIV): MARKETS FOR THE SECURITIES BEING OFFERED .....	183
CHAPTER (XXV): DESCRIPTION OF SECURITIES OUTSTANDING OR BEING OFFERED .....	184
(a) Dividend, voting and preemption rights;.....	184
(b) Conversion and liquidation rights;.....	184
(c) Dividend policy; .....	184
(d) Other rights of the securities holders; .....	185
CHAPTER (XXVI): FINANCIAL STATEMENTS.....	186
(a) The latest financial statements prepared and audited by any of the Commission's panel of auditors in adherence to the provisions of the Securities and Exchange Rules, 1987, the কোম্পানি আইন, ১৯৯৪, International Financial Reporting and Auditing Standards as adopted in Bangladesh from time to time and any other law as applicable; .....	186
(b) Information as is required under section 186 of the কোম্পানি আইন, ১৯৯৪ relating to holding company;.....	217
(c) Selected ratios as specified in Annexure-D; .....	218
(d) Auditors report under Section 135(1), Paragraph 24(1) of Part II of Schedule III of the কোম্পানি আইন, ১৯৯৪. The report shall include comparative income statements and balance sheet and aforementioned ratios for immediate preceding five accounting years of the issuer. If the issuer has been in commercial operation for less than five years, the above mentioned inclusion and submission will have to be made for the period since commercial operation; .....	222
(e) Financial spread sheet analysis for the latest audited financial statements; .....	224
(f) Earnings Per Share (EPS) on fully diluted basis (with the total existing number of shares) in addition to the weighted average number of shares basis. Future projected Net Income should not be considered while calculating the weighted average EPS;.....	227
(g) All extra-ordinary income or non-recurring income coming from other than core operations should be shown separately while showing the Net Profit as well as the Earnings Per Share;.....	227
(h) Quarterly or half-yearly EPS should not be annualized while calculating the EPS;.....	227
(i) Net asset value (with and without considering revaluation surplus or reserve) per unit of the securities being offered at the date of the latest audited statement of financial position. ....	227
(j) The Commission may require the issuer to re-audit the audited financial statements, if any deficiency or anomaly is found in the financial statements. In such a case, cost of audit should be borne by the concerned issuer. ....	227
(k) Following statements for the last five years or any shorter period of commercial operation certified by the auditors: - .....	228

(i) Statement of long term and short term borrowings including borrowing from related party or connected persons with rate of interest and interest paid or accrued; .....	228
(ii) Statement of principal terms of secured loans and assets on which charge have been created against those loans with names of lenders, purpose, sanctioned amount, rate of interest, primary security, collateral or other security, repayment schedule and status; .....	228
(iii) Statement of unsecured loans with terms and conditions; .....	228
(iv) Statement of inventories showing amount of raw material, packing material, stock-in-process and finished goods, consumable items, store and spares parts, inventory of trading goods etc.; .....	229
(v) Statement of trade receivables showing receivable from related party and connected persons;.....	229
(vi) Statement of any loan given by the issuer including loans to related party or connected persons with rate of interest and interest realized and accrued; .....	230
(vii) Statement of other income showing interest income, dividend income, discount received, other non operating income;.....	230
(viii) Statement of turnover showing separately in cash and through banking channel;	231
(ix) Statement of related party transaction; .....	231
(x) Reconciliation of business income shown in tax return with net income shown in audited financial statements; .....	232
(xi) Confirmation that all receipts and payments of the issuer above Tk.5,00,000/- (five lac) were made through banking channel; .....	232
(xii) Confirmation that Bank Statements of the issuer are in conformity with its books of accounts; .....	232
(xiii) Statement of payment status of TAX, VAT and other taxes or duties; and .....	232
CHAPTER (XXVII): PUBLIC ISSUE APPLICATION PROCEDURE .....	247
CHAPTER (XXVIII): OTHERS.....	252

## CHAPTER (I): EXECUTIVE SUMMARY

### (a) About the industry:

The Pharmaceutical sector is one of the most developed among the manufacturing industries in Bangladesh although it is still small compared to other comparable sectors. The increase in awareness about healthcare, higher income and increasing government expenditure have resulted in higher demand for medicine.

The Drug Policy of 1982 has helped the industry grow by 65 times from BDT 1730 million to BDT 113 billion now, according to IMS report of 2014. In 2000 there were 173 active and licensed allopathic drug-manufacturing units in the country, while the figure now stands at 300 now.

According to the Directorate General of Drug Administration (DGDA), there are currently 200 active allopathic companies in Bangladesh. About 22,000 brands of drugs are sold which cover 1500 types of medication. There are 1495 wholesale drug license holders and about 37700 retail drug license holders. The industry meets 98% of the demand for medication in the country and can be considered to be self-sufficient.

The sector employs 1,15,000 workers and between 2013 and 2014, the growth stood around 11.37%. According to IMS Health, annual pharmaceutical sales in the local market may reach BDT 160 billion within 2018.

The industry is also exporting abroad. Currently, formulations are exported to 92 countries around the world. The major destinations for Bangladeshi medicines are Myanmar, Sri Lanka and Kenya, while nearly 50 countries import Bangladeshi medicines regularly. The growth in exports has averaged over 10% from 2010 to 2014. In 2015, the exports were over \$ 41.17 million. Pharmaceutical companies are trying to export to regulated, unregulated and moderately regulated markets. The domestic market is highly concentrated and competitive. The local manufacturers dominate the industry capturing market share of 90%. While the multinationals cater to the remaining demand.

Source: <http://www.lightcastlebd.com/blog/2015/12/market-insight-how-the-bangladesh-pharmaceutical-sector-is-performing-in-2015>

### (b) About the Issuer:

<b>Incorporation</b>	As Private Limited Company	June 18, 2014 & Reg. no. C-116665/14
<b>Converted Public Limited Company</b>	21-Oct-14	
<b>Commencement of Commercial Operation</b>	18-Jun-2014	
<b>Factory Location</b>	729, College Road, Barisal Sadar, Barisal-8200.	
<b>Corporate Office</b>	Jahan Tower (2 <sup>nd</sup> Floor)- A-2, 11/1 Avoy Das Lane, Tikatuli, Dhaka-1203	
<b>Nature of Business</b>	The Company is engaged in manufacturing and selling of all kinds of medicine (excluding Antibiotic), medical preparations drugs & chemicals (Human Health). The Company applied for permission for production and selling of veterinary medicine also.	

**(c) Financial Information:**

Major financial information of Indo-Bangla Pharmaceuticals Limited (IBPL) is as follows:

<b>Sl. No.</b>	<b>Particulars</b>	<b>30-Jun-16</b>	<b>30-Jun-15</b>
1	Net Sales Revenue	444,777,724	435,024,108
2	Gross profit	182,248,732	177,140,449
3	Net profit before tax	90,807,238	92,629,642
4	Net profit after tax	59,024,705	60,209,267
5	Total assets	945,378,813	383,019,532
6	Share capital	730,000,000	99,000,000
7	Retained earnings	119,233,972	60,209,267
8	No. of Shares	73,000,000	9,900,000
9	Face Value	10.00	10.00
10	NAV Per Share	11.63	16.08
11	Earnings per Share (EPS)	2.62	6.40

**(d) Features of the issue and its objects:**

<b>Offer Price</b>	BDT 10.00
<b>Number of Shares</b>	20,000,000 Ordinary Shares
<b>Offer Size</b>	Tk. 200,000,000.00
<b>Purpose of Raising Fund</b>	Proceeds from Initial Public Offering (IPO) will be used for Construction and other civil works, for procuring machineries and for IPO Expenses.
<b>Date of Implementation</b>	Within 18 months after receiving IPO fund



**(e) Legal and other Information:**

<b>SL</b>	<b>Name of Certificate/license/Registration/ NOC</b>	<b>License Issuer/Issuing Authority</b>	<b>Certificate/License No.</b>	<b>Expiry Date</b>	<b>Remarks</b>
1	Incorporation	RJSC	Private Limited Company dated June18, 2014 & C-116665/14	N/A	-
2	Certificate of Commencement of Business	RJSC	N/A	N/A	Incorporated as a private Ltd. company
3	Trade License	Barisal City Corporation	01473	30-06-18	-
4	TIN Certificate	National Board of Revenue	681332543219	N/A	-
5	VAT Reg. No.	Customs, Excise & VAT Commissioner ate, Barisal	15101029766	-	-
6	Import Registration Certificate	Controller of Import & Export, Government of Bangladesh	BA- 22 27040	30-06-18	-
7	Drugs License	Drug Administration of Bangladesh	13	25-06-18	-
8	Fire License	Bangladesh Fire Services and Civil Defense	Bari/1439/99	30-06-18	-
9	Environment Clearance Certificate	Department of Environment	2005/316/952	23-08-2018	-
10	Factory License	Factory and Organization Inspection Authority, Barisal	116/Bari	31-12-17	-
11	BCCI	The Barisal Chamber of Commerce & Industry	159	30-06-18	-
12	ISO 9001:2008	Bureau of Assessment Services	010160003	15-09-18	-
13	BAPI	Bangladesh Association of Pharmaceutical Industries	72	31-12-17	-
14	Acid License	Barisal District Administrator	10/2004	30-06-18	-
15	Madok License	Narcotics Control Bureau of Bangladesh	01/2009/2013	30-06-18	-

**(f) Promoters' background:**

There is no definition of promotor in Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 and amendments to the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015. Sponsor means any person whose name appears as subscriber to the Memorandum and Articles of Association of a company.

When the Company was incorporated, following persons were the subscribers to the memorandum:

Sl. No.	Name of subscribers to the memorandum
1	A F M Anowarul Huq
2	Aysha Siddika
3	Aziza Yeasmin
4	Hafiza Yeasmin
5	Md. Bellal Khan
6	Md. Amin-Ur-Rashid

Their background is stated below:

**A F M Anowarul Huq**

AFM Anowarul Huq, S/O- Late Azizul Huq, Address: 729, College Road, Barisal Sadar, Barisal-8200. He completed B.Sc, M.Sc (Chemistry) and LLB degree from National University. Mr. A F M Anowarul Huq is the Managing Director of Indo-Bangla Pharmaceuticals Ltd. and he has 19 years of Professional experience on Pharmaceuticals. He is also member of Barisal Chamber of Commerce.

**Aysha Siddika**

Ayesh Siddika, W/O- AFM Anowarul Huq, Address: 729, College Road, Barisal Sadar, Barisal-8200. She was the former Chairman of Indo-Bangla Pharmaceuticals Ltd. She completed M.A and engaged with Business with her husband as a promoter.

**Aziza Yeasmin**

Aziza Yeasmin, W/O- Khandakar Mustafizur Rahman, Address: Police Line Sharak, Maitha, Barguna-8700. She is the Chairman of Indo-Bangla Pharmaceuticals Ltd. She completed Bachelor of Arts degree from National University.

**Hafiza Yeasmin**

Hafiza Yeasmin, W/O- Md. Moniruzzaman, Address: Kazi Para, Begumgonj, Noakhali. She completed PHD on Rural People Development from University of Copenhagen (Denmark) dated August 06, 2011. After coming back from Denmark, she involved in Indo-Bangla Pharmaceuticals Ltd. as Director.

**Md. Bellal Khan**

Md. Bellal Khan, S/O- Abdus Sobhan Khan, Address: House No # 271, Blessed Hill Residence (6B), Road No-07, Block-I, Bashundhara R/A, Dhaka-1229. He completed his BA (Honours), M.Sc. (Statistics).

**Md. Amin-Ur-Rashid**

Md. Amin-Ur-Rashid, S/O- Late Harun-Ur- Rashid, Address: Akon Bari, 453, West Chandkathi, Jhalokathi. He completed his B.Sc (Botani), M.Sc, MBA, L.L.B from National University. In 2001, he started his business carrier and involved with Indo-Bangla Pharmaceuticals Limited. He has 16 years of professional experience of Pharmaceutical manufacturing industry.

**(g) Capital structure and history of capital raising:**

Particulars	No. of Shares	Face Value (Tk.)	Amount in Taka
Authorized Capital	100,000,000	10.00	1,000,000,000
<b>Before IPO:</b>			
Paid up capital	73,000,000	10.00	730,000,000
<b>After IPO:</b>			
To be issued as IPO	20,000,000	10.00	200,000,000
<b>Paid up capital (Post IPO)</b>	<b>93,000,000</b>	<b>10.00</b>	<b>930,000,000</b>

The Company has raised its paid-up capital in following phases:

Particulars of Allotment	Date of Allotment	Form of Consideration (No. of Shares)			Face Value of Share (Tk.)	Paid-up Capital
		In cash	Other than in cash	Bonus		
First (Subscription to the Memorandum & Articles of Association at the time of incorporation)	18-Jun-14	100,000	-	-	10.00	1,000,000
Second Allotment	07-Jul-14	-	9,800,000	-	10.00	98,000,000
Third Allotment	06-Aug-15	10,000,000	-	-	10.00	100,000,000
Fourth Allotment	06-Jun-16	53,100,000	-	-	10.00	531,000,000
<b>Total</b>		<b>63,200,000</b>	<b>9,800,000</b>	<b>-</b>	<b>10.00</b>	<b>730,000,000</b>

**(h) Summary of Valuation Report of Securities:**

Particulars	Amount (in Tk.)
<b>Method 1: Net Asset Value (NAV) per share/Equity based value per share</b>	
Price based on Net Asset Value per share (without revaluation reserve)	11.63
<b>Method 2: Historical Earnings based value per share</b>	
Earnings based Value per share based on Overall Market P/E	13.04
<b>Method 3: Average market price per share of similar stocks:</b>	<b>279.49</b>

## **CHAPTER (II): CONDITIONS IMPOSED BY THE COMMISSION IN THE CONSENT LETTER**

### **DISCLOSURE IN RESPECT OF ISSUANCE OF SECURITY IN DEMAT FORM:**

As per provisions of the Depository Act, 1999 and regulations made there under, share of the Company will be issued in dematerialized form only and for this purpose Indo-Bangla Pharmaceuticals Limited will sign an agreement with the Central Depository Bangladesh Limited (CDBL). Therefore, all transfers, transmissions, splitting or conversions will take place on the Central Depository Bangladesh Limited system and any further issuance of shares (including rights and bonus) will also be issued in dematerialized form only.

### **CONDITIONS UNDER 2CC OF THE SECURITIES AND EXCHANGE ORDINANCE, 1969:**

#### **PART-A**

1. The Company shall go for Initial Public Offer (IPO) for 2,00,00,000 ordinary shares of Tk. 10.00 each at par totaling to **Tk. 20,00,00,000.00 (Taka Twenty Crore) only** following the Securities and Exchange Ordinance, 1969, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the Depository Act, 1999 and rules made there under.
2. The abridged version of the prospectus, as approved by the Commission, shall be published by the issuer in 4 (Four) national daily newspapers (two in Bangla and two in English), within **2 (two) working days** of issuance of this consent letter. The issuer shall post the full prospectus, vetted by Commission, in the issuer's website and shall also put on the websites of the Commission, stock exchanges, and the issue manager, within **3 (three) working days** from the date of issuance of this letter and shall remain posted till the closure of the subscription list. The issuer shall submit to the Commission, the stock exchanges and the issue manager a diskette containing the text of the vetted prospectus in "MS -Word" format.
3. The company shall submit **40 (Forty)** copies of the printed prospectus to the Commission for official record within **5 (Five) working days** from the date of publication of the abridged version of the prospectus in the newspaper.
4. The issuer company and the issue manager shall ensure transmission of the prospectus and its abridged version for NRBs through email to the Bangladesh Embassies and Missions abroad within **5 (Five) working days** from the date of publication of the abridged version of the prospectus in the newspaper. A compliance report shall be submitted in this respect to the Commission jointly by the issuer and the Issue Manager within **2 (Two) working days** from the date of said transmission of the prospectus.
5. The following declaration shall be made by the company in the prospectus, namely: -

#### **"Declaration about Listing of Shares with the stock exchange (s):**

None of the stock exchange(s), if for any reason, grants listing within **75 (Seventy Five) days** from the closure of subscription, any allotment in terms of this prospectus shall be void and the company shall refund the subscription money within **15 (Fifteen) days** from the date of refusal for listing by the stock exchanges, or from the date of expiry of the said **75 (Seventy Five) days**, as the case may be.

In case of non-refund of the subscription money within the aforesaid **15 (Fifteen) days**, the Directors of the company, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of **2% (two percent)** above the bank rate, to the subscribers concerned.

The issue manager, in addition to the issuer company, shall ensure due compliance of the above-mentioned conditions and shall submit compliance report thereon to the Commission within **7 (Seven) days** of expiry of the aforesaid **15 (Fifteen) days'** time period allowed for refund of the subscription money.”

6. All applicants shall apply for minimum market lot of 500 shares worth Taka 5,000/- (Taka five thousand only) or its multiples.
7. The IPO shall stand cancelled in case of under-subscription in any category above 35%. In such an event, the issuer and issue manger shall inform the Commission within 2 (two) working days and release the subscription money within 10 (ten) working days after receiving verification report from CDBL and the information from exchanges regarding subscription.
8. 20% of the securities reserved for other general public shall be reserved for ক্ষতিগ্রস্থ ক্ষুদ্র বিনিয়োগকারী. In case of under-subscription under any of sub-categories of eligible investor's category or general public category, the unsubscribed portion shall be added to other sub-category of the same category. In case of over subscription in the general public category, the issuer and the issue manager shall jointly conduct an open lottery. In case of over subscription in the eligible investor's category, securities shall be allotted on pro-rata basis. No eligible investors shall apply for more than 2% (two percent) of the total securities reserved for the other eligible investors.
9. An applicant cannot submit more than two applications, one in his/her own name and the other jointly with another person. In case, an applicant submits more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, 15% (fifteen) of the application money will be forfeited by the Commission and the balance amount will be refunded to the applicant.
10. The applicants who have applied for more than two applications using same bank account, their application will not be considered for lottery and the Commission will forfeit 15% of their subscription money.
11. Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information in the application shall make the application liable to rejection and subject to forfeiture of 25% of the application money and/or forfeiture of share (unit) before or after issuance of the same by the issuer. The said forfeited application money or share (unit) will be deposited in account of the Bangladesh Securities and Exchange Commission (BSEC). This is in addition to any other penalties as may be provided for by the law.
12. The company shall furnish the list of allottees to the Commission and the stock exchange(s) simultaneously in which the shares will be listed, within 24 (Twenty Four) hours of allotment.
13. Shares not allotted at the time of according this consent, but allotted after listing, in favor of sponsors, directors or shareholders having 5% or more shares through stock dividends, shall be subject to a lock-in period of 02 (two) years from the date of issuance of the prospectus.

14. If any share of Sponsors/Directors/Promoters is in paper format, it shall be handed over to securities custodian registered with the Commission and shall remain held till completion of lock-in period and the name of the securities custodian shall be furnished to the Commission jointly by the issuer and issue manager, along with a confirmation thereof from the custodian, within one week of listing of the shares with the stock exchange(s). Or they (shares of Sponsors/ Directors/ Promoters) can be demated and shall remain in lock-in under CDBL system and issuer shall submit a dematerialization confirmation report generated by CDBL and attested by Managing Director of the company along with the lock-in confirmation to the Commission within one week of listing of the shares with the stock exchange(s). In respect of shares other than Sponsors/Directors/Promoters the issuer will ensure their lock-in of those shares and submit a statement to this effect to the Commission.
15. The company shall not declare any dividend/bonus shares before listing of its capital with any Exchange from the date of this consent for raising of capital.
16. The company shall not engage itself into any merger/amalgamation or acquisition activities without taking “No Objection” from the Commission, on the scheme of the said merger/amalgamation or acquisition, as recommended by the Board of Directors, before approval by the shareholders in General Meeting.

## PART-B

### **Application Process**

#### **Step-1 (Applicant)**

1. An applicant for public issue of securities shall submit application/buy instruction to the Stockbroker/ Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e. the subscription closing date), which shall be the **25th (twenty fifth) working day** from the date of publication of abridged version of prospectus.
2. The application/buy instruction may be submitted in prescribed paper or electronic form, which shall contain the Customer ID, Name, BO Account Number, Number of Securities applied for, Total Amount and Category of the Applicant. At the same time:
  - a. Other than non-resident Bangladeshi (NRB) and Foreign applicants shall make the application money and service charge available in respective customer account maintained with the Stockbroker/Merchant Banker. No margin facility, advance or deferred payment is permissible for this purpose. In case the application is made through a margin account, the application money shall be deposited separately and the Stockbroker/Merchant Banker shall keep the amount segregated from the margin account, which shall be refundable to the applicant, if become unsuccessful.
  - b. Non-resident Bangladeshi (NRB) and Foreign applicants shall submit bank drafts (FDD), issued in favor of the Issuer for an amount equivalent to the application money, with their application to the concerned Stockbroker/Merchant Banker. A Non-resident Bangladeshi (NRB) and Foreign applicant may also submit a single draft against 02(two) applications made by him/her, i.e. one in his/her own name and the other jointly with another person. The draft (FDD) shall be issued by the Bank where the applicant maintains Foreign Currency account debiting the same account and provide the customer with a certificate mentioning the FC account number which has been debited to issue the FDD. The applicant shall also submit the certificate with their application. No banker shall issue more than two drafts from any Foreign Currency

account for any public issue. At the same time, the applicant shall make the service charge available in respective customer account maintained with the Stockbroker/Merchant Banker.

- c. Eligible investors shall submit application through the electronic subscription system of the exchange(s) and deposit the full amount intended to subscribe by the method as determined by the exchange(s).

### **Step-2 (Intermediary)**

3. The Stockbroker/Merchant Banker shall maintain a separate bank account only for this purpose namely "Public Issue Application Account". The Stockbroker/Merchant Banker shall:
  - a. post the amount separately in the customer account (other than NRB and Foreign applicants), and upon availability of fund, block the amount equivalent to the application money;
  - b. accumulate all the application/buy instructions received up to the cut-off date, deposit the amount in the "Public Issue Application Account" maintained with its bank within the first banking hour of next working day of the cut-off date;
  - c. instruct the banker to block the account for an amount equivalent to the aggregate application money and to issue a certificate in this regard.
4. Banker of the Stockbroker/Merchant Banker shall block the account as requested for, issue a certificate confirming the same and handover it to the respective Stockbroker/Merchant Banker.
5. For Non-resident Bangladeshi (NRB) and Foreign applicants, the Stockbroker/Merchant Banker shall prepare a list containing the draft information against the respective applicant's particulars.
6. The Stockbroker/Merchant Banker shall prepare category-wise lists of the applicants containing Customer ID, Name, BO Account Number and Number of Securities applied for, and within 03 (three) working days from the cut-off date, send to the respective Exchange, the lists of applicants in electronic (text format with tilde '~' separator) format, the certificate(s) issued by its banker, the drafts and certificates received from Non-resident Bangladeshi (NRB) and Foreign applicants and a copy of the list containing the draft information.
7. On the next working day, the Exchanges shall provide the Issuer with the information received from the Stockbroker/Merchant Bankers, the drafts and certificates submitted by Non-resident Bangladeshi (NRB) and Foreign applicants and the list containing the draft information. Exchanges shall verify and preserve the bankers' certificates in their custody.
8. The application/buy instructions shall be preserved by the Stockbroker/Merchant Bankers up to 6 months from listing of the securities with exchange.

### **Step-3 (Issuer)**

9. The Issuer shall prepare consolidated list of the applications and send the applicants' BOIDs in electronic (text) format in a CDROM to CDBL for verification. The Issuer shall

post the consolidated list of applicants on its website and websites of the Exchanges. CDBL shall verify the BOIDs as to whether the BO accounts of the applicants are active or not.

10. On the next working day, CDBL shall provide the Issuer with an updated database of the applicants containing BO Account Number, Name, Addresses, Parents Name, Joint Account and Bank Account information along with the verification report.
11. After receiving verification report and information from CDBL, the Issuer shall scrutinize the applications, prepare category wise consolidated lists of valid and invalid applications and submit report of final status of subscription to the Commission and the Exchanges within 10 (ten) working days from the date of receiving information from the Exchanges.
12. The Issuer and the issue manager shall conduct category wise lottery with the valid applications within 03 (three) working days from the date of reporting to the Commission and the Exchanges, if do not receive any observation from the Commission or the Exchanges.
13. The Issuer and issue manager shall arrange posting the lottery result on their websites within 06 (six) hours and on the websites of the Commission and Exchanges within 12 (twelve) hours of lottery.
14. Within 02 (two) working days of conducting lottery, the Issuer shall:
  - a) send category wise lists of the successful and unsuccessful applicants in electronic (text format with tilde '~' separator) format to the respective Exchange.
  - b) send category wise lists of unsuccessful applicants who are subject to penal provisions as per conditions of the Consent Letter issued by the Commission in electronic (text format with tilde '~' separator) format to the Commission and Exchanges mentioning the penalty amount against each applicant.
  - c) issue allotment letters in the names of successful applicants in electronic format with digital signatures and send those to respective Exchange in electronic form. d) send consolidated allotment data (BOID and number of securities) in electronic text format in a CDROM to CDBL to credit the allotted shares to the respective BO accounts.

#### **Step-4 (Intermediary)**

15. On the next working day, Exchanges shall distribute the information and allotment letters to the Stockbroker/Merchant Bankers concerned in electronic format and instruct them to:
  - a) remit the amount of successful (other than NRB and Foreign) applicants to the Issuer's respective Escrow Account opened for subscription purpose, and unblock the amount of unsuccessful applicants;
  - b) send the penalty amount of other than NRB and Foreign applicants who are subject to penal provisions to the Issuer's respective Escrow Accounts along with a list and unblock the balance application money;
16. On the next working day of receiving the documents from the Exchanges, the Stockbrokers/Merchant Banker shall request its banker to: a. release the amount blocked for unsuccessful (other than NRB and foreign) applicants; b. remit the aggregate amount of successful applicants and the penalty amount of unsuccessful applicants (other than NRB



and foreign) who are subject to penal provisions to the respective 'Escrow' accounts of the Issuer opened for subscription purpose.

17. On the next working day of receiving request from the Stockbrokers/Merchant Bankers, their bankers shall unblock the amount blocked in the account(s) and remit the amount as requested for to the Issuer's 'Escrow' account.
18. Simultaneously, the stockbrokers/Merchant Bankers shall release the application money blocked in the customer accounts; inform the successful applicants about allotment of securities and the unsuccessful applicants about releasing their blocked amounts and send documents to the Exchange evidencing details of the remittances made to the respective 'Escrow' accounts of the Issuer. The unblocked amounts of unsuccessful applicants shall be placed as per their instructions. The Stockbroker/Merchant Banker shall be entitled to recover the withdrawal charges, if any, from the applicant who wants to withdraw the application money, up to an amount of Tk. 5.00 (five) per withdrawal.
19. All drafts submitted by NRB or Foreign applicants shall be deposited in the Issuer's respective 'Escrow' accounts and refund shall be made by the Issuer by refund warrants through concerned stockbroker or merchant banker or transfer to the applicant's bank account (FC account which has been debited to apply by NRB or foreign applicants) through banking channel within 10 (ten) working days from the date of lottery.

**Miscellaneous:**

20. The Issuer, Issue Manager, Stockbrokers and Merchant Bankers shall ensure compliance of the above.
21. The bank drafts (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of abridged version of prospectus.
22. Amount deposited and blocked in the "Public Issue Application Account" shall not be withdrawn or transferred during the blocking period. Amount deposited by the applicants shall not be used by the Stockbrokers/Merchant Bankers for any purpose other than public issue application.
23. The Issuer shall pay the costs related to data transmission, if claimed by the Exchange concerned up to an amount of Tk.2,00,000.00 (taka two lac) for a public issue.
24. The Stockbroker/Merchant Bankers shall be entitled to a service charge of Tk.5.00 (taka five) only per application irrespective of the amount or category. The service charge shall be paid by the applicant at the time of submitting application.
25. The Stockbroker/Merchant Banker shall provide the Issuer with a statement of the remittance and drafts sent.
26. The Issuer shall accumulate the penalty amount recovered and send it to the Commission through a bank draft/payment order issued in favor of the Bangladesh Securities and Exchange Commission.
27. The concerned Exchange are authorized to settle any complaints and take necessary actions against any Stockbroker/Merchant Banker in case of violation of any provision of the public issue application process with intimation to the Commission.

## PART-C

1. The issue manager shall carefully examine and compare the published prospectus and its abridged version on the date of publication with the copies vetted by the Commission. If any discrepancy is found, both the issuer and the issue manager shall jointly publish a corrigendum immediately in the same newspapers concerned, simultaneously endorsing copies thereof to the Commission and the stock exchanges concerned. In this regard, the issue manager shall submit a compliance report to the Commission within 5 working days from the date of such publications.
2. The fund collected through Public Offering shall not be utilized prior to listing with Exchange(s) and that utilization of the said fund shall be effected through banking channel, i.e. through account payee cheque, pay order or bank drafts etc.
3. The company shall furnish status report on utilization of Public Offering proceeds audited by foreign affiliated auditors and authenticated by the board of directors to the Commission and the exchanges within 15 (Fifteen) days of the closing of each month until such fund is fully utilized, as mentioned in the schedule contained in the prospectus. The issuer shall simultaneously post the status report in its websites of the Exchanges. In the event of any irregularity or inconsistency, the Commission may employ or engage any person, at issuer's cost, to examine whether the issuer has utilized the proceeds for the purpose disclosed in the prospectus.
4. While auditing the utilization of IPO proceeds, the auditors will perform their jobs under the following terms of reference (TOR) and confirm the same in their report/certificate:
  - a. Whether IPO proceeds have been utilized for the purposes/heads as specified in the prospectus;
  - b. Whether IPO proceeds have been utilized in line with the condition (if any) of the Commission's consent letter;
  - c. Whether utilization of IPO proceeds have been completed within the time schedule/implementation schedule as specified in the published prospectus;
  - d. Whether utilization of IPO proceeds is accurate and for the purpose of the company as mentioned/specified in the published prospectus; and
  - e. The auditors should also confirm that:(i) assets have been procured/imported/constructed maintaining proper/required procedure as well as at reasonable price; and (ii) auditors' report has been made on verification of all necessary documents/papers/vouchers in support of IPO proceeds making reconciliation with Bank Statement.
5. All transactions, excluding petty cash expenses, shall be effected by crossed cheques or bank transfers.
6. Proceeds of the public offering shall not be transferred to any other bank account before listing with the Exchange(s). The proceeds shall not be used for any purpose other than those specified in the prospectus without any valid ground. Any deviation in this respect must have prior approval of at least 51% of the public shareholders, other than sponsors and directors, in a general meeting. Before the said general meeting, such deviation as recommended by the board of directors shall be published as price-sensitive information with detailed description and reasons for such deviation. If approved by the shareholders,

the meeting resolution shall be submitted to the Commission along with reasonable explanations for approval. After such approval, such decision shall be published as price-sensitive information.

7. If any quarter or half-year of the financial year ends after publication of the abridged version of prospectus and before listing of its securities with any exchange, the company shall disseminate/transmit/submit the said quarterly/half yearly financial statements in accordance with the Commission's Notification SEC/CMRRCD/2008-183/admin/03-34 dated September 27, 2009 and Rules 13 of the Securities and Exchange Rules, 1987.
8. In the event of arising issues concerning Price Sensitive Information as defined under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সুবিধাভোগীব্যবসানিষিদ্ধকরণ) বিধিমালা ১৯৯৫ after publication of the abridged version of prospectus and before listing of its securities with any exchange, the company shall disseminate/transmit/submit the information as price sensitive in accordance with the Commission's Notification No. SEC/SRMI/200-953/1950 dated October 24, 2000.

#### **PART-D**

1. As per provision of the Depository Act, 1999 & Regulations made there under, shares will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the Central Depository Bangladesh Ltd. (CDBL) system and any further issuance of shares (Including rights/bonus) will be made in dematerialized form only.
2. The issuer and the issue manager shall ensure due compliance of all the above conditions, the 'Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015' and the listing regulations of the exchanges.
3. The Commission may impose further conditions/restrictions etc. from time to time as and when considered necessary which shall also be binding upon the issuer company.

## CHAPTER (III): DECLARATION AND DUE DILIGENCE CERTIFICATES

*Annexure-A*

### DECLARATION ABOUT THE RESPONSIBILITY OF THE DIRECTORS, INCLUDING THE CEO OF THE ISSUER IN RESPECT OF THE PROSPECTUS

#### [Rule 4 (1)(d)]

This prospectus has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this prospectus to enable the investors to make a well-informed decision for investment.

Sd/-  
**Aziza Yeasmin**  
Chairman

Sd/-  
**A F M Anowarul Huq**  
Managing Director & Director

Sd/-  
**Hafiza Yeasmin**  
Director

Sd/-  
**Md. Amin-Ur-Rashid**  
Director

Sd/-  
**Sayedra Huq**  
Director

Sd/-  
**Fatima Parvin**  
Director

Sd/-  
**Mst Shahanaz Akter**  
Director

Sd/-  
**Md. Mizanur Rahman**  
Director

Sd/-  
**Investment Corporation of Bangladesh**  
**Represented by Md. Emdad Hossain Mollah**  
Director

Sd/-  
**S.M. Harun Or Rashid**  
Independent Director

Sd/-  
**Md. Monirujjaman**  
Independent Director

Sd/-  
**Md. Firoz Khan**  
Independent Director

Date: June 20, 2017

**DUE DILIGENCE CERTIFICATE BY ISSUE MANAGER**  
**(AFC CAPITAL LIMITED)**

**[Rule 4 (1)(d)]**

**To**  
**The Bangladesh Securities and Exchange Commission**

**Sub:** Public Issue of 20,000,000 Ordinary Shares of Tk. 200,000,000.00 by Indo-Bangla Pharmaceuticals Limited.

**Dear Sir,**

We, the issue manager to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above mentioned public issue, visited the premises of the issuer and interviewed the Chairperson, Directors and key management personnel of the issuer in connection with the finalization of the prospectus pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

**WE CONFIRM THAT:**

- (a) The prospectus filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the Government have been duly complied with;
- (c) The disclosures made in prospectus are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the prospectus are registered with the Commission and that till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfill their underwriting commitments;
- (f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;

- (g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the prospectus;
- (h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well-informed decision;
- (i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the IPO for any further inspection by the Commission;
- (j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 containing details such as the rule number, its text, the status of compliance, page numbers of the prospectus where the rules has been complied with and our comments, if any;

(k) We also declare that we have managed the public issue of following issuers in the last 05 (five) years:

Serial. No.	Name of the Issue	Issue Month/Year	Issue Price (Tk.)	Dividend Payment History								
				30-Jun-12	31-Dec-12	30-Jun-13	31-Dec-13	30-Jun-14	31-Dec-14	30-Jun-15	31-Dec-15	30-Jun-16
1	Global Heavy Chemicals Limited	Oct-12	20.00	N/A	15% C	N/A	10% C	N/A	10% C	N/A	N/A	15% C
2	Mozaffar Hossain Spinning Mills Limited	Sep-13	10.00	-	N/A	-	N/A	25% B	N/A	20% B	N/A	5% C
3	Tung Hai Knitting & Dyeing Limited	Apr-14	10.00	N/A	-	N/A	10% B	N/A	10% B	N/A	N/A	10% B
4	Khan Brothers PP Woven Bag Industries Limited	Jun-14	10.00	-	N/A	-	N/A	10% B	N/A	15% B	N/A	11% B
5	C & A Textiles Limited	Sep-14	10.00	-	N/A	-	N/A	11% B	N/A	12% B	N/A	10% B
6	Shasha Denims Limited	Nov-14	35.00	N/A	-	N/A	-	N/A	20% C, 15% B	N/A	N/A	25% C
7	Simtex Industries Limited	Jul-15	20.00	-	N/A	-	N/A	-	N/A	-	N/A	20% C, 2% B
8	Pacific Denims Limited	Aug-16	10.00	N/A	-	N/A	-	N/A	-	N/A	-	-

*Note: B refers to Bonus/Stock Dividend; C refers to Cash Dividend.*

**Place:** Dhaka

**Date:** June 20, 2017

Sd/-  
**Mahbub H. Mazumdar FCMA**  
 Chief Executive  
**AFC Capital Limited**

**DUE DILIGENCE CERTIFICATE BY ISSUE MANAGER**  
**(EBL INVESTMENTS LIMITED)**

[Rule 4 (1)(d)]

To

**The Bangladesh Securities and Exchange Commission**

**Sub:** Public Issue of 20,000,000 Ordinary Shares of Tk. 200,000,000.00 by Indo-Bangla Pharmaceuticals Limited.

**Dear Sir,**

We, the issue manager to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above mentioned public issue, visited the premises of the issuer and interviewed the Chairperson, Directors and key management personnel of the issuer in connection with the finalization of the prospectus pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

**WE CONFIRM THAT:**

- (a) The prospectus filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the Government have been duly complied with;
- (c) The disclosures made in prospectus are true, fair and adequate to enable the investors to make a well-informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the prospectus are registered with the Commission and that till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfill their underwriting commitments;
- (f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;
- (g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the prospectus;



- (h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well informed decision;
- (i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the IPO for any further inspection by the Commission;
- (j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 containing details such as the rule number, its text, the status of compliance, page numbers of the prospectus where the rules has been complied with and our comments, if any;
- (k) We also declare that we have managed the public issue of following issuers in the last 05 (five) years:

Sl.	Name of the Issue	Issue Month/Year	Issue Price (Tk.)	Dividend payment history	
				2016	
				Cash	Bonus
1	Nurani Dyeing & Sweater Ltd.	March/2017	10.00	-	-

Place: Dhaka  
Date: June 20, 2017

Sd/-  
**Moinul Hossain Asif**  
Managing Director  
**EBL Investments Limited**

**DUE DILIGENCE CERTIFICATE BY ISSUE MANAGER**  
**(CAPM ADVISORY LIMITED)**

[Rule 4 (1)(d)]

**To**  
**The Bangladesh Securities and Exchange Commission**

**Sub:** Public Issue of 20,000,000 Ordinary Shares of Tk. 200,000,000.00 by Indo-Bangla Pharmaceuticals Limited.

**Dear Sir,**

We, the issue manager to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above mentioned public issue, visited the premises of the issuer and interviewed the Chairperson, Directors and key management personnel of the issuer in connection with the finalization of the prospectus pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

**WE CONFIRM THAT:**

- (a) The prospectus filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the Government have been duly complied with;
- (c) The disclosures made in prospectus are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the prospectus are registered with the Commission and that till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfill their underwriting commitments;
- (f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;

- (g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the prospectus;
- (h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well-informed decision;
- (i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the IPO for any further inspection by the Commission;
- (j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 containing details such as the rule number, its text, the status of compliance, page numbers of the prospectus where the rules has been complied with and our comments, if any;
- (k) We also declare that we have managed the public issue of following issuers in the last 05 (five) years:

Sl.	Name of the Issue	Issue Month/Year	Issue Price (Tk.)	Dividend payment history			
				2015		2016	
				Cash	Bonus	Cash	Bonus
1	Olympic Accessories Limited	February/2015	10.00	5%	7%	-	12%
2	Nurani Dyeing & Sweater Ltd.	March/2017	10.00	-	-	-	-

For the Issue Manager

Sd/-

**Tania Sharmin**  
 Managing Director & CEO  
**CAPM Advisory Limited**

Place: Dhaka  
 Date: June 20, 2017

**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER**  
**(AFC CAPITAL LIMITED)**

**[Rule 4 (1)(d)]**

To

**The Bangladesh Securities and Exchange Commission**

**Sub:** Public Offer of 20,000,000 Ordinary Shares of Tk. 200,000,000.00 by Indo-Bangla Pharmaceuticals Limited.

**Dear Sir,**

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above-mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
- (2) On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

**WE CONFIRM THAT:**

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 130,000,000.00 (Thirteen Crore only) and we have the capacity to underwrite a total amount of Tk. 650,000,000.00 (Sixty-Five Crore) as per relevant legal requirements. We have committed to underwrite for up to Tk. 17,500,000.00 (One Crore Seventy Five Lac) for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us: (Name of issue and amount underwritten)

<b>Sl.</b>	<b>Name of the Company</b>	<b>Amount Underwritten (TK.)</b>
1	Nurani Dyeing & Sweater Limited	75,250,000
2	STS Holdings Limited	60,800,000
3	Intraco Refueling Station Limited	20,000,000
4	Bashundhara Paper Mills Limited	50,000,000
5	Saif Powertec Limited	250,000,000
6	IFIC Bank Limited	50,000,000
7	Index Agro Industries Limited	70,000,000
<b>Total</b>		<b>576,050,000</b>

- (c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and

(e) This underwriting commitment is unequivocal and irrevocable.

**For the Underwriter:**

Sd/-

**Mahbub H. Mazumdar FCMA**

Chief Executive

AFC Capital Limited

Place: Dhaka

Date: September 25, 2016

**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER**  
**(EBL INVESTMENTS LIMITED)**

**[Rule 4 (1)(d)]**

**To**

**The Bangladesh Securities and Exchange Commission**

**Sub:** Public Offer of 20,000,000 Ordinary Shares of Tk. 200,000,000.00 by Indo-Bangla Pharmaceuticals Limited.

**Dear Sir,**

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
- (2) On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

**WE CONFIRM THAT:**

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 300,000,000.00 (Three Hundred million only) and we have the capacity to underwrite a total amount of Tk. 1,500,000,000.00 (Fifteen Hundred Million) as per relevant legal requirements. We have committed to underwrite for up to Tk. 17,500,000.00 (Seventeen point Five Million) for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us: (Name of issue and amount underwritten)

<b>Sl. No.</b>	<b>Name of The Company</b>	<b>Amount Underwritten (in Tk.)</b>
1.	Pacific Denims Limited	75,000,000
2.	SBS Cables Ltd.	41,922,000
3.	ADN Telecom Limited	38,700,000
4.	IDLC Finance Ltd	50,000,000
5.	Nurani Dyeing & Sweater Limited	75,250,000
6.	Silco Pharmaceuticals Limited	26,250,000
7.	STS Holdings Ltd.	20,000,000
8.	Dhaka Regency Hotel and Resort Ltd.	21,000,000
9.	Intraco refueling station	30,000,000
10.	Bashundhara Paper Mills Ltd.	50,000,000
11.	AB Bank Ltd.	100,000,000
12.	IFIC Bank	100,000,000
13.	Index Agro Industries Limited	70,000,000
14.	Delta Hospital Limited	8,000,000
	<b>Total</b>	<b>706,122,000</b>

- (c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- (e) This underwriting commitment is unequivocal and irrevocable.

**For the Underwriter:**

Sd/-

**Moinul Hossain Asif**  
Managing Director  
**EBL Investments Limited**

Place: Dhaka

Date: September 25, 2016

**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER**  
**(JANATA CAPITAL AND INVESTMENT LIMITED)**

**[Rule 4 (1)(d)]**

To

**The Bangladesh Securities and Exchange Commission**

**Sub:** Public Offer of 20,000,000 Ordinary Shares of Tk. 200,000,000.00 by Indo-Bangla Pharmaceuticals Limited.

**Dear Sir,**

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
- (2) On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

**WE CONFIRM THAT:**

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 2,000,000,000.00 (Two Hundred crores only) and we have the capacity to underwrite a total amount of Tk. 10,000,000,000.00 (One Thousand crores only) as per relevant legal requirements. We have committed to underwrite for up to Tk. 17,500,000.00 (Seventeen point Five Million) for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us: (Name of issue and amount underwritten)

<b>Sl. No.</b>	<b>Name of The Company</b>	<b>Amount Underwritten (in Tk.)</b>
1.	Rupsha Fish & Allied Industries Limited.	30,000,000
2.	MP Spinning Mills Limited	30,000,000
3.	Amulet Pharmaceuticals Limited	15,000,000
4.	Dhaka Regency Hotel and Resort Ltd	25,000,000
5.	IFIC Bank Ltd	20,000,000
<b>Total</b>		<b>120,000,000</b>

- (c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and



(e) This underwriting commitment is unequivocal and irrevocable.

**For the Underwriter:**

Sd/-

**Dina Ahsan**

Chief Executive Officer

**Janata Capital and Investment Limited**

Place: Dhaka

Date: October 18, 2016

**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER**  
**(NBL CAPITAL AND EQUITY MANAGEMENT LIMITED)**

**[Rule 4 (1)(d)]**

**To**

**The Bangladesh Securities and Exchange Commission**

**Sub:** Public Offer of 20,000,000 Ordinary Shares of Tk. 200,000,000.00 by Indo-Bangla Pharmaceuticals Limited.

**Dear Sir,**

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
- (2) On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

**WE CONFIRM THAT:**

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 250,000,000.00 (Twenty-five corers only) and we have the capacity to underwrite a total amount of Tk. 1,250,000,000.00 (One Hundred twenty-five corers only) as per relevant legal requirements. We have committed to underwrite for up to Tk. 17,500,000.00 (Seventeen point Five Million) for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us: (Name of issue and amount underwritten)

<b>Sl. No.</b>	<b>Name of The Company</b>	<b>Amount Underwritten (in Tk.)</b>
1.	Aftab Hatchery Limited	126,000,000/-
2.	STS Holdings Limited	20,000,000/-
3.	Dhaka Regency Hotel & Resort Limited	21,000,000/-
4.	AB Bank Limited	300,000,000/-
5.	IFIC Bank Limited	200,000,000/-
6.	Oimex Electrode Limited	8,750,000/-
7.	Delta Hospital Limited	8,000,000/-
	<b>Total</b>	<b>683,750,000</b>

- (c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and

(e) This underwriting commitment is unequivocal and irrevocable.

**For the Underwriter:**

Sd/-

**Kamrun Naher**

Chief Executive Officer (CC)

**NBL Capital and Equity Management Limited**


Place: Dhaka

Date: October 18, 2016

## CHAPTER (IV): ABOUT THE ISSUER

- (a) Name of the issuer, dates of incorporation and commencement of its commercial operations, its logo, addresses of its registered office, other offices and plants, telephone number, fax number, contact person, website address and e-mail address;

### Particulars of the Company:

Particulars	Description
Name of the Issuer	: Indo-Bangla Pharmaceuticals Limited (IBPL)
Dates of Incorporation	: 18-Jun-14
Commencement of its Commercial Operations	: 18-Jun-14
Logo	: 
Addresses of its Factory & Registered Office	: 729, College Road, Barisal Sadar, Barisal-8200.
Telephone Number (Factory & Registered Office)	: Tel: +88-04-312174811
Fax Number (Factory & Registered Office)	: Fax: +88-04-312174977
Corporate Office	: Jahan Tower (2 <sup>nd</sup> Floor)- A-2, 11/1 Avoy Das Lane, Tikatuli, Dhaka-1203
Telephone Number (Corporate Office)	: Tel: +88-02-57164716
Fax Number (Corporate Office)	: Fax: +88-02-57164716 (Ext-101)
Contact Person	: Md. Faruque Hossain Chief Financial Officer
Website Address	: Web: <a href="http://www.indo-banglapharma.com">www.indo-banglapharma.com</a>
E-mail Address	: Email: <a href="mailto:info@indo-banglapharma.com">info@indo-banglapharma.com</a>

- (b) The names of the sponsors and directors of the issuer:

### Name of the Sponsors and Directors:

#### Sponsors:

Sl. No.	Sponsors' Name
1	A F M Anowarul Huq
2	Aysha Siddika
3	Aziza Yeasmin
4	Hafiza Yeasmin
5	Md. Bellal Khan
6	Md. Amin-Ur-Rashid

#### Directors:


Sl. No.	Directors' Name	Position
1	Aziza Yeasmin	Chairman
2	A F M Anowarul Huq	Managing Director
3	Hafiza Yeasmin	Director
4	Md. Amin-Ur-Rashid	Director
5	Sayedda Huq	Director

6	Fatima Parvin	Director
7	Mst Shahanaz Akter	Director
8	Md. Mizanur Rahman	Director
9	Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah	Director
10	S.M. Harun Or Rashid	Independent Director
11	Md. Monirujjaman	Independent Director
12	Md. Firoz Khan	Independent Director

- (c) **The name, logo and address of the auditors and registrar to the issue along with their telephone numbers, fax numbers, contact persons, website and e-mail addresses:**

**Particulars of Auditor and Registrar to the issue:**

**Particulars of Auditor**


Particulars		Description
Name	:	Mahfel Huq & Co. Chartered Accountants
Logo	:	
Address	:	BGIC Tower (4 <sup>th</sup> Floor), 34, Topkhana Road Dhaka-1000.
Telephone Number	:	Tel: +88-02-9553143, +88-02-9581786
Fax Number	:	Fax: +88-02-9571005
Contact Person	:	<b>Md. Abul Kalam</b> Manager
Website Address	:	Web: <a href="http://www.mahfelhuq.com">www.mahfelhuq.com</a>
E-mail Address	:	E-mail: <a href="mailto:mh@mahfelhuq.com">mh@mahfelhuq.com</a>

**Registrar to the issue:**

The Company is going to IPO under Fixed Price Method. So, no registrar to the issue is required as per amendments to the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015.

- (d) **The name(s) of the stock exchanges where the specified securities are proposed to be listed.**

**Name of the Stock Exchanges where the Securities to be listed:**

Stock Exchanges	<b>DHAKA STOCK EXCHANGE LIMITED</b> 9/F Motijheel C/A, Dhaka 1000.		Tel: +88-02-9564601, 9576210-18 Fax: +88-02-9564727, 9569755
	<b>CHITTAGONG STOCK EXCHANGE LIMITED</b> CSE Building, 1080, Sheikh Mujib Road Chittagong 4100.		Tel: +880-2-9513911-15 Fax: +880-2-9513906

## CHAPTER (V): CORPORATE DIRECTORY OF THE ISSUER

Name of the Company	:	Indo-Bangla Pharmaceuticals Limited (IBPL)
Legal Position	:	Indo-Bangla Pharmaceuticals Limited was incorporated as a private Limited Company under the Companies Act 1994 on 18 June 2014 vide registration no.C-116665/14. The company has been converted into public limited company on 21-10-2014.
Date of Incorporation	:	18-Jun-14
Authorized Capital	:	Tk. 1,000,000,000 divided into 100,000,000 Ordinary Share of Tk. 10.00 each
Paid up Capital	:	Tk. 730,000,000 divided into 73,000,000 Ordinary Share of Tk. 10.00 each
Registered Office	:	729, College Road, Barisal Sadar, Barisal-8200. Tel: +88-04-312174811 Fax: +88-04-312174977 Email: info@indo-banglapharma.com Web: www.indo-banglapharma.com
Factory	:	729, College Road, Barisal Sadar, Barisal-8200.
Board of Directors	:	12 Directors.
Auditors	:	Mahfel Huq & Co. Chartered Accountants BGIC Tower (4th Floor), 34, Topkhana Road Dhaka-1000. Tel: +88-02-9553143, +88-02-9581786 Fax: +88-02-9571005 E-mail: mh@mahfelhuq.com
Legal Advisors	:	Md. Atikur Rahman Riaz Advocate
Compliance Officer	:	Md. Shamem Gazi Company Secretary

*The Company has no Tax Consultant*

## CHAPTER (VI): DESCRIPTION OF THE ISSUER

### (a) Summary:

- (i) **The summary of the industry and business environment of the issuer. The summary shall not be one-sided or biased to highlight the issuer or the issue;**

#### **Summary of the industry:**

The Pharmaceutical sector is one of the most developed among the manufacturing industries in Bangladesh although it is still small compared to other comparable sectors. The increase in awareness about healthcare, higher income and increasing government expenditure have resulted in higher demand for medicine.

According to the Directorate General of Drug Administration (DGDA), there are currently 200 active allopathic companies in Bangladesh. About 22,000 brands of drugs are sold which cover 1500 types of medication. There are 1495 wholesale drug license holders and about 37700 retail drug license holders. The industry meets 98% of the demand for medication in the country and can be considered to be self-sufficient.

The sector employs 1,15,000 workers and between 2013 and 2014, the growth stood around 11.37%. According to IMS Health, annual pharmaceutical sales in the local market may reach BDT 160 billion within 2018.

The industry is also exporting abroad. The growth in exports has averaged over 10% from 2010 to 2014. In 2015, the exports were over \$ 41.17 million. Pharmaceutical companies are trying to export to regulated, unregulated and moderately regulated markets. The domestic market is highly concentrated and competitive. The local manufacturers dominate the industry capturing market share of 90%. While the multinationals cater to the remaining demand.

Source: <http://www.lightcastlebd.com/blog/2015/12/market-insight-how-the-bangladesh-pharmaceutical-sector-is-performing-in-2015>

#### **Business environment:**

On June 18, 2014, the Company had been incorporated under the Company Act, 1994 vide registration no. C-116665/14 as private limited company. The Company has started its commercial operation on June 18, 2014. Subsequently the Company has been converted to public limited company on October 21, 2014. The registered office and manufacturing unit of the Company is located at 729, College Road, Barisal Sadar, Barisal-8200, Bangladesh and its corporate office at Jahan Tower (2nd Floor)- A-2, 11/1 Avoy Das Lane, Tikatuli, Dhaka-1203.

The Company is engaged in manufacturing, marketing and distribution of generic pharmaceuticals products which includes human drugs dosages form such as tablet, capsule, syrup, oral saline, suspension. The products of the Company are sold in domestic market. The Company applied for permission for production and selling of veterinary medicine also.

- (ii) **Summary of consolidated financial, operating and other information.**

This information is not applicable for Indo-Bangla Pharmaceuticals Limited since it has no subsidiary and associates company.

**(b) General Information:**

- (i) **Name and address, telephone and fax numbers of the registered office, corporate head office, other offices, factory, business premises and outlets of the issuer;**

<b>Particulars</b>	<b>Description</b>
Name	Indo-Bangla Pharmaceuticals Limited (IBPL)
Registered Office & Factory Address	729, College Road, Barisal Sadar, Barisal-8200.
Telephone and Fax Numbers of the Registered Office & Factory Address	Tel: +88-04-312174811 Fax: +88-04-312174977
Corporate Office	Jahan Tower (2 <sup>nd</sup> Floor)- A-2, 11/1 Avoy Das Lane, Tikatuli, Dhaka-1203
Other Offices, Business Premises	N/A
Outlets of the Issuer	The Company has no outlets.

- (ii) **The board of directors of the issuer;**

<b>Sl. No.</b>	<b>Board of Director</b>	<b>Designation</b>
1	Aziza Yeasmin	Chairman
2	A F M Anowarul Huq	Managing Director
3	Hafiza Yeasmin	Director
4	Md. Amin-Ur-Rashid	Director
5	Sayedra Huq	Director
6	Fatema Parven	Director
7	Lubna Nishat Mim	Director
8	Jannatul Marzan	Director
9	Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah	Director
10	S.M. Harun Or Rashid	Independent Director
11	Md. Monirujjaman	Independent Director
12	Md. Firoz Khan	Independent Director



(iii) Names, addresses, telephone numbers, fax numbers and e-mail addresses of the chairman, managing director, whole time directors, etc. of the issuer;

Sl.	Name & Address	Telephone and Fax No. & E-mail Address
1	Name: <b>Aziza Yeasmin</b> Position: <i>Chairman</i> Address: Police Line Sharak, Maitha, Barguna-8700.	Tel: +88-04-312174811 Fax: +88-04-312174977 Email: aziza@indo-banglapharma.com
2	Name: <b>A F M Anowarul Huq</b> Position: <i>Managing Director</i> Address: 729, College Road, Barisal Sadar, Barisal-8200	Tel: +88-04-312174811 Fax: +88-04-312174977 Email: md@indo-banglapharma.com
3	Name: <b>Hafiza Yeasmin</b> Position: <i>Director</i> Address: Kazi Para, Begumgonj, Noakhali.	Tel: +88-04-312174811 Fax: +88-04-312174977 Email: hafiza@indo-banglapharma.com
4	Name: <b>Md. Amin-Ur-Rashid</b> Position: <i>Director</i> Address: Akon Bari, 453, West Chandkathi, Jhalokathi	Tel: +88-04-312174811 Fax: +88-04-312174977 Email: amin@indo-banglapharma.com
5	Name: <b>Sayedra Huq</b> Position: <i>Director</i> Address: 729, College Road, Barisal Sadar, Barisal-8200	Tel: +88-04-312174811 Fax: +88-04-312174977 Email: sayeda@indo-banglapharma.com
6	Name: <b>Fatima Parvin</b> Position: <i>Director</i> Address: House-Chaprashi Bari, Road-Gohorpur, Haritana, Barguna	Tel: +88-04-312174811 Fax: +88-04-312174977 Email: fatima@indo-banglapharma.com
7	Name: <b>Mst Shahanaz Akter</b> Position: <i>Director</i> Address: Vill-Vodrashon, Po-Minar Bari, Bandar, Narayangonj	Tel: +88-04-312174811 Fax: +88-04-312174977 Email: shahanaz@indo-banglapharma.com
8	Name: <b>Md. Mizanur Rahman</b> Position: <i>Director</i> Address: Vill: Shibpasha, Post: Raipasha, Thana: Korapur, Dist.: Barisal	Tel: +88-04-312174811 Fax: +88-04-312174977 Email: mizan@indo-banglapharma.com
9	Name: <b>Investment Corporation of Bangladesh</b> <b>Represented by Md. Emdad Hossain Mollah</b> Position: <i>Director</i> Address: 8, Rajuk Avenue, BDBL Bhaban (Level 14-17) Dhaka-1000	Tel: +88-04-312174811 Fax: +88-04-312174977 Email: icb@agni.com

10	Name: <b>S.M. Harun Or Rashid</b> Position: <i>Independent Director</i> Address: House No. # 15 (Ground Floor), Road No. # 14, Block # D, Pallabi, Mirpur-12, Dhaka-1216	Tel: +88-04-312174811 Fax: +88-04-312174977 Email: harun@indo-banglapharma.com
11	Name: <b>Md. Monirujjaman</b> Position: <i>Independent Director</i> Address: South Patharghata, Patharghata-8720, Barguna	Tel: +88-04-312174811 Fax: +88-04-312174977 Email: monir@indo-banglapharma.com
12	Name: <b>Md. Firoz Khan</b> Position: <i>Independent Director</i> Address: Post: Anail Bania, Thana: Kathalia, Dist.: Jhalokati.	Tel: +88-04-312174811 Fax: +88-04-312174977 Email: firozkhan76@gmail.com

(iv) **Names, addresses, telephone numbers, fax numbers and e-mail addresses of the CFO, company secretary, legal advisor, auditors and compliance officer;**

Sl.	Name & Address	Telephone and Fax No. & E-mail Address
1	<b>Md. Faruque Hossain</b> Chief Financial Officer Jahan Tower (2 <sup>nd</sup> Floor)- A-2, 11/1 Avoy Das Lane, Tikatuli, Dhaka-1203	Tel: +88-02-57164716 Fax: +88-02-57164716 (Ext-101) E-mail: cfo@indo-banglapharma.com
2	<b>Md. Shamem Gazi</b> Company Secretary Jahan Tower (2 <sup>nd</sup> Floor)- A-2, 11/1 Avoy Das Lane, Tikatuli, Dhaka-1203	Tel: +88-02-57164716 Fax: +88-02-57164716 (Ext-101) E-mail: cs@indo-banglapharma.com
3	<b>Md. Atikur Rahman Riaz</b> Legal Advisor Room No. # 3020 (2 <sup>nd</sup> Floor Annex) Supreme Court Bar Association, Shahbagh, Dhaka	Cell: +88-01711174525 Fax: * E-mail: skzamanbd6@gmail.com
4	<b>Mahfel Huq &amp; Co.</b> Chartered Accountants BGIC Tower (4 <sup>th</sup> Floor), 34, Topkhana Road Dhaka-1000.	Tel: +88-02-9553143, +88-02-9581786 Fax: +88-02-9571005 E-mail: mh@mahfelhuq.com
5	<b>Md. Shamem Gazi</b> Company Secretary Jahan Tower (2 <sup>nd</sup> Floor)- A-2, 11/1 Avoy Das Lane, Tikatuli, Dhaka-1203	Tel: +88-02-57164716 Fax: +88-02-57164716 (Ext-101) E-mail: cs@indo-banglapharma.com

Legal Advisor, **Md. Atikur Rahman Riaz** has no Fax Number.

- v) Names, addresses, telephone numbers, fax numbers, contact person, website addresses and e-mail addresses of the issue manager(s), registrar to the issue etc;

Name & Address	Telephone & Fax Number, E-mail, Web Address	Contact Person
<b>AFC Capital Limited</b> Saiham Sky View Tower (11 <sup>th</sup> Floor), 45 Bijoy Nagar, Dhaka-1000	Tel: +88-02-8392371 Fax: +88-02-8392372 Email: capital.afc@gmail.com Web: www.afccl.asia	<b>Mahbub H. Mazumdar FCMA</b> Chief Executive
<b>EBL Investments Limited</b> 59 Motijheel C/A, 1 <sup>st</sup> Floor, Dhaka-1000.	Tel: +88-02-7118975 Fax: +88-02-7120251 E-mail: info@eblinvestments.com Web: www.eblinvestments.com	<b>Moinul Hossain Asif</b> Managing Director
<b>CAPM Advisory Limited</b> Tower Hamlet (9th Floor) 16, Kemal Ataturk Avenue Banani C/A, Dhaka-1213.	Tel: +88-02-9822391-2 Fax: +88-02-9822393 E-mail: contact@capmadvisorybd.com Web: www.capmadvisorybd.com	<b>Tania Sharmin</b> Managing Director & CEO

**Registrar to the issue:**

The Company is going to IPO under Fixed Price Method. So, no registrar to the issue is required as per amendments to the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015.

- (vi) **The following details of credit rating, where applicable:**

- a) **The names of all the credit rating agencies from which credit rating has been obtained;**
- b) **The details of all the credit ratings obtained for the issue and the issuer;**
- c) **The rationale or description of the ratings (s) so obtained, as furnished by the credit rating agency(s);**
- d) **Observations and risk factors as stated in the credit rating report.**  
As per Section 3 of Credit Ratings Companies Rules, 1996, the Company requires no credit rating report.

(vii) Following details of underwriting:

a) The names, addresses, telephone numbers, fax numbers, contact persons and e-mail addresses of the underwriters and the amount underwritten by them;

Name & Address	Telephone & Fax Number, E-mail, Web Address	Contact Person	Amount Underwritten in Tk.
<b>AFC Capital Limited</b> Saiham Sky View Tower (11 <sup>th</sup> Floor), 45 Bijoy Nagar, Dhaka-1000.	Tel: +88-02-8392371 Fax: +88-02-8392372 Email: abparvez_afccl@yahoo.com Web: www.afccl.asia	<b>Md. Abul Bashar Parvez</b> Deputy Manager	17,500,000
<b>EBL Investments Limited</b> 59 Motijheel C/A, 1 <sup>st</sup> Floor, Dhaka-1000.	Tel: +88-02-7118975 Fax: +88-02-7120251 E-mail: pankaj@eblinvestments.com Web: www.eblinvestments.com	<b>Pankaj Kumar Mutsuddi</b> Head of Primary Market Operations	17,500,000
<b>NBL Capital and Equity Management Limited</b> Printers Building (8 <sup>th</sup> Floor), 5 Rajuk Avenue, Dhaka-1000.	Tel: +88-02-7118974 Fax: +88-02-7118840 E-mail: knaher@gmail.com Web: <a href="http://www.nblceml.com">www.nblceml.com</a>	<b>Kamrun Naher</b> Chief Executive Officer (CC)	17,500,000
<b>Janata Capital and Investment Limited</b> 48, Motijheel (3 <sup>rd</sup> Floor), Dhaka-1000	Tel: +88-02-7114375 Fax: +88-02-7110496 E-mail: info@jcil.com.bd Web: www.jcil-bd.com	<b>Dina Ahsan</b> Chief Executive Officer	17,500,000

**b) Declaration by the underwriters that they have sufficient resources as per the regulatory requirements to discharge their respective obligations;**

All the underwriters have sufficient resources as per the regulatory requirements to discharge their respective obligations, which are disclosed in CHAPTER (III) under Due Diligence Certificate by The Underwriter(S) page number 22-29.

**c) Major terms and conditions of the underwriting agreements.**

- (i) The IPO shall stand cancelled if at least 65% in any category of the IPO is not subscribed.
- (ii) In case of under subscription in any category by up to 35% of the IPO the under-subscribed securities shall be taken up by the underwriters.
- (iii) Notwithstanding anything contained in the agreement in case of inconsistency between the provision of the agreement and the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the Public Issue Rules shall prevail.
- (iv) Prior to publication of the prospectus, the Company shall have obtained consent from the Bangladesh Securities and Exchange Commission permitting the issue as described in Article 2.02 and providing for payment of underwriting commission 0.50% (zero point five zero percent) on the amount underwritten.
- (v) The Issuer shall **within 10 (Ten) days** of the closure of subscription call upon the underwriter in writing with a copy of said writing to the Bangladesh Securities and Exchange Commission, to subscribe for the shares not subscribed by the closing date and to pay for in cash in full for such unsubscribed shares **within 15 (Fifteen) days** of the date of said notice and the said amount shall have to be credited into shares subscription account within the said period.
- (vi) In any case **within 7 (seven) days** after the expiry of the aforesaid **15 (fifteen) days**, the Company shall send proof of subscription and payment by the Underwriters to the Commission.

In the case of failure by the underwriter to pay for the shares under the terms mentioned above, the said underwriter will not be eligible to underwrite any issue, until such time as he fulfils his underwriting commitment under this Agreement and also other penalties as may be determined by the Commission may be imposed.

In the case of failure by the underwriter to pay within the stipulated time, the Company/issuer will be under no obligation to pay any underwriting commission under this Agreement.

In the case of failure by the Company to call upon the underwriter for the aforementioned purpose within the stipulated time, the Company and its Directors shall individually and collectively be held responsible for the consequences and/or penalties as determined by the Bangladesh Securities and Exchange Commission under the law.

(c) Capital Structure:

- (i) Authorized, issued, subscribed and paid up capital (number and class of securities, allotment dates, nominal price, issue price and form of consideration);

Particulars	No. of Securities	Class of Securities	Allotment		Nominal & Issue Price (Tk.)	Form of Consideration	Amount in Taka
			Dates	Amount			
Authorized Capital	100,000,000	Ordinary Share	-	-	10.00	-	1,000,000,000
<b>Before IPO:</b>							
Issued, Subscribed and paid up capital	73,000,000	Ordinary Share	18-Jun-14	1,000,000	10.00	Cash	730,000,000
			07-Jul-14	98,000,000	10.00	Other than Cash	
			06-Aug-15	100,000,000	10.00	Cash	
			06-Jun-16	531,000,000	10.00	Cash	
<b>After IPO:</b>							
To be issued as IPO	20,000,000	Ordinary Share	-	-	10.00	Cash	200,000,000
<b>Paid up capital (Post IPO)</b>	<b>93,000,000</b>	<b>Ordinary Share</b>	<b>-</b>	<b>-</b>	<b>10.00</b>	<b>Cash</b>	<b>930,000,000</b>

*\*Other than Cash: Share allotment made against machineries provided by A F M Anowarul Huq.*

- (ii) **Size of the present issue, with break-up (number of securities, description, nominal value and issue amount);**

Particulars			%	No. of Ordinary Shares	Nominal Value	Issue price	Issue Amount (Taka)
Initial Public Offering through Fixed Price Method	Eligible investors (EIs)	Mutual Funds	10%	2,000,000	10.00	10.00	20,000,000
		Other EIs	40%	8,000,000			80,000,000
	General public	NRB	10%	2,000,000			20,000,000
		Others*	40%	8,000,000			80,000,000
<b>Total</b>			<b>100%</b>	<b>20,000,000</b>			<b>200,000,000</b>

**Other\*:** 8,000,000 Ordinary shares will be reserved for General Public and Small Affected Investors.

- (iii) **Paid up capital before and after the present issue, after conversion of convertible instruments (if any) and share premium account (before and after the issue);**

The Company has no convertible instruments and share premium account.

Particulars	Amount in BDT
Paid up capital before the present issue	730,000,000
Paid up capital after the present issue	930,000,000
Paid up capital after conversion of convertible instruments (if any)	N/A
Share premium account before the present issue	N/A
Share premium account after the present issue	N/A

- (iv) **Category wise shareholding structure with percentage before and after the present issue and after conversion of convertible instruments (if any);**

The paid-up capital of the Company is Tk. 730,000,000.00. The Company intends to issue 20,000,000 ordinary shares of Tk. 10.00 each at an issue price of Tk. 10.00 through Initial public offering (IPO) totaling to Tk. 200,000,000.00 under Fixed Price Method subject to regulatory approvals. The Company has no convertible instrument.

**Category wise shareholding structure with percentage before and after the present issue is as follows:**

Sl. No.	Category of Shareholders	No. of Ordinary Shareholding		Percentage of Holding	
		Pre-IPO	Post-IPO	Pre-IPO	Post-IPO
1	Director & Sponsor	48,419,000	48,419,000	66.33%	52.06%
2	Institutional	7,720,000	15,720,000	10.58%	16.90%
3	Mutual fund	-	2,000,000	0.00%	2.15%
4	Individual	16,861,000	24,861,000	23.10%	26.73%
5	Non Resident Bangladeshis (NRBs)	-	2,000,000	0.00%	2.15%
<b>Total</b>		<b>73,000,000</b>	<b>93,000,000</b>	<b>100.00%</b>	<b>100.00%</b>

- (v) **Where shares have been issued for consideration in other than cash at any point of time, details in a separate table, indicating the date of issue, persons to whom those are issued, relationship with the issuer, issue price, consideration and valuation thereof, reasons for the issue and whether any benefits have been accrued to the issuer out of the issue;**

Date of Issue	Persons to whom those are issued	Relationship with the issuer	Issue Price	Consideration and Valuation	Reason for the issue
7-Jul-14	A F M Anowarul Huq	Subscriber to the memorandum & Managing Director	10.00	For acquisition of business, the said Ordinary Shares issued to its sole proprietorship against the assets.	Acquisition of Business

No benefits have been accrued to the issuer out of the issue.

- (vi) **Where shares have been allotted in terms of any merger, amalgamation or acquisition scheme, details of such scheme and shares allotted;**  
The Company has not allotted any shares in terms of any merger, amalgamation or acquisition scheme except followings:

Date of Issue/Allotment date	Name of the Allottee	Relationship with the issuer	Issue Price	Consideration and Valuation	Reason for the issue	Total
7-Jul-14	A F M Anowarul Huq	Subscriber to the memorandum	10.00	For acquisition of business, the said Ordinary Shares issued to its sole proprietorship against the assets.	Acquisition of Business	98,000,000

- (vii) **Where the issuer has issued equity shares under one or more employee stock option schemes, date-wise details of equity shares issued under the schemes, including the price at which such equity shares were issued;**

The Company has not issued equity shares under one or more employee stock option schemes.

- (viii) **If the issuer has made any issue of specified securities at a price lower than the issue price during the preceding two years, specific details of the names of the persons to whom such specified securities have been issued, relation with the issuer, reasons for such issue and the price thereof;**

Indo-Bangla Pharmaceuticals Limited has not made any issue of specified securities at a price lower than the issue price during the preceding two years.

- (ix) **The decision or intention, negotiation and consideration of the issuer to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue;**

The Company has no such decision or intention, negotiation and consideration to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue.



- (x) The total shareholding of the sponsors and directors in a tabular form, clearly stating the names, nature of issue, date of allotment, number of shares, face value, issue price, consideration, date when the shares were made fully paid up, percentage of the total pre and post issue capital, the lock in period and the number and percentage of pledged shares, if any, held by each of them;

Name & Position	Nature of Issue	Date of Allotment and Acquisition & date of shares fully paid-up	No. of shares	Face Value & Issue Price	Consideration	Pre IPO %	Post IPO %	Lock in Period*	Number & % of pledge of shares
<b>Name:</b> Aziza Yeasmin <b>Position:</b> Chairman	Ordinary	18-Jun-14	5,000	10.00	Cash	2.75%	2.16%	3 Yrs	No Pledge
		6-Jun-16	2,000,000						
		<b>Total</b>	<b>2,005,000</b>						
<b>Name:</b> A F M Anowarul Huq  <b>Position:</b> Managing Director	Ordinary	18-Jun-14	55,000	10.00	Cash	17.03%	13.37%	3 Yrs	No Pledge
		7-Jul-14	9,800,000		Other than cash				
		10-Oct-14	(1,000)		Cash				
		10-Dec-15	(293,000)						
		6-Jun-16	2,849,000						
		28-Jul-16	25,000						
		<b>Total</b>	<b>12,435,000</b>						
<b>Name:</b> Hafiza Yeasmin <b>Position:</b> Director	Ordinary	18-Jun-14	5,000	10.00	Cash	2.75%	2.16%	3 Yrs	No Pledge
		6-Jun-16	2,000,000						
		<b>Total</b>	<b>2,005,000</b>						
<b>Name:</b> Md. Amin-Ur-Rashid <b>Position:</b> Director	Ordinary	18-Jun-14	15,000	10.00	Cash	3.45%	2.70%	3 Yrs	No Pledge
		6-Aug-15	1,000,000						
		6-Jun-16	1,500,000						
		<b>Total</b>	<b>2,515,000</b>						
<b>Name:</b> Sayeda Huq <b>Position:</b> Director	Ordinary	10-Oct-14	1,000	10.00	Cash	2.74%	2.15%	3 Yrs	No Pledge
		6-Jun-16	2,000,000						
		<b>Total</b>	<b>2,001,000</b>						
<b>Name:</b> Fatima Parvin <b>Position:</b> Director	Ordinary	10-Dec-15	1,000	10.00	Cash	3.37%	2.65%	3 Yrs	No Pledge
		6-Jun-16	2,460,000						
		<b>Total</b>	<b>2,461,000</b>						

<b>Name:</b> Mst Shahanaz Akter <b>Position:</b> Director	Ordinary	10-Dec-15	1,000	10.00	Cash	2.81%	2.21%	3 Yrs	No Pledge
		6-Jun-16	1,700,000						
		28-Jul-16	350,000						
		<b>Total</b>	<b>2,051,000</b>						
<b>Name:</b> Md. Mizanur Rahman <b>Position:</b> Director	Ordinary	10-Dec-15	1,000	10.00	Cash	2.81%	2.21%	3 Yrs	No Pledge
		6-Jun-16	2,050,000						
		<b>Total</b>	<b>2,051,000</b>						
<b>Name:</b> Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah <b>Position:</b> Director	Ordinary	6-Aug-15	5,000,000	10.00	Cash	20.55%	16.13%	3 Yrs	No Pledge
		6-Jun-16	10,000,000						
		<b>Total</b>	<b>15,000,000</b>						
<b>Name:</b> S.M. Harun Or Rashid <b>Position:</b> Independent Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Name:</b> Md. Monirujjaman <b>Position:</b> Independent Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Name:</b> Md. Firoyz Khan <b>Position:</b> Independent Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Name:</b> Aysha Siddika <b>Position:</b> Sponsor	Ordinary	18-Jun-14	5,000	10.00	Cash	2.75%	2.16%	3 Yrs	No Pledge
		6-Jun-16	2,000,000						
		<b>Total</b>	<b>2,005,000</b>						
<b>Name:</b> Md. Bellal Khan <b>Position:</b> Sponsor	Ordinary	18-Jun-14	15,000	10.00	Cash	4.30%	3.38%	3 Yrs	No Pledge
		6-Aug-15	1,000,000						
		6-Jun-16	2,500,000						
		28-Jul-16	(25,000)						
		28-Jul-16	(350,000)						
		<b>Total</b>	<b>3,140,000</b>						

*[\*From the issue date of Prospectus]*

- (xi) The details of the aggregate shareholding of the sponsors and directors, the aggregate number of specified securities purchased or sold or otherwise transferred by the sponsor and/or by the directors of the issuer and their related parties within six months immediate preceding the date of filing the prospectus;

**Aggregate shareholding of the Sponsors and Directors:**

Sl.	Name of Sponsor & Director	Number of Ordinary Shares Held	Face Value & Issue Price	Date of acquisition	Percentage	
					Pre-IPO	Post-IPO
1	Aziza Yeasmin	2,005,000	10.00	18-Jun-14	2.75%	2.16%
2	A F M Anowarul Huq	12,435,000	10.00	18-Jun-14	17.03%	13.37%
3	Hafiza Yeasmin	2,005,000	10.00	18-Jun-14	2.75%	2.16%
4	Md. Amin-Ur-Rashid	2,515,000	10.00	18-Jun-14	3.45%	2.70%
5	Sayedda Huq	2,001,000	10.00	18-Jun-14	2.74%	2.15%
6	Fatima Parvin	2,461,000	10.00	18-Jun-14	3.37%	2.65%
7	Mst Shahanaz Akter	2,051,000	10.00	18-Jun-14	2.81%	2.21%
8	Md. Mizanur Rahman	2,051,000	10.00	18-Jun-14	2.81%	2.21%
9	Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah	15,000,000	10.00	18-Jun-14	20.55%	16.13%
10	S.M. Harun Or Rashid	-	10.00	28-Jul-16	0.00%	0.00%
11	Md. Monirujjaman	-	10.00	28-Jul-16	0.00%	0.00%
12	Md. Firoz Khan	-	10.00	27-Nov-16	0.00%	0.00%
13	Aysha Siddika	2,005,000	10.00	18-Jun-14	2.75%	2.16%
14	Md. Bellal Khan	3,140,000	10.00	18-Jun-14	4.30%	3.38%
<b>Total</b>		<b>47,669,000</b>			<b>65.30%</b>	<b>51.26%</b>

**Transferred by the sponsor and/or by the directors of the issuer:**

No share is purchased or sold or otherwise transferred by the sponsor and/or by the directors of the issuer and their related parties within six months immediate preceding the date of filing the prospectus except the followings:

Transferor			Date	Transferee		
Name	Position	No. of Share		Name	Position	No. of Share
Md. Bellal Khan	Sponsor	(25,000)	28-Jul-16	A F M Anowarul Huq	Managing Director & Director	25,000
Md. Bellal Khan	Sponsor	(350,000)	28-Jul-16	Mst Shahanaz Akter	Director	350,000

- (xii) **The name and address of any person who owns, beneficially or of record, 5% or more of the securities of the issuer, indicating the amount of securities owned, whether they are owned beneficially or of record, and the percentage of the securities represented by such ownership including number of equity shares which they would be entitled to upon exercise of warrant, option or right to convert any convertible instrument;**

<b>Sl.</b>	<b>Name of the Shareholders</b>	<b>Address</b>	<b>Number of Shares Held</b>	<b>Pre IPO %</b>
1	A F M Anowarul Huq	729, College Road, Barisal Sadar, Barisal-8200	12,435,000	17.03%
2	Investment Corporation of Bangladesh	8, Rajuk Avenue, BDBL Bhaban, (Level 14 -17) Dhaka-1000	15,000,000	20.55%
3	Bangladesh Funds	Green City Edge (4th Floor), 89, Kakrail	6,000,000	8.22%

There is no event or intent of exercising warrant, option or right to convert any convertible instrument.

- (xiii) **The number of securities of the issuer owned by each of the top ten salaried officers, and all other officers or employees as group, indicating the percentage of outstanding shares represented by the securities owned.**

None of the employees of the Company owns any shares of the issuer company “Indo-Bangla Pharmaceuticals Limited” except Managing Director.

SL	Name of Shareholders	Position	Number of Share	% of outstanding share
1	A F M Anowarul Huq	MD & Director	12,435,000	17.03%

**(d) Description of Business:**

- (i) **The date on which the issuer company was incorporated and the date on which it commenced operations and the nature of the business which the company and its subsidiaries are engaged in or propose to engage in;**

On June 18, 2014, the Company had been incorporated under the Company Act, 1994 vide registration no. C-116665/14 as private limited company. The Company has started its commercial operation on June 18, 2014. Subsequently the company has been converted to public limited company on October 21, 2014.

The registered office and manufacturing unit of the company is located at 729, College Road, Barisal Sadar, Barisal-8200, Bangladesh and its corporate office at Jahan Tower (2nd Floor)- A-2, 11/1 Avoy Das Lane, Tikatuli, Dhaka-1203.

The Company is always devoted to ensure the high quality of medicine by implementing state of art technologies and modern machineries.

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

There is no subsidiary company of Indo-Bangla Pharmaceuticals Limited.

- (ii) **Location of the project;**

The factory of IBPL is located at 729, College Road, Barisal Sadar, Barisal-8200.

- (iii) **Plant, machinery, technology, process, etc.**

Indo-Bangla Pharmaceuticals Limited has been using sophisticated machineries and modern technology in order to produce high quality of medicine. Market has been growing up and the Company has good opportunity to maximize market share.

(iv) Details of the major events in the history of the issuer, including details of capacity or facility creation, launching of plant, products, marketing, change in ownership and/or key management personnel etc.;

History of the issuer	Indo-Bangla Pharmaceuticals Limited was incorporated as a private Limited Company under the Companies Act-1994 on 18 June 2014 vides registration no.C-116665/14.
	Converted into a Public Limited Company on October 21, 2014.
Launching of plant	On July 07, 2014.
Capacity	Tablet 87 Million Pcs/Year, Capsule 435 Million Pcs/Year & Liquid 145 Million ML /Year as on 30 June, 2016.
Products	Medicine
Market for the product	Local market in Bangladesh
Change in ownership or key management personnel	<p><b>On June 18, 2014:</b> A F M Anowarul Huq joined as Managing Director, Shah-E-Azam joined as Plant Manager, Mizanur Rahaman joined as Manager Operation, Binay Bhuson Mondal joined as Production Manager, Md. Mustafizur Rahman joined as Manager (Admin), Orun Kumar Duary joined as Co-ordination Manager &amp; Mr. Binoy Bhuson Mondol joined as Manager, Production.</p> <p><b>On May 3, 2016:</b> Md. Shamem Gazi Joined as Company Secretary.</p> <p><b>On July 7, 2016:</b> Md. Faruque Hossain joined as Chief Financial Officer</p> <p><b>On July 28, 2016:</b> S.M. Harun Or Rashid and Md. Monirujjaman appointed as Independent Director for the period of 3 (Three) years.</p> <p><b>On October 10, 2016:</b> Mrs. Dilruba Begum joined as Manager, Quality Assurance</p> <p><b>On November 27, 2016:</b> Md. Firoz Khan appointed as Independent Director for the period of 3 (Three) years.</p>

- (v) **Principal products or services of the issuer and markets for such products or services. Past trends and future prospects regarding exports (if applicable) and local market, demand and supply forecasts for the sector in which the product is included with source of data;**

**Principal products or services:**

Indo-Bangla Pharmaceuticals Ltd. produces a good number of products of Human products division. All the products of Indo-Bangla Pharmaceuticals Ltd. categorized under Non-Biological Products and Biological Products. List of the products are mentioned below:

**List of Non-Biological Products:**

SL	Brand Name	Generic Name	Dosages Form	Strength	DAR No.	Valid up to
01	Indostin-R 150	Ranitidine Hydrochloride USP	Tablet	167.40 mg. (Equivalent to 150.00 mg. Ranitidine)	032-93-60	22.11.2019
02	Indophyllin	Aminophylline BP	Tablet	100.00 mg.	032-20-18	22.11.2019
03	Mebendox 30ml	Mebendazole BP	Suspension	2.0 gm / 100ml	032-24-55	22.11.2018
04	Metrol 60ml	Metronidazole Benzoate BP	Suspension	6.40 gm. (Equivalent to 4.00 gm. Metronidazole) / 100ml	032-26-56	08.12.2020
05	Albendox	Albendazole USP	Tablet	400.00 mg.	032-27-55	08.12.2020
06	Metrol 400mg	Metronidazole BP	Tablet	400.00 mg.	032-25-56	25.10.2021
07	Paracetamol	Paracetamol BP	Tablet	500.00 mg.	032-18-06	25.10.2021
08	Indosin	Chlorpheniramine Maleate BP	Tablet	4.00 mg.	032-83-28	12.12.2019
09	Indosin 100ml	Chlorpheniramine Maleate BP	Syrup	100.00 mg. / 100ml	032-84-28	12.12.2019
10	Naldic	Nalidixic Acid BP	Tablet	500.00 mg.	032-85-60	22.11.2019
11	I-B Oral Saline	Sodium Chloride BP, Tri Sodium Citrate Dihydrate BP, Potassium Chloride BP & Glucose Anhydrous BP	Oral Saline	1.30 gm, 1.45 gm, 0.75 gm & 6.75 gm	032-88-69	25.10.2021
12	Inket	Ketorolac Tromethamine USP	Tablet	10.00 mg.	032-82-65	25.10.2021
13	Indoflam 400mg	Ibuprofen BP	Tablet	400.00 mg.	032-58-65	20.11.2018
14	Indoflam 60/100ml	Ibuprofen BP	Suspension	2.00 gm / 100ml	032-59-65	08.12.2021
15	Clear Plus	Sodium Thiosulphate USP	Tablet	15.00 mg.	032-77-95	20.11.2018
16	Clear	Sodium Thiosulphate USP	Tablet	7.50 mg.	032-78-95	22.11.2019
17	Dextrin	Dexamethasone BP	Tablet	0.50 mg.	032-57-50	15.10.2021
18	Frusidin	Frusemide BP	Tablet	40.00 mg.	032-55-42	22.12.2020
19	Gyfusin	Griseofulvin BP	Tablet	500.00 mg.	032-56-62	22.12.2020
20	I-Cin	Indomethacin BP	Capsule	25.00 mg.	032-52-65	29.10.2021
21	Tensareal	Diazepam BP	Tablet	5.00 mg.	032-63-02	19.10.2021
22	I-Pedom	Domperidone Maleate BP	Tablet	12.726 mg. (Equivalent to 10.00 mg. Domperidone)	032-53-32	23.07.2019
23	I-Pedom 60/100ml	Domperidone BP	Suspension	100.00 mg. / 100ml	032-54-32	23.07.2019
24	I-Solone	Prednisolone BP	Tablet	5.00 mg	032-79-50	19.12.2018
25	I-Zam	Clobazam BP	Tablet	10.00 mg.	032-64-09	08.11.2020
26	Puretab Plus	Halazone USP	Tablet	15.00 mg.	032-80-95	12.11.2019
27	Puretab	Halazone USP	Tablet	7.50 mg.	032-81-95	12.11.2019
28	Relise	Aceclofenac BP	Tablet	10.00 mg.	032-60-65	15.10.2021
29	Sulbumol	Salbutamol Sulphate BP	Tablet	2.40 mg. (Equivalent to 2.00 mg. Salbutamol)	032-67-18	20.11.2020
30	Sulbumol Plus	Salbutamol Sulphate BP	Tablet	4.80 mg. (Equivalent to 4.00 mg. Salbutamol)	032-68-18	20.11.2020
31	Sulbumol 60/100ml	Salbutamol Sulphate BP	Syrup	48.00mg. (Equivalent to 2.00mg. Salbutamol) / 100ml	032-69-18	20.11.2020
32	Metrol 200mg	Metronidazole BP	Tablet	200.00 mg.	032-09-56	19.10.2021
33	Paramol 60ml	Paracetamol BP	Suspension	2.40 gm. / 100ml	032-22-06	19.10.2021
34	Mebendox 100mg	Mebendazole BP	Tablet	100.00 mg	032-17-55	19.10.2021
35	Arromin 60ml & 100ml	Promethazine Hydrochloride BP	Elixir	100.00 mg. / 100ml	032-15-28	19.10.2021
36	Trialugel	Aluminium Hydroxide Dried Gel BP & Magnesium Hydroxide BP	Tablet	250.00 mg. & 400.00 mg.	032-12-29	19.10.2021
37	Indomol Plus	Paracetamol BP & Caffeine BP	Tablet	500.00 mg. & 65.00 mg.	032-45-06	15.10.2021
38	Indofenac - SR	Diclofenac Sodium BP (Time Release Pellets)	Capsule	250.00 mg. Pellets (Equivalent to 100.00 mg. Diclofenac Sodium)	032-49-06	19.10.2021
39	Protobit	Omeprazole BP (Enteric Coated Pellets)	Capsule	240.00 mg. Pellets (Equivalent to 20.00 mg. Omeprazole)	032-44-29	15.10.2021
40	Indoprox 250mg	Naproxen Sodium USP	Tablet	275.00 mg. (Equivalent to 250.00 mg. Naproxen)	032-47-65	29.10.2021
41	Indoprox 500mg	Naproxen Sodium USP	Tablet	550.00 mg. (Equivalent to 500.00 mg. Naproxen)	032-46-65	19.10.2021
42	Indo-Fila	Diethyl Carbamazine Citrate BP	Tablet	100.00 mg.	032-43-55	08.07.2018
43	I-Cet	Cetirizine Hydrochloride BP	Syrup	100.00 mg. / 100ml	032-41-28	19.10.2021

44	I-Cet	Cetirizine Hydrochloride BP	Tablet	10.00 mg.	032-40-28	15.10.2021
45	Zins	Zinc Sulphate Monohydrate USP	Syrup	549.33mg. (Equivalent to 200.00 mg. Elemental Zinc)	032-39-67	19.10.2021
46	Caltab	Calcium Lactate BP	Tablet	300.00 mg.	032-29-67	19.10.2021
47	Indocal	Calcium Carbonate BP	Tablet	1250.00mg (Equivalent to 500.00mg. Elemental Calcium)	032-38-67	19.10.2021

### **List of Biological Products:**

SL	Brand Name	Generic Name	Dosages Form	Strength	DAR No.	Valid up to
01	Indocef 500mg	Cephadrine Monohydrate (Compacted) BP	Capsule	525.00 mg. (Equivalent to 500.00 mg. Cephadrine)	032-89-60	23.11.2019
02	Indocef DS 100ml	Cephadrine Monohydrate (Micronised) BP	Powder for Suspension	5.25 gm. (Equivalent to 5.00gm. Cephadrine)/100ml	032-90-60	23.11.2019
03	Indocef 100ml	Cephadrine Monohydrate (Micronised) BP	Powder for Suspension	2.625 gm. (Equivalent to 2.50gm. Cephadrine)/100ml	032-91-60	23.11.2019
04	Indocef 15ml	Cephadrine Monohydrate (Micronised) BP	Powder for Paediatric Drop	1.575 gm. (Equivalent to 1.50gm. Cephadrine) / 15ml	032-91-60	23.11.2019
05	Cotrimox-DS	Sulphamethoxazole BP & Trimethoprim BP	Tablet	800.00 mg. & 160.00 mg.	032-28-59	25.10.2021
06	Insoplex 100ml & 200ml	Thiamine Hydrochloride(B <sub>1</sub> ) BP, Riboflavin -5-Phosphate Sodium(B <sub>2</sub> ) BP, Pyridoxine Hydrochloride(B <sub>6</sub> ) BP & Nicotinamide BP	Syrup	(100.00 mg, 54.80 mg, 40.00 mg, & 400.00 mg) / 100ml	032-21-39	19.10.2021
07	I Need Z	Dried Ferrous Sulphate, Folic Acid & Zinc Sulphate (Time Release Pellets) BP/USP	Capsule	285.00 mg.	032-86-39	25.10.2021
08	BCE	Vitamin-C BP, Vitamin-E 50% BP & Betacarotene USP	Tablet	200.00 mg, 50.00 mg, & 06.00 mg.	032-87-39	08.12.2018
09	Indocal-D	Calcium Carbonate BP & Vitamin-D <sub>3</sub> BP	Tablet	1250.00mg. (Equivalent to 500.00mg. Calcium) & 200.00i.u. ( as cholecalciferol)	032-99-39	19.10.2021
10	Indomoxin 15ml	Amoxycillin Trihydrate (Micronised) BP	Paediatric Drops	1.725 gm.	032-65-60	25.10.2021
11	Indozith 15/30ml	Azithromycin Dihydrate USP	Powder for Suspension	00.84gm (Equivalent to 00.80gm. Azithromycin)	032-72-60	15.10.2021
12	Indozith 250mg	Azithromycin Dihydrate USP	Capsule	262.500mg (Equivalent to 250.00mg. Azithromycin)	032-70-60	29.10.2021
13	Indozith 500mg	Azithromycin Dihydrate USP	Tablet	525.00mg (Equivalent to 500.00mg. Azithromycin)	032-71-60	15.10.2021
14	Cipro-I 750mg	Ciprofloxacin Hydrochloride USP	Tablet	873.30mg (Equivalent to 750.00mg Ciprofloxacin)	032-76-60	20.09.2018
15	I-Cillin 250mg	Ampicillin Trihydrate (Compacted) BP	Capsule	288.70mg (Equivalent to 250.00mg Ampicillin)	032-73-60	09.04.2019
16	I-Cillin 500mg	Ampicillin Trihydrate (Compacted) BP	Capsule	577.40mg (Equivalent to 500.00mg Ampicillin)	032-74-60	09.04.2019
17	I-Cillin 100ml	Ampicillin Trihydrate (Micronised) BP	Powder for Suspension	2.88gm (Equivalent to 2.500gm Ampicillin)	032-75-60	09.04.2019
18	I-Fol	Ferrous Fumarate BP & Foilc Acid BP	Tablet	200.00 mg. & 200.00 mcg.	032-61-26	23.12.2018
19	I-Fol Plus	Ferrous Fumarate BP & Foilc Acid BP	Tablet	200.00 mg. & 400.00 mcg.	032-62-27	23.12.2018
20	Riboflavine	Riboflavine BP	Tablet	5.00 mg.	032-08-39	19.10.2021
21	Cotrimox 60ml	Sulphamethoxazole BP & Trimethoprim BP	Suspension	(4.00 gm & 0.80 gm)/100ml	032-16-59	12.08.2020
22	Cotrimox 480mg	Sulphamethoxazole BP & Trimethoprim BP	Tablet	400 mg. & 80.00 mg.	032-11-59	12.08.2020
23	Auriotone	Ferrous Sulphate BP	Syrup	4.00 gm	032-23-39	20.12.2019
24	Indox	Doxycycline Hydrochloride BP	Capsule	115.00mg. (Equivalent to 100.00mg Doxycycline)	032-50-60	19.10.2021
25	Indomoxin 100ml	Amoxycillin Trihydrate (Micronised) BP	Powder for Suspension	2.875gm (Equivalent to 2.500gm Amoxycillin)	032-48-60	15.10.2021
26	Cipro-I 500mg	Ciprofloxacin Hydrochloride USP	Tablet	582.20 mg. (Equivalent to 500.00 mg. Ciprofloxacin)	032-32-60	19.10.2021
27	Indomoxin 250mg	Amoxycillin Trihydrate (Compacted) BP	Capsule	287.50mg. (Equivalent to 250.00mg Amoxycillin)	032-33-60	29.10.2021
28	Indomoxin 500mg	Amoxycillin Trihydrate (Compacted) BP	Capsule	575.00mg. (Equivalent to 500.00 mg Amoxycillin)	032-34-60	19.10.2021
29	Indotetra 500mg	Tetracycline Hydrochloride BP	Capsule	500.00 mg.	032-42-60	19.10.2021
30	Indoflox 100ml	Flucloxacillin Sodium BP	Powder for Suspension	2.72gm. (Equivalent to 2.50gm Flucloxacillin)	032-37-60	15.10.2021
31	Indoflox 250mg	Flucloxacillin Sodium BP	Capsule	272.00mg. (Equivalent to 250.00mg. Flucloxacillin)	032-35-60	29.10.2021
32	Indoflox 500mg	Flucloxacillin Sodium BP	Capsule	544.00mg. (Equivalent to 500.00mg. Flucloxacillin)	032-36-60	29.10.2021
33	Indoplex-B	Thiamine Hydrochloride(B <sub>1</sub> ) BP, Riboflavin (B <sub>2</sub> ) BP, Pyridoxine Hydrochloride(B <sub>6</sub> ) BP & Nicotinamide BP	Tablet	5.00 mg, 2.00 mg, 2.00 mg & 20.00 mg	032-30-39	19.10.2021
34	Indomox 250mg	Amoxycillin Trihydrate (Compacted) BP	Tablet	287.50mg. (Equivalent to 250.00mg. Amoxycillin)	032-31-60	29.10.2021

*\*Non-Biological Products and Biological Products list as per approved by Directorate General of Drug Administration & Licensing Authority (Drugs), Government of the People's Republic of Bangladesh.*



**Markets for such products or services:**

All of the products' markets are throughout the Bangladesh.

**Past trends and future prospects regarding exports (if applicable) and local market, demand and supply forecasts for the sector in which the product is included with source of data:**

Indo-Bangla Pharmaceuticals Limited was incorporated as a private Limited Company under the Companies Act-1994 on 18 June 2014 vides registration no.C-116665/14.

Last 2 years sales of Indo-Bangla Pharmaceuticals Limited:

As per audited financial statement:

*(Amount in BDT)*

Particulars	30-Jun-16	30-Jun -15
Sales Revenue	444,777,724	435,024,108

Pharmaceuticals products are met one of the basic needs for all living being. It is one of the fastest growing industries in the world. According to IMS by 2017, demand of pharma products will be USD 1,200 billion.

According to the same source, in the year 2014 Bangladesh pharma market size was Tk. 10,600 crore with a growth percentage 8.48. For the year ended 30 June 2016, IBPL's sales was Tk. 444.78 million and with a 19.75% growth. According to IMS in the year 2015, Bangladesh pharma market size was Tk. 12,000 crore.

Source: <http://www.lightcastlebd.com/blog/2015/12/market-insight-how-the-bangladesh-pharmaceutical-sector-is-performing-in-2015>

- (vi) **If the issuer has more than one product or service, the relative contribution to sales and income of each product or service that accounts for more than 10% of the company's total revenues;**

There is no product that account for more than 10% of the Company's total revenue.

- (vii) **Description of associates, subsidiary and holding company of the issuer and core areas of business thereof;**

IBPL has no associates, subsidiary and holding company.

- (viii) **How the products or services are distributed with details of the distribution channel. Export possibilities and export obligations;**

IBPL has its own distribution network to distribute its products throughout the country.

**Details of the distribution channel:**

**Export possibilities and export obligations:**

We do not have any export possibilities and export obligations.

**(ix) Competitive conditions in business with names, percentage and volume of market shares of major competitors;**

IBPL has a number of competitors and these as follows:

Sl. No.	Name of the Company	Core area of work
01	Orion Pharma Limited	Manufacturing medicine
02	Popular Pharmaceuticals Limited	Manufacturing medicine
03	Central Pharma Limited	Manufacturing medicine
04	Opsonin Pharma Limited	Manufacturing medicine
05	Beacon Pharmaceuticals Limited	Manufacturing medicine
06	Ziska Pharma Limited	Manufacturing medicine

IMS in its report dated 30 June 2015, reported the following top fifteen competitors and their market share in values and percentage

Name of the Competitors	Market share (30 June 2015)	
	Values (in BDT)	(%)
Square Pharmaceuticals Ltd.	21,930,698,095	18.32
Incepta Pharmaceuticals Ltd.	12,355,658,045	10.32
Beximco Pharmaceuticals Ltd.	10,216,986,848	8.53
Opsonin Pharma Ltd.	6,602,671,150	5.52
Renata Ltd.	5,997,526,422	5.01
Eskayef Bangladesh Ltd.	5,373,278,479	4.49
Aristopharma Ltd.	5,485,190,024	4.58
ACI Ltd.	4,969,069,843	4.15
The ACME Laboratories Ltd.	4,624,965,118	3.86
Drug International Ltd.	3,629,945,107	3.03
Healthcare Pharmaceuticals Ltd.	3,662,648,632	3.06
Novo Nordisk	2,168,873,133	1.81
Sanofi Aventis (BD) Ltd.	2,398,799,630	2
General Pharmaceuticals Ltd.	2,419,756,889	2.02
Popular Pharmaceuticals Ltd.	2,113,164,442	1.77

Apart from this, as per annual report of the listed companies and audited financial statements of Indo-Bangla Pharmaceuticals Limited, the sales amounts are presented below:

*Amount in BDT (Million)*

Sl.	Name of the Company	2015/2016	Period/Year	Year End
1	Indo-Bangla Pharmaceuticals Limited	458.14	From 1 Jul, 2016 to 31 Mar, 2017	30 Jun
2	Square Pharmaceuticals Ltd.	26,642.14		
3	Renata Ltd.	11,659.47		
4	The ACME Laboratories Ltd.	9,769.86		
5	ACI Ltd.	34,716.85		
6	The IBN SINA Pharmaceutical Industry Ltd.	2,963.63		
7	Orion Pharma Limited	6,857.53		
8	Central Pharma Limited	409.52		
9	Beacon Pharmaceuticals Limited	2,334.64		

*There is no data available regarding market shares of the respective listed company in their annual report.*

**(x) Sources and availability of raw materials, names and addresses of the principal suppliers and contingency plan in case of any disruption;**

Most of the raw materials of the Company are procured from abroad. The names of main suppliers are mentioned below:

SL	Name of Raw Materials	Address	Country of origin	Name of Principal Suppliers
01	Albendazole USP	Room-61, Block –C, Yuxiu Center, No-38, Yuxiuli, Xiamen, China	China	Hubei Maxpharm Industries Co. Ltd.
		Room-202, Bldg-2, Zindi Garden, Fengze District, Quanzhou, Fujian China	China	Zhuzhou Xin Hualian Pharmaceutical Co. Ltd.
02	Aceclofenac BP	Mahendra Industrial Estate, Ground Floor, Road No 29, Sion (East), Mumbai- 400 022 (India)	India	Aarti Drugs Ltd.
		407, Dalmal House, Jamnalal Bajaj Road, Nariman Point, Nariman Point, Mumbai, Maharashtra 400021, India	India	Amoli Organics Pvt. Ltd.
03	Ascorbic Acid BP/USP	8F, Qushi Building, Sijing Industrial Area, Jinjian Fujian, China	China	Shandong Luwei Pharmaceutical Co. Ltd.
		12/F, Zhongyin Building Chongde Road, Jinjiang, Fujian, China	China	Evervictory Pharm Co. Ltd.
		Room-402, No-999, 1001 Anling Road, Huli District, Xiamen, China	China	North China Pharmaceutical Co. Ltd.
		Unit 3105-1, 31/F, No.100, Lujiang Road, Xiamen, China	China	Anhui Master Chemical Co. Ltd.
04	30% Natural Beta-carotene in MCT Oil	521 Kororoit Creek Rd, Altona VIC 3018, Australia	Australia	BASF Australia Limited
05	Ibuprofen	No. 85, Industrial Area- A Ludhiana, India - 141003	India	IOL Chemicals & Pharmaceuticals Ltd.
06	Pantoprazole Enteric Coated Pellets 20%	7-2-A2, Hetero Corporate Industrial Estates. Sanath Nagar Hyderabad - 500 018. India	India	Hetero Labs Ltd
07	Rabeprazole Pellets 8.5%	5-5-35/32b, Prashant Nagar, Ida, Kukatpally, Kukatpally, Hyderabad, Telangana 500072, India	India	Goldfish Pharma Pvt. Ltd
08	Esomeprazole Enteric Coated Pellets 22.5%	8-2-337, Road No 3, Banjara Hills Hyderabad Telangana, 500034	India	Dr. Reddy's Laboratories Ltd.
09	Domperidone Maleate	8-2-337, Road No 3, Banjara Hills Hyderabad Telangana, 500034	India	Dr. Reddy's Laboratories Ltd.
10	Caffeine Anhydrous	Karlstraße 15, 32423 Minden, Germany	Germany	BASF PharmaChemikalien GmbH & Co.
11	Magnesium Carbonate Powder	Hauptstraße 2, 31860 Emmerthal, Germany	Germany	Dr. Paul Lohmann GmbH KG
12	Salbutamol	Sanali Info Park, 'A' Block, Ground Floor, 8-2-120/113, Road No. 2, Banjara Hills, Hyderabad, 500034, Telangana, India	India	Neuland Laboratories Ltd.

**Contingency Plan in case of any disruption:**

We have been collecting our raw materials from different international suppliers. Supplier's countries are China, India, Australia and Germany. Hence, there is already contingency plan in place in case of any disruption.

**(xi) Sources of, and requirement for, power, gas and water; or any other utilities and contingency plan in case of any disruption;**

**Power:**

For electricity consumption, IBPL depends on West Zone Power Distribution Co Ltd. (An Enterprise of B.P.D.B) from transformer of 315 KV and company has two diesel generators of capacity 335KV. Also, Company has a substation with PFI and transformer.

**Gas:**

Indo-Bangla Pharmaceuticals Ltd. is a medicine manufacturing company. It doesn't require any gas for its production.

**Water:**

Water is the vital and most essential material for medicine production. This resource is collected from mineral and the companies own water treatment plant.

**Contingency Plan in case of any disruption:**

The Company has two diesel generators as standby with the total capacity of 335 KV in case of any power disruption.

**(xii) Names, address(s), telephone number, web address, e-mail and fax number of the customers who account for 10% or more of the company's products or services with amount and percentage thereof;**

No particular customers who purchases 10% or more of the Company's products.

**(xiii) Names, address(s), telephone number, web address, e-mail and fax number of the suppliers from whom the issuer purchases 10% or more of its raw material or finished goods with amount and percentage thereof;**

The company has no suppliers from whom it purchases 10% or more of its raw material/finished goods.

**(xiv) Description of any contract which the issuer has with its principal suppliers or customers showing the total amount and quantity of transaction for which the contract is made and the duration of the contract. If there is not any of such contract, a declaration is to be disclosed duly signed by CEO or MD, CFO and Chairman on behalf of Board of Directors;**

The company has not entered into any contract with any of its suppliers or customers.

**No contract with principal suppliers or customers:**

We, on behalf of the Board of Directors certify that Indo-Bangla Pharmaceuticals Limited did not enter into any contract with its principal suppliers or customers.

Sd/-

**A F M Anowarul Huq**  
Managing Director

Sd/-

**Md. Faruque Hossain**  
Chief Financial Officer

Sd/-

**Aziza Yeasmin**  
Chairman  
on behalf of Board of Directors

(xv) **Description of licenses, registrations, NOC and permissions obtained by the issuer with issue, renewal and expiry dates;**

The Company neither obtained any Patent Right/Trademarks nor signed any royalty agreement with any party. But IBPL has several regulatory licenses and certificates in order to continue its operations. The table shows list of licenses:

<b>S L</b>	<b>Name of Certificate/license/Registration / NOC</b>	<b>License Issuer/Issuing Authority</b>	<b>Certificate/License No.</b>	<b>Expiry Date</b>	<b>Remarks</b>
1	Incorporation	RJSC	Private Limited Company dated June18, 2014 & C-116665/14	N/A	-
2	Certificate of Commencement of Business	RJSC	N/A	N/A	Incorporated as a private Ltd. company
3	Trade License	Barisal City Corporation	01473	30-06-18	-
4	TIN Certificate	National Board of Revenue	681332543219	N/A	-
5	VAT Reg. No.	Customs, Excise & VAT Commissioner ate, Barisal	15101029766	-	-
6	Import Registration Certificate	Controller of Import & Export, Government of Bangladesh	BA- 22 27040	30-06-18	-
7	Drugs License	Drug Administration of Bangladesh	13	25-06-18	-
8	Fire License	Bangladesh Fire Services and Civil Defense	Bari/1439/99	30-06-18	-
9	Environment Clearance Certificate	Department of Environment	2005/316/952	23-08-2018	-
10	Factory License	Factory and Organization Inspection Authority, Barisal	116/Bari	31-12-17	-
11	BCCI	The Barisal Chamber of Commerce & Industry	159	30-06-18	-
12	ISO 9001:2008	Bureau of Assessment Services	010160003	15-09-18	-
13	BAPI	Bangladesh Association of Pharmaceutical Industries	72	31-12-17	-
14	Acid License	Barisal District Administrator	10/2004	30-06-18	-
15	Madok License	Narcotics Control Bureau of Bangladesh	01/2009/2013	30-06-18	-

**(xvi) Description of any material patents, trademarks, licenses or royalty agreements;**

The Company neither obtained any Patent Right/Trademarks nor signed any royalty agreement with any party. However, it has several regulatory licenses (Prospectus Page number 55) and certificate in order to continue its operation.

**(xvii) Number of total employees and number of full-time employees;**

The Company has 206 full-time employees as of June 30, 2016, Details are as follows:

<b>Employees</b>	<b>2016</b>	<b>2015</b>
Number of employees whose salary was below Tk. 5,300	-	-
Number of employees whose salary was above Tk. 5,300	206	138

The Company has no part time employee.

**(xviii) A brief description of business strategy;**

A business strategy sets out to achieve the desired goals. Business strategy is defined as long-term business planning which is concerned with the scope of a business' activities.

Two main categories of can be defined as

- a) Generic Strategy
- b) Competitive Strategy

1. **Generic Strategy:** It is concerned with growth. Now company is in planning to invest in fixed assets in order to expand its existing business.
2. **Competitive Strategy:** It is concerned with doing things better than rivals. The following competitive strategies are in place.
  - Lower price: In order to be market Leader Company is trying to be competitive price to deal with its rivals.
  - Economic Scale: With a view to spreading the fixed cost over more units company is trying to increase economic of scale.
  - Strengthening our existing market share
  - Comprehensive marketing and distribution network.
  - Ensure stable and long-term return to our investors.

(xix) A table containing the existing installed capacities for each product or service, capacity utilization for these products or services in the previous years, projected capacities for existing as well as proposed products or services and the assumptions for future capacity utilization for the next three years in respect of existing as well as proposed products or services. If the projected capacity utilization is higher than the actual average capacity utilization, rationale to achieve the projected levels.

**Existing capacity utilization:**

Product	Unit	Installed Capacity		Capacity utilization for this Products		Actual Capacity Utilization (%)	
		Jul'14 to Jun'15	Jul'15 to Jun'16	Jul'14 to Jun'15	Jul'15 to Jun'16	Jul'14 to Jun'15	Jul'15 to Jun'16
Tablet	Million Pcs	84.5	87	55	58	65.09%	66.67%
Capsule	Million Pcs	425	435	280	290	65.88%	66.67%
Liquid	Million ML	140	145	81	87	57.86%	60.00%

**Projected capacity utilization:**

Product	Unit	Installed Capacity			Capacity utilization for this Products			Actual Capacity Utilization (%)		
		Jul'16 to Jun'17	Jul'17 to Jun'18	Jul'18 to Jun'19	Jul'16 to Jun'17	Jul'17 to Jun'18	Jul'18 to Jun'19	Jul'16 to Jun'17	Jul'17 to Jun'18	Jul'18 to Jun'19
Tablet	Million Pcs	146.16	255.78	365.77	105.24	191.84	292.61	72.00%	75.00%	80.00%
Capsule	Million Pcs	730.80	1,278.90	1,828.83	526.18	959.18	1,463.06	72.00%	75.00%	80.00%
Liquid	Million ML	243.60	426.30	609.61	175.39	319.73	487.69	72.00%	75.00%	80.00%

**Assumptions for future capacity utilization:**

Assumption indicator	Assumption's Basis	Assumptions Years		
		30-June-17	30-June-18	30-June-19
Capacity Increase	Capacity will be increased as new instruments will be introduced.	68.00%	75.00%	43.00%

**Rationale to achieve the projected levels:**

The Company has projected that the capacity utilization will increase. As the total market is increased day by day and market share of the company is increasing. Hence, the management of the Company thinks that the projected capacity is attainable.

**(e) Description of Property:**

The written down value of Property, Plant & equipment's owned by the Company as per audited accounts as on 30 June, 2016 are stated below: -

*Amount in Taka*

Particulars	Written Down Value as at 30.06.2016
Machineries & Equipment	112,409,855
Generator	2,712,501
Furniture & Fixture	5,276,171
Office Equipment	2,704,824
Transport	1,508,079
Building	82,827,610
ETP Plant	2,205,122
Water Plant	1,756,324
<b>Total</b>	<b>211,400,486</b>

*\*Mentionable here that, the Company has purchased 37.40 decimals and 159.50 decimals of land on 24.08.2016 and 04.01.2017 respectively.*

**(i) Location and area of the land, building, principal plants and other property of the company and the condition thereof;**

The above-mentioned assets except land are located at the Company's registered office & factory at 729, College Road, Barisal Sadar, Barisal-8200. Furniture & Fixture are located at both registered office and corporate office at Jahan Tower (2nd Floor)- A-2, 11/1 Avoy Das Lane, Tikatuli, Dhaka-1203.

**Location and area of Land:** 37.40 decimals land located at College Road, Barisal and 159.50 decimals land located at Ranirhat, Bakergonj, Barisal.

**Building:**

Number of Buildings	Type (Bricks/Tin/Prefabricated Steel)	Total Area (Sft)	Status of Use
Building-1	Pillar-RCC, Wall-Brick Roof-Brick. (Two Storied Completed Building)	5,359.20	Office
Building-2	Pillar-RCC, Wall-Brick Roof-Brick. (Two Storied Completed Building)	9,383.60	Factory
Building-3	Pillar-RCC, Wall-Brick Roof-Brick. (Two Storied Completed Building)	2,345.00	Finished goods store
Building-4	Pillar-RCC, Wall-Brick Roof-Brick. (Four Storied Completed Building)	9,106.40	Factory
Building-5	Pillar-RCC, Wall-Brick Roof-Brick. (Four Storied Completed Building)	16,447.20	Raw materials store

All of the above-mentioned Property, Plant & Equipments are in working condition.

**(ii) Whether the property is owned by the company or taken on lease;**

All the assets of the Company are in its own name.



- (iii) Dates of purchase, last payment date of current rent (খাজনা) and mutation date of lands, deed value and other costs including details of land development cost, if any and current use thereof;

Deed No.	Date of purchase	Location	Mutation date	Last date of current rent (খাজনা)	S.A Dag No.	Deed Value (Tk.)	Land development & others cost	Area of land (Decimal)	Current Use
8606	24.08.2016	College Road, Barisal	15.11.2016	22.08.2016	3480, 3480/1	17,298,000	-	5.00	Factory
8611						16,733,000	-	32.40	
5421	04.01.17	Ranirhat, Bakergonj, Barisal	19.02.2017	19.02.2017	46, 1879, 1761, 1762, 1764	2,000,000	-	159.50	Developed open field
<b>Total</b>						<b>36,031,000</b>		<b>196.90</b>	

\*Mentionable hererthat under deed no. 8606 there is 5.00 decimal land alongwith 2,200 sft building.

- (iv) The names of the persons from whom the lands has been acquired/proposed to be acquired along with the cost of acquisition and relation, if any, of such persons to the issuer or any sponsor or director thereof;

Name of the persons from whom the land has been acquired	Cost of acquisition	Relations
Aziza Yeasmin	Tk. 34,031,000	Subscriber to Memorandum & Director
A F M Anowarul Huq		
Hafiza Yeasmin		
Sayedha Haq		
A F M Anowarul Huq	Tk. 2,000,000	Subscriber to Memorandum & Managing Director

\*Currently the Company has no plan to acquire any land.

- (v) Details of whether the issuer has received all the approvals pertaining to use of the land, if required;  
The Company has received all the approvals pertaining to use of the land.
- (vi) If the property is owned by the issuer, whether there is a mortgage or other type of charge on the property, with name of the mortgagee;  
There is no mortgage or other type of charge on the property of Indo-Bangla Pharmaceuticals Limited.
- (vii) If the property is taken on lease, the expiration dates of the lease with name of the lessor, principal terms and conditions of the lease agreements and details of payment;  
No property is taken by the Company under lease agreement.

**(viii) Dates of purchase of plant and machineries along with sellers name, address, years of sale, condition when purchased, country of origin, useful economic life at purchase and remaining economic life, purchase price and written down value;**

<b>Date of Purchase or Installation</b>	<b>Sellers Name</b>	<b>Address</b>	<b>Years of Sale</b>	<b>Condition when Purchased</b>	<b>Origin</b>	<b>Useful Economic Life at Purchase</b>	<b>Remaining Economic Life</b>	<b>Purchase Price in Tk.</b>	<b>W.D.V in Tk.</b>
08 July 2014	Shanghai Tiafeng Pharmaceutical Machinery Co, Ltd.	No.8, Tiafeng Road, Songjiang Zone, Shanghai, China	N/A	Brand New	China	33 Years 4 Month	31 Years 4 Month	4,878,750	4,590,416
08 July 2014	Nimco Engg. Corporation	Anand Parbat Indl. Estate, Street No. 2, New Rohtak Road, New Delhi	N/A	Brand New	India	33 Years 4 Month	31 Years 4 Month	4,996,250	4,700,972
08 July 2014	Takashi Electronic Ltd.	3-21-16 Higashi-ryoke, Kawaguchi-shi, Japan (332-0003)	N/A	Brand New	Japan	33 Years 4 Month	31 Years 4 Month	5,049,860	4,751,413
08 July 2014	Wraptech Machines Ltd.	TTC Industrial Area, Pawne, Navi Mumbai, Maharashtra 400705,	N/A	Brand New	India	33 Years 4 Month	31 Years 4 Month	5,177,300	4,871,322
08 July 2014	Zhejiang Feiyun Technology Co., Ltd.	281, West Yanjiang Road, Ruian City, Zhejiang Province, P. R. China	N/A	Brand New	Feiyun, China	33 Years 4 Month	31 Years 4 Month	7,747,750	7,289,858
08 July 2014	Diamond Ind. Pvt.	Hossain Tower, 75 Green Road, Farmgate, Dhaka	N/A	Brand New	Bangladesh	33 Years 4 Month	31 Years 4 Month	561,250	528,080
08 July 2014	Yenchen Machinery Co.	38, Huaya 1St Rd, Kueishan Township, Taoyuan	N/A	Brand New	Taiwan	33 Years 4 Month	31 Years 4 Month	351,250	330,491
08 July 2014	Pharmaceuticals and Medica Supply Limited	Linpu Road, Dong'Ou Industrial Park.	N/A	Brand New	China	33 Years 4 Month	31 Years 4 Month	377,420	355,114
08 July 2014	Changzhou Yutong Drying, Equipment Co. Ltd.	Shun Xi Road, Jiao Xi Town, Changhou, China	N/A	Brand New	China	33 Years 4 Month	31 Years 4 Month	191,280	179,975
08 July 2014	Wraptech Machines Ltd.	TTC Industrial Area, Pawne, Navi Mumbai, Maharashtra 400705, India	N/A	Brand New	India	33 Years 4 Month	31 Years 4 Month	2,874,250	2,704,382
08 July 2014	National Pharma Machinery	Gota, Ahmedabad India	N/A	Brand New	India	33 Years 4 Month	31 Years 4 Month	2,874,250	2,704,382

08 July 2014	Gaylord Engineers	B Patel Road, Goregaon East, Goregaon East, Mumbai, Maharashtra 400063, India	N/A	Brand New	India	33 Years 4 Month	31 Years 4 Month	485,832	457,119
08 July 2014	Tras Eng. Pvt Ltd	Neelkanth Apartments, Gokuldas Pasta Road, Mumbai - 400014,	N/A	Brand New	India	33 Years 4 Month	31 Years 4 Month	502,768	473,054
08 July 2014	Diamond Ind. Pvt.	Hossain Tower, 75 Green Road, Farmgate, Dhaka	N/A	Brand New	Bangladesh	33 Years 4 Month	31 Years 4 Month	280,656	264,069
08 July 2014	Power Co	Not available	N/A	Brand New	Perking, England	33 Years 4 Month	31 Years 4 Month	24,245,657	22,812,739
08 July 2014	Magumps	Block, 97, D. Phakle Road, Dadar (East), Central Railway, Mumbai - 40001	N/A	Brand New	India	33 Years 4 Month	31 Years 4 Month	2,615,823	2,461,228
08 July 2014	Boeco	Rödingsmarkt 33, 20459 Hamburg, Germany	N/A	Brand New	Germany	33 Years 4 Month	31 Years 4 Month	3,215,732	3,025,682
08 July 2014	Bellingham and Stanley Ltd	Jays Close, Viabes Estate, Basingstoke, Hants, RG22 4BA, UK	N/A	Brand New	England	33 Years 4 Month	31 Years 4 Month	1,521,568	1,431,643
08 July 2014	Pharmag Ins.	B-60, Asokar Street, A Colony, Jothi Nagar, Pollachi - 642 001, Coimbatore District, Tamil Nadu, India.	N/A	Brand New	India	33 Years 4 Month	31 Years 4 Month	1,592,561	1,498,441
08 July 2014	Kruss Optronic	Alsterdorfer Strasse 276-278 22297 Hamburg / Germany	N/A	Brand New	Germany	33 Years 4 Month	31 Years 4 Month	190,568	179,305
08 July 2014	Osworld Scientific Equipments	B-44, New Empire Industrial Premises, Kandivita, Mumbai,	N/A	Brand New	India	33 Years 4 Month	31 Years 4 Month	880,670	828,622
08 July 2014	Eastern Instruments	Mercantile Building, 9/A, Lal Bazar St., 3rd Floor, Block-c, Kolkata 700001	N/A	Brand New	India	33 Years 4 Month	31 Years 4 Month	670,650	631,015
08 July 2014	Sonicator Industries Ltd.	Shinka Industry Co., Ltd. Asahi-tamagawa building 2F 1-636 Maruko-dori, Nakahara-ku 211-0006	N/A	Brand New	Japan	33 Years 4 Month	31 Years 4 Month	680,775	640,541

08 July 2014	Pharmalink Bd	55, Purana Paltan, Dhaka	N/A	Brand New	Bangladesh	33 Years 4 Month	31 Years 4 Month	2,875,750	2,705,793
08 July 2014	YSI	Fondriest Environmental 2091 Exchange Court Fairborn, OH 45324	N/A	Brand New	U.S.A	33 Years 4 Month	31 Years 4 Month	2,875,750	2,705,793
08 July 2014	SI Analytics	Hattenbergstraße 10, 55122 Mainz, Germany	N/A	Brand New	Germany	33 Years 4 Month	31 Years 4 Month	2,550,642	2,399,899
08 July 2014	Adair dutt & Co	201, Anna Salai, Mount Road, Mount Road, Chennai, Tamil Nadu 600002, India	N/A	Brand New	China	33 Years 4 Month	31 Years 4 Month	3,240,520	3,049,005
08 July 2014	Gaylord Engineers	B Patel Road, Goregaon East, Goregaon East, Mumbai, Maharashtra 400063, India	N/A	Brand New	India	33 Years 4 Month	31 Years 4 Month	2,016,570	1,897,391
08 July 2014	Techno Mate	Eastern Housing, J-41, Pallabi, Mirpur, Dhaka	N/A	Brand New	Bangladesh	33 Years 4 Month	31 Years 4 Month	3,270,532	3,077,244
08 July 2014	Tecnoworth	78, Motijheel, Dhaka	N/A	Brand New	Bangladesh	33 Years 4 Month	31 Years 4 Month	605,755	569,955
08 July 2014	Puriest Pharma. Technology Co Ltd	410, Yingjiachuntian, 175 No. Jinsheng Rd. Vanjing, China 211101, China	N/A	Brand New	China	33 Years 4 Month	31 Years 4 Month	72,532	68,245
08 July 2014	Diamond Ind.Pvt. Ltd	Hossain Tower,75 Green Road, Farmgate, Dhaka	N/A	Brand New	Bangladesh	33 Years 4 Month	31 Years 4 Month	520,650	489,880
08 July 2014	Pharmalink Bd	55, Purana Paltan, Dhaka	N/A	Brand New	Bangladesh	33 Years 4 Month	31 Years 4 Month	364,587	343,040
08 July 2014	Zhejiang Feiyun Technology Co., Ltd.	281, West Yanjiang Road, Ruian City, Zhejiang Province, P. R. China	N/A	Brand New	China	33 Years 4 Month	31 Years 4 Month	7,643,842	7,192,091
04 Jan 2015	Wraptech Machines Ltd.	TTC Industrial Area, Pawne, Navi Mumbai, Maharashtra 400705,	N/A	Brand New	India	33 Years 4 Month	32 Years 2 Month	3,032,652	2,926,964
12 Jan 2015	Wraptech Machines Ltd.	TTC Industrial Area, Pawne, Navi Mumbai, Maharashtra 400705, India	N/A	Brand New	India	33 Years 4 Month	32 Years 2 Month	2,123,540	2,049,535
10 Feb 2015	Diamond Ind.Pvt. Ltd	Hossain Tower,75 Green Road, Farmgate, Dhaka	N/A	Brand New	Bangladesh	33 Years 4 Month	32 Years 2 Month	2,508,672	2,421,245

18 Feb 2015	Otomac Bd	House-191, Road-01, New DOHS Mohakhali, Dhaka,	N/A	Brand New	Bangladesh	33 Years 4 Month	32 Years 2 Month	3,342,520	3,226,033
12 March 2015	Otomac Bd	House-191, Road-01, New DOHS Mohakhali, Dhaka,	N/A	Brand New	Bangladesh	33 Years 4 Month	32 Years 2 Month	1,892,897	1,826,930
12 March 2015	Funke Gerber Germany	Ringstraße 42, 12105 Berlin, Germany	N/A	Brand New	Germany	33 Years 4 Month	32 Years 2 Month	3,653,254	3,525,938
06 Aug 2015	Chittagong Water Treatment System	Ctg 63, Monsur Market, JEC Road, Chittagong.	N/A	Brand New	Bangladesh	33 Years 4 Month	33 Years 3 Month	930,000	927,675
29 Nov 2015	YSI	Fondriest Environmental 2091 Exchange Court Fairborn, OH 45324	N/A	Brand New	U.S.A	33 Years 4 Month	33 Years 3 Month	2235600	2,230,011
4 Feb 2016	Paradise Scientific	Mamun Plaza, Grant Floor, 31 Shaheed Nazrul Islam Sharak, Dhaka- 1203	N/A	Brand New	Bangladesh	33 Years 4 Month	33 Years 3 Month	620000	618,450
12 June 2016	Khan Engineering	47/3, Toyenbee Circular Rd. (Bikrampur House)	N/A	Brand New	Bangladesh	33 Years 4 Month	33 Years 3 Month	450000	448,875

**(ix) Details of the machineries required to be bought by the issuer, cost of the machineries, name of the suppliers, date of placement of order and the date or expected date of supply, etc.**

No machineries are required to be bought by the issuer except machineries to be bought from IPO proceeds.

Sl.	Name of Machineries	Name of Supplier	Model	Brand	Origin	Qty (Nos.)	Unit Price (USD)	Total Price (USD)	Exchange Rate	Total Price (BDT)
1	High Speed Mixer Granulator	Prisma Corporation	K-100	Prisma	India	4	26632.93	106531.72	78.36	8,347,826
2	Multi Mill	Thiyya Technology	M-60	Thiyya Technology	India	4	1664.56	6658.24		521,740
3	Fluid bed Dryer	Thiyya Technology	F-80	Thiyya Technology	India	4	9987.34	39949.36		3,130,432
4	Tablet Compression	Jaguar	JD-35	Jaguar	India	4	32608.73	130434.93		10,220,881
5	Tablet Compression	Jaguar	JD-35	Jaguar	India	2	26632.93	53265.86		4,173,913
6	Tablet Coating	NP Machinery	T-30	NP Machinery	India	2	44388.22	88776.44		6,956,522
7	Tablet Compression	Chaminda Corporation	CPMD4-29	Chaminda	India	4	26632.93	106531.72		8,347,825
8	Blister Packing	Technomake	TI-1	Technomake	India	4	49936.74	199746.96		15,652,172
9	Blister Packing	Huallan Phar. Machinery	DPP-250	Feiyun	China	2	27742.63	55485.26		4,347,825
10	Automatic Capsule Filling & Sealing machine	Project Consultancy Service	SAF-D2	Pacifab	India	4	35510.57	142042.28		11,130,433
11	Auto Liquid Filling & Sealing machine	Project Consultancy Service	L-60	United	India	2	19974.69	39949.38		3,130,433
12	Dry Powder Filling machine	Project Consultancy Service	DPL-60	United	India	2	16645.58	33291.16		2,608,695
13	Mass Mixer (PD)	Prisma Corporation	M-5	Prisma	India	2	665.82	1331.64		104,347
14	Automatic Strip packing machine	Prisma Corporation	S-45	United	India	2	7213.09	14426.18		1,130,435
15	Auto Sachet filling	Wraptech	MB-100	Wraptech	India	2	2774.25	5548.5		434,780
17	HPLC	Knauer	SMB	Osmometoy	Germany	2	38839.68	77679.36		6,086,955
18	FTIR	Bruker	Alpha	Bruker	Germany	2	72130.85	144261.7		11,304,347
19	Moisture Blance	Boelo	BT-600	Boelo	Germany	2	49936.74	99873.48		7,826,086
20	Compression (PD)	Jaguar	C-2	Jaguar	India	2	5548.53	11097.10		869,569
21	Fluid bed Dryer (PD)	Thiyya Technology	F-5	Thiyya Technology	India	2	1109.71	2219.42		173,914
22	Coating (PD)	NP Machinery	C-5	NP Machinery	India	2	3329.12	6658.24		521,740
<b>Total Price</b>										
<b>Local Cost of Duty, port charges, C&amp;F, Insurance, Transportation, Installation, etc.</b>							15%			16,053,130
<b>Total cost for imported Machinery &amp; equipment- Local Machinery</b>										<b>123,074,000</b>
23	<b>Boiler</b>					1	-	-		<b>650,000</b>
24	<b>Jacketed Vassel</b>					1	-	-		<b>196,000</b>
25	<b>Air Compressor</b>					2	-	-		<b>800,000</b>
<b>Grand Total:</b>										<b>124,720,000</b>

**Probable date of Placement:** After receiving of IPO fund.

**Probable date or expected date of supply:** within 15 months after receiving of IPO fund.

- (x) **In case the machineries are yet to be delivered, the date of quotations relied upon for the cost estimates given shall also be mentioned;**  
There are no machineries, which are yet to be delivered.
- (xi) **If plant is purchased in brand new condition then it should be mentioned;**  
All plants and machineries of the Company were purchased in brand new condition.

**DECLARATION RELATED TO MACHINERIES BEING BRAND NEW**

We do hereby declare that all the plants and machineries of the Company amounting to Tk. 119,083,803 (including takeover machineries amounting Tk. 98,000,000.00) as on June 30, 2016 were purchased in brand new condition. There are no re-conditioned or second hand machineries installed in the Company.

Place: Dhaka  
Dated: June 20, 2017

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

- (xii) **Details of the second hand or reconditioned machineries bought or proposed to be bought, if any, including the age of the machineries, balance estimated useful life, etc. as per PSI certificates of the said machineries as submitted to the Commission;**  
The Company purchased neither any second hand or reconditioned machineries nor any plan to purchase in future. It is mentionable here that IBPL has acquired capital machineries from A F M Anowarul Huq. The machineries were bought by A F M Anowarul Huq in brand new condition.

(xiii) A physical verification report by the issue manager(s) regarding the properties as submitted to the Commission;

### PHYSICAL VERIFICATION REPORT

Of

#### Indo-Bangla Pharmaceuticals Limited

This is to certify that we have visited Indo-Bangla Pharmaceuticals Limited on October 01, 2017 and we have found the followings as details below:

#### Visited and Accompanied by:

Particulars		Name & Designation	Company
Visited by (AFC Capital Limited)	:	<b>Mahbub H. Mazumdar FCMA</b> <i>Chief Executive</i>	AFC Capital Limited
Visited by (EBL Investments Limited)	:	<b>Moinul Hossain Asif</b> <i>Managing Director</i>	EBL Investments Limited
Visited by (CAPM Advisory Limited)	:	<b>Tania Sharmin</b> <i>Managing Director &amp; CEO</i>	CAPM Advisory Limited
	:	<b>Md. Arifur Rahman</b> <i>Senior Manager</i>	
Accompanied by	:	<b>A F M Anowarul Huq</b> <i>Managing Director</i>	Indo-Bangla Pharmaceuticals Limited
	:	<b>Md Shamem Gazi</b> <i>Company Secretary</i>	

#### Company Overview:

On June 18, 2014, the Company had been incorporated under the Company Act, 1994 vide registration no. C-116665/14 as private limited company. The Company has started its commercial operation on June 18, 2014. Subsequently the company has been converted to public limited company on October 21, 2014.

The registered office and manufacturing unit of the company is located at 729, College Road, Barisal Sadar, Barisal-8200, Bangladesh and its corporate office at Jahan Tower (2nd Floor)- A-2, 11/1 Avoy Das Lane, Tikatuli, Dhaka-1203.

The Company is always devoted to ensure the high quality of medicine by implementing state of art technologies and modern machineries.

There is no subsidiary company of Indo-Bangla Pharmaceuticals Limited.

The authorized and paid-up capital of the company is as follows:

Authorized Capital : Tk. 1,000,000,000.00  
 Paid up Capital : Tk. 730,000,000.00  
 Proposed IPO Size : Tk. 200,000,000.00 (2.00 Crore Shares @ Tk. 10.00 each)

#### Registered & Corporate Office:

The registered office of the company is located at 729, College Road, Barisal Sadar, Barisal-8200, Bangladesh and its corporate office at Jahan Tower (2nd Floor)- A-2, 11/1 Avoy Das Lane, Tikatuli, Dhaka-1203.



### Nature of Business:

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

### Products:

Indo-Bangla Pharmaceuticals Ltd. produces a good number of products of Human products division. All the products of Indo-Bangla Pharmaceuticals Ltd. categorized under Non-Biological Products and Biological Products. List of the products are mentioned below:

### List of Non-Biological Products:

SL	Brand Name	Generic Name	Dosages Form	Strength	DAR No.	Valid up to
01	Indostin-R 150	Ranitidine Hydrochloride USP	Tablet	167.40 mg. (Equivalent to 150.00 mg. Ranitidine)	032-93-60	22.11.2019
02	Indophyllin	Aminophylline BP	Tablet	100.00 mg.	032-20-18	22.11.2019
03	Mebendox 30ml	Mebendazole BP	Suspension	2.0 gm / 100ml	032-24-55	22.11.2018
04	Metrol 60ml	Metronidazole Benzoate BP	Suspension	6.40 gm. (Equivalent to 4.00 gm. Metronidazole) / 100ml	032-26-56	08.12.2020
05	Albendox	Albendazole USP	Tablet	400.00 mg.	032-27-55	08.12.2020
06	Metrol 400mg	Metronidazole BP	Tablet	400.00 mg.	032-25-56	25.10.2021
07	Paracetamol	Paracetamol BP	Tablet	500.00 mg.	032-18-06	25.10.2021
08	Indosin	Chlorpheniramine Maleate BP	Tablet	4.00 mg.	032-83-28	12.12.2019
09	Indosin 100ml	Chlorpheniramine Maleate BP	Syrup	100.00 mg. / 100ml	032-84-28	12.12.2019
10	Naldic	Nalidixic Acid BP	Tablet	500.00 mg.	032-85-60	22.11.2019
11	I-B Oral Saline	Sodium Chloride BP, Tri Sodium Citrate Dihydrate BP, Potassium Chloride BP & Glucose Anhydrous BP	Oral Saline	1.30 gm, 1.45 gm, 0.75 gm & 6.75 gm	032-88-69	25.10.2021
12	Inket	Ketorolac Tromethamine USP	Tablet	10.00 mg.	032-82-65	25.10.2021
13	Indoflam 400mg	Ibuprofen BP	Tablet	400.00 mg.	032-58-65	20.11.2018
14	Indoflam 60/100ml	Ibuprofen BP	Suspension	2.00 gm / 100ml	032-59-65	08.12.2021
15	Clear Plus	Sodium Thiosulphate USP	Tablet	15.00 mg.	032-77-95	20.11.2018
16	Clear	Sodium Thiosulphate USP	Tablet	7.50 mg.	032-78-95	22.11.2019
17	Dextrin	Dexamethasone BP	Tablet	0.50 mg.	032-57-50	15.10.2021
18	Frusidin	Frusemide BP	Tablet	40.00 mg.	032-55-42	22.12.2020
19	Gyfusin	Griseofulvin BP	Tablet	500.00 mg.	032-56-62	22.12.2020
20	I-Cin	Indomethacin BP	Capsule	25.00 mg.	032-52-65	29.10.2021
21	Tensareal	Diazepam BP	Tablet	5.00 mg.	032-63-02	19.10.2021
22	I-Pedom	Domperidone Maleate BP	Tablet	12.726 mg. (Equivalent to 10.00 mg. Domperidone)	032-53-32	23.07.2019
23	I-Pedom 60/100ml	Domperidone BP	Suspension	100.00 mg. / 100ml	032-54-32	23.07.2019
24	I-Solone	Prednisolone BP	Tablet	5.00 mg	032-79-50	19.12.2018
25	I-Zam	Clobazam BP	Tablet	10.00 mg.	032-64-09	08.11.2020
26	Puretab Plus	Halazone USP	Tablet	15.00 mg.	032-80-95	12.11.2019
27	Puretab	Halazone USP	Tablet	7.50 mg.	032-81-95	12.11.2019
28	Relise	Acceclofenac BP	Tablet	10.00 mg.	032-60-65	15.10.2021
29	Sulbumol	Salbutamol Sulphate BP	Tablet	2.40 mg. (Equivalent to 2.00 mg. Salbutamol)	032-67-18	20.11.2020
30	Sulbumol Plus	Salbutamol Sulphate BP	Tablet	4.80 mg. (Equivalent to 4.00 mg. Salbutamol)	032-68-18	20.11.2020
31	Sulbumol 60/100ml	Salbutamol Sulphate BP	Syrup	48.00mg. (Equivalent to 2.00mg. Salbutamol) /100ml	032-69-18	20.11.2020
32	Metrol 200mg	Metronidazole BP	Tablet	200.00 mg.	032-09-56	19.10.2021
33	Paramol 60ml	Paracetamol BP	Suspension	2.40 gm. / 100ml	032-22-06	19.10.2021
34	Mebendox 100mg	Mebendazole BP	Tablet	100.00 mg	032-17-55	19.10.2021
35	Arromin 60ml & 100ml	Promethazine Hydrochloride BP	Elixir	100.00 mg. / 100ml	032-15-28	19.10.2021
36	Trialugel	Aluminium Hydroxide Dried Gel BP & Magnesium Hydroxide BP	Tablet	250.00 mg. & 400.00 mg.	032-12-29	19.10.2021
37	Indomol Plus	Paracetamol BP & Caffeine BP	Tablet	500.00 mg. & 65.00 mg.	032-45-06	15.10.2021
38	Indofenac - SR	Diclofenac Sodium BP (Time Release Pellets)	Capsule	250.00 mg. Pellets (Equivalent to 100.00 mg. Diclofenac Sodium)	032-49-06	19.10.2021
39	Protobit	Omeprazole BP (Enteric Coated Pellets)	Capsule	240.00 mg. Pellets (Equivalent to 20.00 mg. Omeprazole)	032-44-29	15.10.2021
40	Indoprox 250mg	Naproxen Sodium USP	Tablet	275.00 mg. (Equivalent to 250.00 mg. Naproxen)	032-47-65	29.10.2021
41	Indoprox 500mg	Naproxen Sodium USP	Tablet	550.00 mg. (Equivalent to 500.00 mg. Naproxen)	032-46-65	19.10.2021
42	Indo-Fila	Diethyl Carbamazine Citrate BP	Tablet	100.00 mg.	032-43-55	08.07.2018
43	I-Cet	Cetirizine Hydrochloride BP	Syrup	100.00 mg. / 100ml	032-41-28	19.10.2021
44	I-Cet	Cetirizine Hydrochloride BP	Tablet	10.00 mg.	032-40-28	15.10.2021
45	Zins	Zinc Sulphate Monohydrate USP	Syrup	549.33mg. (Equivalent to 200.00 mg. Elemental Zinc)	032-39-67	19.10.2021
46	Caltab	Calcium Lactate BP	Tablet	300.00 mg.	032-29-67	19.10.2021
47	Indocal	Calcium Carbonate BP	Tablet	1250.00mg (Equivalent to 500.00mg. Elemental Calcium)	032-38-67	19.10.2021

## List of Biological Products:

SL	Brand Name	Generic Name	Dosages Form	Strength	DAR No.	Valid up to
01	Indocef 500mg	Cephhradine Monohydrate (Compacted) BP	Capsule	525.00 mg. (Equivalent to 500.00 mg. Cephhradine)	032-89-60	23.11.2019
02	Indocef DS 100ml	Cephhradine Monohydrate (Micronised) BP	Powder for Suspension	5.25 gm. (Equivalent to 5.00gm. Cephhradine)/100ml	032-90-60	23.11.2019
03	Indocef 100ml	Cephhradine Monohydrate (Micronised) BP	Powder for Suspension	2.625 gm. (Equivalent to 2.50gm. Cephhradine)/100ml	032-91-60	23.11.2019
04	Indocef 15ml	Cephhradine Monohydrate (Micronised) BP	Powder for Paediatric Drop	1.575 gm. (Equivalent to 1.50gm. Cephhradine) / 15ml	032-91-60	23.11.2019
05	Cotrimox-DS	Sulphamethoxazole BP & Trimethoprim BP	Tablet	800.00 mg. & 160.00 mg.	032-28-59	25.10.2021
06	Insoplex 100ml & 200ml	Thiamine Hydrochloride(B <sub>1</sub> ) BP, Riboflavin -5- Phosphate Sodium(B <sub>2</sub> ) BP, Pyridoxine Hydrochloride(B <sub>6</sub> ) BP & Nicotinamide BP	Syrup	(100.00 mg, 54.80 mg, 40.00 mg, & 400.00 mg) / 100ml	032-21-39	19.10.2021
07	I Need Z	Dried Ferrous Sulphate, Folic Acid & Zinc Sulphate (Time Release Pellets) BP/USP	Capsule	285.00 mg.	032-86-39	25.10.2021
08	BCE	Vitamin-C BP, Vitamin-E 50% BP & Betacarotene USP	Tablet	200.00 mg, 50.00 mg, & 06.00 mg.	032-87-39	08.12.2018
09	Indocal-D	Calcium Carbonate BP & Vitamin-D <sub>3</sub> BP	Tablet	1250.00mg. (Equivalent to 500.00mg. Calcium) & 200.00i.u. (as cholecalciferol)	032-99-39	19.10.2021
10	Indomoxin 15ml	Amoxycillin Trihydrate (Micronised) BP	Paediatric Drops	1.725 gm.	032-65-60	25.10.2021
11	Indozith 15/30ml	Azithromycin Dihydrate USP	Powder for Suspension	00.84gm (Equivalent to 00.80gm. Azithromycin)	032-72-60	15.10.2021
12	Indozith 250mg	Azithromycin Dihydrate USP	Capsule	262.500mg (Equivalent to 250.00mg. Azithromycin)	032-70-60	29.10.2021
13	Indozith 500mg	Azithromycin Dihydrate USP	Tablet	525.00mg (Equivalent to 500.00mg. Azithromycin)	032-71-60	15.10.2021
14	Cipro-I 750mg	Ciprofloxacin Hydrochloride USP	Tablet	873.30mg (Equivalent to 750.00mg Ciprofloxacin)	032-76-60	20.09.2018
15	I-Cillin 250mg	Ampicillin Trihydrate (Compacted) BP	Capsule	288.70mg (Equivalent to 250.00mg Ampicillin)	032-73-60	09.04.2019
16	I-Cillin 500mg	Ampicillin Trihydrate (Compacted) BP	Capsule	577.40mg (Equivalent to 500.00mg Ampicillin)	032-74-60	09.04.2019
17	I-Cillin 100ml	Ampicillin Trihydrate (Micronised) BP	Powder for Suspension	2.88gm (Equivalent to 2.500gm Ampicillin)	032-75-60	09.04.2019
18	I-Fol	Ferrous Fumarate BP & Foilc Acid BP	Tablet	200.00 mg. & 200.00 mcg.	032-61-26	23.12.2018
19	I-Fol Plus	Ferrous Fumarate BP & Foilc Acid BP	Tablet	200.00 mg. & 400.00 mcg.	032-62-27	23.12.2018
20	Riboflavine	Riboflavine BP	Tablet	5.00 mg.	032-08-39	19.10.2021
21	Cotrimox 60ml	Sulphamethoxazole BP & Trimethoprim BP	Suspension	(4.00 gm & 0.80 gm)/100ml	032-16-59	12.08.2020
22	Cotrimox 480mg	Sulphamethoxazole BP & Trimethoprim BP	Tablet	400 mg. & 80.00 mg.	032-11-59	12.08.2020
23	Auriotone	Ferrous Sulphate BP	Syrup	4.00 gm	032-23-39	20.12.2019
24	Indox	Doxycycline Hydrochloride BP	Capsule	115.00mg. (Equivalent to 100.00mg Doxycycline)	032-50-60	19.10.2021
25	Indomoxin 100ml	Amoxycillin Trihydrate (Micronised) BP	Powder for Suspension	2.875gm (Equivalent to 2.500gm Amoxycillin)	032-48-60	15.10.2021
26	Cipro-I 500mg	Ciprofloxacin Hydrochloride USP	Tablet	582.20 mg. (Equivalent to 500.00 mg. Ciprofloxacin)	032-32-60	19.10.2021
27	Indomoxin 250mg	Amoxycillin Trihydrate (Compacted) BP	Capsule	287.50mg. (Equivalent to 250.00mg Amoxycillin)	032-33-60	29.10.2021
28	Indomoxin 500mg	Amoxycillin Trihydrate (Compacted) BP	Capsule	575.00mg. (Equivalent to 500.00 mg Amoxycillin)	032-34-60	19.10.2021
29	Indotetra 500mg	Tetracycline Hydrochloride BP	Capsule	500.00 mg.	032-42-60	19.10.2021
30	Indoflox 100ml	Flucloxacillin Sodium BP	Powder for Suspension	2.72gm. (Equivalent to 2.50gm Flucloxacillin)	032-37-60	15.10.2021
31	Indoflox 250mg	Flucloxacillin Sodium BP	Capsule	272.00mg. (Equivalent to 250.00mg. Flucloxacillin)	032-35-60	29.10.2021
32	Indoflox 500mg	Flucloxacillin Sodium BP	Capsule	544.00mg. (Equivalent to 500.00mg. Flucloxacillin)	032-36-60	29.10.2021
33	Indoplex-B	Thiamine Hydrochloride(B <sub>1</sub> ) BP, Riboflavine (B <sub>2</sub> ) BP, Pyridoxine Hydrochloride(B <sub>6</sub> ) BP & Nicotinamide BP	Tablet	5.00 mg, 2.00 mg, 2.00 mg & 20.00 mg	032-30-39	19.10.2021
34	Indomox 250mg	Amoxycillin Trihydrate (Compacted) BP	Tablet	287.50mg. (Equivalent to 250.00mg. Amoxycillin)	032-31-60	29.10.2021

*\*Non-Biological Products and Biological Products list as per approved by Directorate General of Drug Administration & Licensing Authority (Drugs), Government of the People's Republic of Bangladesh.*

During our visit we found that the production was going on. We also checked about the products other than Annexure I & II. We found no products other than Annexure I & II are produced by the Company.

### **Location of the factory:**

729, College Road, Barisal Sadar, Barisal-8200., Bangladesh.

**Description of Property:**

We have found properties at the factory premises like:

- 1) **Land:** 37.40 decimals of land surrounded by boundary wall in 729, College Road, Barisal Sadar, Barisal-8200 and 159.50 decimals of vacant land surrounded by fence in Ranirhat, Bakergonj, Barisal.
- 2) **Vehicle:** details of vehicle is as follows:

<b>Particulars</b>	<b>Description</b>
Number of Transport	One Pcs
Owner Name	Indo-Bangla Pharmaceuticals Ltd.
Classification of Transport	Covered Van Tata 2009
Registration Number	Dhaka Metro NA 14-2674
Chassis Number	MAT4450519ZR57923
Engine Number	275IDI05MQZSE8160

3) **Building & Other Construction:** Details of the building & other construction status are given below:

Number of Buildings	Type (Bricks/Tin/Prefabricated Steel)	Total Area (Sft)	Cost Per Sft (BDT)	Total Cost (BDT)	Status of Use
Building-1	Pillar-RCC, Wall-Brick Roof-Brick. (Two Storied Completed Building)	5,359.20	3,580	19,185,936	Office
Building-2	Pillar-RCC, Wall-Brick Roof-Brick. (Two Storied Completed Building)	9,383.60	3,650	34,250,140	Factory
Building-3	Pillar-RCC, Wall-Brick Roof-Brick. (Two Storied Completed Building)	2,345.00	3,595	8,430,275	Finished goods store
Building-4	Pillar-RCC, Wall-Brick Roof-Brick. (Four Storied Completed Building)	9,106.40	3,542	32,254,869	Factory
Building-5	Pillar-RCC, Wall-Brick Roof-Brick. (Four Storied Completed Building)	16,447.20	3,488	57,373,542	Raw materials store

4) **Plant & Machineries:**

Sl. No.	Name of Machines	Quantity (Pcs)
1	Fluid bed Drier	1
2	Multi - Mill	1
3	Double cone blander	1
4	Tablet Compression -35	2
5	Tablet Compression -16	2
6	Mass Mixer	1
7	Strip Packing	1
8	Bottle Dryer	2
9	Blister Packing	8
10	Tablet compression 27 jaguars	2
11	D- Duster	1
12	Mass Mixer	2
13	Batch printing	1
14	Drum mixer	2
15	Cap sealing	7
16	Fluid Bed Drier	1
17	Emulsifier	3
18	Sachet filing &sealing	6
19	Air compressor	3
20	DM plant	3
21	Tablet coating	2
22	Liquid Transfer pump	2
23	Liquid filling	4
24	Boiling jacket	2
25	Strip packing	1
26	Conveyer belt	1
27	Cap sealing	9
28	Liquid filling (Suspension)	2
29	Hand capsule filling & sealing	4
30	Fizz - Mill	3
31	Fluid Bed Drier	2
32	Automatic capsule loading	1
33	Powder filling	1
34	Multi -Mill	3
35	Mixer Granulator	2
36	ETP Plant	1
37	Generator	2
38	Tablet Compression -29	2
39	Sachet filing &sealing	7
40	Mechanical Shifter	1
41	Wrapping sealing	1
42	Tablet Compression -45	4
43	Tablet Compression -40	3
44	Auto Capsule machine	4
45	Dry Powder filling machine	2
46	Augur Filling	1
47	Transfer Pump	1
48	Tube Filling	1
49	Same Auto Capsule machine	2
50	Spectrophotometer	2

51	Analytical balance	2
52	Infrared moisture meter	1
53	Melting point apparatus	1
54	Tab. friability tester	1
55	Tab. Disintegration testing machine	1
56	Tab. Dissolution testing m/c	1
57	Leak test m/c	3
58	Water bath	1
59	Incubator	1
60	Stability chamber	1
61	Refrigerator	1
62	Laminar air flow cabinet	1
63	Laboratory oven	1
64	Flame photometer 102	1
65	P.H meter	4
66	Microscope	3
67	Hydrometer	5
68	Autoclave	2
69	HPLC	2
70	Ultrasonic Bath	1
71	Tablet Hardness Instrument	1
72	Digital Moisture Balance	1
73	Laboratory Centrifuge	1
74	FTIR	2
75	Karl Fisher Titrator	2
76	Polarimeter Automatic	4
77	Melting Point Apparatus	1
78	Digital Tablet Hardness Tester	8
79	Leak Test Apparatus Digital	1
80	Autoclave Digital	2
81	Colony Counter with colored illumination	1
82	Conductivity Meter /TDS (EC Meter)	1
83	Eye Shower	1
84	Dispensing Booth Chamber	2
85	Sampling Booth Chamber	2
86	Automatic capsulating filling & Sealing full unit	2
87	Spectrophotometer	1
88	Melting point apparatus	1
89	Tab. Disintegration testing machine	1
90	Tab. friability tester	1
91	Digital Slide calipers	5
92	Colam Oven	1
93	Digital pH meter	3
94	Digital Moisture Balance	1
95	Laboratory Centrifuge	1
96	Micrometer	1
97	All touch Induction stove	1

- 5) **Generator:** IBPL have two diesel generators of capacity 335 KV
- 6) **ETP plant:** During our visit, we found ETP plant. Moreover, as per environmental clearance certificate IBPL has expanded in ETP plant.

Besides these assets, we have also found other assets like Furniture & fixture, Office Equipment, Fire Extinguisher, water plant.

We checked inventory register and roster (workers' duty register) and found satisfactory. We also noticed that all machineries of IBPL are in good condition and running well.

**Signboard:** The signboard of the Company is well displayed at the corporate office and factory premises.

Sd/-

**Mahbub H. Mazumdar FCMA**  
Chief Executive  
AFC Capital Limited

Sd/-

**Moinul Hossain Asif**  
Managing Director  
EBL Investments Limited

Sd/-

**Tania Sharmin**  
Managing Director & CEO  
CAPM Advisory Limited

- (xiv) **If the issuer is entitled to any intellectual property right or intangible asset, full description of the property, whether the same are legally held by the issuer and whether all formalities in this regard have been complied with;**

The Company has no intellectual property right or intangible asset.

- (xv) **Full description of other properties of the issuer.**

**Vehicle:** details of vehicle is as follows:

Particulars	Description
Number of Transport	One Pcs
Owner Name	Indo-Bangla Pharmaceuticals Ltd.
Classification of Transport	Covered Van Tata 2009
Registration Number	Dhaka Metro NA 14-2674
Chassis Number	MAT4450519ZR57923
Engine Number	275IDI05MQZSE8160

**Building & Other Construction:**

Name of Buildings	Type (Bricks/Tin/Prefabricated Steel)	Total Area (Sft)	Status of Use
Building-1	Pillar-RCC, Wall-Brick Roof-Brick. (Two Storied Completed Building)	5,359.20	Office
Building-2	Pillar-RCC, Wall-Brick Roof-Brick. (Two Storied Completed Building)	9,383.60	Factory
Building-3	Pillar-RCC, Wall-Brick Roof-Brick. (Two Storied Completed Building)	2,345.00	Finished goods store
Building-4	Pillar-RCC, Wall-Brick Roof-Brick. (Four Storied Completed Building)	9,106.40	Factory
Building-5	Pillar-RCC, Wall-Brick Roof-Brick. (Four Storied Completed Building)	16,447.20	Raw materials store

**Generator:** IBPL have two diesel generators of capacity 335KV.

**(f) Plan of Operation and Discussion of Financial Condition:**

The issuer's revenue and results from operation, financial position and changes in financial position and cash flows for the last five years:

**Revenue and results from operation:**

Particulars	Amount in Taka	
	30-Jun-16	30-Jun-15
Net Sales Revenue	444,777,724	435,024,108
Cost of Goods Sold	262,528,992	257,883,659
<b>Gross Profit</b>	<b>182,248,732</b>	<b>177,140,449</b>
<b>Operating Expenses:</b>	<b>87,751,623</b>	<b>84,720,465</b>
Administrative Expenses	23,381,246	22,007,014
Selling & Distributing Expenses	64,370,377	62,713,451
<b>Profit from Operations</b>	<b>94,497,109</b>	<b>92,419,984</b>
Non-Operating Income	850,491	209,658
<b>Profit before Contribution to WPPF &amp; Welfare Fund</b>	<b>95,347,600</b>	<b>92,629,642</b>
Contribution to WPPF & Welfare Fund	4,540,362	-
<b>Profit before Tax</b>	<b>90,807,238</b>	<b>92,629,642</b>
<b>Provision for Taxation:</b>	<b>31,782,533</b>	<b>32,420,375</b>
Income Tax Current year	26,522,010	28,397,581
Deferred Tax Current year	5,260,523	4,022,794
<b>Profit after tax</b>	<b>59,024,705</b>	<b>60,209,267</b>



**Financial position:**

Particulars	Amount In Taka	
	30-Jun-16	30-Jun-15
<b>APPLICATION OF FUND</b>		
<b>NON-CURRENT ASSETS</b>		
Property, Plant and Equipment	211,400,486	147,873,513
Work In Progress	119,069,371	10,401,337
<b>Total Non-Current Assets</b>	<b>330,469,857</b>	<b>158,274,850</b>
<b>CURRENT ASSETS</b>		
Inventories	156,521,360	142,164,099
Trade & Other Receivables	112,266,319	41,438,482
Advance, Deposits and Prepayments	105,325,972	35,253,978
Cash and Cash equivalents	240,795,305	5,888,123
<b>Total Current Assets</b>	<b>614,908,956</b>	<b>224,744,682</b>
<b>TOTAL ASSETS</b>	<b>945,378,813</b>	<b>383,019,532</b>
<b>OWNER'S EQUITY</b>		
Share Capital	730,000,000	99,000,000
Retained Earnings	119,233,972	60,209,267
<b>Total Equity</b>	<b>849,233,972</b>	<b>159,209,267</b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred Tax Liability	9,283,317	4,022,794
Provision for WPPF	4,540,362	-
	<b>13,823,679</b>	<b>4,022,794</b>
<b>CURRENT LIABILITIES</b>		
Trade and other Payables	15,911,787	11,847,860
Vendors payable Account	-	171,837,213
Provision for Taxes	54,919,591	28,397,581
Liabilities for Expenses	11,489,784	7,704,817
<b>TOTAL CURRENT LIABILITIES</b>	<b>82,321,162</b>	<b>219,787,471</b>
<b>TOTAL LIABILITIES</b>	<b>96,144,840</b>	<b>223,810,265</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>945,378,813</b>	<b>383,019,532</b>

**Changes in financial position:**

Particular	Ordinary Share Capital	Retained Earnings	Total
Initial Capital (at incorporation)	1,000,000	-	1,000,000
Balance as on 30 June 2015	99,000,000	60,209,267	99,000,000
Balance as on 30 June 2016	730,000,000	119,233,972	849,233,972

**Cash Flows Statement:**

<b>Particulars</b>	<b>Amounts in Taka</b>	
	<b>2016</b>	<b>2015</b>
<b>Cash Flow from Operating Activities</b>		
Cash receipts from customers	374,559,271	438,103,575
Cash receipts from others income	241,107	209,658
Cash payment to Suppliers	(256,407,305)	(288,800,236)
Cash payment to Employees	(62,440,406)	(59,295,036)
Cash payment to Others	(34,132,076)	(7,810,716)
<b>Cash Generate from operation</b>	<b>21,820,591</b>	<b>82,407,246</b>
Cash payment against income Tax	(7,801,198)	(7,551,199)
<b>Net Cash from Operating Activities</b>	<b>14,019,393</b>	<b>74,856,046</b>
<b>Cash Flow from Investing Activities</b>		
Acquisition of property, plant and equipment	(6,470,900)	(48,342,450)
Advance paid for construction	(22,448,801)	(12,448,801)
Advance paid L/C Margin for Machinery	(30,568,200)	
Paid for Work in Progress	(158,787,097)	(10,401,337)
Advance paid for Land	(20,000,000)	
Paid for Vendor Payable	(171,837,213)	-
<b>Net Cash used in Investing Activities</b>	<b>(410,112,211)</b>	<b>(71,192,588)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from issue of share capital	631,000,000	1,000,000
<b>Net Cash from Financing Activities</b>	<b>631,000,000</b>	<b>1,000,000</b>
<b>Net increase in Cash and Cash equivalents</b>	<b>234,907,182</b>	<b>4,663,458</b>
Cash and Cash Equivalents at beginning of the period	5,888,123	1,224,665
<b>Cash and Cash Equivalent at end of the Period</b>	<b>240,795,305</b>	<b>5,888,123</b>

a) **Internal and external sources of cash;**

Particular	30-06-2016	30-06-2015
Share Capital	730,000,000	99,000,000
Retained earnings	119,233,972	60,209,267
<b>Total</b>	<b>849233972</b>	<b>159209267</b>

IBPL have not any external sources of cash.

b) **Any material commitments for capital expenditure and expected sources of funds for such expenditure;**

The Company has not yet made any material commitment for capital expenditure except for those that are mentioned under the head 'Use of Proceeds' from IPO fund.

c) **Causes for any material changes from period to period in revenues, cost of goods sold, other operating expenses and net income;**

The company's revenue and other income as well as operating expenses and net income have continued to change due to increasing production by adding new machine and increase sales volume.

Particular	30-June-16	30-Jun-15
Sales Revenue	444,777,724	435,024,108
Cost of Sales	262,528,992	257,883,659
Operating Expenses	87,751,623	84,720,465
Net Income	59,024,705	60,209,267

**Causes for changes:**

**Revenues:**

Revenue has been increase due to normal growth of business.

**Cost of goods sold:**

Increase of cost of goods sold in period to period is in the line with sales volume.

**Other operating expenses:**

Increase of operating expenses in period to period is in the line with production and sale volume.

**Net income:**

Though net income has been decreased, it is consistent with the growth. The net income has been decreased due to provision for WPPF. No unusual changes have been occurred during the last two years on the above matters.

d) **Any seasonal aspects of the issuer's business;**

No seasonal aspects adversely affect the business of IBPL.

e) **Any known trends, events or uncertainties that may have material effect on the issuer's future business;**

At present, there are no known trends, events and/or uncertainties that shall have a material impact on the company's future business except for those, which are naturally beyond control of human being.

The business operation of the Company may be affected by the following events:

- I. Political unrest
- II. Natural disaster.

- f) **Any assets of the company used to pay off any liabilities;**  
None of the assets of the company has been used to pay off any liabilities of the company.
- g) **Any loan taken from or given to any related party or connected person of the issuer with details of the same;**  
IBPL has no associate, subsidiary or holding company. No loan was taken from or given to aforesaid.
- h) **Any future contractual liabilities the issuer may enter into within next one year, and the impact, if any, on the financial fundamentals of the issuer;**  
The Company has no plan to enter into any contract creating future liabilities for the Company except for those, which are created in the normal course of business activities.
- i) **The estimated amount, where applicable, of future capital expenditure;**  
The Company has no plan for capital expenditure except for those mentioned in the 'Use of Proceeds' from IPO fund.
- j) **Any VAT, income tax, customs duty or other tax liability which is yet to be paid, including any contingent liabilities stating why the same was not paid prior to the issuance of the prospectus. Updated income tax status for the last 5 years or from commercial operation, which is shorter;**

**VAT:** There is no VAT liability of the Company as on 30 June, 2016.

**Customs Duty or other tax liabilities:** There is no customs duty Liability of the Company as on 30 June, 2016.

**Income Tax:** The Company is a regular tax payer. The TIN number of the company was 681332543219/Circle-1 (Companies), Barisal. Subsequently which is transfer to Circle-167 (Companies), Taxes Zone-08, Dhaka due to change corporate address to Dhaka. Following are the details of income tax related information of the Company:

<b>Income Year</b>	<b>Assessment Year</b>	<b>Status</b>
2015-2016	2016-2017	Return was submitted. Subsequently, the Deputy Commissioner of Taxes completed the assessment by demanding tax liability of Tk. 10,450,292 as per notice of demand dated on 30 May, 2017. We received notice of demand dated on 14 September, 2017. Against the assessment, the Company appeal the same to the Taxes Appellate Tribunal Khulna Bench dated on 19 September, 2017.
2014-2015	2015-2016	Return was submitted. Subsequently, the Deputy Commissioner of Taxes completed the assessment by demanding tax liability of Tk. 25,565,930 as per notice of demand dated on 24 August, 2016. We received notice of demand dated 14 September, 2017. Against the assessment, the Company appeal the same to the Taxes Appellate Tribunal Khulna Bench on dated 19 September, 2017.

- k) **Any financial commitment, including lease commitment, the company had entered into during the past five years or from commercial operation, which is shorter, giving details as to how the liquidation was or is to be effected;**

The Company has no operating lease obligation with anyone. However, the corporate office of the Company and all of its stations are established in a rented space under the following condition:

Address	Area (Sft)	Rent/Sft.	Period	Rent p/m (Tk.)
Jahan Tower (2 <sup>nd</sup> Floor)- A-2, 11/1 Avoy Das Lane, Tikatuli, Dhaka-1203	1250	@ Tk. 50/-	Apr 2016 to Mar 2030.	32,500/-

NB: Apart from the above, the Company does not or did not have, during the period since its commencement of commercial operation any finance lease or such type of other commitment.

- l) **Details of all personnel related schemes for which the company has to make provision for in future years;**

The Company gives values to the employee benefit packages since the management of IBPL believes that the employees of the organization are the key to the success of the Company's business. IBPL gives its employees remunerations including WPPF, festival bonuses.

As per the requirements of Bangladesh Labor (Amendment) Act, 2013, IBPL has formed the Trusty Board, opened bank account and disbursed the WPPF fund.

The Company has introduced the Group Insurance policy with Republic Insurance Company Limited.

- m) **Break down of all expenses related to the public issue;**

The following amount to be paid to the Issue Managers, Underwriters and other costs are as follows:

Sl. No.	Particulars	Basis	Amount in BDT (approx.)
<b>A.</b>	<b>MANAGERS TO THE ISSUE FEES</b>		<b>2,300,000</b>
1	Managers to the Issue fee	Maximum 2% (two percent) of the public offer amount	2,000,000
2	VAT against Issue Management Fees	15% of issue management fees	300,000
<b>B.</b>	<b>FEES RELATED TO LISTING WITH THE STOCK EXCHANGES</b>		<b>4,420,000</b>
3	Prospectus Submission Fees to DSE & CSE	Fixed	100,000
4	DSE and CSE Annual Fee	Fixed	930,000
5	Fees related to Listing with the stock exchanges	@ 0.25% on Tk. 10 Crore and 0.15% on the rest amount of paid up capital range; (minimum 50 thousand maximum Tk. 1 crore for each exchanges)	2,990,000
6	Data Transmission Fee for DSE & CSE	Fixed	400,000
<b>C.</b>	<b>BSEC FEES</b>		<b>850,000</b>
7	Application fee	Tk. 50,000.00 (non-refundable)	50,000
8	Consent fee	fee @ 0.40% on entire offer	800,000

<b>D. IPO RELATED FEES</b>				<b>550,000</b>
9	Underwriting commission [Maximum 1% (one percent) on 35% (thirty five percent) of the public offer amount.]	Commission @ 0.50% on Underwritten Amount	350,000	
10	Auditors Certification fees	At Actual	200,000	
<b>E. CDBL FEES AND EXPENSES</b>				<b>748,000</b>
11	Security Deposit	At Actual	500,000	
12	Documentation fee	At Actual	2,500	
13	Annual fee	At Actual	100,000	
14	Connection Fee (TK. 500 per month* 12)	At Actual	6,000	
15	Initial Public Offering fee	@.015% of issue size+.015% of Pre-IPO paid up capital	139,500	
<b>F. PRINTING AND POST PUBLIC OFFER EXPENSES</b>				<b>7,832,000</b>
16	Publication of prospectus	Estimated (to be paid at actual)	650,000	
17	Abridge Version of Prospectus and Notice in 4 daily news paper	Estimated (to be paid at actual)	600,000	
18	Notice for prospectus, Lottery, Refund etc. in 4 daily news paper	Estimated (to be paid at actual)	252,000	
19	Lottery related expenses including BUET fee	Estimated (to be paid at actual)	800,000	
20	Data Processing and Share Software Charge	Estimated (to be paid at actual)	4,960,000	
21	Courier Expenses	Estimated (to be paid at actual)	220,000	
22	Administrative & Stationary Expense	Estimated (to be paid at actual)	350,000	
<b>Grand Total</b>				<b>16,700,000</b>

*N.B.: Actual costs will vary if above mentioned estimates differ and will be adjusted accordingly.*

- n) **If the issuer has revalued any of its assets, the name, qualification and experiences of the valuer and the reason for the revaluation, showing the value of the assets prior to the revaluation separately for each asset revalued in a manner which shall facilitate comparison between the historical value and the amount after revaluation and giving a summary of the valuation report along with basis of pricing and certificates required under the revaluation guideline of the Commission;**  
Indo-Bangla Pharmaceuticals Limited doesn't make any revaluation of its asset.
- o) **Where the issuer is a holding or subsidiary company, full disclosure about the transactions, including its nature and amount, between the issuer and its subsidiary or holding company, including transactions which had taken place within the last five years of the issuance of the prospectus or since the date of incorporation of the issuer, whichever is later, clearly indicating whether the issuer is a debtor or a creditor;**  
The Company has no holding or subsidiary companies and also doesn't have any associate company. Hence, there is no transaction has taken place between the issuer and its holding or subsidiary company.

- p) **Financial Information of Group Companies and Companies under common ownership by more than 50%: following information for the last three years based on the audited financial statements, in respect of all the group companies of the issuer, wherever applicable, along with significant notes of auditors:**

IBPL has no group companies and companies under common ownership by more than 50%. Hence information under this head is not applicable for the Company.

- q) **Where the issuer is a banking company, insurance company, non-banking financial institution or any other company which is regulated and licensed by another primary regulator, a declaration by the board of directors shall be included in the prospectus stating that all requirements of the relevant laws and regulatory requirements of its primary regulator have been adhered to by the issuer**  
Not applicable.

- r) **A report from the auditors regarding any allotment of shares to any person for any consideration otherwise than cash along with relationship of that person with the issuer and rationale of issue price of the shares;**

**A report from the auditors regarding any allotment of shares to any person for any consideration otherwise than cash along with relationship of that person with the issuer and rationale of issue price of the shares**

After due verification, we certify that the following shares have been allotted for consideration in otherwise than cash of Indo-Bangla Pharmaceuticals Limited as of 30 June 2017:

<b>Date of allotment</b>	<b>Persons to whom those are issued</b>	<b>No. of shares allotted</b>	<b>Relationship with the Issuer</b>	<b>Reasons for the issue</b>	<b>Rational of Issue Price</b>
7-Jul-2014	A F M Anowarul Huq	9,800,000	Director & Managing Director	To acquire machineries	Face Value

Place: Dhaka  
Date: September 20, 2017

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

- s) **Any material information, which is likely to have an impact on the offering or change the terms and conditions under which the offer has been made to the public**  
There is no material information, which is likely to have an impact on the offering or change the terms and conditions under which the offer has been made to the public
- t) **Business strategies and future plans - projected financial statements shall be required only for companies not started commercial operation yet and authenticated by Chairman, two Directors, Managing Director, CFO, and Company Secretary;**

#### **Business Strategies**

IBPL's key strategic objectives are to:

- Lower price: In order to be market Leader Company is trying to be competitive price to deal with its rivals.
- Economic Scale: With a view to spreading the fixed cost over more units company is trying to increase economic of scale.
- Strengthening our existing market share
- Comprehensive marketing and distribution network.
- Ensure stable and long-term return to our investors.

#### **Future plans**

In persuasion of aforesaid Strategies IBPL and its experienced team have been working insistenty keeping in consideration future as well. IBPL has a planned for expansion of business activities by using IPO proceeds.



u) **Discussion on the results of operations shall inter-alia contain the following:**

- 1) **A summary of the past financial results after adjustments as given in the auditor's report containing significant items of income and expenditure;**

<b>Particular</b>	<b>30 June 2016</b>	<b>30 June 2015</b>
Non-Current Assets	330,469,857	158,274,850
Current Assets	614,908,956	224,744,682
Shareholders Equity	849,233,972	159,209,267
Current Laibilities	82,321,162	219,704,439
Turn Over	444,777,724	435,024,108
Gross profit	182,248,732	177,140,449
Net Profit before Tax	90,807,238	92,629,642
Net Profit After tax	59,024,705	60,209,267

- 2) **A summary of major items of income and expenditure;**

**Major Item of income:**

<b>Particular</b>	<b>30 June 2016</b>	<b>30 June 2015</b>
<b>Turn Over</b>	444,777,724	435,024,108

**Major item of Expenditure:**

<b>Particular</b>	<b>30 June 2016</b>	<b>30 June 2015</b>
Cost of sale	262,528,992	257,883,659
Operating expense	87,751,623	84,720,465

- 3) **The income and sales on account of major products or services;**  
There is only one product of the Company, which contributed to the Company's total revenue.
- 4) **In case, other income constitutes more than 10% of the total income, the breakup of the same along with the nature of the income, i.e., recurring or non-recurring;**  
The Company's other income is not more than 10% of the total income.
- 5) **If a material part of the income is dependent upon a single customer or a few major customers, disclosure of this fact along with relevant data. Similarly, if any foreign customer constitutes a significant portion of the issuer's business, disclosure of the fact along with its impact on the business considering exchange rate fluctuations;**  
The Company's income is not dependent upon a single customer or a few major customers nor foreign customer.
- 6) **In case the issuer has followed any unorthodox procedure for recording sales and revenues, its impact shall be analyzed and disclosed.**  
The issuer has not followed any unorthodox procedure for recording sales and revenues.

- v) **Comparison of recent financial year with the previous financial years on the major heads of the profit and loss statement, including an analysis of reasons for the changes in significant items of income and expenditure, inter-alia, containing the following:**

Particulars	Amounts in Taka	
	30th June,2016	30th June,2015
<b>Net Sales Revenue</b>	444,777,724	435,024,108
Less: Cost of Sales	262,528,992	257,883,659
<b>Gross Profit</b>	<b>182,248,732</b>	<b>177,140,449</b>
<b>Less: Operating Expenses:</b>	87,751,623	84,720,465
Administrative Expenses	23,381,246	22,007,014
Selling & Distributing Expenses	64,370,377	62,713,451
<b>Profit from Operations</b>	<b>94,497,109</b>	<b>92,419,984</b>
Add: Non-Operating Income:	850,491	209,658
<b>Profit before Contribution to WPPF &amp; Welfare Fund</b>	<b>95,347,600</b>	<b>92,629,642</b>
Less: Contribution to WPPF & Welfare Fund	4,540,362	-
<b>Profit before Tax</b>	<b>90,807,238</b>	<b>92,629,642</b>
<b>Less: Income Tax Expenses:</b>	31,782,533	32,420,375
Current Tax	26,522,010	28,397,581
Deferred Tax	5,260,523	4,022,794
<b>Net Profit for the year</b>	<b>59,024,705</b>	<b>60,209,267</b>

**Analysis of reasons for the changes in significant items of income and expenditure:**

There is no change in significant item of income and expenditure of IBPL.

- 1) **Unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.**  
The is no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, and discretionary reduction of expenses etc.
- 2) **Significant economic changes that materially affect or are likely to affect income from continuing operations;**  
There are no significant economic changes that materially affect or are likely to affect income from continuing operations.
- 3) **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations;**  
At present there are no known trends, events and/or uncertainties that shall have a material impact on the company's future business except for those which are naturally beyond control of human being.

- 4) **Future changes in relationship between costs and revenues, in case of events such as future increase in labor or material costs or prices that will cause a material change are known;**

We are aware of the fact that future is always uncertain that affect business. It is expected that labor and material price will go up in future because of inflation and other factors. However, revenue is always adjusted and follows the trend in line with production cost. Hence, any change in cost will be reflected in sales price.

- 5) **The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices;**

There is no material increase in sales volume or revenue due to increased sales volume, introduction of new products or services or increased sales prices.

- 6) **Total turnover of each major industry segment in which the issuer operated;** Pharmaceuticals products are met one of the basic needs for all living being. It is one of the fastest growing industries in the world. According to IMS by 2017 demand of pharma products will be USD 1,200 billion, which was USD 965 billion in the year 2012.

According to the same source, in the year 2014 Bangladesh pharma market size was Tk. 10,600 crore with a growth percentage 8.48. For the year ended 30 June 2016 IBPL sales was Tk. 44.48 crore. According to IMS in the year 2015 Bangladesh pharma market size was Tk. 12,000 crore. Insiders of the industry apprehend that by the year 2020 Bangladesh pharma size will be Tk. 20,000 crore. They also apprehend that pharma products are going to be added into the Bangladesh export basket in a big way within couple of years.

Therapeutic class wise sales of pharma product in the year 2014 & 2015:

(Amount in BDT Crore)

Sl.	Name of the Therapeutic class	30 June 2015		30 June 2014	
		Sales	Market share	Sales	Market share
1	Alimentary T.& Metabolism	4,145.64	34.68	3,635.51	34.34
2	Systemic Anti-Infectives	2,197.38	18.38	2,045.58	19.32
3	Nervous System	1,242.44	10.39	1,138.74	10.76
4	Cardiovascular System	1,153.32	9.65	988.34	9.34
5	Respiratory System	1,051.38	8.79	881.82	8.33
6	Musculo-SkeletalSystem	654.66	5.48	576.17	5.44
7	G.U.System & Sex Hormones	354.00	2.96	285.72	2.70
8	Dermatologicals	288.04	2.41	247.00	2.33
9	Blood + B.Forming Organs	247.27	2.07	223.41	2.11
10	Sensory Organs	185.12	1.55	160.34	1.51
11	Systemic Hormones	137.41	1.15	119.72	1.13
12	Hospital Solutions	127.06	1.06	128.88	1.22
13	Parasitology	113.56	0.95	109.70	1.04
14	Antineoplast+Immunomodul	34.47	0.29	28.51	0.27
15	Various	22.96	0.19	16.58	0.16
16	Diagnostic Agents	0.13	0.00	0.34	0.00

Source:<http://www.lightcastlebd.com/blog/2015/12/market-insight-how-the-bangladesh-pharmaceutical-sector-is-performing-in-2015>

- 7) **Status of any publicly announced new products or business segment;**  
The Company did not announce new products or business segment.
- 8) **The extent to which the business is seasonal.**  
We have been pharmaceutical business around the Country. So, it is not seasonal business.
- w) **Defaults or rescheduling of borrowings with financial institutions or banks, conversion of loans into equity along with reasons thereof, lock out, strikes and reasons for the same etc. during the history of operation of the company;**  
The Company neither defaulted or rescheduled of its borrowings with financial institutions or banks nor converted any of its loans into equity till to date.
- x) **Details regarding the changes in the activities of the issuer during the last five years which may had a material effect on the profits or loss, including discontinuance of lines of business, loss of agencies or markets and similar factors;**  
On 7<sup>th</sup> June 2016, Honorable High Court division of Supreme Court ordered to stop manufacturing and marketing antibiotic. It will not create any material effect since the order came in the last month of the accounting year affecting three weeks' production and sales. Now we are on the process to get permission for production and marketing of antibiotic for our continuous effort to comply with required compliance.
- y) **Injunction or restraining order, if any, with possible implications;**  
There was High Court order to stop manufacturing and marketing of antibiotic on 7<sup>th</sup> June 2016. Now we are complying with Goods Manufacturing Practice (GMP). Soon we will get permission to manufacture antibiotic.
- z) **Technology, market, managerial competence and capacity built-up;**  
IBPL has introduced the latest state-of-the-art technology in manufacturing pharmaceuticals products. By introducing state-of-the-art technology in manufacturing pharmaceuticals products, IBPL is able to produce competitive products.
- aa) **Changes in accounting policies in the last three years;**  
The management of the Company has not change any accounting policies in the last three years.

- bb) **Significant developments subsequent to the last financial year: A statement by the directors whether in their opinion there have arisen any circumstances since the date of the last financial statements as disclosed in the prospectus and which materially and adversely affect or is likely to affect the trading or profitability of the issuer, or the value of its assets, or its ability to pay its liabilities within the next twelve months;**

**A statement by the directors:**

In our opinion, there have no circumstances arisen since the date of the last financial statements as disclosed in the prospectus which materially and adversely affect or is likely to affect the trading or profitability of the Indo-Bangla Pharmaceuticals Limited or the value of its assets, or its ability to pay its liabilities within the next twelve months except the followings:

1. The Company has purchased 37.40 decimals of land on 24.08.2016;
2. The Company has purchased 159.50 decimals of land on 04.01.2017.

Sd/-

**Aziza Yeasmin**  
Chairman

Sd/-

**A F M Anowarul Huq**  
Managing Director & Director

Sd/-

**Hafiza Yeasmin**  
Director

Sd/-

**Md. Amin-Ur-Rashid**  
Director

Sd/-

**Sayeda Huq**  
Director

Sd/-

**Fatima Parvin**  
Director

Sd/-

**Mst Shahanaz Akter**  
Director

Sd/-

**Md. Mizanur Rahman**  
Director

Sd/-

**Investment Corporation of Bangladesh**  
**Represented by Md. Emdad Hossain**  
**Mollah**  
Director

Sd/-

**S.M. Harun Or Rashid**  
Independent Director

Sd/-

**Md. Monirujjaman**  
Independent Director

Sd/-

**Md. Firoz Khan**  
Independent Director

cc) If any quarter of the financial year of the issuer ends after the period ended in the audited financial statements as disclosed in the prospectus, unaudited financial statements for each of the said quarters duly authenticated by the CEO and CFO of the issuer;

Unaudited 3<sup>rd</sup> quarter financial statements as on July 01, 2016 to March 31, 2017 are as follows:

## Financial Statements (Unaudited)

### INDO-BANGLA PHARMACEUTICALS LTD

#### Statement of Financial Position

As at 31st March, 2017

Particulars	Amounts in Taka	
	31st Mar, 2017	30th June, 2016
<b>ASSETS:</b>		
<b>Non-current Assets:</b>	<b>506,202,425</b>	<b>330,469,857</b>
Property, Plant and Equipment	506,202,425	211,400,486
Capital Work In Progress	-	119,069,371
<b>Current Assets:</b>	<b>550,808,849</b>	<b>614,908,956</b>
Inventories	174,231,760	156,521,360
Trade & Other Receivables	165,042,203	112,266,319
Advance, Deposits and Prepayments	81,040,791	105,325,972
Cash and Cash equivalents	130,494,095	240,795,305
<b>TOTAL ASSETS</b>	<b>1,057,011,274</b>	<b>945,378,813</b>
<b>OWNER'S EQUITY AND LIABILITIES</b>		
<b>Owner's Equity:</b>	<b>923,222,216</b>	<b>849,233,972</b>
Share Capital	730,000,000	730,000,000
Retained Earnings	193,222,216	119,233,972
<b>NON-CURRENT LIABILITIES</b>	<b>28,321,656</b>	<b>13,823,679</b>
Deferred Tax Liability	18,089,891	9,283,317
Provision for WPPF	10,231,765	4,540,362
<b>Current Liabilities:</b>	<b>105,467,402</b>	<b>82,321,162</b>
Trade Payables	14,565,054	15,911,787
Provision for Taxes	85,952,841	54,919,591
Liabilities for Expenses	4,949,507	11,489,784
<b>TOTAL OWNER'S EQUITY AND LIABILITIES</b>	<b>1,057,011,274</b>	<b>945,378,813</b>
<b>Net Asset Value (NAV) Per Share</b>	<b>12.65</b>	<b>11.63</b>

Sd/-  
Chief Financial Officer

Sd/-  
Managing Director

**INDO-BANGLA PHARMACEUTICALS LTD**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Period from 1st July,2016 to 31st March, 2017**

Particulars	Amount in Taka			
	July16 to March17	July15 to March16	January to March17	January to March16
<b>Net Sales Revenue</b>	458,142,445	322,012,943	153,564,560	114,268,858
Less: Cost of Sales	276,924,806	192,790,699	94,844,621	67,927,763
<b>Gross Profit</b>	<b>181,217,639</b>	<b>129,222,244</b>	<b>58,719,939</b>	<b>46,341,095</b>
<b>Less: Operating Expenses:</b>	<b>70,489,827</b>	<b>64,321,950</b>	<b>23,701,674</b>	<b>21,599,069</b>
Administrative Expenses	20,046,819	16,997,829	6,828,179	6,051,301
Selling & Distributing Expenses	50,443,008	47,324,121	16,873,495	15,547,768
<b>Profit from Operations</b>	<b>110,727,812</b>	<b>64,900,294</b>	<b>35,018,265</b>	<b>24,742,026</b>
Add: Non Operating Income:	8,791,659	241,107	2,046,301	241,107
<b>Profit before Contribution to WPPF &amp; Welfare Fund</b>	<b>119,519,471</b>	<b>65,141,401</b>	<b>37,064,566</b>	<b>24,983,133</b>
Less: Contribution to WPPF & Welfare Fund	5,691,403	3,101,971	1,764,979	1,189,673
<b>Profit before Tax</b>	<b>113,828,067</b>	<b>62,039,430</b>	<b>35,299,587</b>	<b>23,793,460</b>
<b>Less: Income Tax Expenses:</b>	<b>39,839,824</b>	<b>21,713,800</b>	<b>17,620,142</b>	<b>8,327,711</b>
Current Tax	31,033,250	19,500,393	13,469,696	7,589,909
Deferred Tax	8,806,574	2,213,407	4,150,446	737,802
<b>Net Profit for the year</b>	<b>73,988,244</b>	<b>40,325,630</b>	<b>17,679,445</b>	<b>15,465,749</b>
<b>Earnings per share (Basic)</b>	<b>1.01</b>	<b>2.17</b>	<b>0.24</b>	<b>0.78</b>

Sd/-  
**Chief Financial Officer**

Sd/-  
**Managing Director**

**INDO BANGLA PHARMACEUTICALS LTD**  
**Statement of Changes in Equity**  
**For the Period ended 31st March, 2017**

<b>Particulars</b>	<b>Share Capital</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
Balance as at 30-06-2016	730,000,000	119,233,972	849,233,972
Net Profit for the Period	-	73,988,244	73,988,244
<b>Closing Balance (31-03-2017)</b>	<b>730,000,000</b>	<b>193,222,216</b>	<b>923,222,216</b>

**INDO BANGLA PHARMACEUTICALS LTD**  
**Statement of Changes in Equity**  
**For the period ended 31st March, 2016**

<b>Particulars</b>	<b>Share Capital</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
Balance as at 30-06-2015	99,000,000	60,209,267	159,209,267
Share allotment	100,000,000		100,000,000
Net Profit for the Period	-	40,325,630	40,325,630
<b>Closing Balance (31-03-2016)</b>	<b>199,000,000</b>	<b>100,534,897</b>	<b>299,534,897</b>

Sd/-  
**Chief Financial Officer**

Sd/-  
**Managing Director**



**INDOBANGLA PHARMACEUTICALS LIMITED**  
**Statement of Cash Flows**  
**For the Period ended 31st March, 2017**

Particulars	Amounts in Taka	
	July to March, 2017	July to March, 2016
<b>Cash Flow from Operating Activities</b>		
Cash receipts from customers	405,025,670	272,146,947
Cash receipts from others income	9,132,550	241,107
Cash payment to Suppliers	(272,200,434)	(181,233,003)
Cash payment to Employees	(41,887,646)	(34,887,915)
Cash payment to Others	(48,294,154)	(37,757,660)
<b>Cash Generate from operation</b>	<b>51,775,986</b>	<b>18,509,476</b>
Cash payment against income Tax	(21,319,568)	(5,270,304)
<b>Net Cash from Operating Activities</b>	<b>30,456,418</b>	<b>13,239,172</b>
<b>Cash Flow from Investing Activities</b>		
Acquisition of property, plant and equipment	(110,737,628)	-
Paid for Work In Progress	-	(6,226,684)
Advance paid for L/C Margin Machinery	(30,020,000)	(86,543,245)
Advance paid for Land	-	(20,000,000)
<b>Net Cash used in Investing Activities</b>	<b>(140,757,628)</b>	<b>(112,769,929)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from issue of share capital	-	100,000,000
<b>Net Cash from Financing Activities</b>	<b>-</b>	<b>100,000,000</b>
<b>Net increase in Cash and Cash equivalents</b>	<b>(110,301,210)</b>	<b>469,243</b>
Cash and Cash Equivalents at beginning of the period	240,795,305	5,888,123
<b>Cash and Cash Equivalent at end of the Period</b>	<b>130,494,095</b>	<b>6,357,366</b>

Sd/-  
**Chief Financial Officer**

Sd/-  
**Managing Director**

**dd) Factors that may affect the results of operations.**

There are no factors that may affect the results of operations.

## CHAPTER (VII): MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATIONS

### (a) Overview of business and strategies:

#### Overview of business:

IBPL started its journey in the 2014, it has transform itself from good to better and it has been moving towards the great from better through converting to a public limited Company. Now it is peeping into the Stock Exchanges. Since very inception of its journey IBPL has been enjoying continuous growth and strengthening its position in the Bangladesh. IBPL's mission statement says "Our holistic approach is to ensure Health, Vigour and Happiness for all by manufacturing ethical drugs and medicines of the highest quality at affordable price and expanding in the local market.

#### Strategies:

A business strategy sets out to achieve the desired goals. Business strategy is defined as long-term business planning which is concerned with the scope of a business' activities.

Two main categories of can be defined as

- a) Generic Strategy
- b) Competitive Strategy

1. **Generic Strategy:** It is concerned with growth. Now company is in planning to invest in fixed assets in order to expand its existing business.
2. **Competitive Strategy:** It is concerned with doing things better than rivals. The following competitive strategies are in place.
  - Lower price: In order to be market Leader Company is trying to be competitive price to deal with its rivals.
  - Economic Scale: With a view to spreading the fixed cost over more units company is trying to increase economic of scale.
  - Strengthening our existing market share
  - Comprehensive marketing and distribution network.
  - Ensure stable and long-term return to our investors.

**(b) SWOT ANALYSIS:**

**Strengths:**

1. **Product line variety:** The Company's product line has variety. The company sells different line of product except anti biotic.
2. **Modern Machineries:** We have been using modern machineries that that smooth our operation.
3. **Technology:** The Company has latest tools and technologies to support production.
4. **Dedicated Workforce:** Company has dedicated human resources.

**Weaknesses:**

1. **Low Financial Position:** Company needs more finance to be competitive over its rivals.
2. **Innovation:** Innovative effectiveness is low due to the lack of the sophisticated equipment, lack of the capital, lack of the skilled manpower, and the lack of the professional in our country.

**Opportunity:**

1. **Demand:** The product demand is high and vibrant.
2. **Bargain power of Supplier:** Pharmaceutical industry depends up organic chemical. Chemical industry is very competitive and fragmented. So, supplier switching is easier.
3. **Labor's wage:** Labor wages is favorable comparing to that of other countries.
4. **Product Price:** Consumers don't bother about the pricing as the medicine is lifesaving product.
5. **Market:** Pharmaceuticals market is expanding that is an opportunity to capitalize on.

**Threat:**

1. **Intense Competition:** There is high rivalry among the competitors to get the market share as maximum as possible.
2. **Threat of entrant:** Capital requirement is low. Creating regional distribution network is very easy. Hence, threat of new entrant is high.
3. **Shortage of Power:** lack of opportunity to supply emergency power.

**(c) Analysis of the financial statements of last five years with reason(s) of fluctuating revenue and sales, other income, total income, cost of material, finance cost, depreciation and amortization expense, other expense; changes of inventories, net profit before and after tax, EPS etc.**

Particulars	30-Jun-16	30-Jun-15
Net Sales Revenue	444,777,724	435,024,108
Non-Operating Income	850,491	209,658
<b>Total Income</b>	<b>445,628,215</b>	<b>435,233,766</b>
Cost of Materials	179,027,986	168,618,598
Selling & Distributing Expenses	64,370,377	62,713,451
Depreciation Expense	5,511,791	3,659,617
Amortization Expense	-	-
Others Expense	-	-
Changes of Inventories	14,357,261	43,998,114
Net Profit Before Tax	90,807,238	92,629,642
Net Profit After Tax	59,024,705	60,209,267
EPS	2.62	6.40

**Reason of Fluctuation:**

**Revenue:**

The company installed modern machineries in last two years in order to increase production capacity. As a result, production increased as well as turnover increased. Through installation of new different types of modern machineries, the company has been able to produce different types of products as well as to create the market of new products. So, increase of turnover of the company is relevant.

**Non-Operating Income:**

Since Fixed deposit reserve (FDR) short term is increased, so naturally non-operating income is increased.

**Total Income:**

Since Revenue is increased, so naturally total income is increased.

**Cost of Materials:**

The costs of materials to revenue are consistent over the years.

**Finance Cost and Bank Charge:**

There is no financial cost during last two years.

**Depreciation and Amortization:**

The increase of depreciation is relevant with the procurement and installation of machineries. No significant changes have been occurred.

The company did not amortize any of its capital expenditure during the last two years.

**Other Expenses:**

The company did not incur any other expenses other than regular expenses during the last two years

**Changes of inventory:**

There has been increasing of installed capacity and sales volume over the year. The demand for products is also increasing. So, the Company has to maintain sufficient amount of inventory in order to meet the sales order. Thus inventory is increasing year to year.

**Net profit before and after Tax and Earnings per Share**

Though net profit before and after tax has been decreased, it is consistent with the growth. The net profit before and after tax has been decreased due to provision for WPPF. No unusual changes have been occurred during the last two years on the above matters.

Earnings per Share are properly calculated through using weighted average number of ordinary shares for each year.

**(d) Known trends, demands, commitments, events or uncertainties that are likely to have an effect on the company's business:**

At present, there are no known trends, events and/or uncertainties that shall have a material impact on the Company's future business except for those which are natural and beyond control of human being.

**(e) Trends or expected fluctuations in liquidity:**

There are no trends or expected fluctuations in liquidity.

**(f) Off-balance sheet arrangements those have or likely to have a current or future effect on financial condition:**

There are no off-balance sheet arrangements those have or likely to have a current or future effect on financial condition.

## CHAPTER (VIII): DIRECTORS AND OFFICERS

(a) Name, Father's Name, age, Residential address, Educational qualification, experience and position of each director and nominated director with nomination period, organization name:

SL	Name of Director, Father's Name, Age & Experience		Residential Address	Educational Qualification
1	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b>	<b>Aziza Yeasmin</b> Chairman Late Azizul Huq 43 Years 8 Years	Police Line Sharak, Maitha, Barguna-8700.	B.A
2	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b>	<b>A F M Anowarul Huq</b> Managing Director Late Azizul Huq 42 Years 19 Years	729, College Road, Barisal Sadar, Barisal-8200	M. Sc, LLB
3	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b>	<b>Hafiza Yeasmin</b> Director Late Azizul Huq 39 Years 7 Years	Kazi Para, Begumgonj, Noakhali.	MBA, PHD (Denmark)

4	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b>	<b>Md. Amin-Ur-Rashid</b> Director Late Harun-Ur- Rashid 39 Years 16 Years	Akon Bari, 453, West Chandkathi, Jhalokathi	M. Sc, MBA
5	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b>	<b>Sayeda Huq</b> Director Late Wazed Mia 67 Years 13 Years	729, College Road, Barisal Sadar, Barisal-8200	H.S.C
6	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b>	<b>Fatima Parvin</b> Director Dr. Ali Akbar Mia 41 Years 7 Years	House-Chaprashi Bari, Road-Gohorpur, Haritana, Barguna	M.A
7	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b>	<b>Mst Shahanaz Akter</b> Director Md. Abdus Sobhan Khan 36 Years 6 Years	Vill-Vodrashon, Po-Minar Bari, Bandar, Narayangonj	H.S.C

8	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b>	<b>Md. Mizanur Rahman</b> Director Md. Jalal Hawladar 35 Years 6 Years	Vill: Shibpasha, Post: Raipasha, Thana: Korapur, Dist.: Barisal	H.S.C
9	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b> <b>Nomination Period:</b>	<b>Investment Corporation of  Bangladesh  Represented by Md. Emdad  Hossain Mollah</b> Director Al-Haj Manik Mollah 57 Years 12 Years 1 Year	8, Rajuk Avenue, BDBL Bhaban (Level 14-17) Dhaka-1000	B.Com (Hons.), M.Com
10	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b>	<b>S.M. Harun Or Rashid</b> Independent Director Abdul Karim Sikder 63 Years 20 Years	House No. # 15 (Ground Floor), Road No. # 14, Block # D, Pallabi, Mirpur-12, Dhaka-1216	B.Com.

11	<b>Name:</b>	<b>Md. Monirujjaman</b>	South Patharghata, Patharghata-8720, Barguna	Master of law
	<b>Position:</b>	Independent Director		
	<b>Father's Name:</b>	Abdur Rab Khan		
	<b>Age:</b>	37 Years		
	<b>Experience:</b>	12 Years		
12	<b>Name:</b>	<b>Md. Firoz Khan</b>	Post: Anail Bania, Thana: Kathalia, Dist.: Jhalokati.	B. Sc (Honours), M.Sc. (Mathematics)
	<b>Position:</b>	Independent Director		
	<b>Father's Name:</b>	Md. Abdus Sobhan Khan		
	<b>Age:</b>	41 Years		
	<b>Experience:</b>	14 Years		

**(b) Date of first Directorship and Expiry of Current Tenure of the directors:**

SL.	Name of the Director	Position	Date of first Directorship	Date of Expiration of Current term
1	Aziza Yeasmin	Chairman	18-Jun-14	2nd AGM in 2016
2	A F M Anowarul Huq	Managing Director	18-Jun-14	2nd AGM in 2016
3	Hafiza Yeasmin	Director	18-Jun-14	2nd AGM in 2016
4	Md. Amin-Ur-Rashid	Director	18-Jun-14	2nd AGM in 2016
5	Sayedra Huq	Director	10-Oct-14	3rd AGM in 2017
6	Fatima Parvin	Director	28-Jul-16	3rd AGM in 2017
7	Mst Shahanaz Akter	Director	28-Jul-16	3rd AGM in 2017
8	Md. Mizanur Rahman	Director	28-Jul-16	3rd AGM in 2017
9	Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah	Director	12-Jun-16	4th AGM in 2018



10	S.M. Harun Or Rashid	Independent Director	28-Jul-16	5th AGM in 2019
11	Md. Monirujjaman	Independent Director	28-Jul-16	5th AGM in 2019
12	Md. Firoz Khan	Independent Director	27-Nov-16	5th AGM in 2019

**(c) Name of Interest and Involvement in other business or organization of directors:**

SL	Name	Designation in IBPL	Directorship/Ownership with Other Companies	
			Companies	Position
1	Aziza Yeasmin	Chairman	-	-
2	A F M Anowarul Huq	Managing Director	-	-
3	Hafiza Yeasmin	Director	-	-
4	Md. Amin-Ur-Rashid	Director	-	-
5	Sayed a Huq	Director	-	-
6	Fatima Parvin	Director	-	-
7	Mst Shahanaz Akter	Director	-	-
8	Md. Mizanur Rahman	Director	-	-
9	Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah	Director	-	-
10	S.M. Harun Or Rashid	Independent Director	-	-
11	Md. Monirujjaman	Independent Director	-	-
12	Md. Firoz Khan	Independent Director	Sabila Sea Foods Ltd.	Director

**(d) Statement of if any Directors of the issuer are associated with the securities market in any manner and any director of the issuer company is also director of any issuer of other listed securities during last three years with dividend payment history and market performance:**

None of the Directors are involved in securities market and not involved with other listed securities during last three years.

**(e) Family relationship (father, mother, spouse, brother, sister, son, daughter, spouse's father, spouse's mother, spouse's brother, spouse's sister) among the directors and top five officers:**

**i. Family relationship among directors**

SL	Name	Designation	Relationships
1	Aziza Yeasmin	Chairman	Daughter of Sayeda Huq & sister of A F M Anowarul Huq and Hafiza Yeasmin
2	A F M Anowarul Huq	Managing Director	Son of Sayeda Huq & brother of Aziza Yeasmin and Hafiza Yeasmin
3	Hafiza Yeasmin	Director	Daughter of Sayeda Huq & sister of A F M Anowarul Huq and Aziza Yeasmin
4	Md. Amin-Ur-Rashid	Director	No family relation
5	Sayed a Huq	Director	Mother of Aziza Yeasmin, A F M Anowarul Huq and Hafiza Yeasmin
6	Fatima Parvin	Director	No family relation
7	Mst Shahanaz Akter	Director	
8	Md. Mizanur Rahman	Director	
9	Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah	Director	
10	S.M. Harun Or Rashid	Independent Director	
11	Md. Monirujjaman	Independent Director	
12	Md. Firoz Khan	Director	

**ii. Family relationship among directors and top five officers of the company:**

There is no family relationship exist between directors and top management officers except mentioned in the prospectus page number 100.

**(f) Brief description of other businesses of the directors:**

None of the directors are involved in other businesses except Md. Firoz Khan. His involvement in other organization is given below:

**Md. Firoz Khan, Independent Director**

Sl.	Name of Companies	Date of Incorporation	Nature of Business	Legal Status	Equity Capital (Total) in Taka
1	Sabila Sea Foods Ltd.	2017	Sea food export	Private Limited Company	1,000,000.00

**(g) Short bio-data of each director:**

**Aziza Yeasmin**

Aziza Yeasmin, W/O- Khandakar Mustafizur Rahman, Address: Police Line Sharak, Maitha, Barguna-8700. She is the Chairman of Indo-Bangla Pharmaceuticals Ltd. She completed Bachelor of Arts degree from National University.

**A F M Anowarul Huq**

AFM Anowarul Huq, S/O- Late Azizul Huq, Address: 729, College Road, Barisal Sadar, Barisal-8200. He completed B.Sc, M.Sc (Chemistry) and LLB degree from National University. Mr. A F M Anowarul Huq is the Managing Director of Indo-Bangla Pharmaceuticals Ltd. and he has 19 years of Professional experience on Pharmaceuticals. He is also member of Barisal Chamber of Commerce.

**Hafiza Yeasmin**

Hafiza Yeasmin, W/O- Md. Moniruzzaman, Address: Kazi Para, Begumgonj, Noakhali. She completed PHD on Rural People Development from University of Copenhagen (Denmark) dated August 06, 2011. After coming back from Denmark, she involved in Indo-Bangla Pharmaceuticals Ltd. as Director.

**Md. Amin-Ur-Rashid**

Md. Amin-Ur-Rashid, S/O- Late Harun-Ur- Rashid, Address: Akon Bari, 453, West Chandkathi, Jhalokathi. He completed his B.Sc (Botani), M.Sc, MBA, L.L.B from National University. In 2001, he started his business carrier and involved with Indo-Bangla Pharmaceuticals Limited. He has 16 years of professional experience of Pharmaceutical manufacturing industry.

**Sayeda Huq**

Mrs. Sayeda Huq was born in 5 October, 1949 in Barisal. Her father is Late Wazed Mia, mother is Late Khandokar Azimunnesa and spouse is Late Azizul Huq. Her residence address: 729, College Road, Barisal Sadar, Barisal-8200. She has 13 years of professional experience of Pharmaceuticals manufacturing industry.

**Mrs. Fatima Parvin**

Mrs. Fatima Parvin was born in 1 December, 1974 in Barguna. Her father is Dr. Ali Akbar Mia, mother is Most. Setara Begum and spouse is Md. Rejaul Kabir Miraz. Her residence address: House-Chaprashi Bari, Road-Gohorpur, Haritana, Barguna. She has 7 years of professional experience of Pharmaceuticals manufacturing industry.

**Mst Shahanaz Akter**

Mst Shahanaz Akter, was born in 18 January, 1980 in Barisal. Her father is Md. Abdus Sobhan Khan, mother is Most. Laily Begum and spouse is Md. Azmol Hossain. Her residence address: Vill-Vodrashon, Po-Minar Bari, Bandar, Narayangonj. She has 6 years of professional experience of Pharmaceuticals manufacturing industry.

**Md. Mizanur Rahman**

Md. Mizanur Rahman, was born in 5 October, 1980 in Barisal. His father is Md. Jalal Hawladar, mother is Mrs. Minara Begum. His residence address: Vill: Shibpasha, Post: Raipasha, Thana: Korapur, Dist.: Barisal. She has 6 years of professional experience of Pharmaceuticals manufacturing industry.

**S.M. Harun Or Rashid**

Mr. S.M. Harun Or Rashid was born in April 4, 1953. His father name is Abdul Karim Sikder and mother name is Mst. Rahima Khanom. His address is House No # 15 (Ground Floor), Road No # 14, Block # D, Pallabi, Mirpur-12, Dhaka-1216. Mr. Harun Or Rashid obtained B.Com. from Dhaka University & has 20 years of Business experience. He also involved with pharmaceuticals industry last 12 years.

**Md. Monirujjaman**

Mr. Md. Monirujjaman was born in April 22, 1979 in Barguna. His father name is Abdur Rab Khan and mother is Nurjahan Begum. His address is South Patharghata, Patharghata-8720, Barguna. He finished Master of law from Dhaka International University. After finishing his educational career he involved in business. He has 12 years of business experience. He is an Independent Director of Indo-Bangla Pharmaceuticals Ltd.

**Md. Firoz Khan**

Mr. Firoz Khan, has completed B.Sc (Math) and MSc. His address: P.O. Anail Bunia, Thana-Kathalia, Dist-Jhalokati. He is an Independent Director of Indo-Bangla Pharmaceuticals Ltd. Mr. Firoz Khan is the reputed businessman being the Director of Sabila Sea Foods Ltd. He is also the proprietor of Khan Trading Company.

**(h) Loan status of the issuer, its directors and shareholders who hold 10% or more shares in the paid-up capital of the issuer in terms of the CIB Report of Bangladesh Bank:**

Neither the Company nor any of its Directors or shareholders who hold 10% or more shares in the paid up capital of the issuer is loan defaulter in terms of the CIB report of Bangladesh Bank.

(i) Name, position, educational qualification, age, date of joining in the company, overall experience (in year), previous employment, salary paid for the financial year of the CEO, MD, CFO, CS, Advisers, Consultants and all Departmental Heads. If the Chairman, any director or any shareholder received any monthly salary than this information should also be included:

Sl.	Name	Position	Educational Qualification	Age (Year)	Date of Joining	Overall Experience	Previous Employment	Salary paid for the Financial Year
1	A F M Anowarul Huq	Managing Director	M. Sc, LLB	42	18.06.2014	19 Yrs	Self employment	1,050,000
2	Md. Faruque Hossain	Chief Financial Officer	M.BS (Accounting)	31	01.07.2016	5 Yrs	Shafiq Basak & Co.	-
3	Md. Shamem Gazi	Company Secretary	MSS	36	03.05.2016	8 Yrs	BRAC Health, Population, & Nutrition Program	60,000
4	Shah-E-Azam	Plant Manager & head of Product Development	M. Pharma, Reg. no. A-1074	56	18.06.2014	21 Yrs	Indo Bangla Works	240,000
5	Mizanur Rahaman	Manager Operation	M.Sc	47	18.06.2014	19 Yrs	Indo Bangla Works	228,000
6	Binay Bhuson Mondal	Production Manager	M.Sc	53	18.06.2014	6 Yrs	Indo Bangla Works	228,000
7	Md. Mustafizur Rahman	Manager (Admin)	M.Com. LLB	42	18.06.2014	18 Yrs	Indo Bangla Works	216,000
8	Orun Kumar Duary	Co-ordination Manager	B.A	58	18.06.2014	23 Yrs	Indo Bangla Works	192,000
9	Reazul Haque	Pharmacist	M. Pharma	37	18.06.2014	7 Yrs	Indo Bangla Works	120,000
10	Sudhir Kumar	Pharmacist	M.Sc in Chemistry	34	18.06.2014	7 Yrs	Indo Bangla Works	180,000
11	Mrs. Dilruba Begum	Manager, Quality Assurance	M. Pharma Reg. no. A-2487	42	2.10.2016	17	Refco Laboratories	300,000
12	Mr. Binoy Bhuson Mondol	Manager, Production	Msc. (Chemistry)	56	18.06.2014	28	Chemist Laboratories Ltd., Indo Bangla Works	300,000

(j) **Changes in the key management persons during the last three years:**

The following changes have been made in the senior key management personnel during the last three years:

<b>Name of the employee</b>	<b>Position/Designation</b>	<b>Date of Joining</b>	<b>Remarks</b>
A F M Anowarul Huq	Managing Director	18.06.2014	Newly appointed
Md. Faruque Hossain	Chief Financial Officer	01.07.2016	Newly appointed
Md. Shamem Gazi	Company Secretary	03.05.2016	Newly appointed
Shah-E- Azam	Plant Manager	18.06.2014	Newly appointed
Mizanur Rahaman	Manager Operation	18.06.2014	Newly appointed
Binay Bhuson Mondal	Production Manager	18.06.2014	Newly appointed
Md. Mustafizur Rahman	Manager (Admin)	18.06.2014	Newly appointed
Orun Kumar Duary	Co-ordination Manager	18.06.2014	Newly appointed
Mrs. Dilruba Begum	Manager, Quality Assurance	2.10.2016	Newly appointed
Mr. Binoy Bhuson Mondol	Manager, Production	18.06.2014	Newly appointed

(k) **A profile of the sponsors including their names, father's names, age, personal addresses, educational qualifications, and experiences in the business, positions or posts held in the past, directorship held, other ventures of each sponsor and present position:**

<b>Name, Father's Name, Age &amp; Personal Address</b>		<b>Educational Qualification</b>	<b>Experience (Years)</b>	<b>Position/Post</b>		<b>Holding in other Venture</b>
				<b>Past</b>	<b>Present</b>	
<b>Name:</b>	<b>A F M Anowarul Huq</b>	M. Sc, LLB	19 Years	Sponsor & MD	Sponsor & MD	Not involved in other venture
<b>Father's Name:</b>	Late Azizul Huq					
<b>Age:</b>	42 Years					
<b>Personal Address:</b>	729, College Road, Barisal Sadar, Barisal-8200					
<b>Name:</b>	<b>Aysha Siddika</b>	M.A	6 Years	Chairman	Sponsor	Not involved in other venture
<b>Father's Name:</b>	Dr. Ali Akbar Miah					
<b>Age:</b>	39 Years					
<b>Personal Address:</b>	729, College Road, Barisal Sadar, Barisal-8200					

<b>Name:</b>	<b>Aziza Yeasmin</b>					
<b>Father's Name:</b>	Late Azizul Huq					
<b>Age:</b>	43 Years	B.A	8 Years	Sponsor & Director	Sponsor & Chairman	Not involved in other venture
<b>Personal Address:</b>	Police Line Sharak, Maitha, Barguna-8700.					
<b>Name:</b>	<b>Hafiza Yeasmin</b>					
<b>Father's Name:</b>	Late Azizul Huq					
<b>Age:</b>	39 Years	MBA, PHD (Denmark)	7 Years	Sponsor & Director	Sponsor & Director	Not involved in other venture
<b>Personal Address:</b>	Kazi Para, Begumgonj, Noakhali.					
<b>Name:</b>	<b>Md. Bellal Khan</b>					
<b>Father's Name:</b>	Abdus Sobhan Khan					
<b>Age:</b>	31 Years	BA (Honours), M.Sc. (Statistics)	8 Years	Sponsor & Director	Sponsor	Not involved in other venture
<b>Personal Address:</b>	House No #271, Blessed Hill Residence (6B), Road No-07, Block-I, Bashundhara R/A, Dhaka-1229.					
<b>Name:</b>	<b>Md. Amin-Ur-Rashid</b>					
<b>Father's Name:</b>	Late Harun-Ur- Rashid					
<b>Age:</b>	39 Years	M. Sc, MBA	16 Years	Sponsor & Director	Sponsor & Director	Not involved in other venture
<b>Personal Address:</b>	Akon Bari, 453, West Chandkathi, Jhalokathi					

- (l) If the present directors are not the sponsors and control of the issuer was acquired within five years immediately preceding the date of filing prospectus details regarding the acquisition of control, date of acquisition, terms of acquisition, consideration paid for such acquisition etc.

Name	Acquisition of Control	Date of Acquisition	Terms of Acquisition	Consideration paid for such Acquisition
Sayed a Huq	10-Oct-14	7-Jul-14	N/A	Cash
Fatima Parvin	28-Jul-16	7-Jul-14	N/A	Cash
Mst Shahanaz Akter	28-Jul-16	7-Jul-14	N/A	Cash
Md. Mizanur Rahman	28-Jul-16	7-Jul-14	N/A	Cash
Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah	12-Jun-16	6-Aug-15	N/A	Cash
S.M. Harun Or Rashid	28-Jul-16	N/A	N/A	Appointed as Independent Director
Md. Monirujjaman	28-Jul-16	N/A	N/A	
Md. Firoz Khan	27-Nov-16	N/A	N/A	

- (m) If the sponsors or directors do not have experience in the proposed line of business, the fact explaining how the proposed activities would be carried out or managed:  
All the directors have adequate knowledge to carry out this line of business.

- (n) Interest of the key management persons:

Interest of the key management persons is given below:

#### Director Remuneration

Name	Position	Amount in (BDT)	
		2015-2016	2014-2015
Mr. A.F.M Anowarul Huq	Managing Director	1,050,000	-

#### Board Meeting Fees

Name	Position	Amount in (BDT)	
		2015-2016	2014-2015
Mrs. Aziza Yeasmin	Chairman	35,000	-
Mr. A.F.M Anowarul Huq	Managing Director	35,000	-
Mrs. Hafiza Yeasmin	Director	35,000	-
Md. Amin-Ur-Rashid	Director	35,000	-
Sayed a Huq	Director	35,000	-
Md. Bellal Khan	Ex Director	35,000	-
Aysha Siddika	Ex Chairman	35,000	-
<b>Subtotal</b>		<b>245,000</b>	

#### Factory Rent

Name	Position	Nature of Transaction	Amount in (BDT)	
			2015-2016	2014-2015
Mrs. Aziza Yeasmin	Chairman	Factory Rent	1,308,000	425,100
Mr. A.F.M Anowarul Huq	Managing Director			
Mrs. Hafiza Yeasmin	Director			
Mrs. Sayeda Huq	Director			



(o) **All interests and facilities enjoyed by a director, whether pecuniary or non-pecuniary:**

Facilities whether pecuniary or non-pecuniary enjoyed by the Directors will remain unchanged during the publication period of the Prospectus. Interest and facility is already disclosed in Executive Compensation of the Prospectus.

Sl.	Name of Directors	Position	Executive Post	Pecuniary		non-pecuniary	
				Salary	Board Fee	Car Facilities	House Keeping
1	Aziza Yeasmin	Chairman	-	x	√	x	
2	A F M Anowarul Huq	Managing Director	Managing Director	√	√	x	
3	Hafiza Yeasmin	Director	-	x	√	x	
4	Md. Amin-Ur-Rashid	Director	-	x	√	x	
5	Sayed a Huq	Director	-	x	√	x	
6	Fatima Parvin	Director	-	x	√	x	
7	Mst Shahanaz Akter	Director	-	x	√	x	
8	Md. Mizanur Rahman	Director	-	x	√	x	
9	Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah	Director	-	x	√	x	
10	S.M. Harun Or Rashid	Independent Director	-	x	√	x	
11	Md. Monirujjaman		-	x	√	x	
12	Md. Firoz Khan		-	x	√	x	

(p) **Number of shares held and percentage of shareholding (pre issue):**

Sl.	Name of Director	Position	Number of Shares Held	%
				Pre-IPO
1	Aziza Yeasmin	Chairman	2,005,000	2.75%
2	A F M Anowarul Huq	Managing Director	12,435,000	17.03%
3	Hafiza Yeasmin	Director	2,005,000	2.75%
4	Md. Amin-Ur-Rashid	Director	2,515,000	3.45%
5	Sayed a Huq	Director	2,001,000	2.74%
6	Fatima Parvin	Director	2,461,000	3.37%
7	Mst Shahanaz Akter	Director	2,051,000	2.81%
8	Md. Mizanur Rahman	Director	2,051,000	2.81%
9	Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah	Director	15,000,000	20.55%
10	S.M. Harun Or Rashid	Independent Director	-	0.00%
11	Md. Monirujjaman	Independent Director	-	0.00%
12	Md. Firoz Khan	Independent Director	-	0.00%

**(q) Change in board of directors during last three years:**

<b>Sl.</b>	<b>Name of the Directors</b>	<b>Date of Joining</b>	<b>Date of retirement</b>	<b>Present Status as on 31.08.2016</b>
1	Aziza Yeasmin	18-Jun-14	2nd AGM in 2016	Chairman
2	A F M Anowarul Huq	18-Jun-14	2nd AGM in 2016	Managing Director
3	Hafiza Yeasmin	18-Jun-14	2nd AGM in 2016	Director
4	Md. Amin-Ur-Rashid	18-Jun-14	2nd AGM in 2016	Director
5	Sayeda Hug	10-Oct-14	3rd AGM in 2017	Director
6	Fatima Parvin	28-Jul-16	3rd AGM in 2017	Director
7	Mst Shahanaz Akter	28-Jul-16	3rd AGM in 2017	Director
8	Md. Mizanur Rahman	28-Jul-16	3rd AGM in 2017	Director
9	Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah	12-Jun-16	4th AGM in 2018	Director
10	S.M. Harun Or Rashid	28-Jul-16	5th AGM in 2019	Independent Director
11	Md. Monirujjaman	28-Jul-16	5th AGM in 2019	Independent Director
12	Md. Firoz Khan	27-Nov-16	5th AGM in 2019	Independent Director
13	Aysha Siddika	18-Jun-14	28-Jul-16	Sponsor Shareholder
14	Md. Bellal Khan	18-Jun-14	28-Jul-16	Sponsor Shareholder

**(r) Director's engagement with similar business:**

None of the Directors are involve with similar business.

## CHAPTER (IX): CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

### (a) TO WHOM IT MAY CONCERN

This is to certify that the Financial Statements of Indo-Bangla Pharmaceuticals Limited furnished for our audit does not have any transaction during the last five years, or any proposed transaction, between the issuer and any of the following persons:

- (i) Any director or sponsor or executive officer of the issuer;
- (ii) Any person holding 5% or more of the outstanding shares of the issuer;
- (iii) Any related party or connected person of any of the above persons;

Except the transactions described in the following table:

#### i: Director Remuneration

Name	Position	Amount in (BDT)	
		2015-2016	2014-2015
Mr. A.F.M Anowarul Huq	Managing Director	1,050,000	-

#### ii: Board Meeting Fees

Name	Position	Amount in (BDT)	
		2015-2016	2014-2015
Mrs. Aziza Yeasmin	Chairman	35,000	-
Mr. A.F.M Anowarul Huq	Managing Director	35,000	-
Mrs. Hafiza Yeasmin	Director	35,000	-
Md. Amin-Ur-Rashid	Director	35,000	-
Sayed a Huq	Director	35,000	-
Md. Bellal Khan	Ex Director	35,000	-
Aysha Siddika	Ex Chairman	35,000	-
Subtotal		<b>245,000</b>	

#### iii: Factory Rent

Name	Position	Nature of Transaction	Amount in (BDT)	
			2015-2016	2014-2015
Mrs. Aziza Yeasmin	Chairman	Factory Rent	1,308,000	425,100
Mr. A.F.M Anowarul Huq	Managing Director			
Mrs. Hafiza Yeasmin	Director			
Mrs. Sayeda Huq	Director			

#### iv: Other Transactions

Mr. A.F.M Anowarul Huq	Managing Director	Allotment of share (Other than cash)	-	98,000,000
		Advance against land	20,000,000	-

Place: Dhaka  
Date: June 20, 2017

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

\* The Company was incorporated on June 18, 2014 under the Company Act, 1994 vide registration no. C-116665/14 as private limited company.

- (b) There is no transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries or holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus except the transaction mentioned in CHAPTER (IX) (a) page number 109.
- (c) No loan was taken or given from or to Directors or any person connected with the Directors of Indo-Bangla Pharmaceuticals Limited.

## CHAPTER (X): EXECUTIVE COMPENSATION

- (a) The total amount of remuneration or salary or perquisites paid to the top five salaried officers of the issuer in the last accounting year and the name and designation of each such officer:

SL	Name	Designation	Remuneration/salaries (Tk.) for year ended 30 June, 2016 (Taka)
1	A F M Anowarul Huq	Managing Director	1,050,000
2	Md. Shamem Gazi	Company Secretary	360,000
3	Shah-E- Azam	Plant Manager	240,000
4	Mizanur Rahaman	Manager Operation	228,000
5	Binay Bhuson Mondal	Production Manager	228,000

*The joining date of Md. Shamem Gazi, Company Secretary is 03/05/2016 and A F M Anowarul Huq, Managing Director took remuneration from 1<sup>st</sup> December, 2015.*

- (b) Aggregate amount of remuneration paid to all directors and officers as a group during the last accounting year:

Sl.	Particular	Nature of Payments	Amount (in Taka) for the year ended 30.06.2016
1.	Directors	Remuneration	-
2.	Managing Director	Remuneration	1,050,000
3.	Directors & Managing Director	Board Meeting fee	245,000
4.	Officers	Salary and Allowances	45,599,567

- (c) If any shareholder director received any monthly salary or perquisite or benefit it must be mentioned along with date of approval in AGM or EGM, terms thereof and payments made during the last accounting year:

The following shareholder director received monthly salary or perquisite or benefit:

Name	Designation	Nature of Transaction	Date of Approval	Terms	payments made during the last accounting year
A.F.M Anowarul Huq	Managing Director	Remuneration	30-Nov-15 (In AGM)	N/A	1,050,000

*\*There are no terms thereof.*

**(d) The board meeting attendance fees received by the director including the managing director along with date of approval in AGM or EGM:**

The following directors including the managing director received board meeting attendance fees:

Name & Designation	Attendance	Board Meeting Fee	Date of Approval
		(Amount in Tk.)	
<b>Aziza Yeasmin</b> <i>Chairman</i>	7	35,000	30-Nov-15 (In AGM)
<b>A F M Anowarul Huq</b> <i>Managing Director</i>	7	35,000	
<b>Hafiza Yeasmin</b> <i>Director</i>	7	35,000	
<b>Md. Amin-Ur-Rashid</b> <i>Director</i>	7	35,000	
<b>Sayed Huq</b> <i>Independent Director</i>	7	35,000	
<b>Md. Bellal Khan</b> <i>Ex-Director</i>	7	35,000	
<b>Aysha Siddika</b> <i>Ex-Chairman</i>	7	35,000	

**(e) Any contract with any director or officer providing for the payment of future compensation:**

There is no contract between the Company and any of directors or officers regarding any future compensation to be made to them.

**(f) If the issuer intends to substantially increase the remuneration paid to its directors and officers in the current year, appropriate information regarding thereto:**

The directors did not receive any remuneration except Managing Director. The Company has no plan for substantially increasing salaries to its officers except for those that are paid as annual increment to their salaries.

**(g) Any other benefit or facility provided to the above persons during the last accounting year:**

No other benefit or facility (Car Facility, Housekeeping etc.) provided to the above persons during the last accounting year.

## **CHAPTER (XI): OPTIONS GRANTED TO DIRECTORS, OFFICERS AND EMPLOYEES**

The Company has no options granted to Directors, Officers or any other employees of the Company or to any other person who was not involved in the Company.

## CHAPTER (XII): TRANSACTION WITH THE DIRECTORS AND SUBSCRIBERS TO THE MEMORANDUM

- (a) The names of the directors and subscribers to the memorandum, the nature and amount of anything of value received or to be received by the issuer from the above persons, or by the said persons, directly or indirectly, from the issuer during the last five years along with the description of assets, services or other consideration received or to be received;

### Benefits from the Company during last five years:

The Directors and Subscribers to the memorandum have not received any benefits directly or indirectly other than remuneration, board attendant fee and factory rent during the last five years.

#### i: Director Remuneration

Name	Position	Amount in (BDT)	
		2015-2016	2014-2015
Mr. A.F.M Anowarul Huq	Managing Director	1,050,000	-

#### ii: Board Meeting Fees

Name	Position	Amount in (BDT)	
		2015-2016	2014-2015
Mrs. Aziza Yeasmin	Chairman	35,000	-
Mr. A.F.M Anowarul Huq	Managing Director	35,000	-
Mrs. Hafiza Yeasmin	Director	35,000	-
Md. Amin-Ur-Rashid	Director	35,000	-
Sayed Huq	Director	35,000	-
Md. Bellal Khan	Ex Director	35,000	-
Aysha Siddika	Ex Chairman	35,000	-
Subtotal		245,000	

#### iii: Factory Rent

Name	Position	Nature of Transaction	Amount in (BDT)	
			2015-2016	2014-2015
Mrs. Aziza Yeasmin	Chairman	Factory Rent	1,308,000	425,100
Mr. A.F.M Anowarul Huq	Managing Director			
Mrs. Hafiza Yeasmin	Director			
Mrs. Sayeda Huq	Director			

#### iv: Other Transactions

Mr. A.F.M Anowarul Huq	Managing Director	Allotment of share (Other than cash)	-	98,000,000
		Advance against land	20,000,000	-

- (b) If any assets were acquired or to be acquired within next two financial years from the aforesaid persons, the amount paid for such assets and the method used to determine the price shall be mentioned in the prospectus, and if the assets were acquired by the said persons within five years prior to transfer those to the issuer, the acquisition cost thereof paid by them.

**Directors and Subscribers' Assets to the Company:**

Directors and subscribers to the memorandum have not transferred any asset to the Company except fund against allotment of shares and factory land.

1. The following land was acquired by the Company from:

- a) A.F.M Anowarul Huq, Mrs. Hafiza Yeasmin, Sayeda Haq and Mrs. Aziza Yeasmin:

Name of Assets	Cost of acquisition	Amount Paid	Method used to determine the price	Remarks
Land 5.00 decimal alongwith building	17,298,000	Full	Market Price	-
Land 32.40 decimal	16,733,000	Full	Market Price	-

- b) A.F.M Anowarul Huq:

Name of Assets	Cost of acquisition	Amount Paid	Method used to determine the price	Remarks
Land 159.50 decimal	2,000,000	Full	Market Price	-

2. The following asset and liabilities was acquired by the Company from Mr. A.F.M Anowarul Huq:

Particulars		Amount in Taka
<b>Assets Taken Over</b>		
	Machineries	98,000,000
	Generator	2,882,879
	Furniture & Fixture	390,074
	Office Equipment	55,901
	Transport	1,861,826
	Inventory	103,277,537
	Trade & Other Receivables	44,517,949
	Advance, Deposit and Prepayments	30,889,668
	Cash & Cash Equivalents	1,224,665
<b>Total Assets:</b>		<b>283,100,499</b>
<b>Liabilities Taken Over:</b>		
	Trade & Other Payables	9,536,835
	Liabilities for Expenses	3,726,451
<b>Total Liabilities:</b>		<b>13,263,286</b>
<b>Purchase Consideration</b>		<b>269,837,213</b>

\* The Company was incorporated on June 18, 2014 under the Company Act, 1994 vide registration no. C-116665/14 as private limited company.

## CHAPTER (XIII): OWNERSHIP OF THE COMPANY'S SECURITIES

a) The names, addresses, BO ID Number of all shareholders of the company before IPO, indicating the amount of securities owned and the percentage of the securities represented by such ownership:

### Present Shareholding Position of Indo-Bangla Pharmaceuticals Ltd.

Sl.	Name of Shareholders	Position	Address	No. of Share	% (Pre)	BO ID
1	Aziza Yeasmin	Chairman	Police Line Sharak, Maitha, Barguna-8700.	2,005,000	2.75%	1201530062008346
2	A F M Anowarul Huq	Managing Director	729, College Road, Barisal Sadar, Barisal-8200	12,435,000	17.03%	1201530062008298
3	Hafiza Yeasmin	Director	Kazi Para, Begumgonj, Noakhali	2,005,000	2.75%	1201530062008311
4	Md. Amin-Ur-Rashid	Director	North Chandkhathi, Jhalokati-8400	2,515,000	3.45%	1201950062016965
5	Fatima Parvin	Director	Vill-Patorghata, Dist- Borguna	2,461,000	3.37%	1201950062017274
6	Sayedra Huq	Director	729, College Road, Barisal Sadar, Barisal-8200	2,001,000	2.74%	1201950062017258
7	Mst Shahanaz Akter	Director	House- Khan Bari, Road- Bondor, Narayangonj	2,051,000	2.81%	1201950062017017
8	Md. Mizanur Rahman	Director	Vill: Shibpasha, Post: Raipasha, Thana: Korapur, Dist.: Barisal	2,051,000	2.81%	1201950062017282
9	Aysha Siddika	Shareholder	200, Shantibagh, Malibagh, Dhaka-1217	2,005,000	2.75%	1201950062017266
10	Md. Bellal Khan	Shareholder	House No #271, Blessed Hill Residence (6B), Road No-07, Block-I, Bashundhara R/A, Dhaka-1229.	3,140,000	4.30%	1201530062008303
11	Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah	Shareholder	8, Rajuk Avenue, BDBLBhaban, (Level 14 - 17) Dhaka-1000	15,000,000	20.55%	1201530000003501
12	ICB Capital Management Limited	Shareholder	8, DIT Aenue (14 <sup>th</sup> Floor), Dhaka-1000	1,000,000	1.37%	1201530000001725
13	Bangladesh Funds	Shareholder	Green City Edge (4 <sup>th</sup> Floor), 89, Kakrail	6,000,000	8.22%	1605420043478871
14	FAS Capital Management Limited	Shareholder	Suvastu Imam Square (4 <sup>th</sup> floor), 65 Gulshan Avenue, Gulshan, Dhaka	450,000	0.62%	1604630040382971
15	Continental Insurance Limited	Shareholder	Ideal Trade Centre (7th Floor) 102, Shahid Tajuddin Ahmed Sarani Tejgaon, Dhaka-1208	250,000	0.34%	1203510009734492



16	Saiful Islam Kamruz	Shareholder	Bash Bari, Flat No: A-4, Mohammadpur, dhaka 1204	100,000	0.14%	1204170000858864
17	Md. Siddiqur Rahman	Shareholder	C-2, House-5, Road-4, Sector-6, Uttara	150,000	0.21%	1203850050304882
18	Sayed Sakib Naimuddin	Shareholder	27, Panchlaish R/A, Chittagong	100,000	0.14%	1202090043529568
19	Mr. Hazi Abdul Kader Mia	Shareholder	Rabiya Vila, Kagirgaon, Hazi Samad Road, Matuail, Dhaka	1,000	0.00%	1202800018215401
20	Mr. Ayub Hossain Khan	Shareholder	Ka-67/4, Khanpara, Khilkhet, Dhaka	1,000	0.00%	1202800000042215
21	Mr. S.M. Ashfaqur Rahman	Shareholder	14/2-A, Tikatuli, Dhaka	101,000	0.14%	1202240049275011
22	Mr. Md. Mustafizur Rahman	Shareholder	5, Shiddeshwary Road, Dhaka	155,000	0.21%	1202800005735176
23	Shamima Akhter	Shareholder	766, West Nakhhalpara, Tejgaon, Dhaka	30,000	0.04%	1202830048268769
24	Md. Abul Kalam Azad	Shareholder	Kabi Jashim Uddin Road, Dhaka	51,000	0.07%	1202800003934084
25	Akram Hossain Md. Feroz	Shareholder	House-30, Flat-304, Bashiruddin Road, Katalbagan, Dhanmondi, Dhaka	2,800,000	3.84%	1205150000008272
26	A.T.M. Shafiqul Hasan	Shareholder	Shantibag, Talukdarpara, Eidgha land, Bogra	120,000	0.16%	1201590029913417
27	Rajib Kumar Saha	Shareholder	Silikon Cottage, House-300/1, Road-14, Block-A, Bashundhara R/A, Dhaka	20,000	0.03%	1202020017193489
28	Zillur Rahman Zilu	Shareholder	30/2 Nirgar lovely Road, West Subid Bazar, Sylhet	20,000	0.03%	1203550038380920
29	Md. Abdullah Al Mamun	Shareholder	House no.39, Flat No.201, Road no.6, Sector-4, Uttara, Dhaka	20,000	0.03%	1202240060691166
30	Shamima Nasrin	Shareholder	56/Ka, South Mugda, Dhaka	50,000	0.07%	1204560043510669
31	Kazi Mahbubul Haque	Shareholder	56/Ka, South Mugda, Dhaka	50,000	0.07%	1204560055357102
32	Eng. Mahmudul Hasan	Shareholder	3/3 Block-C, Lalmatia, Dhaka-1207	110,000	0.15%	1205150055070792
33	BMSL Invesment Ltd.	Shareholder	37/A, SBC Tower (7th Floor), Dilkusha C/A, Dhaka	10,000	0.01%	1604940020020801
34	Abaci Invesment Ltd (MDA)	Shareholder	Rupayun Prime (7th Floor), Plot No. 02, Road: 7Dhanmondi, Dhaka	10,000	0.01%	1602770045524684
35	Khairul Hossain	Shareholder	338/D/3, North Goran, Khilgaon, Dhaka-1219	20,000	0.03%	1201700058531344
36	Partho Kumar Bagchi	Shareholder	House No. 14. Road No. 6A, Nobodoy Housing, Mhammadpur, Dhaka-1207	50,000	0.07%	1203570011404113
37	H. A. Mamun	Shareholder	House No 27 Flat No -16, Mollabari, Kawlar, Kurmitola, Dhaka	101,000	0.14%	1202010055060934

38	Satyendra Nath Roy	Shareholder	Masud Garden, Flat-5A H#22/16, Khiljee road, Mohammadpur, Dhaka-1207	48,000	0.07%	1202060015277340
39	Eurodesch Consumer Products Ltd.	Shareholder	3/3, Block-C, Lalmatia, Dhaka	1,000	0.00%	1205150055070966
40	Sonamoni Saha	Shareholder	Jets Clitoria (7th Floor) 195/2, Tejkunipara, Dhaka	1,000	0.00%	1201910061487831
41	Most. Afroza Akter	Shareholder	Roseberry, Flat no- A-6, 159 Baro Mogbazar, Dr. Goli, Dhaka	1,000	0.00%	1201910061487831
42	Lubna Nishat Mim	Shareholder	House-Karovi House, C & B Road, Barisal.	42,000	0.06%	1201950062052254
43	Jannatul Marzan	Shareholder	House No #271, Blessed Hill Residence (7th Floor), Road No-07, Block-I, Bashundhara R/A, Dhaka-1229.	2,251,000	3.08%	1201950062052262
44	Nazmun Nahar	Shareholder	Post: Shapa, Thana-Modbaria, Dist-Pirojpur	1,301,000	1.78%	1201950062017241
45	Md. Abdus Sabur Khan	Shareholder	Vill- Kulpuddi, Dist- Madaripur	1,651,000	2.26%	1201950062017033
46	Md. Abdur Rashid	Shareholder	House-13/a-2, K, M, Das Lane, Tikatuli, Dhaka-1203	201,000	0.28%	1202240061364251
47	Masuda Islam Sharnali	Shareholder	House-28(2nd floor), Road-8/2, Block-E, South Bonosree, Dhaka	501,000	0.69%	1605550062101886
48	Shakil Mahmud	Shareholder	House-Rupayan Center (8th floor), Road-72, Mohakhali, Dhaka	751,000	1.03%	1605550062101886
49	Md. Towhidul Islam	Shareholder	House-112/Ka, Central Road, Dhanmondi, Dhaka-1205	801,000	1.10%	1202830055707558
50	Md. Faysal Ahmed	Shareholder	House-22/7, Bijli Moholla, Mohammadpur, Dhaka-1207	501,000	0.69%	1203040058175818
51	Abdul Kaiwm Sikder	Shareholder	House-40, Road-Hajinagar, Ideal road, Sharulia, Dhaka-1361	751,000	1.03%	1202830048268991
52	Safia Begum	Shareholder	Road-2205, Lutfor Rahman Sarak, Nathullabad, Barisal	901,000	1.23%	1201950062016973
53	Soneya Akter	Shareholder	Hazrat Shahajalal Sarok, House No-221, Barisal.	701,000	0.96%	1201950062016957
54	Tania Rashid	Shareholder	Hazi Jalal Ahmed Lane, House No-530, Thana- Kotoali, Barisal.	751,000	1.03%	1201950062016991
55	Md. Alauddin	Shareholder	Road-453, East Chandkatti, Jhalkati	651,000	0.89%	1201950062016981

56	Tahmina Nupur	Shareholder	Flat no-F-8/7, CAAB R/A, Kawlar, Kurmitola, Dhaka	151,000	0.21%	1202010059550091
57	Md. Masum Billah	Shareholder	Houseno-17, Road-10, Middle Basabo, Dhaka	1,000	0.00%	1203130025666759
58	Md. Khalid Hossain	Shareholder	House-50, Road-3, Block-B, Niketon, Gulshan-1, Dhaka	1,000	0.00%	1203130025666759
59	Mushfiq Ul Quayoom	Shareholder	Rupayan Prime (7th floor), Plot-2, Road-7, Dhanmondi, Dhaka-1205	1,000	0.00%	1203130025666759
60	Neaz Rahman Shaqib	Shareholder	House no-37(a-3), Road no-1, Banani DOHS, Banani, Dhaka-1213	1,000	0.00%	1604630054980351
61	Md. Ziaul Hossain	Shareholder	H-80, Flat-FG-3, Road-9/A, West Dhanmondi, Dhaka	300,000	0.41%	1201530062955713
62	Md. Emdadul Hoque	Shareholder	343 South Katner Para, Borogola, Bogra	300,000	0.41%	1202830063196835
63	Md. Obaidul Islam Khan	Shareholder	81/B Malibagh Chowdhuripara, Malibagh, Dhaka	50,000	0.07%	1204220040609968
64	Md. Farid Ahmed	Shareholder	B-7, Firoza Rose, 12 Eskaton, Dhaka-1000	700,000	0.96%	1604940059674010
65	Jubaida Nasrin	Shareholder	H-6 (2nd floor), Nasrin Vila, Dhaka Housing, Adabor, Shamoli, Dhaka	50,000	0.07%	120430020835718
66	Md. Humayan Kabir	Shareholder	Flat-5A, Musa-Al- Bait, H-1/A, Sipahibugh, Khilgaon, Dhaka-1219	100,000	0.14%	1203680020762241
67	Iqbal Ahmed	Shareholder	H-4, Road-18, Block-B, Shajalal Uposhahor, Sylhet.	50,000	0.07%	1201820062950662
68	Mst. Nurun Nahar Parvin	Shareholder	257/C, Free School Street, Kathal bagan, Kalabagan, Dhaka-1205	50,000	0.07%	1602770062695315
<b>Total</b>				<b>73,000,000</b>	<b>100.00%</b>	

b) There shall also be a table showing the name and address, age, experience, BO ID Number, TIN number, numbers of shares held including percentage, position held in other companies of all the directors before the public issue:

SL	Director's Name, Address, Age, Experience & BO ID	TIN	No. of Share	(% Pre-IPO	Position held in Other Organization	
					Other Organization	Position
1	<b>Name</b> Aziza Yeasmin, <i>Chairman</i> <b>Address:</b> Police Line Sharak, Maitha, Barguna-8700. <b>Age:</b> 43 Yrs <b>Experience:</b> 8 Years <b>BO ID:</b> 1201530062008346	E-TIN- 359560663357	2,005,000	2.75%	-	-
2	<b>Name:</b> A F M Anowarul Huq, <i>MD</i> <b>Address:</b> 729, College Road, Barisal Sadar, Barisal-8200 <b>Age:</b> 42 Yrs <b>Experience:</b> 19 Years <b>BO ID:</b> 1201530062008298	E-TIN- 269792632234.	12,435,000	17.03%	-	-
3	<b>Name:</b> Hafiza Yeasmin, <i>Director</i> <b>Address:</b> Kazi Para, Begumgonj, Noakhali <b>Age:</b> 39 Yrs <b>Experience:</b> 7 Years <b>BO ID:</b> 1201530062008311	E-TIN-1 898398833660	2,005,000	2.75%	-	-
4	<b>Name:</b> Md. Amin- Ur- Rashid, <i>Director</i> <b>Address:</b> North Chandkhaty, Jhalokati-8400 <b>Age:</b> 39 Yrs <b>Experience:</b> 16 Years <b>BO ID:</b> 1201950062016965	E-TIN- 895320146249	2,515,000	3.45%	-	-

5	<b>Name:</b> Sayeda Huq, <i>Director</i> <b>Address:</b> 729, College Road, Barisal Sadar, Barisal-8200 <b>Age:</b> 67 Yrs <b>Experience:</b> 13 Yrs <b>BO ID:</b> - 1201950062017258	E-TIN- 142318998550	2,001,000	2.74%	-	-
6	<b>Name:</b> Investment Corporation of Bangladesh, <i>Director</i> Represented by: Md. Emdad Hossain Mollah <b>Address:</b> 8, Rajuk Avenue, BDBL Bhaban (Level 14 -17) Dhaka-1000 <b>Age:</b> 57 Yrs <b>Experience:</b> 12 Yrs <b>BO ID:</b> - 1201530000003501	E-TIN- 633444860010	15,000,000	20.55%	-	-
7	<b>Name:</b> Fatima Parvin, <i>Director</i> <b>Address:</b> Chaprashi Bari, Road-Gohorpur, Haritana, Patharghata <b>Age:</b> 41 Yrs <b>Experience:</b> 7 Years <b>BO ID:</b> - 1201950062017274	E-TIN- 856211329111	2,461,000	3.37%	-	-
8	<b>Name:</b> Mst Shahanaz Akter, <i>Director</i> <b>Address:</b> Ville- vodrashon, po- minar bari, bandar, narayangonj <b>Age:</b> 36 Yrs <b>Experience:</b> 6 Years <b>BO ID:</b> -	E-TIN- 474170607549	2,051,000	2.81%	-	-

9	<b>Name:</b> Md. Mizanur Rahman, <i>Director</i> <b>Address:</b> Vill: Shibpasha, Post: Raipasha, Thana: Korapur, Dist.: Barisal <b>Age:</b> 35 Yrs <b>Experience:</b> 6 Years <b>BO ID:</b> - 1201950062017282	E-TIN- 785984591910	2,051,000	2.81%	-	-
10	<b>Name:</b> S.M. Harun Or Rashid, <i>Independent Director</i> <b>Address:</b> House No # 15 (Ground Floor), Road No # 14, Block # D, Pallabi, Mirpur – 12, Dhaka – 1216 <b>Age:</b> 63 Yrs <b>Experience:</b> 20 Years <b>BO ID:</b> - 1202800018215401	E-TIN- 8 539075254273	-	-	-	-
11	<b>Name:</b> Md. Monirujjaman, <i>Independent Director</i> <b>Address:</b> Vill-South Patharghata, PS-Patharghata -8720, Barguna <b>Age:</b> 37 Yrs <b>Experience:</b> 12 Yrs <b>BO ID:</b> -	E-TIN- 363697664509	-	-	-	-
12	<b>Name:</b> Md. Firoz Khan, <i>Independent Director</i> <b>Address:</b> Post: Anail Bania, Thana: Kathalia, Dist.: Jhalokati <b>Age:</b> 41 Yrs <b>Experience:</b> 14 Yrs <b>BO ID:</b> -	E-TIN- 413952431680	-	-	Sabila Sea Foods Ltd.	Director

c) The average cost of acquisition of equity shares by the directors certified by the auditors:

**To Whom It May Concern**

**Indo-Bangla Pharmaceuticals Limited** has been allotted shares in face value and the average cost of acquisition of equity by the directors is Tk. 10.00 each. Necessary particulars of shareholdings, allotment date and consideration are given below:

Date of Allotment/Transfer	Aziza Yeasmin	A F M Anowarul Huq	Hafiza Yeasmin	Md. Amin-Ur-Rashid	Sayed Huq	Fatima Parvin	Mst Shahanaz Akter	Md. Mizanur Rahman	Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah	S.M. Harun Or Rashid	Md. Monirujjaman	Md. Firoz Khan	Consideration	Face value of Share (Tk.)
	Chairman	Managing Director	Director	Director	Director	Director	Director	Director	Director	Independent Director	Independent Director	Independent Director		
18-Jun-14	5,000	55,000	5,000	15,000	-	-	-	-	-	-	-	-	Cash	10.00
7-Jul-14	-	9,800,000	-	-	-	-	-	-	-	-	-	-	Other than in cash	10.00
10-Oct-14	-	(1,000)	-	-	1,000	-	-	-	-	-	-	-	Cash	10.00
6-Aug-15	-	-	-	1,000,000	-	-	-	-	5,000,000	-	-	-	Cash	10.00
10-Dec-15	-	(293,000)	-	-	-	1,000	1,000	1,000	-	-	-	-	Cash	10.00
6-Jun-16	2,000,000	2,849,000	2,000,000	1,500,000	2,000,000	2,460,000	1,700,000	2,050,000	10,000,000	-	-	-	Cash	10.00
28-Jul-16	-	25,000	-	-	-	-	350,000	-	-	-	-	-	Cash	10.00
<b>Total</b>	<b>2,005,000</b>	<b>12,435,000</b>	<b>2,005,000</b>	<b>2,515,000</b>	<b>2,001,000</b>	<b>2,461,000</b>	<b>2,051,000</b>	<b>2,051,000</b>	<b>15,000,000</b>	-	-	-		

Place: Dhaka

Dated: October 01, 2017

Sd/-

**Mahfel Huq & Co.**  
Chartered Accountants

d) A detail description of capital built up in respect of shareholding (name-wise) of the issuer's sponsors or directors. In this connection, a statement to be included: -

**Aziza Yeasmin**  
*Chairman*

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
18-Jun-14	Cash	Ordinary Share	5,000	10.00	10.00	5,000	2.75%	2.16%	Own Source
6-Jun-16	Cash		2,000,000	10.00	10.00	2,005,000			

**A F M Anowarul Huq**  
*Managing Director*

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
18-Jun-14	Cash	Ordinary Share	55,000	10.00	10.00	55,000	17.03%	13.37%	Own Source
7-Jul-14	Other than in Cash		9,800,000	10.00	10.00	9,855,000			
10-Oct-14	Cash		(1,000)	10.00	10.00	9,854,000			
10-Dec-15	Cash		(293,000)	10.00	10.00	9,561,000			
6-Jun-16	Cash		2,849,000	10.00	10.00	12,410,000			
28-Jul-16	Cash		25,000	10.00	10.00	12,435,000			

**Hafiza Yeasmin**  
*Director*

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
18-Jun-14	Cash	Ordinary Share	5,000	10.00	10.00	5,000	2.75%	2.16%	Own Source
6-Jun-16	Cash		2,000,000	10.00	10.00	2,005,000			



**Md. Amin-Ur-Rashid***Director*

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
18-Jun-14	Cash	Ordinary Share	15,000	10.00	10.00	15,000	3.45%	2.70%	Own Source
6-Aug-15	Cash		1,000,000	10.00	10.00	1,015,000			
6-Jun-16	Cash		1,500,000	10.00	10.00	2,515,000			

**Sayeda Huq***Director*

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
10-Oct-14	Cash	Ordinary Share	1,000	10.00	10.00	1,000	2.74%	2.15%	Own Source
6-Jun-16	Cash		2,000,000	10.00	10.00	2,001,000			

**Fatima Parvin***Director*

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
10-Dec-15	Cash	Ordinary Share	1,000	10.00	10.00	1,000	3.37%	2.65%	Own Source
6-Jun-16	Cash		2,460,000	10.00	10.00	2,461,000			

**Mst Shahanaz Akter***Director*

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
10-Dec-15	Cash	Ordinary Share	1,000	10.00	10.00	1,000	2.81%	2.21%	Own Source
6-Jun-16	Cash		1,700,000	10.00	10.00	1,701,000			
28-Jul-16	Cash		350,000	10.00	10.00	2,051,000			

**Md. Mizanur Rahman***Director*

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
10-Dec-15	Cash	Ordinary Share	1,000	10.00	10.00	1,000	2.81%	2.21%	Own Source
6-Jun-16	Cash		2,050,000	10.00	10.00	2,051,000			

**Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah***Director*

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
6-Aug-15	Cash	Ordinary Share	5,000,000	10.00	10.00	5,000,000	20.55%	16.13%	Own Source
6-Jun-16	Cash		10,000,000	10.00	10.00	15,000,000			

**S.M. Harun Or Rashid***Independent Director*

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Md. Monirujjaman***Independent Director*

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Md. Firoz Khan**  
Independent Director

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Aysha Siddika**  
Sponsor

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
18-Jun-14	Cash	Ordinary Share	5,000	10.00	10.00	5,000	2.75%	2.16%	Own Source
6-Jun-16	Cash		2,000,000	10.00	10.00	2,005,000			

**Md. Bellal Khan**  
Sponsor

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
18-Jun-14	Cash	Ordinary Share	15,000	10.00	10.00	15,000	4.30%	3.38%	Own Source
6-Aug-15	Cash		1,000,000	10.00	10.00	1,015,000			
6-Jun-16	Cash		2,500,000	10.00	10.00	3,515,000			
28-Jul-16	Cash		(25,000)	10.00	10.00	3,490,000			
28-Jul-16	Cash		(350,000)	10.00	10.00	3,140,000			

**e) Detail of shares issued by the company at a price lower than the issue price:**

All the shares are issued by the Company at face value of Tk. 10.00 before this issue.

f) History of significant (5% or more) changes in ownership of securities from inception:

Date of Allotment/Transfer	A F M Anowarul Huq	Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah	Bangladesh Funds
	No. of Share		
18-Jun-14	55,000	-	-
7-Jul-14	9,800,000	-	-
10-Oct-14	(1,000)	-	-
6-Aug-15	-	5,000,000	1,000,000
10-Dec-15	(293,000)	10,000,000	-
6-Jun-16	2,849,000	-	5,000,000
28-Jul-16	25,000	-	-
<b>Total</b>	<b>12,435,000</b>	<b>15,000,000</b>	<b>6,000,000</b>

## CHAPTER (XIV): CORPORATE GOVERNANCE

### a) Management disclosure regarding compliance with the requirements of Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission (BSEC);

The Company declares that it has been complied with the requirements of the applicable regulations of Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (BSEC) with the exception of clause 1.2(i) at least one fifth (1/5) of the total number of directors in the company's board shall be independent directors. The board of directors of the company has constitutes several committees under the board for good governance. A certificate of compliance from competent authority has been incorporated accordingly.

Sd/-

**A F M Anowarul Huq**  
Managing Director  
**Indo-Bangla Pharmaceuticals Limited**

### b) A compliance report of Corporate Governance requirements certified by competent authority;

#### **CERTIFICATE OF COMPLIANCE ON CORPORATE GOVERNANCE OF Indo-Bangla Pharmaceuticals Limited**

*[As required under the Bangladesh Securities and Exchange Commission (BSEC) Guideline]*

We have examined the compliance to the BSEC guidelines on Corporate Governance by **Indo-Bangla pharmaceuticals Limited** for the year ended June 30, 2016. These guidelines relate to the Notification no. SEC/CMRRC/2006-158/134/Admin/44 dated 7 August 2012, as amended vide notification dated 21 July 2013 and 18 August 2013 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance.

Such compliance to the codes of Corporate Governance is the responsibility of the company. Our examination for the purpose of issuing this certificate was limited to the procedures including implementation thereof as adopted by the Company for ensuring the compliance on the attached statement on the basis of evidence gathered and representation received.

In our opinion and to the best of our information and according to the explanations provided to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned guidelines is issued by BSEC.

Place: Dhaka.  
Date: June 12, 2017

Sd/-  
**Jayanta Kumer Podder**  
ACS, FCMA  
Podder & Associates  
**Cost and Management Accountants**

**Compliance Report on BSEC's Notification**

**Indo-Bangla Pharmaceuticals Limited**

**Status of Compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012, as amended vide notification dated 21 July 2013 and 18 August 2013 issued under section 2CC of the Securities and Exchange Ordinance, 1969:**

**(Report Under Condition No. 7.00)**

Condition No.	Title	Compliance Status (Put $\checkmark$ in the appropriate column)		Remarks (if any)
		Complied	Non-complied	
1.0	<b>Board of Directors</b>			
1.1	<b>Board's Size</b>			
	The number of the Board members of the company shall not be less than 5 (five) and more than 20 (twenty)	$\checkmark$		
1.2	<b>Independent Directors</b>			
1.2(i)	At least on fifth (1/5) of the total number of directors in the company's board shall be independent directors.	$\checkmark$		Appointed three Independent Directors.
1.2 (ii) a)	Independent Director 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.	$\checkmark$		
1.2 (ii) b)	Independent Director is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company.	$\checkmark$		
1.2 (ii) c)	Independent Director does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies.	$\checkmark$		
1.2 (ii) d)	Independent Director who is not a member, director or officer of any stock exchange;	$\checkmark$		
1.2 (ii) e)	Independent Director who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	$\checkmark$		
1.2 (ii) f)	Independent Director 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;	$\checkmark$		

1.2 (ii) g)	Independent Director shall not be an independent director in more than 3 (three) listed companies;	√		
1.2 (ii) h)	Independent Director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	√		
1.2 (ii) i)	Independent Director has not been convicted for a criminal offence involving moral turpitude;	√		
1.2 (iii)	Independent director shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM);	√		Appointment of Independent directors have been approved by the shareholders in the AGM dated 20.12.2016
1.2 (iv)	The post of independent director cannot remain vacant for more than 90 (ninety) days;	√		
1.2 (v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded;	√		
1.2 (vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only;	√		
1.3	<b>Qualification of Independent Director(ID)</b>			
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business;	√		
1.3 (ii)	The independent director should be a Business Leader/Corporate Leader /Bureaucrat /University Teacher with Economics or Business Studies or Law background /Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of Corporate engagement/professional experiences.	√		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission;	-	-	N/A

<b>1.4</b>	<b>Chairman of the Board and Chief Executive Officer</b>			
	The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.	√		
<b>1.5</b>	<b>The Directors' Report to Shareholders</b>			
	The directors of the companies shall include the following additional statements in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994)			
1.5 (i)	Industry outlook and possible future developments in the industry	√		
1.5 (ii)	Segment-wise or product-wise performance	-	-	N/A
1.5 (iii)	Risks and concerns	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	√		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss	-	-	N/A
1.5 (vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report	√		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments	-	-	N/A
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	-	-	N/A
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements, the management shall explain about the variance on their Annual Report.	-	-	N/A
1.5 (x)	Remuneration to directors including independent directors	√		
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		



1.5 (xii)	Proper books of account of the issuer company have been maintained.	√		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1.5 (xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS) / International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.	√		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5 (xvi)	There are no significant doubts 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 thereof should be disclosed.	√		
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	-	-	N/A
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	√		Due to business expansion dividend, has not declared
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	√		
1.5 (xxi)	<b>The pattern of shareholding shall be reported to disclose the aggregate number of shares held by:</b>			
1.5 (xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details)	√		
1.5 (xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details)	√		
1.5 (xxi) c)	Executives	√		

1.5 (xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	√		
<b>1.5 (xxii)</b>	<b>In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:</b>			
1.5 (xxii) a)	A brief resume of the director	√		
1.5 (xxii) b)	Nature of his/her expertise in specific functional areas.	√		
1.5 (xxii) c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
<b>2.0</b>	<b>Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS)</b>			
<b>2.1</b>	<b>Appointment</b>			
	The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of internal Audit and the CS.	√		
<b>2.2</b>	<b>Requirement to attend the Board Meetings</b>			
	The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors provided that the CFO and /or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating of their personal matters.	√		
<b>3.0</b>	<b>Audit Committee</b>			
3 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors	√		
3 (ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	√		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		
<b>3.1</b>	<b>Constitution of Audit Committee</b>			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members	√		

3.1 (ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	√		
3.1 (iii)	All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management experience.	√		
3.1 (iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until 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 of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee.	-	-	N/A
3.1 (v)	The company secretary shall act as the secretary of the Committee.	√		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
<b>3.2</b>	<b>Chairman of the Audit Committee</b>			
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	√		
3.2 (ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	√		
<b>3.3</b>	<b>Role of Audit Committee shall include the following:</b>			
3.3 (i)	Oversee the financial reporting process.	√		
3.3 (ii)	Monitor choice of accounting policies and principles.	√		
3.3 (iii)	Monitor Internal Control Risk management process.	√		
3.3 (iv)	Oversee hiring and performance of external auditors.	√		
3.3 (v)	Review along with the management, the annual financial statements before submission to the board for approval.	√		

3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	√		
3.3 (vii)	Review the adequacy of internal audit function.	√		
3.3 (viii)	Review statement of significant related party transactions submitted by the management.	√		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.	√		
3.3 (x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.	-	-	N/A
<b>3.4</b>	<b>Reporting to the Audit Committee</b>			
<b>3.4.1</b>	<b>Reporting to the Board of Directors</b>			
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors.	√		
3.4.1(ii)	<b>The Audit committee shall immediately report to the Board of Directors on the following findings, if any;</b>			
3.4.1 (ii) a)	Report on conflicts of interests;	-	-	There was no such issue
3.4.1 (ii) b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;	-	-	There was no such issue
3.4.1 (ii) c)	Suspected infringement of laws, including securities related laws, rules and regulations; and	-	-	There was no such issue
3.4.1 (ii) d)	Any other matter which shall be disclosed to the Board of Directors immediately	-	-	There was no such issue
<b>3.4.2</b>	<b>Reporting to the Authorities</b>			
	If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is	-	-	There was no such issue

	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 of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.			
3.5	<b>Reporting to the Shareholders and General Investors</b>			
	Report on activities carried out by Audit Committee, including any report made to the Board of Directors under condition 3.4.1(ii) above during the year shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	√		
<b>4.0</b>	<b>External/Statutory Auditors.</b>			
4 (i)	Non-engagement in Appraisal or valuation services or fairness opinions	√		
4 (ii)	Non-engagement in designing and implementation of Financial Information System	√		
4 (iii)	Non-engagement Book-keeping or accounting	√		
4 (iv)	Non-engagement Broker-dealer services	√		
4 (v)	Non-engagement in Actuarial services	√		
4 (vi)	Non-engagement in Internal audit services	√		
4 (vii)	Non-engagement in any other service determined by the Audit Committee	√		
4 (viii)	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.	√		
4 (ix)	Audit/certification services on compliance of corporate governance as required under clause (i) of condition No. 7.	√		
<b>5.0</b>	<b>Subsidiary Company</b>	The Company has no subsidiary		
5 (i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.			N/A
5 (ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on			N/A

	the Board of Directors of the subsidiary company.			
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.			N/A
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.			N/A
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			N/A
6.0	<b>Duties of Chief Executive Officer (CEO) &amp; Chief Financial Officer (CFO)</b>			
6 (i)	The 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;	√		
6 (i) a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	√		
6 (i) b)	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.	√		
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	√		
7.0	<b>Reporting and Compliance of Corporate Governance</b>			
7 (i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant / Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	√		Required certification has been obtained from "PODDER & ASSOCIATES" Cost & Management accounts
7 (ii)	The directors of the company shall state, in accordance with the <b>Annexure</b> attached, in the directors' report whether the company has complied with these conditions	√		

c) **Details relating to the issuer's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committees operate.**

The name of audit committee members and remuneration committee members are as follows:

<b>Audit Committee Members Name</b>		<b>Remuneration Committee Members Name</b>	
1	<b>S.M. Harun Or Rashid</b> <i>(Independent Director) Chairman of the Committee</i>	1	<b>Aziza Yeasmin</b> <i>Chairman of the Committee</i>
2	<b>A F M Anowarul Huq</b> <i>Managing Director</i>	2	<b>Hafiza Yeasmin</b> <i>Director</i>
3	<b>Md. Mizanur Rahman</b> <i>Director</i>	3	<b>Md. Monirujjaman</b> <i>(Independent Director)</i>
4	<b>Md. Shamem Gazi</b> <i>Company Secretary</i>	4	<b>Md. Faruque Hossain</b> <i>Chief Financial Officer</i>
5	<b>Md. Mustafizur Rahman</b> <i>Manager (Admin)</i>	5	<b>Md. Shamem Gazi</b> <i>Company Secretary</i>

**The terms of reference of the audit committee has been agreed upon as follows:**

- To review all internal and external audit report.
- To recommend the statutory annual audited financial statements to the Board of Directors for approval.
- To review the finding of the internal and external auditors.
- To review and approve the Annual “Audit Plant” of the Internal Audit Department.
- To monitor the implementation of the recommendations of the Internal and External auditors.
- To review the performance of the external auditors and make recommendations to the Board regarding their appointment and fees.
- To review the quarterly, half yearly and annual financial statements before submission to the Board, focusing particularly on.
- To review the company’s statement on internal control systems prior to endorsement by the Board.
- The company secretary shall be the secretary of the audit committee.

**The terms of reference of the remuneration committee has been agreed upon as follows:**

- To assist the Board in developing and administering a fair and transparent procedure for setting policy on the remuneration of directors and senior management of the Company
- Determining the remuneration packages
- Review the Annual Confidential Report (ACR) of senior management of the company
- Review and oversee the Company's overall human resources strategy.

## CHAPTER (XV): VALUATION REPORT OF SECURITIES PREPARED BY THE ISSUE MANAGERS

The valuation report of securities offered is prepared and justified by the issue managers (Imperial Capital Limited; EBL Investments Limited and CAMP Advisory Limited) on the basis of the financial and all other information pertinent to the Issue.

### Qualitative and Quantitative factors for Valuation:

#### Qualitative Justification:

1. **Product line variety:** The Company's product line has variety. The company sells different line of product except anti biotic.
2. **Modern Machineries:** We have been using modern machineries that that smooth our operation.
3. **Technology:** The Company has latest tools and technologies to support production.
4. **Dedicated Workforce:** Company has dedicated human resources.

#### Quantitative Justification:

The issue price at Tk. 10.00 each is justified as details below:

Particulars	Amount (in Tk.)
<b>Method 1: Net Asset Value (NAV) per share/Equity based value per share</b>	
Price based on Net Asset Value per share (without revaluation reserve)	11.63
<b>Method 2: Historical Earnings based value per share</b>	
Earnings based Value per share based on Overall Market P/E	13.04
<b>Method 3: Average market price per share of similar stocks:</b>	279.49

#### Calculation of Methodologies

##### Method 1: Share price on Net Asset Value (NAV)/Equity based value per share

Sl. No.	Particulars	Amount (in Tk.)
a)	Share Capital	730,000,000
b)	Retained Earnings	119,233,972
<b>Total Shareholders' Equity (without revaluation reserve)</b>		<b>849,233,972</b>
Number of Shares		73,000,000
<b>Net Asset Value per share (without revaluation reserve) as per Audit Report as on 30 June, 2016</b>		<b>11.63</b>

##### Method 2: Historical Earnings based value per share

Average Price Earnings of Market & Pharmaceuticals Sector		
Month	Pharmaceuticals Sector (P/E)	Market (P/E)
Jun-17	17.26	15.74
Jul-17	17.08	16.19
Aug-17	17.14	16.33
<b>Average</b>	<b>17.16</b>	<b>16.09</b>
Considering Lesser P/E of 17.16 & 16.09 is 16.09		

Source: DSE Monthly Review.



<b>Period</b>	<b>No. of Share</b>	<b>Net Profit after tax</b>	<b>Weight of No. of Shares</b>	<b>Weighted Average of Net Profit after tax</b>
30-Jun-15	9,900,000	60,209,267	0.119	7,190,250
30-Jun-16	73,000,000	59,024,705	0.881	51,975,916
<b>Total</b>	<b>82,900,000</b>	<b>119,233,972</b>	<b>1.00</b>	<b>59,166,166</b>
No. of shares outstanding before IPO				73,000,000
Diluted EPS based on weighted Average of Net Profit after Tax				0.81
Market PE (Considering Lesser P/E of 17.16 & 16.09 is 16.09)				16.09
<b>Earnings based Value per share based on overall Market P/E</b>				<b>13.04</b>

**Method 3: Average market price per share of similar stocks:**

<b>Last One Year (Month ended) Closing Share Price of Similar Stock</b>									
<b>Sl. No.</b>	<b>Date</b>	<b>Ambee Pharmaceuticals Limited</b>	<b>Beacon Pharmaceuticals Limited</b>	<b>Beximco Pharmaceuticals Limited</b>	<b>Central Pharmaceuticals Limited</b>	<b>Orion Pharma Limited</b>	<b>Pharma Aids Limited</b>	<b>Renata Limited</b>	<b>Square Pharmaceuticals Limited</b>
1	29-Sep-16	480.80	18.60	83.10	16.60	38.00	258.10	1,104.20	268.60
2	31-Oct-16	415.20	20.70	77.20	14.70	35.30	240.60	1,088.10	267.80
3	30-Nov-16	378.80	19.90	82.40	14.70	41.50	249.20	1,091.20	244.90
4	29-Dec-16	387.70	22.00	80.80	22.30	42.10	243.20	1,085.50	249.10
5	31-Jan-17	385.60	22.60	87.20	26.00	47.80	257.80	1,100.90	259.90
6	28-Feb-17	385.20	23.40	92.30	30.80	53.20	268.30	1,108.70	268.20
7	30-Mar-17	370.20	21.80	110.40	32.20	49.10	255.60	1,088.40	277.90
8	30-Apr-17	373.50	22.20	111.00	29.80	46.30	263.10	1,104.50	283.70
9	31-May-17	397.80	21.30	108.20	27.20	48.10	267.30	1,098.70	282.00
10	29-Jun-17	406.10	23.10	113.00	30.30	50.80	273.50	1,157.10	290.10
11	31-Jul-17	420.40	23.70	111.70	29.00	49.60	275.90	1,135.60	282.80
12	31-Aug-17	449.70	22.50	108.40	27.70	48.80	283.30	1,140.30	286.10
<b>Average Price</b>		<b>404.25</b>	<b>21.82</b>	<b>97.14</b>	<b>25.11</b>	<b>45.88</b>	<b>261.33</b>	<b>1,108.60</b>	<b>271.76</b>
<b>Average Price of these 8 Companies</b>									<b>279.49</b>
<i>Source: DSE Monthly Review.</i>									

**Rationale for choosing these 8 Companies:**

There are twenty-eight pharmaceutical companies listed in the capital market. Among the twenty-eight companies IBPL has taken eight companies because IBPL's product mix matches to these eight companies.

The management of the Company in consultation with the Issue Managers has set the issue price at Tk. 10.00 each at par value.

Sd/-  
**Mahbub H. Mazumdar FCMA**  
 Chief Executive  
**AFC Capital Limited**

Sd/-  
**Moinul Hossain Asif**  
 Managing Director  
**EBL Investments Limited**

Sd/-  
**Tania Sharmin**  
 Managing Director & CEO  
**CAPM Advisory Limited**

## CHAPTER (XVI): DEBT SECURITIES

The Company has not issued or is planning to issue any debt security within six months.

## CHAPTER (XVII): PARTIES INVOLVED AND THEIR RESPONSIBILITIES

Parties involve with IBPL		Responsibilities
(a) Issue Manager(s)	(1) AFC Capital Limited; (2) EBL Investments Limited; (3) CAPM Advisory Limited.	The Issue Managers will act as the managers to the issue for the public issue as described in the amendments to the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 (Public Issue) Rules, 2015.
(b) Underwriters	(1) AFC Capital Limited; (2) EBL Investments Limited; (3) NBL Capital and Equity Management Limited; (4) Janata Capital and Investment Limited.	The Underwriters will act as the underwriters to the public issue as described in the amendments to the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 (Public Issue) Rules, 2015.
(c) Statutory Auditor	<b>Mahfel Huq &amp; Co.</b> Chartered Accountants	To express an opinion on these financial statements based on their audit. Auditor will conduct the audit in accordance with Bangladesh Standards on Auditing (BSA).
(d) Cost Auditor	Not applicable for the Company	N/A
(e) Valuer		
(f) Credit Rating Company		

## CHAPTER (XVIII): MATERIAL CONTRACTS

	<b>(a) Major agreements entered into by the Issuer</b>	<b>(b) Material parts of the agreements</b>	<b>(c) Fees payable to different parties</b>
<b>Issue Managers</b>	Issue Management Agreement between the Company, Indo-Bangla Pharmaceuticals Limited and the Managers to the issue, AFC Capital Limited, EBL Investments Limited & CAPM Advisory Limited.	To do the entire task as mentioned in the amendments to the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015.	To AFC Capital Limited Tk. 6.50 Lac; To EBL Investments Limited Tk. 7.00 Lac & CAMP Advisory Limited Tk. 6.50 Lac.
<b>Underwriters</b>	Underwriting Agreement between the Company and AFC Capital Limited, EBL Investments Limited, NBL Capital and Equity Management Limited & Janata Capital and Investment Limited.  Total Underwritten amount Tk. 70,000,000	The issuer, in the event of under subscription, shall notice to the underwriters within ten days of closer of subscription calling upon them to subscribe the securities and pay for this in cash in full within 15 days of the date of said notice and said amount shall be credited in to securities subscription account within the said period.  The issuer shall within 7 days of the expiry of the period mentioned above, sent to the commission proof of subscription and deposit of the money by the underwriters.	Underwriting commission at the rate of 0.50% on 35% of the Total IPO amount (i.e. Tk. 350,000.00)

Copies of the above-mentioned contracts and documents and the Consent Order from the Bangladesh Securities and Exchange Commission may be inspected on any working day during office hours at the Company's Registered Office.

## CHAPTER (XIX): LITIGATIONS, FINE OR PENALTY

### (a) The following litigations including outstanding litigations against the issuer or any of its directors and fine or penalty imposed by any authority:

The issuer or any of its directors was not involved in any of the following type of legal proceedings except mentioned below;

- (i) **Litigation involving Civil Laws:** No caes filed by any authority;
- (ii) **Litigation involving Criminal Laws:**

Mr. Mahmudul Hasan has filed a case against Indo-Bangla Pharmaceuticals Ltd. He filed the case in charge of dishonor of a Cheque, Cheque No. 9202103, One Bank Limited dated on 10 July, 2016. The case is under trial on CMM Court, Dhaka.

Mr. Mahmudul Hasan has filed a case against A F M Anowarul Huq. He filed a case in charge of dishonor of a Cheque, Cheque No. 8396299, One Bank Limited dated on 10 July, 2016. The case is under trial on CMM Court, Dhaka.

- (iii) **Litigation involving Securities, Finance and Economic Laws; no caes filed any authority:** No caes filed by any authority;

- (iv) **Litigation involving Labor Laws:** No caes filed by any authority;
- (v) **Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes or duties):** No caes filed by any authority;
- (vi) **Litigation involving any other Laws:** No caes filed by any authority.

**(b) Cases including outstanding litigations filed by the Company or any of its directors:**

There is no case including outstanding litigations filed by the issuer or any of its directors to any of the following types of legal proceedings except mentioned below;

- (i) **Litigation involving Civil Laws:** No cases filed by the Company or any of its directors;
- (ii) **Litigation involving Criminal Laws:**  
Mr. A F M Anowarul Huq has lost a cheque. In this regard a case has been filed against Mr. Mahmudul Hasan by Mr. A F M Anowarul Huq for recovery of the loss of Cheque, Cheque No. 8396299, One Bank Limited dated on 10 July, 2016. The case is under trial on Executive Magistrate Court, Dhaka.
- (iii) **Litigation involving Securities, Finance and Economic Laws:** No cases filed by the Company or any of its directors;
- (iv) **Litigation involving Labor Laws:** No cases filed by the Company or any of its directors;
- (v) **Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes or duties);**

Income Year	Assessment Year	Status
2015-2016	2016-2017	Return was submitted. Subsequently, the Deputy Commissioner of Taxes completed the assessment by demanding tax liability of Tk. 10,450,292 as per notice of demand dated on 30 May, 2017. We received notice of demand dated on 14 September, 2017. Against the assessment, the Company appeal the same to the Taxes Appellate Tribunal Khulna Bench dated on 19 September, 2017.
2014-2015	2015-2016	Return was submitted. Subsequently, the Deputy Commissioner of Taxes completed the assessment by demanding tax liability of Tk. 25,565,930 as per notice of demand dated on 24 August, 2016. We received notice of demand dated 14 September, 2017. Against the assessment, the Company appeal the same to the Taxes Appellate Tribunal Khulna Bench on dated 19 September, 2017.

- (vi) **Litigation involving any other Laws.**  
There was a writ petition no. 6969/2016 in the high court division of Supreme Court regarding stopping the production of antibiotic (Penicillin, non- Penicillin, and Cephalosporin). In this regard, Directorate General of Drug Administration informed us with a letter dated 31st August, 2016 to stop production of above antibiotic. Subsequently, we made all compliance regarding Penicillin, non- Penicillin as per GMP. Then, on 24<sup>th</sup> September 2017 we applied to Directorate General of Drug Administration for withdrawing the restriction. Now it is under process.

## CHAPTER (XX): RISK FACTORS AND MANAGEMENT'S PERCEPTIONS ABOUT THE RISKS

### (i) Internal risk factors may include, among others:

- a) **Credit Risk:** This is the risk of default on a debt that may arise because of default by the borrower to pay the loan. In operating any business there is always credit risk lies in the business. As there is always lending and borrowing between parties in the form of money and goods.

*Management Perception:* Credit Risk mainly lies with Financial Institutions. Since Indo-Bangla Pharmaceuticals Limited is involved in manufacturing medicine, there is no as such credit risk. Receivable from Credit sales is collected on monthly basis. Management has a credit policy in place and exposure to credit risk is monitored on an on-going basis. To mitigate the credit risk the management of the company follows robust credit control and collections policies.

- b) **Liquidity Risk:** The risk that a company may be unable to meet short term financial demands. This usually occurs due to the inability to convert its current assets to cash without a loss of capital or income. Liquidity is a common phenomenon of the business.

*Management Perception:* Indo-Bangla Pharmaceuticals Limited has been dealing with its working capital in efficient way. Effective liquidity risk management requires both a top-down and a bottom-up approach. Strategy, principles and objectives are set at board and management levels. Our liquidity risk management starts by managing daily payment of cheques, daily cash inflow and outflow, and our access to other funding sources when required.

- c) **Risk associated with the issuer's interest in subsidiaries, joint ventures and associates:** If the subsidiaries make loss, it affects parent company's balance sheet. In case of associate, there is chance of decline value of investment in associate company. As for joint venture, A joint venture (JV) is a business arrangement in which two or more parties agree to pool their resources for the purpose of accomplishing a specific task. This task can be a new project or any other business activity. In a joint venture (JV), each of the participants is responsible for profits, losses and costs associated with it.

*Management Perception:* Indo-Bangla Pharmaceuticals Limited has no subsidiaries. There are no Joint ventures or associates.

- d) **Significant revenue generated from limited number of customers, losing any one or more of which would have a material adverse effect on the issuer:** There is risk involved in having limited number of customer and losing of that particular customer has negative impact on company's sales and cash flow as well.

*Management Perception:* We are not depending on limited number of customers while generating revenue. We have huge demand for medicine. Since market is diverse from urban to the very remote rural of the country and it has not limited customers from whom it generates significant amount of revenue.

- e) **Dependency on a single or few suppliers of raw materials, failure of which may affect production adversely:** There is also risk involved in having limited number of suppliers as well. Single or few suppliers may exploit the company by price hike, untimely delivery and low quality of product.

*Management Perception: We are not dependent on any suppliers. We imported our raw materials suppliers from Germany, Australia, China and India.*

- f) **More than 20% revenue of the issuer comes from sister concern or associate or subsidiary:** Having 20% revenue generation from sister concern or associate or subsidiary makes issuer dependent on others companies. Hence, there is dependency risk.

*Management Perception: Indo-Bangla Pharmaceuticals Limited earns its revenue from its operation and there is no as such revenue generation that comes from sister concern or associates.*

- g) **Negative earnings, negative cash flows from operating activities, declining turnover or profitability, during last five years, if any:** Negative earning and negative operating cash flow is risk the going concern risk for the entity.

*Management Perception: We are profitable entity and we have not experienced with negative earning and negative cash flow from operation.*

- h) **Loss making associate or subsidiary or group companies of the issuer:** When associate or subsidiary or group companies of the issuer are loss making, it affects the issuer and there is negative impact on cash flow of issuer and Balance Sheet as well.

*Management Perception: We do not have Loss making associate or subsidiary or group companies.*

- i) **Financial weakness and poor performance of the issuer or any of its subsidiary or associates:** Financial weakness and poor performance of the issuer have negative impact on the company. As a result it will be tough to pay loan interest, debt service and dividend. Future growth will be hampered.

*Management Perception: Indo-Bangla Pharmaceuticals Limited is a profitable entity and financial position of the company is sound.*

- j) **Decline in value of any investment:** If investment value decline, it will reduce the profit and assets as well.

*Management Perception: We do not have any investment.*

- k) **Risk associated with useful economic life of plant and machinery, if purchased in second hand or reconditioned:** There is obsolescence risk relating to plant and machinery. If the machinery is purchased in second hand or reconditioned, there high risk of repair and maintenance which has impact on profitability of the company.

*Management Perception: The Company has been using brand new machineries. It has been acquired machineries through vendor agreement of amounting Tk. 9.80 Crore from A F M Anowarul Huq. The machineries were bought by A F M Anowarul Huq in brand new condition.*

- l) **Adverse effect on future cash flow if interest free loan given to related party or such loans taken from directors may recall:** It is loan given and taken from related party and directors as well. When company gives such loan without interest to related party, there is interest burden for the company if the money was taken as loan. On the other hand, if such loan is taken from directors, it will have an impact on the cash flow to pay off the loan to the Directors.

*Management Perception: There are no as such loan given to related party and loan taken from directors.*

- m) **Potential conflict of interest, if the sponsors or directors of the issuer are involved with one or more ventures which are in the same line of activity or business as that of the issuer and if any supplier of raw materials or major customer is related to the same sponsors or directors:** In these cases, there is high chance of compromise among the related companies because of conflict of Interest.

*Management Perception:* Sponsors or Directors are not involved in the same line of activity, nor any suppliers of raw materials or major customer is related to same sponsors or director. It is mentionable here that Investment Corporation of Bangladesh (ICB) is the director of Indo-Bangla Pharmaceuticals Limited and ICB holds share of ACME Laboratories Limited as well.

- n) **Related party transactions entered into by the company those may adversely affect competitive edge:** Related party transaction of the issuer creates conflict of interest which reduces the competitive advantage of the issuer.

*Management Perception:* There is no as such transaction which may adversely affect competitive edge.

- o) **Any restrictive covenants in any shareholders' agreement, sponsors' agreement or any agreement for debt or preference shares or any restrictive covenants of banks in respect of the loan or credit limit and other banking facilities:** All information must be known to the potential investor so that investor's interest may not be hampered in future. So, any restrictive covenants, if it goes against potential investors, will make investors in jeopardy.

*Management Perception:* There are no restrictive covenants in any shareholders' agreement, sponsors' agreement or any agreement relating to debt or preference shares or any restrictive covenants of Banks in respect of loan or credit limit and other banking facilities.

- p) **Business operations may be adversely affected by strikes, work stoppages or increase in wage demands by employees:** In such case, company's business operation will be hampered.

*Management Perception:* Bangladesh is densely populated country. As a result, medicine is of high demand in our country. Strike, work stoppage can hardly affect this sector. Increase in wage is maintained as per Government policy and it is always negotiable to mitigate such crisis if it arises in future.

- q) **Seasonality of the business of the issuer:** It is the risk involving that company is not doing business round the year.

*Management Perception:* It is not seasonal business.

- r) **Expiry of any revenue generating contract that may adversely affect the business:** This is the risk of losing customers affecting future sales.

*Management Perception:* We do not have any revenue generating contract that may adversely affect the business.

- s) **Excessive dependence on debt financing which may adversely affect the cash flow:** Excessive dependence on debt causes huge interest burden of the company and high risk of insolvency that may result in bankruptcy.

*Management Perception:* Apart from deferred tax, there is no debt in the Company.

- t) **Excessive dependence on any key management personnel absence of whom may have adverse effect on the issuer's business performance:** Excessive dependence on key management affects the business if the management is changed in future, which will create vacuum. Besides, if the key management personnel are of bad intention, excessive dependence will also affect the business.



**Management Perception:** Corporate Governance is well practiced in our company. We have also well placed organogram in our company. So, any change in the key management will be followed by others.

- u) **Enforcement of contingent liabilities which may adversely affect financial condition:** It is the future burden of liabilities that the investors will take on their shoulders. Contingent liabilities reduced the assets or create obligation to pay the liabilities.

**Management Perception:** We do not have any contingent liabilities which may adversely affect financial condition.

- v) **Insurance coverage not adequately protect against certain risks of damages:** Insurance ensures and protects to deal with uncertainty of future material loss or damage. So, insurance coverage is important for the business.

**Management Perception:** We have fire insurance policy is in place to cover our two factory godowns. In the factory godowns, we maintain raw materials and finished goods of pharmaceuticals.

- w) **Absence of assurance that directors will continue its engagement with Company after expiry of lock in period:** Directors run the company with the accumulated finance from public and other financing source. If directors discontinue to run the business, there will be negative impact on business and share price as well.

**Management Perception:** Management will continue its engagement with the company after expiry of lock in period.

- x) **Ability to pay any dividends in future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditure:** Dividend payment is highly dependent on company's ability to generate profit. If company cannot earn good amount of profit from operation, it is unlikely to pay dividend.

**Management Perception:** We have been earning profit and a profitable entity. We are in belief that we will be able to pay dividend from our earning profit.

- y) **History of non operation, if any and short operational history of the issuer and lack of adequate background and experience of the sponsors:** If there is any non operation of the company, it creates negative impression. Apart from this, short operation history indicates company is gathering knowledge and expertise to be competitive in the market.

**Management Perception:** The Company is in operation for last two years and the company is a profitable entity. There is no as such history of non-operation.

- z) **Risks related to engagement in new type of business, if any:** If it is new business, there is risk of viability of the new business.

**Management Perception:** We are concentrating in our business for the time being. So, there is no as such risk.

- aa) **Risk in investing the securities being offered with comparison to other available investment options:** If the issue price goes down after floating, there is investment risk for the potential investors.

**Management Perception:** We are profitable entity and our business growth will continue in longer period. It is not risky in investing securities in comparison with other available investment option.

- bb) Any penalty or action taken by any regulatory authorities for non-compliance with provisions of any law:**

*Management Perception:* No penalty had been taken by any regulatory authorities for non-compliance with provision of any law. There was restriction on antibiotic. Drug authority has renewed the license. Management believes that restriction on antibiotic will be withdrawn very soon by the respective authority.

- cc) Litigations against the issuer for Tax and VAT related matters and other government claims, along with the disclosures of amount, period for which such demands or claims are outstanding, financial implications and the status of the case:** It creates a negative impression on the issuer.

*Management Perception:* The assessment order of the Deputy Commissioner of Taxes (DCT) for both the assessment years 2015-2016 and 2016-2017 were received on 14th September 2017. Deputy Commissioner of Taxes (DCT) demanded Tk. 25,565,930 and Tk. 10,450,292 respectively as demand notice. Being aggrieved by the order of the DCT the Company submitted appeal dated on 19th September 2017. The Company is confident to get substantial relief out of the appeal.

- dd) Registered office or factory building or place of operation is not owned by the issuer:** Factory building should be owned by the company. Otherwise, there is risk of hike in factory rent in the years to come and threat of shifting the factory as well.

*Management Perception:* Our factory building and registered office are owned by us and our corporate office is rented.

- ee) Lack of renewal of existing regulatory permissions or licenses:** In this case company is not following the law to renew its all licenses.

*Management Perception:* There is no such issue relating to lack of existing regulatory permissions/licenses.

- ff) Failure in holding AGM or declaring dividend or payment of interest by any listed securities of the issuer or any of its subsidiaries or associates:** Failure in holding AGM or declaring dividend indicates the lack of compliance to the regulatory rules. Failure of payment of interest indicates the poor cash generation to the company to pay interest and debt service. The overall impression will be negative for the company.

*Management Perception:* We do not have any listed securities.

- gg) Issuances of securities at lower than the IPO offer price within one year:** The management ultimate goal is to maximize the wealth of the company. If share price goes up, it maximizes wealth of the company. On the other hand, if share price goes down, it minimizes the wealth of the company.

*Management Perception:* Indo-Bangla Pharmaceuticals Limited has been profitable entity. It has potentiality to grow in future. We believe that our IPO offer price will not be lower within one year.

- hh) Refusal of application for public issue of any securities of the issuer or any of its subsidiaries or associates at any time by the Commission:** If any refusal happened in the above cases, it will create negative impression to the issuer.

*Management Perception:* Such cases did not happen for our company.

**(ii) External risk factors may include among others:**

- a) **Interest Rate Risks:** Indo-Bangla Pharmaceuticals Limited is exposed to the volatility of interest rate as it has Long Term Bank Loan. Any higher trend in interest rate in future will definitely aggravate the adversity.

*Management Perception:* We do not have debt financing. Moreover, In our country, right now, interest is in downtrend which is beneficial for debt-financing because cost of capital has been less expensive than that of earlier. Hence, interest rate risk is manageable.

- b) **Exchange Rate Risks:** Foreign exchange risk, also known as FX risk or currency risk, is a financial risk that exists when a financial transaction is denominated in a currency other than that of the base currency of the company. This risk arises when investment's value changed due to the changes in currency exchange rates.

*Management Perception:* Indo-Bangla Pharmaceuticals Limited is procuring raw materials from Australia, Germany, China and India and its customers are local customers. Because of importing raw materials, the company is exposed to Exchange Rate Risk. Management is concerned about this. Management believes that any dollar appreciation will be adjusted in product price.

- c) **Industry Risks:** Industry risk is related with the factors affecting the company such as Raw Material, labor, demand of the product, government policy to the sector, competitor's rivalry.

*Management Perception:* Indo-Bangla Pharmaceuticals Limited is aware of the above facts. Industry risk is inherent in any kind of business. At the moment industry is favoring for operating business. Bangladesh is the 8<sup>th</sup> populous country of the world with having around 170 million people. Hence, there is ample demand for pharmaceutical products.

- d) **Economic and Political risks:**

**Economic risks:** This risk can be described as the likelihood that an investment will be affected by macroeconomic conditions such as government regulation, exchange rates, or political stability. In other words, while financing a project, the risk that the output of the project will not produce adequate revenues for covering operating costs and repaying the debt obligations. In a nutshell, economic risk refers to the risk that a venture will be economically unsustainable due to various reasons.

*Management Perception:* Bangladesh economy is flourishing quickly. Expected economic growth is 7%. As a result, macroeconomic condition is favorable and per capita income is going up as well. Nowadays people are more conscious about health than recent past decade. As per capita income goes up, people have been able to expend on health care product.

**Political risks:** Bangladesh experienced with political unrest for over the years. Political instability hampers the smooth operation of business.

*Management Perception:* Nowadays calm and serene atmosphere is prevailing in our country. There is no political chaos as was at the beginning of 2014. Government is industry friendly and trying to its level best to boost up economic activity in the country.

e) **Market and Technology-related Risks;**

**Market risks:** Indo-Bangla Pharmaceuticals Limited is operating in a free market economy regime. The company might have to face stiff competition from its competitors.

*Management perception: Market risk is dealt with efficiently by the experienced management.*

**Technology-related risks:** Technology always plays a vital role for each and every type of business. Innovation of new and cost effective technology can increase productivity and reduce costs of production. On the other hand, obsolete technology may have a negative impact on the business.

*Management perception: Indo-Bangla Pharmaceuticals Limited uses the latest technology to produce its product.*

f) **Potential or existing government regulations:** Potential or existing Govt. regulations may hamper the smooth operation of the industry.

*Management perception: We are enjoying good atmosphere in operating our business. Government regulations are favorable for the company.*

g) **Potential or existing changes in global or national policies:** Policies from govt has a positive or negative impact on any company along with existing changes in globally.

*Management perception: Nowadays global and national policies do not change without prior notice. For potential changes in policies, local and global leaders consider different issues including industries opinion. We are optimistic that if any policies change unpredictably, we can improvise with new policies without hampering our smooth operation.*

h) **Statutory clearances and approvals those are yet to be received by the issuer:** Getting all the approval is highly necessary to run the business.

*Management Perception: Indo-Bangla Pharmaceuticals Ltd. have collected all the statutory clearance to operate its business. Hence, there are no as such risk for Our Company.*

i) **Competitive condition of the business;** Indo-Bangla Pharmaceuticals Limited is operating in a free market economy. The company has to face stiff competition from its competitors.

*Management Perception: Indo-Bangla Pharmaceuticals Limited have good market share against its rivalry companies. Hence, there is always check and balance existed among the rivalry companies.*

j) **Complementary and supplementary products or services which may have an impact on business of the issuer.**

*Management Perception: The Company have to face challenges relating to supplementary and complementary products. Management is concerned with the issue. There is continuous research is going on in Pharmaceuticals industry. Hence, any changes are adapted quickly to survive in the industry.*

**(iii) Other risks:**

**a) Risk arising from ban on production of Anti-Biotech by Honorable High Court;**

*Management Perception:* The manufacturing process is in line with GMP compliance regarding antibiotic. Drug authority has renewed the license. Management believes that restriction on antibiotic will be withdrawn very soon by the respective authority. At present the company is manufacturing the products as per annexure I and annexure II.

**b) Non-existence of R&D, an important department in the fields of pharmaceuticals;**

*Management Perception:* We have four departments such as Quality Control, Quality Assurance, Product Development and Production Department. Product Development is our R&D department.

**c) Risk Related to the company having poor market share compare to its competitors;**

*Management Perception:* Our market share is rising because of our substantial effort. We believe that we will be able to cope with our competitors.

**d) Risk Related to expansion of business through IPO proceeds;**

*Management Perception:* We have procured land and building for expansion our business. IPO proceeds will enable us to enhance the expansion of the business. In pharmaceuticals business, there is more investment needs to compete with competitors.

**e) Risk related to factory located in residential area in violation of (পরিবেশ সংরক্ষণ বিধিমালা, ১৯৯৭);**

*Management Perception:* We have already procured land to shift our business from residential area. As soon as possible we will shift our business.

**f) The Company has not made adequate provision against income tax for which appeal is made to the income tax authority;**

*Management Perception:* We have made adequate tax provision as per Income Tax Ordinance 1984. The calculation is given below:

**Current Tax Calculation:**

<b>Particulars</b>	<b>30-Jun-2016</b>	<b>30-Jun-2015</b>
	<b>Amount in Taka</b>	<b>Amount in Taka</b>
Profit before Tax	90,807,238	92,629,642
Add: Accounting Depreciation	55,11,791	36,59,617
Less: Tax Depreciation	(2,05,41,858)	(1,51,53,313)
<b>Taxable Profit</b>	<b>7,57,77,171</b>	<b>8,11,35,946</b>
Applicable Tax Rate	35%	35%
Current Tax Expense	2,65,22,010	2,83,97,581

**Tax Provision**

<b>Particulars</b>	<b>Amount in Taka</b>	<b>Amount in Taka</b>
Provision for the period	2,65,22,010	28,397,581

At the time of assessment Deputy Commissioner of Taxes (DCT) had disallowed many of our expenditures without specifying any defect. Our management became aggrieved on the assessment orders of DCT and tax demand on the basis of assessments. Consequently, our management appealed in the office of the commissioner of taxes (Appeals) against assessment orders of the Deputy Commissioner of Taxes (DCT).

## CHAPTER (XXI): DESCRIPTION OF THE ISSUE

(a) **Issue Size:** Tk. 200,000,000.00

(b) **Number of securities to be issued;**

The Company will offer 20,000,000 Ordinary Shares, of these 20,000,000 ordinary shares 40% (i.e. 8,000,000 Ordinary Shares) are reserved for EI excluding mutual funds and CIS and 10% (i.e. 2,000,000 Ordinary Shares) are reserved for Mutual Funds and CIS and 40% (i.e. 8,000,000 Ordinary Shares) to GP excluding NRB and ক্ষতিগ্রস্ত ক্ষুদ্র বিনিয়োগকারী and remaining 10% (i.e. 2,000,000 Ordinary Shares) are reserved for NRB.

(c) **Authorized capital and paid-up capital;**

Particular	Amount in Tk.
<b>Authorized Capital</b> 100,000,000 Ordinary Share of Tk.10.00 each	1,000,000,000
<b>Issued, Subscribed and Paid up Capital Before IPO</b> 73,000,000 Ordinary Shares of Taka 10.00 each	730,000,000
<b>Initial Public Offering through Fixed Price Method</b> 20,000,000 Ordinary Shares of Taka 10.00 each	200,000,000
<b>Post IPO Paid up Capital</b>	<b>930,000,000</b>

(d) **Face value, premium and offer price per unit of securities;**

Face value per Share	Tk. 10.00 each
Premium	-
Offer Price per Share	Tk. 10.00 each

(e) **Number of securities to be entitled for each category of applicants;**

Category	Particular	Number of Shares	Issue Price per Share	Amount in Tk.
Eligible investor (EI)	40% of IPO i.e. 8,000,000 Ordinary Shares shall be reserved for EI excluding mutual funds and CIS	8,000,000	10.00	80,000,000
	10% of IPO i.e. 2,000,000 Ordinary Shares shall be reserved for Mutual Funds and CIS	2,000,000		20,000,000
General public (GP)	40% of IPO i.e. 8,000,000 Ordinary Shares shall be reserved for GP excluding NRB and ক্ষতিগ্রস্ত ক্ষুদ্র বিনিয়োগকারী	8,000,000		80,000,000
	10% of IPO i.e. 2,000,000 Ordinary Shares shall be reserved for Non-Resident Bangladeshis (NRB)	2,000,000		20,000,000
<b>Total</b>		<b>20,000,000</b>		<b>200,000,000</b>

**(f) Holding structure of different classes of securities before and after the issue;**

Sl. No.	Category of Shareholders	No. of Ordinary Shares Hold		Percentage of Holding	
		Pre-IPO	Post-IPO	Pre-IPO	Post-IPO
1	Director & Sponsor	47,669,000	47,669,000	65.30%	51.26%
2	Institutional	7,720,000	15,720,000	10.58%	16.90%
3	Mutual fund	-	2,000,000	0.00%	2.15%
4	Individual	17,611,000	25,611,000	24.12%	27.54%
5	Non-Resident Bangladeshis (NRBs)	-	2,000,000	0.00%	2.15%
<b>Total</b>		<b>73,000,000</b>	<b>93,000,000</b>	<b>100.00%</b>	<b>100.00%</b>

**(g) Objective of the issue including financing requirements and feasibility in respect of enhanced paid-up capital.**

Net proceeds from Initial Public Offering (IPO) will be used for Construction and other civil works, for procuring Machineries.

Sl.	Particulars	Amount in Tk.
1	Construction and other civil works	58,580,000
2	Machineries	124,720,000
<b>Total</b>		<b>183,300,000</b>
IPO Expense		16,700,000
<b>Grand Total</b>		<b>200,000,000</b>

The feasibility report in respect enhances paid up capital as prepared Jayanta Kumer Podder, ACS, FCMA, CEO & Principal, Podder & Associates, Professional Accountants & Business Advisor is enclosed below:

Feasibility in respect of enhanced paid-up capital:

Statement of Financial Position (Projected)

Amount in Tk.

Particulars	Amounts in Taka			
	30 <sup>th</sup> June, 2016	30 <sup>th</sup> June, 2017	30 <sup>th</sup> June, 2018	30 <sup>th</sup> June, 2019
	Audited	Projected		
<b>ASSETS:</b>				
<b>Non-current Assets:</b>	<b>330,469,857</b>	<b>551,654,615</b>	<b>621,610,965</b>	<b>768,723,795</b>
Property, Plant and Equipment	211,400,486	551,654,615	602,279,565	768,723,795
Capital Work In Progress	119,069,371	-	19,331,400	-
<b>Current Assets:</b>	<b>614,908,956</b>	<b>500,265,633</b>	<b>783,449,955</b>	<b>819,284,310</b>
Inventories	156,521,360	180,486,081	257,646,858	343,376,424
Trade & Other Receivables	112,266,319	153,908,825	229,903,277	313,717,980
Advance, Deposits and Prepayments	105,325,972	68,951,141	34,853,277	51,582,850
Cash and Cash equivalents	240,795,305	96,919,585	261,046,543	110,607,055
<b>TOTAL ASSETS</b>	<b>945,378,813</b>	<b>1,051,920,248</b>	<b>1,405,060,920</b>	<b>1,588,008,105</b>
<b>OWNER'S EQUITY AND LIABILITIES</b>				
<b>Owner's Equity:</b>	<b>849,233,972</b>	<b>943,942,061</b>	<b>1,282,391,791</b>	<b>1,450,200,714</b>
Share Capital	730,000,000	730,000,000	930,000,000	930,000,000
Retained Earnings	119,233,972	213,942,061	352,391,791	520,200,714
<b>NON-CURRENT LIABILITIES</b>	<b>13,823,679</b>	<b>29,653,046</b>	<b>33,735,442</b>	<b>46,885,496</b>
Deferred Tax Liability	9,283,317	22,367,809	24,488,511	35,684,289
Provision for WPPF	4,540,362	7,285,238	9,246,931	11,201,207
<b>Current Liabilities:</b>	<b>82,321,162</b>	<b>78,325,141</b>	<b>88,933,688</b>	<b>90,921,896</b>
Trade Payables	15,911,787	23,867,681	25,538,418	26,304,571
Provision for Taxes	54,919,591	37,912,172	44,368,188	45,019,431
Liabilities for Expenses	11,489,784	16,545,288	19,027,082	19,597,894
<b>TOTAL OWNER'S EQUITY AND LIABILITIES</b>	<b>945,378,813</b>	<b>1,051,920,248</b>	<b>1,405,060,920</b>	<b>1,588,008,105</b>



Statement of Comprehensive Income (Projected)

Amount in Tk. (Million)

Particulars	Amounts in Taka			
	30 <sup>th</sup> June, 2016	30 <sup>th</sup> June, 2017	30 <sup>th</sup> June, 2018	30 <sup>th</sup> June, 2019
	Audited	Projected		
<b>Net Sales Revenue</b>	444,777,724	609,345,482	853,083,675	981,046,226
Less: Cost of Sales	262,528,992	359,209,162	501,783,818	576,364,658
<b>Gross Profit</b>	<b>182,248,732</b>	<b>250,136,320</b>	<b>351,299,857</b>	<b>404,681,568</b>
<b>Less: Operating Expenses:</b>	87,751,623	107,700,684	159,656,658	171,547,990
Administrative Expenses	23,381,246	28,525,120	54,353,158	45,183,790
Selling & Distributing Expenses	64,370,377	79,175,564	105,303,500	126,364,200
<b>Profit from Operations</b>	<b>94,497,109</b>	<b>142,435,637</b>	<b>191,643,199</b>	<b>233,133,579</b>
Add: Non-Operating Income	850,491	10,554,353	2,542,352	2,091,761
<b>Profit before Contribution to WPPF &amp; Welfare Fund</b>	<b>95,347,600</b>	<b>152,989,990</b>	<b>194,185,551</b>	<b>235,225,340</b>
Less: Contribution to WPPF & Welfare Fund	4,540,362	7,285,238	9,246,931	11,201,207
<b>Profit before Tax</b>	<b>90,807,238</b>	<b>145,704,752</b>	<b>184,938,620</b>	<b>224,024,133</b>
<b>Less: Income Tax Expenses:</b>	31,782,533	50,996,664	46,488,890	56,215,209
Current Tax	26,522,010	37,912,172	44,368,188	45,019,431
Deferred Tax	5,260,523	13,084,492	2,120,702	11,195,778
<b>Net Profit for the year</b>	<b>59,024,705</b>	<b>94,708,088</b>	<b>138,449,730</b>	<b>167,808,923</b>

\*\*\* Dividend is not considered.

**The assumptions for these projections are as follows:**

(Each year calculation is made comparing with respective previous year)

<b>The projected financial statement has been prepared on underlying assumption</b>				
<b>Assumption indicator</b>	<b>Assumption's Basis</b>	<b>Assumptions Years</b>		
		<b>30-June-17</b>	<b>30-June-18</b>	<b>30-June-19</b>
Capacity Increase	Capacity will be increased as new instruments will be introduced.	68.00%	75.00%	43.00%
Capacity utilization	Capacity utilization will be almost same.	70-80%	70-80%	70-80%
Sales Revenue	Sales revenue will be increased for increasing quality, quantity and unit price.	37.00%	40.00%	15.00%
Operating expenses	Operating expenses will be increased due to increase of production and sales. IPO expense will lead to the higher increase of Operating expenses in the year 2018.	22.73%	48.24%	7.45%
Fixed Asset Addition	Fixed Asset will be increased in every year for the purpose of production increase and office administration.	352,036,000	67,583,235	186,179,976
Paid up Capital	Paid up Capital will be increased by Tk. 200,000,000 through IPO in the year 2018.	-	200,000,000	-
Dividend	Dividend is not considered here as the decision is not predetermined.	-	-	-

Sd/-

**Jayanta Kumer Podder, ACS, FCMA**

CEO & Principal

Podder & Associates

Professional Accountants & Business Advisor

## CHAPTER (XXII): USE OF PROCEEDS

### (a) Use of net proceeds of the offer indicating the amount to be used for each purpose with head-wise break-up;

Issue size (Number of share to be issued)	Issue price	Amount in Taka
20,000,000 Shares	Tk. 10.00	200,000,000
Less: IPO Expenses (Detail as at page number- 79-80)		16,700,000
<b>Net IPO Proceeds</b>		<b>183,300,000</b>

Net proceeds from Initial Public Offering (IPO) will be used for Construction and other civil works, for procuring machineries and for IPO Expenses.

Details of the estimated project cost for this expansion project and financing has been planned as under:

Sl.	Particulars	Amount in Tk.
1	Construction and other civil works	58,580,000
2	Machineries	124,720,000
<b>Total</b>		<b>183,300,000</b>

### Details of Construction and other civil works:

#### i) Details cost Estimate for proposed 1-storied 3,313 sft (New Factory Building):

Amount in BDT.

Name of Work	Line Items	Unit	Qty	Materials Cost		Total
				Rate	Amount	Amount
<b>Civil works</b>						
<b>Earth Cutting</b>		Cft.	6,670	40	266,800	266,800
Cast-in –situ Pile Pile Length=75 rft. Pile=18” No. of Pile=113 nos.	M S Rod (Size 16 mm)	kg	6,283	65	408,395	408,395
	M S Rod (Size 8 mm)	kg	2,537	65	164,905	164,905
	Cement	bag	620	440	272,800	272,800
	Sylhet sand	Cft.	1,400	60	84,000	84,000
	Stone	Cft.	2,780	160	444,800	444,800
Pile Cap	M S Rod (Size 20 mm)	kg	3,620	65	235,300	235,300
	M S Rod (Size 12 mm)	kg	680	65	44,200	44,200

	M S Rod (Size 16 mm)	kg	1,940	65	126,100	126,100
	Cement	Bag	315	440	138,600	138,600
	Sylhet sand	Cft.	800	60	48,000	48,000
	Stone chips	Cft.	1,450	160	232,000	232,000
	B.F.S Brick	nos	1,660	9	14,940	14,940
	Cement	bag	42	440	18,480	18,480
	Stone chips	Cft.	240	160	38,400	38,400
	Sylhet sand	Cft.	125	60	7,500	7,500
Short Column & Grade Beam	M S Rod (Size 20 mm)	Kg	1,665	65	108,225	108,225
	M S Rod (Size 16 mm)	Kg	1,120	65	72,800	72,800
	M S Rod (Size 8 mm)	kg	420	65	27,300	27,300
	Cement	Bag	126	440	55,440	55,440
	Sand	Cft.	335	60	20,100	20,100
	Stone	Cft.	620	160	99,200	99,200
Floor	M S Rod (Size 10 mm)	kg	2,690	65	174,850	174,850
	Cement	Bag	150	440	66,000	66,000
	Sand	Cft.	400	60	24,000	24,000
	Stone	Cft.	830	160	132,800	132,800
Brick Work	1 <sup>st</sup> class Brick (Thick 10")	nos	65,950	9	593,550	593,550
	Cement	Bag	510	440	224,400	224,400
	Sand (Tok)	Cft.	1,600	35	56,000	56,000
Long Column & Lintel	M S Rod (Size 20 mm)	kg	1,400	65	91,000	91,000
	M S Rod (Size 16 mm)	kg	900	65	58,500	58,500
	M S Rod (Size 10 mm)	kg	380	65	24,700	24,700
	M S Rod (Size 8 mm)	kg	470	65	30,550	30,550
	Cement	Bag	105	440	46,200	46,200
	Sand	Cft.	265	60	19,900	19,900
	Stone	Cft.	525	160	84,000	84,000
Beam & Roof Slab	M S Rod (Size 20 mm)	kg	1,650	65	107,250	107,250
	M S Rod (Size 16 mm)	kg	1,100	65	71,500	71,500
	M S Rod (Size 12 mm)	kg	750	65	48,750	48,750

	M S Rod (Size 10 mm)	kg	3,788	65	246,220	246,220
	M S Rod (Size 8 mm)	kg	370	65	24,050	24,050
	Cement	Bag	361	440	158,800	158,800
	Sand	Cft.	750	60	45,000	45,000
	Sand (Tok)	Cft.	200	35	7,000	7,000
	Stone	Cft.	1,855	160	296,800	296,800
F. Beam, Stair & Plaster Ceiling, Wall	M S Rod (Size 20 mm)	kg	1,650	65	107,250	107,250
	M S Rod (Size 16 mm)	kg	1,100	65	71,500	71,500
	M S Rod (Size 8 mm)	kg	370	65	24,050	24,050
	Cement	Bag	825	440	363,000	363,000
	Sand	Cft.	250	60	15,000	15,000
	Sand (Tok)	Cft.	2,800	35	98,000	98,000
	Stone	Cft.	470	160	75,200	75,200
Tiles with Materials	Floor Tiles	Sft.	3,233	170	564,400	564,400
Grill		Cft.	848	220	186,560	186,560
Thai Glass		Sft.	848	350	296,800	296,800
Iron Gate	Chowkath & Palla	nos	1	370,000	370,000	370,000
Color						105,000
<b>Total</b>						<b>7,832,865</b>
Labour Cost 22% of Total Cost						1,723,230
<b>Total Civil Cost</b>						<b>9,556,095</b>
Miscellaneous						100,491
Electrocution (15% of Civil Cost)						1,433,414
<b>Grand Total</b>						<b>11,090,000</b>

ii) Details cost Estimate for proposed 4-storied 2,463 sft per floor (With foundation of Four storied) New Administrative Building:

Amount in BDT.

Name of Work	Line Items	Unit	Qty	Materials Cost		Total
				Rate	Amount	Amount
<b>Civil works</b>						
<b>Earth Cutting</b>		<b>Cft.</b>	<b>5,380</b>	<b>40</b>	<b>233,200</b>	<b>233,200</b>
Cast-in –situ Pile Pile Length=75 rft. Pile=18” No. of Pile=113 nos.	M S Rod (Size 16 mm)	kg	9,870	65	641,550	641,550
	M S Rod (Size 8 mm)	kg	4,637	65	301,405	301,405
	Cement	bag	1,220	440	536,800	536,800
	Sylhet sand	Cft.	3,000	60	180,000	180,000
	Stone	Cft.	6,186	160	989,760	989,760
Pile Cap	M S Rod (Size 20 mm)	kg	5,120	65	332,800	332,800
	M S Rod (Size 12 mm)	kg	1,080	65	70,200	70,200
	M S Rod (Size 16 mm)	kg	3,140	65	240,100	240,100
	Cement	Bag	300	440	132,000	132,000
	Sylhet sand	Cft.	700	60	42,000	42,000
	Stone chips	Cft.	1,380	160	220,000	220,000
	B.F.S Brick	nos	1,800	9	16,200	16,200
	Cement	bag	40	440	17,600	17,600
	Stone chips	Cft.	190	160	30,400	30,400
Sylhet sand	Cft.	100	60	6,000	6,000	
Short Column & Grade Beam	M S Rod (Size 20 mm)	Kg	2,350	65	152,750	152,750
	M S Rod (Size 16 mm)	Kg	1,190	65	77,350	77,350
	M S Rod (Size 8 mm)	kg	410	65	26,650	26,650
	Cement	Bag	157	440	69,080	69,080
	Sand	Cft.	370	60	22,200	22,200
	Stone	Cft.	730	160	116,800	116,800

Floor	M S Rod (Size 10 mm)	kg	1,490	65	98,850	98,850
	Cement	Bag	124	440	54,560	54,560
	Sand	Cft.	300	60	18,000	18,000
	Stone	Cft.	580	160	37,700	37,700
Brick Work	1 <sup>st</sup> class Brick (Thick 10")	nos	223,000	9	2,007,000	2,007,000
	Cement	Bag	1,800	440	792,000	792,000
	Sand (Tok)	Cft.	5,200	35	182,000	182,000
Long Column & Lintel	M S Rod (Size 20 mm)	kg	4,040	65	262,000	262,000
	M S Rod (Size 16 mm)	kg	3,000	65	195,000	195,000
	M S Rod (Size 10 mm)	kg	1,920	65	124,800	124,800
	M S Rod (Size 8 mm)	kg	1,600	65	104,000	104,000
	Cement	Bag	320	440	140,800	140,800
	Sand	Cft.	800	60	48,000	48,000
	Stone	Cft.	1,600	160	256,000	256,000
Beam & Roof Slab	M S Rod (Size 20 mm)	kg	5,160	65	335,400	335,400
	M S Rod (Size 16 mm)	kg	3,600	65	234,000	234,000
	M S Rod (Size 12 mm)	kg	2,600	65	169,000	169,000
	M S Rod (Size 10 mm)	kg	11,200	65	728,000	728,000
	M S Rod (Size 8 mm)	kg	1,240	65	80,600	80,600
	Cement	Bag	1,140	440	501,600	501,600
	Sand	Cft.	2,520	60	151,200	151,200
	Sand (Tok)	Cft.	400	35	14,000	14,000
	Stone	Cft.	6,012	160	961,920	961,920
Stair & Plaster Ceiling, Wall	M S Rod (Size 12 mm)	kg	720	65	46,800	46,800
	M S Rod (Size 10 mm)	kg	440	65	28,600	28,600
	Cement	Bag	2,680	440	1,179,200	1,179,200
	Sand	Cft.	2,400	60	144,000	144,000
	Sand (Tok)	Cft.	5,680	35	198,800	198,800
	Stone	Cft.	640	160	102,400	102,400

Tiles with Materials	Floor Tiles	Sft.	9,620	170	1,635,400	1,635,400
Grill		Cft.	1,080	220	237,600	237,600
Thai Glass		Sft.	1,080	350	378,000	378,000
Door		nos	36	13,000	468,000	468,000
Color						366,640
<b>Total</b>						<b>16,702,115</b>
Labour Cost 22% of Total Cost						3,674,465
<b>Total Civil Cost</b>						<b>20,376,580</b>
Passenger Lift		nos	1			1,948,230
Electrocution & Sanitary (12% of Civil Cost)						2,445,190
<b>Grand Total</b>						<b>24,770,000</b>

**iii) Details cost Estimate for proposed 4-storied 1,078 sft per floor (With foundation of Four storied) New Finish Goods Store Building:**

**Amount in BDT.**

Name of Work	Line Items	Unit	Qty	Materials Cost		Total
				Rate	Amount	Amount
<b>Civil works</b>						
<b>Earth Cutting</b>		<b>Cft.</b>	<b>2,670</b>	<b>40</b>	<b>106,800</b>	<b>106,800</b>
Cast-in -situ Pile Pile Length=75 rft. Pile=18" No. of Pile=113 nos.	M S Rod (Size 16 mm)	kg	4,683	65	304,395	304,395
	M S Rod (Size 8 mm)	kg	2,037	65	132,405	132,405
	Cement	bag	448	440	197,120	197,120
	Sylhet sand	Cft.	1,400	60	84,000	84,000
	Stone	Cft.	2,200	160	352,000	352,000
Pile Cap	M S Rod (Size 20 mm)	kg	2,620	65	170,300	170,300
	M S Rod (Size 12 mm)	kg	680	65	44,200	44,200
	M S Rod (Size 16 mm)	kg	1,540	65	100,100	100,100
	Cement	Bag	144	440	63,360	63,360



	Sylhet sand	Cft.	700	60	42,000	42,000
	Stone chips	Cft.	720	160	115,200	115,200
	B.F.S Brick	nos	900	9	16,200	16,200
	Cement	bag	18	440	7,920	7,920
	Stone chips	Cft.	80	160	12,800	12,800
	Sylhet sand	Cft.	40	60	2,400	2,400
Short Column & Grade Beam	M S Rod (Size 20 mm)	Kg	1,235	65	80,275	80,275
	M S Rod (Size 16 mm)	Kg	570	65	37,050	37,050
	M S Rod (Size 8 mm)	kg	250	65	16,250	16,250
	Cement	Bag	58	440	25,520	25,520
	Sand	Cft.	185	60	11,100	11,100
	Stone	Cft.	360	160	57,600	57,600
Floor	M S Rod (Size 10 mm)	kg	890	65	57,850	57,850
	Cement	Bag	60	440	26,400	26,400
	Sand	Cft.	150	60	9,000	9,000
	Stone	Cft.	280	160	44,800	44,800
Brick Work	1 <sup>st</sup> class Brick (Thick 10")	nos	143,000	9	1,287,000	1,287,000
	Cement	Bag	1,240	440	545,600	545,600
	Sand	Cft.	3,600	35	126,000	126,000
Long Column & Lintel	M S Rod (Size 20 mm)	kg	1,920	65	124,800	124,800
	M S Rod (Size 16 mm)	kg	1,000	65	65,000	65,000
	M S Rod (Size 10 mm)	kg	1,120	65	72,800	72,800
	M S Rod (Size 8 mm)	kg	920	65	59,800	59,800
	Cement	Bag	160	440	70,400	70,400
	Sand	Cft.	420	60	25,200	25,200
	Stone	Cft.	800	160	128,000	128,000
Beam & Roof Slab	M S Rod (Size 20 mm)	kg	2,760	65	179,400	179,400
	M S Rod (Size 16 mm)	kg	2,000	65	130,000	130,000

	M S Rod (Size 12 mm)	kg	1,800	65	117,000	117,000
	M S Rod (Size 10 mm)	kg	4,800	65	312,000	312,000
	M S Rod (Size 8 mm)	kg	840	65	54,600	54,600
	Cement	Bag	532	440	234,080	234,080
	Sand	Cft.	1,216	60	72,960	72,960
	Sand (Tok)	Cft.	200	35	7,000	7,000
	Stone	Cft.	2,760	160	441,600	441,600
Stair & Plaster Ceiling, Wall	M S Rod (Size 12 mm)	kg	720	65	46,800	46,800
	M S Rod (Size 10 mm)	kg	440	65	28,600	28,600
	Cement	Bag	1,480	440	651,200	651,200
	Sand	Cft.	2,400	60	144,000	144,000
	Sand (Tok)	Cft.	4,480	35	156,800	156,800
	Stone	Cft.	640	160	102,400	102,400
Tiles with Materials	Floor Tiles	Sft.	4,000	170	680,000	680,000
Tiles with Materials	Wall Tiles	Sft.	2,200	150	330,000	330,000
Grill		Cft.	808	220	177,760	177,760
Thai Glass		Sft.	808	350	282,800	282,800
Door		nos	12	13,000	156,000	156,000
Color						556,000
<b>Total</b>						<b>9,453,545</b>
Labour Cost 22% of Total Cost						2,079,780
<b>Total Civil Cost</b>						<b>11,533,325</b>
Miscellaneous						856,636
Electrocution & Sanitary (12% of Civil Cost)						1,383,999
<b>Grand Total</b>						<b>13,773,960</b>

iv) Details cost Estimate for proposed 1-storied 2,800 sft (New Garage Building):

Amount in BDT.

Name of Work	Line Items	Unit	Qty	Materials Cost		Total
				Rate	Amount	Amount
<b>Civil works</b>						
<b>Earth Cutting</b>		<b>Cft.</b>	<b>5,670</b>	<b>40</b>	<b>226,800</b>	<b>226,800</b>
Cast-in –situ Pile Pile Length=75 rft. Pile=18” No. of Pile=113 nos.	M S Rod (Size 16 mm)	kg	5,340	65	347,100	347,100
	M S Rod (Size 8 mm)	kg	2,156	65	140,140	140,140
	Cement	bag	527	440	231,880	231,880
	Sylhet sand	Cft.	1,190	60	71,400	71,400
	Stone	Cft.	2,363	160	378,080	378,080
Pile Cap	M S Rod (Size 20 mm)	kg	3,077	65	200,005	200,005
	M S Rod (Size 12 mm)	kg	578	65	37,570	37,570
	M S Rod (Size 16 mm)	kg	1,649	65	107,185	107,185
	Cement	Bag	268	440	117,920	117,920
	Sylhet sand	Cft.	680	60	40,800	40,800
	Stone chips	Cft.	204	160	32,640	32,640
	B.F.S Brick	nos	1,411	9	12,699	12,699
	Cement	bag	36	440	15,840	15,840
	Stone chips	Cft.	1,232	160	197,120	197,120
Sylhet sand	Cft.	106	60	6,360	6,360	
Short Column & Grade Beam	M S Rod (Size 20 mm)	Kg	1,415	65	91,975	91,975
	M S Rod (Size 16 mm)	Kg	952	65	61,880	61,880
	M S Rod (Size 8 mm)	kg	357	65	23,205	23,205
	Cement	Bag	107	440	47,080	47,080
	Sand	Cft.	285	60	17,100	17,100
	Stone	Cft.	527	160	84,320	84,320
Floor	M S Rod (Size 10 mm)	kg	2,286	65	148,590	148,590

	Cement	Bag	127	440	55,880	55,880
	Sand	Cft.	340	60	20,400	20,400
	Stone	Cft.	705	160	112,800	112,800
Brick Work	1 <sup>st</sup> class Brick (Thick 10")	nos	56,060	9	504,540	504,540
	Cement	Bag	434	440	190,960	190,960
	Sand (Tok)	Cft.	1,360	35	47,600	47,600
Long Column & Lintel	M S Rod (Size 20 mm)	kg	1,190	65	77,350	77,350
	M S Rod (Size 16 mm)	kg	765	65	49,725	49,725
	M S Rod (Size 10 mm)	kg	323	65	20,995	20,995
	M S Rod (Size 8 mm)	kg	400	65	26,000	26,000
	Cement	Bag	90	440	39,600	39,600
	Sand	Cft.	225	60	13,500	13,500
	Stone	Cft.	446	160	71,360	71,360
Beam & Roof Slab	M S Rod (Size 20 mm)	kg	1,402	65	91,130	91,130
	M S Rod (Size 16 mm)	kg	935	65	60,775	60,775
	M S Rod (Size 12 mm)	kg	638	65	41,470	41,470
	M S Rod (Size 10 mm)	kg	3,220	65	209,300	209,300
	M S Rod (Size 8 mm)	kg	314	65	20,410	20,410
	Cement	Bag	307	440	135,080	135,080
	Sand	Cft.	637	60	38,220	38,220
	Sand (Tok)	Cft.	170	35	5,950	5,950
	Stone	Cft.	1,577	160	252,320	252,320
F. Beam, Stair & Plaster Ceiling, Wall	M S Rod (Size 20 mm)	kg	1,402	65	91,130	91,130
	M S Rod (Size 16 mm)	kg	935	65	60,775	60,775
	M S Rod (Size 8 mm)	kg	315	65	20,475	20,475
	Cement	Bag	700	440	308,000	308,000
	Sand	Cft.	212	60	12,720	12,720
	Sand (Tok)	Cft.	2,380	35	83,300	83,300
	Stone	Cft.	400	160	64,000	64,000

Grill		Cft.	720	220	186,560	186,560
Iron Gate	Chowkath & Palla	nos	1	370,000	370,000	370,000
Color						305,000
<b>Total</b>						<b>6,225,014</b>
Labour Cost 22% of Total Cost						1,369,503
<b>Total Civil Cost</b>						<b>7,594,517</b>
Miscellaneous						592,071
Electrocution (10% of Civil Cost)						759,452
<b>Total Cost</b>						<b>8,946,040</b>
<b>Grand Total (a+b+c+d)</b>						<b>58,580,000</b>

### Details of Machineries:

Details of the machineries required to be bought by the issuer, cost of the machineries, name of the suppliers, date of placement of order and the date or expected date of supply, etc.

Sl.	Name of Machineries	Name of Supplier	Model	Brand	Origin	Qty (Nos.)	Unit Price (USD)	Total Price (USD)	Exchange Rate	Total Price (BDT)
1	High Speed Mixer Granulator	Prisma Corporation	K-100	Prisma	India	4	26632.93	106531.72	78.36	8,347,826
2	Multi Mill	Thiyya Technology	M-60	Thiyya Technology	India	4	1664.56	6658.24		521,740
3	Fluid bed Dryer	Thiyya Technology	F-80	Thiyya Technology	India	4	9987.34	39949.36		3,130,432
4	Tablet Compression	Jaguar	JD-35	Jaguar	India	4	32608.73	130434.93		10,220,881
5	Tablet Compression	Jaguar	JD-35	Jaguar	India	2	26632.93	53265.86		4,173,913
6	Tablet Coating	NP Machinery	T-30	NP Machinery	India	2	44388.22	88776.44		6,956,522
7	Tablet Compression	Chaminda Corporation	CPMD4-29	Chaminda	India	4	26632.93	106531.72		8,347,825
8	Blister Packing	Technomake	TI-1	Technomake	India	4	49936.74	199746.96		15,652,172
9	Blister Packing	Huallan Phar. Machinery	DPP-250	Feiyun	China	2	27742.63	55485.26		4,347,825
10	Automatic Capsule Filling & Sealing machine	Project Consultancy Service	SAF-D2	Pacifab	India	4	35510.57	142042.28		11,130,433
11	Auto Liquid Filling & Sealing machine	Project Consultancy Service	L-60	United	India	2	19974.69	39949.38		3,130,433
12	Dry Powder Filling machine	Project Consultancy Service	DPL-60	United	India	2	16645.58	33291.16		2,608,695
13	Mass Mixer (PD)	Prisma Corporation	M-5	Prisma	India	2	665.82	1331.64		104,347
14	Automatic Strip packing machine	Prisma Corporation	S-45	United	India	2	7213.09	14426.18		1,130,435
15	Auto Sachet filling	Wraptech	MB-100	Wraptech	India	2	2774.25	5548.5		434,780
17	HPLC	Knauer	SMB	Osmometoy	Germany	2	38839.68	77679.36		6,086,955
18	FTIR	Bruker	Alpha	Bruker	Germany	2	72130.85	144261.7		11,304,347
19	Moisture Blance	Boelo	BT-600	Boelo	Germany	2	49936.74	99873.48		7,826,086
20	Compression (PD)	Jaguar	C-2	Jaguar	India	2	5548.53	11097.10		869,569
21	Fluid bed Dryer (PD)	Thiyya Technology	F-5	Thiyya Technology	India	2	1109.71	2219.42		173,914
22	Coating (PD)	NP Machinery	C-5	NP Machinery	India	2	3329.12	6658.24		521,740
	<b>Total Price</b>									
	<b>Local Cost of Duty, port charges, C&amp;F, Insurance, Transportation, Installation, etc.</b>					15%				16,053,130
	<b>Total cost for imported Machinery &amp; equipment- Local Machinery</b>									<b>123,074,000</b>
23	<b>Boiler</b>					1	-	-		<b>650,000</b>
24	<b>Jacketed Vassel</b>					1	-	-		<b>196,000</b>
25	<b>Air Compressor</b>					2	-	-		<b>800,000</b>
	<b>Grand Total:</b>						-	-		<b>124,720,000</b>

- (b) **Utilization of the total amount of paid-up capital and share premium, if any, including the sponsors' contribution and capital raised of the issuer at the time of submission of prospectus, in details with indication of use of such funds in the financial statements;** Tk. 1,000,000.00 (Ten Lac), Tk. 98,000,000.00, (Nine Crore Eighty Lac has been raised through other than cash), Tk. 100,000,000.00 (Ten Crore) and Tk. 531,000,000.00 (Fifty-Three Crore Ten Lac) totaling Tk. 730,000,000.00 (Seventy-Three Crore) has been raised prior to the public issue on dated 18-Jun-14, 7-Jul-14, 6-Aug-15 and 6-Jun-16 respectively. This fund has already deployed by the issuer in the following manner:

Accounting Year	Items	Amount in BDT	Reflected in Cash Flows
30-June-2015	Acquisition of Office Equipment	1,000,000	In the statement of Cash Flows, the figure is included in total amount of fixed assets acquisition under the head of Investing Activities.
30-June-2016	Acquisition of Property, Plant & Equipment	6,470,900	In the statement of Cash Flows, the figure is included in total amount of fixed assets acquisition under the head of Investing Activities.
	Advance Paid for Construction	22,448,801	In the statement of Cash Flows, the figure is included in total amount of Advance for Construction under the head of Investing Activities.
	Advance Paid for L/C Margin Machinery	30,568,200	In the statement of Cash Flows, the figure is included in total amount of Advance for L/C Margin Machinery under the head of Investing Activities.
	Paid for Capital Work in Progress	158,787,097	In the statement of Cash Flows, the figure is included in total amount of Capital Work in Progress under the head of Investing Activities.
	Advance Paid for Land	20,000,000	In the statement of Cash Flows, the figure is included in total amount of Advance for Land under the head of Investing Activities.
	Paid for Vendor Payable	171,837,213	In the statement of Cash Flows, the figure is included in total amount of paid for Vendor Payable under the head of Investing Activities.
	Paid for FDR	220,887,789	In the statement of Cash Flows, the figure is included in total amount of Paid for FDR under the head of Net Cash and Cash Equivalents.
<b>Total</b>		<b>632,000,000</b>	

- (c) **If one of the objects is an investment in a joint venture, a subsidiary, an associate or any acquisition, details of the form of investment, nature of benefit expected to accrue to the issuer as a result of the investment, brief description of business and financials of such venture;**  
The Company has no objects to investment in such type of ventures by using Use of IPO proceeds.

- (d) **If IPO proceeds are not sufficient to complete the project, then source of additional fund must be mentioned. In this connection, copies of contract to meet the additional funds are required to be submitted to the Commission. The means and source of financing, including details of bridge loan or other financial arrangement, which may be repaid from the proceeds of the issue along with utilization of such funds;**  
IPO proceeds is sufficient enough to complete the expansion.
- (e) **A schedule mentioning the stages of implementation and utilization of funds received through public offer in a tabular form, progress made so far, giving details of land acquisition, civil works, installation of plant and machinery, the approximate date of completion of the project and the projected date of full commercial operation etc. The schedule shall be signed by the Chief Executive Officer or Managing Director, Chief Financial Officer and Chairman on behalf of Board of Directors of the issuer;**

Proceeds from IPO will be used for new factory building in industrial area and not in existing factory at Collage Road, Barisal.

Sl. No.	Particulars	Progress made so Far	Approximate date of Completion of the projects	Projected date of full commercial operation
1	Land Acquisition	No land is required to acquired	-	-
2	Construction and other civil works	Construction & other civil works will be started after receiving of IPO fund	Within 15 months after receiving IPO fund	Within 3 month of the completion of the project
3	Machineries	Acquisition and Installation of machineries will be started after receiving of IPO fund		

Sd/-  
**A F M Anowarul Huq**  
Managing Director

Sd/-  
**Md. Faruque Hossain**  
Chief Financial Officer

Sd/-  
**Aziza Yeasmin**  
Chairman,

On behalf of Board of Directors

- (f) **If there are contracts covering any of the activities of the issuer for which the proceeds of sale of securities are to be used, such as contracts for the purchase of land or contracts for the construction of buildings, the issuer shall disclose the terms of such contracts, and copies of the contracts shall be enclosed as annexure to the prospectus;**  
There is no such contract yet to be engaged by the Company.
- (g) **If one of the objects of the issue is utilization of the issue proceeds for working capital, basis of estimation of working capital requirement along with the relevant assumptions, reasons for raising additional working capital substantiating the same with relevant facts and figures and also the reasons for financing short with long term investments and an item-wise break-up of last three years working capital and next two years projection;**  
No objects of the issue are utilization of the issue proceeds for working capital.



- (h) **Where the issuer proposes to undertake one or more activities like diversification, modernization, expansion, etc., the total project cost activity-wise or project-wise, as the case may be;**  
The Company has a plan to implement the expansion by using IPO proceeds, which have been mentioned in use of IPO Proceeds and project implementation schedule.
- (i) **Where the issuer is implementing the project in a phased manner, the cost of each phase, including the phases, if any, which have already been implemented;**  
The Company has a plan to implement the expansion by using IPO proceeds, which have been mentioned in use of IPO Proceeds and project implementation schedule.
- (j) **The details of all existing or anticipated material transactions in relation to utilization of the issue proceeds or project cost with sponsors, directors, key management personnel, associates and group companies;**  
There is no existing or anticipated material transaction in relation to utilization of the issue proceeds or project cost with sponsors, directors, key management personnel, associates and group companies in relation to utilization of the issue proceeds.
- (k) **Summary of the project appraisal or feasibility report by the relevant professionals not connected with the issuer, issue manager and registrar to the issue with cost of the project and means of finance, weaknesses and threats, if any, as given in the appraisal or feasibility report.**

## **Feasibility Report of Indo-Bangla Pharmaceuticals Limited**

### **Executive Summary**

Indo-Bangla Pharmaceuticals Limited (IBPL) is always devoted to ensure the high quality of medicine by implementing state of art technologies and modern machineries. Now Indo-Bangla Pharmaceuticals Limited becomes a reputed pharmaceuticals company in Bangladesh with a group of expert and experienced people.

Currently, IBPL has decided to go for Initial Public Offerings and this feasibility study is prepared for the utilization plan of the IPO proceedings. Some projections regarding profitability and other financial issues are analyzed. IBPL has made projections of Statement of Financial Position, Statement of Comprehensive Income and Statement of Cash Flows for the upcoming three reporting years. This Feasibility Report discusses and shows the various aspects of Expansion Program of Indo-Bangla Pharmaceuticals Limited (IBPL).

### **Introduction**

Indo-Bangla Pharmaceuticals Limited was incorporated and come into new look under Companies act 1994 on June 18, 2014 vide registration no. C-116665/14. Subsequently the Company was converted in public limited Company under the Companies Act 1994 on October 21, 2014.

### **Nature of Business**

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

### **Location of the project**

The factory of IBPL is located at 729, College Road, Barisal Sadar, Barisal-8200.

## **Plant, machinery, technology, process**

Indo-Bangla Pharmaceuticals Limited has been using sophisticated machineries and modern technology in order to produce high quality of medicine. Market has been growing up and the company has good opportunity to maximize market share.

## **Principal products of the Company**

Indo-Bangla Pharmaceuticals Ltd. produces a good number of products of Human products division. All the products of Indo-Bangla Pharmaceuticals Ltd. categorized under Non-Biological Products and Biological Products. List of the products are mentioned below:

### **List of Non-Biological Products:**

SL	Brand Name	Generic Name	Dosages Form	Strength	DAR No.	Valid up to
01	Indostin-R 150	Ranitidine Hydrochloride USP	Tablet	167.40 mg. (Equivalent to 150.00 mg. Ranitidine)	032-93-60	22.11.2019
02	Indophyllin	Aminophylline BP	Tablet	100.00 mg.	032-20-18	22.11.2019
03	Mebendox 30ml	Mebendazole BP	Suspension	2.0 gm / 100ml	032-24-55	22.11.2018
04	Metrol 60ml	Metronidazole Benzoate BP	Suspension	6.40 gm. (Equivalent to 4.00 gm. Metronidazole) / 100ml	032-26-56	08.12.2020
05	Albendox	Albendazole USP	Tablet	400.00 mg.	032-27-55	08.12.2020
06	Metrol 400mg	Metronidazole BP	Tablet	400.00 mg.	032-25-56	25.10.2021
07	Paracetamol	Paracetamol BP	Tablet	500.00 mg.	032-18-06	25.10.2021
08	Indosin	Chlorpheniramine Maleate BP	Tablet	4.00 mg.	032-83-28	12.12.2019
09	Indosin 100ml	Chlorpheniramine Maleate BP	Syrup	100.00 mg. / 100ml	032-84-28	12.12.2019
10	Naldic	Nalidixic Acid BP	Tablet	500.00 mg.	032-85-60	22.11.2019
11	I-B Oral Saline	Sodium Chloride BP, Tri Sodium Citrate Dihydrate BP, Potassium Chloride BP & Glucose Anhydrous BP	Oral Saline	1.30 gm, 1.45 gm, 0.75 gm & 6.75 gm	032-88-69	25.10.2021
12	Inket	Ketorolac Tromethamine USP	Tablet	10.00 mg.	032-82-65	25.10.2021
13	Indoflam 400mg	Ibuprofen BP	Tablet	400.00 mg.	032-58-65	20.11.2018
14	Indoflam 60/100ml	Ibuprofen BP	Suspension	2.00 gm / 100ml	032-59-65	08.12.2021
15	Clear Plus	Sodium Thiosulphate USP	Tablet	15.00 mg.	032-77-95	20.11.2018
16	Clear	Sodium Thiosulphate USP	Tablet	7.50 mg.	032-78-95	22.11.2019
17	Dextrin	Dexamethasone BP	Tablet	0.50 mg.	032-57-50	15.10.2021
18	Frusidin	Frusemide BP	Tablet	40.00 mg.	032-55-42	22.12.2020
19	Gyfusin	Griseofulvin BP	Tablet	500.00 mg.	032-56-62	22.12.2020
20	I-Cin	Indomethacin BP	Capsule	25.00 mg.	032-52-65	29.10.2021
21	Tensareal	Diazepam BP	Tablet	5.00 mg.	032-63-02	19.10.2021
22	I-Pedom	Domperidone Maleate BP	Tablet	12.726 mg. (Equivalent to 10.00 mg. Domperidone)	032-53-32	23.07.2019
23	I-Pedom 60/100ml	Domperidone BP	Suspension	100.00 mg. / 100ml	032-54-32	23.07.2019
24	I-Solone	Prednisolone BP	Tablet	5.00 mg	032-79-50	19.12.2018
25	I-Zam	Clobazam BP	Tablet	10.00 mg.	032-64-09	08.11.2020
26	Puretab Plus	Halazone USP	Tablet	15.00 mg.	032-80-95	12.11.2019
27	Puretab	Halazone USP	Tablet	7.50 mg.	032-81-95	12.11.2019
28	Relise	Aceclofenac BP	Tablet	10.00 mg.	032-60-65	15.10.2021
29	Sulbumol	Salbutamol Sulphate BP	Tablet	2.40 mg. (Equivalent to 2.00 mg. Salbutamol)	032-67-18	20.11.2020
30	Sulbumol Plus	Salbutamol Sulphate BP	Tablet	4.80 mg. (Equivalent to 4.00 mg. Salbutamol)	032-68-18	20.11.2020
31	Sulbumol 60/100ml	Salbutamol Sulphate BP	Syrup	48.00mg. (Equivalent to 2.00mg. Salbutamol) / 100ml	032-69-18	20.11.2020
32	Metrol 200mg	Metronidazole BP	Tablet	200.00 mg.	032-09-56	19.10.2021
33	Paramol 60ml	Paracetamol BP	Suspension	2.40 gm. / 100ml	032-22-06	19.10.2021
34	Mebendox 100mg	Mebendazole BP	Tablet	100.00 mg	032-17-55	19.10.2021
35	Arromin 60ml & 100ml	Promethazine Hydrochloride BP	Elixir	100.00 mg. / 100ml	032-15-28	19.10.2021
36	Trialugel	Aluminium Hydroxide Dried Gel BP & Magnesium Hydroxide BP	Tablet	250.00 mg. & 400.00 mg.	032-12-29	19.10.2021
37	Indomol Plus	Paracetamol BP & Caffeine BP	Tablet	500.00 mg. & 65.00 mg.	032-45-06	15.10.2021
38	Indofenac - SR	Diclofenac Sodium BP (Time Release Pellets)	Capsule	250.00 mg. Pellets (Equivalent to 100.00 mg. Diclofenac Sodium)	032-49-06	19.10.2021
39	Protobit	Omeprazole BP (Enteric Coated Pellets)	Capsule	240.00 mg. Pellets (Equivalent to 20.00 mg. Omeprazole)	032-44-29	15.10.2021
40	Indoprox 250mg	Naproxen Sodium USP	Tablet	275.00 mg. (Equivalent to 250.00 mg. Naproxen)	032-47-65	29.10.2021
41	Indoprox 500mg	Naproxen Sodium USP	Tablet	550.00 mg. (Equivalent to 500.00 mg. Naproxen)	032-46-65	19.10.2021
42	Indo-Fila	Diethyl Carbamazine Citrate BP	Tablet	100.00 mg.	032-43-55	08.07.2018
43	I-Cet	Cetirizine Hydrochloride BP	Syrup	100.00 mg. / 100ml	032-41-28	19.10.2021
44	I-Cet	Cetirizine Hydrochloride BP	Tablet	10.00 mg.	032-40-28	15.10.2021

45	Zins	Zinc Sulphate Monohydrate USP	Syrup	549.33mg. (Equivalent to 200.00 mg. Elemental Zinc)	032-39-67	19.10.2021
46	Caltab	Calcium Lactate BP	Tablet	300.00 mg.	032-29-67	19.10.2021
47	Indocal	Calcium Carbonate BP	Tablet	1250.00mg (Equivalent to 500.00mg. Elemental Calcium)	032-38-67	19.10.2021

### **List of Biological Products:**

SL	Brand Name	Generic Name	Dosages Form	Strength	DAR No.	Valid up to
01	Indocef 500mg	Cephadrine Monohydrate (Compacted) BP	Capsule	525.00 mg. (Equivalent to 500.00 mg. Cephadrine)	032-89-60	23.11.2019
02	Indocef DS 100ml	Cephadrine Monohydrate (Micronised) BP	Powder for Suspension	5.25 gm. (Equivalent to 5.00gm. Cephadrine)/100ml	032-90-60	23.11.2019
03	Indocef 100ml	Cephadrine Monohydrate (Micronised) BP	Powder for Suspension	2.625 gm. (Equivalent to 2.50gm. Cephadrine)/100ml	032-91-60	23.11.2019
04	Indocef 15ml	Cephadrine Monohydrate (Micronised) BP	Powder for Paediatric Drop	1.575 gm. (Equivalent to 1.50gm. Cephadrine) / 15ml	032-91-60	23.11.2019
05	Cotrimox-DS	Sulphamethoxazole BP & Trimethoprim BP	Tablet	800.00 mg. & 160.00 mg.	032-28-59	25.10.2021
06	Insoplex 100ml & 200ml	Thiamine Hydrochloride(B <sub>1</sub> ) BP, Riboflavin -5- Phosphate Sodium(B <sub>2</sub> ) BP, Pyridoxine Hydrochloride(B <sub>6</sub> ) BP & Nicotinamide BP	Syrup	(100.00 mg, 54.80 mg, 40.00 mg, & 400.00 mg) / 100ml	032-21-39	19.10.2021
07	I Need Z	Dried Ferrous Sulphate, Folic Acid & Zinc Sulphate (Time Release Pellets) BP/USP	Capsule	285.00 mg.	032-86-39	25.10.2021
08	BCE	Vitamin-C BP, Vitamin-E 50% BP & Betacarotene USP	Tablet	200.00 mg, 50.00 mg, & 06.00 mg.	032-87-39	08.12.2018
09	Indocal-D	Calcium Carbonate BP & Vitamin-D <sub>3</sub> BP	Tablet	1250.00mg. (Equivalent to 500.00mg. Calcium) & 200.00i.u. ( as cholecalciferol)	032-99-39	19.10.2021
10	Indomoxin 15ml	Amoxycillin Trihydrate (Micronised) BP	Paediatric Drops	1.725 gm.	032-65-60	25.10.2021
11	Indozith 15/30ml	Azithromycin Dihydrate USP	Powder for Suspension	00.84gm (Equivalent to 00.80gm. Azithromycin)	032-72-60	15.10.2021
12	Indozith 250mg	Azithromycin Dihydrate USP	Capsule	262.500mg (Equivalent to 250.00mg. Azithromycin)	032-70-60	29.10.2021
13	Indozith 500mg	Azithromycin Dihydrate USP	Tablet	525.00mg (Equivalent to 500.00mg. Azithromycin)	032-71-60	15.10.2021
14	Cipro-I 750mg	Ciprofloxacin Hydrochloride USP	Tablet	873.30mg (Equivalent to 750.00mg Ciprofloxacin)	032-76-60	20.09.2018
15	I-Cillin 250mg	Ampicillin Trihydrate (Compacted) BP	Capsule	288.70mg (Equivalent to 250.00mg Ampicillin)	032-73-60	09.04.2019
16	I-Cillin 500mg	Ampicillin Trihydrate (Compacted) BP	Capsule	577.40mg (Equivalent to 500.00mg Ampicillin)	032-74-60	09.04.2019
17	I-Cillin 100ml	Ampicillin Trihydrate (Micronised) BP	Powder for Suspension	2.88gm (Equivalent to 2.500gm Ampicillin)	032-75-60	09.04.2019
18	I-Fol	Ferrous Fumarate BP & Foilc Acid BP	Tablet	200.00 mg. & 200.00 mcg.	032-61-26	23.12.2018
19	I-Fol Plus	Ferrous Fumarate BP & Foilc Acid BP	Tablet	200.00 mg. & 400.00 mcg.	032-62-27	23.12.2018
20	Riboflavine	Riboflavine BP	Tablet	5.00 mg.	032-08-39	19.10.2021
21	Cotrimox 60ml	Sulphamethoxazole BP & Trimethoprim BP	Suspension	(4.00 gm & 0.80 gm)/100ml	032-16-59	12.08.2020
22	Cotrimox 480mg	Sulphamethoxazole BP & Trimethoprim BP	Tablet	400 mg. & 80.00 mg.	032-11-59	12.08.2020
23	Auriotone	Ferrous Sulphate BP	Syrup	4.00 gm	032-23-39	20.12.2019
24	Indox	Doxycycline Hydrochloride BP	Capsule	115.00mg. (Equivalent to 100.00mg Doxycycline)	032-50-60	19.10.2021
25	Indomoxin 100ml	Amoxycillin Trihydrate (Micronised) BP	Powder for Suspension	2.875gm (Equivalent to 2.500gm Amoxycillin)	032-48-60	15.10.2021
26	Cipro-I 500mg	Ciprofloxacin Hydrochloride USP	Tablet	582.20 mg. (Equivalent to 500.00 mg. Ciprofloxacin)	032-32-60	19.10.2021
27	Indomoxin 250mg	Amoxycillin Trihydrate (Compacted) BP	Capsule	287.50mg. (Equivalent to 250.00mg Amoxycillin)	032-33-60	29.10.2021
28	Indomoxin 500mg	Amoxycillin Trihydrate (Compacted) BP	Capsule	575.00mg. (Equivalent to 500.00 mg Amoxycillin)	032-34-60	19.10.2021
29	Indotetra 500mg	Tetracycline Hydrochloride BP	Capsule	500.00 mg.	032-42-60	19.10.2021
30	Indoflox 100ml	Flucloxacillin Sodium BP	Powder for Suspension	2.72gm. (Equivalent to 2.50gm Flucloxacillin)	032-37-60	15.10.2021
31	Indoflox 250mg	Flucloxacillin Sodium BP	Capsule	272.00mg. (Equivalent to 250.00mg. Flucloxacillin)	032-35-60	29.10.2021
32	Indoflox 500mg	Flucloxacillin Sodium BP	Capsule	544.00mg. (Equivalent to 500.00mg. Flucloxacillin)	032-36-60	29.10.2021

33	Indoplex-B	Thiamine Hydrochloride(B <sub>1</sub> ) BP, Riboflavine (B <sub>2</sub> ) BP, Pyridoxine Hydrochloride(B <sub>6</sub> ) BP & Nicotinamide BP	Tablet	5.00 mg, 2.00 mg, 2.00 mg & 20.00 mg	032-30-39	19.10.2021
34	Indomox 250mg	Amoxicillin Trihydrate (Compacted) BP	Tablet	287.50mg. (Equivalent to 250.00mg. Amoxicillin)	032-31-60	29.10.2021

*\*Non-Biological Products and Biological Products list as per approved by Directorate General of Drug Administration & Licensing Authority (Drugs), Government of the People's Republic of Bangladesh.*

### **Utilities Considerations**

#### **Power:**

For electricity consumption, IBPL depends on West Zone Power Distribution Co Ltd. (An Enterprise of B.P.D.B) from transformer of 315 KV and company has two diesel generators of capacity 335KV. Also, Company has a substation with PFI and transformer.

#### **Gas:**

Indo-Bangla Pharmaceuticals Ltd. is a medicine manufacturing company. It doesn't require any gas for its production.

#### **Water:**

Water is the vital and most essential material for medicine production. This resource is collected from mineral and the companies own water treatment plant.

#### **Contingency Plan in case of any disruption:**

The Company has two diesel generators as standby with the total capacity of 335 KV in case of any power disruption.

### **Product Marketplace**

All of the products' markets are throughout the Bangladesh.

### **Methodology**

We have considered the historical data of last couple of year's revenue and expenses of the company. We have also talked with the staffs. The interviews provided us with the relevant information concerning all aspects sales and expenses. The responses to these open-ended questions have allowed us to have a greater depth of knowledge into their opinions and so we were able to address them to the best of our ability. A lot of time was spent working on the interviews; also, that each had a different idea that is important to the effects of the implementation of sales growth and enough background information was included.

Once we have compiled and analyzed all data and research we as a group, look at all the different options of implementing the living wall and then decide on the best option of the sales, current and future market and saleable capacity in near future.

### **Financial Projections**

The financial projections for Indo Bangla Pharmaceuticals Limited (IBPL) are highlighted in the table below. These figures account for projected productions, sales and additional requirements. There are many ways to present these projections.

**The assumptions for these projections are as follows:**

(Each year calculation is made comparing with respective previous year)

<b>The projected financial statement has been prepared on underlying assumption</b>				
<b>Assumption indicator</b>	<b>Assumption's Basis</b>	<b>Assumptions Years</b>		
		<b>30-June-17</b>	<b>30-June-18</b>	<b>30-June-19</b>
Capacity Increase	Capacity will be increased as new instruments will be introduced.	68.00%	75.00%	43.00%
Capacity utilization	Capacity utilization will be almost same.	70-80%	70-80%	70-80%
Sales Revenue	Sales revenue will be increased for increasing quality, quantity and unit price.	37.00%	40.00%	15.00%
Operating expenses	Operating expenses will be increased due to increase of production and sales. IPO expense will lead to the higher increase of Operating expenses in the year 2018.	22.73%	48.24%	7.45%
Fixed Asset Addition	Fixed Asset will be increased in every year for the purpose of production increase and office administration.	352,036,000	67,583,235	186,179,976
Paid up Capital	Paid up Capital will be increased by Tk. 200,000,000 through IPO in the year 2018.	-	200,000,000	-
Dividend	Dividend is not considered here as the decision is not predetermined.	-	-	-

**Statement of Financial Position (Projected)**

Particulars	Amounts in Taka			
	30 <sup>th</sup> June, 2016	30 <sup>th</sup> June, 2017	30 <sup>th</sup> June, 2018	30 <sup>th</sup> June, 2019
	Audited	Projected		
<b>ASSETS:</b>				
<b>Non-current Assets:</b>	<b>330,469,857</b>	<b>551,654,615</b>	<b>621,610,965</b>	<b>768,723,795</b>
Property, Plant and Equipment	211,400,486	551,654,615	602,279,565	768,723,795
Capital Work In Progress	119,069,371	-	19,331,400	-
<b>Current Assets:</b>	<b>614,908,956</b>	<b>500,265,633</b>	<b>783,449,955</b>	<b>819,284,310</b>
Inventories	156,521,360	180,486,081	257,646,858	343,376,424
Trade & Other Receivables	112,266,319	153,908,825	229,903,277	313,717,980
Advance, Deposits and Prepayments	105,325,972	68,951,141	34,853,277	51,582,850
Cash and Cash equivalents	240,795,305	96,919,585	261,046,543	110,607,055
<b>TOTAL ASSETS</b>	<b>945,378,813</b>	<b>1,051,920,248</b>	<b>1,405,060,920</b>	<b>1,588,008,105</b>
<b>OWNER'S EQUITY AND LIABILITIES</b>				
<b>Owner's Equity:</b>	<b>849,233,972</b>	<b>943,942,061</b>	<b>1,282,391,791</b>	<b>1,450,200,714</b>
Share Capital	730,000,000	730,000,000	930,000,000	930,000,000
Retained Earnings	119,233,972	213,942,061	352,391,791	520,200,714
<b>NON-CURRENT LIABILITIES</b>	<b>13,823,679</b>	<b>29,653,046</b>	<b>33,735,442</b>	<b>46,885,496</b>
Deferred Tax Liability	9,283,317	22,367,809	24,488,511	35,684,289
Provision for WPPF	4,540,362	7,285,238	9,246,931	11,201,207
<b>Current Liabilities:</b>	<b>82,321,162</b>	<b>78,325,141</b>	<b>88,933,688</b>	<b>90,921,896</b>
Trade Payables	15,911,787	23,867,681	25,538,418	26,304,571
Provision for Taxes	54,919,591	37,912,172	44,368,188	45,019,431
Liabilities for Expenses	11,489,784	16,545,288	19,027,082	19,597,894
<b>TOTAL OWNER'S EQUITY AND LIABILITIES</b>	<b>945,378,813</b>	<b>1,051,920,248</b>	<b>1,405,060,920</b>	<b>1,588,008,105</b>

**Statement of Comprehensive Income (Projected)**

Particulars	Amounts in Taka			
	30 <sup>th</sup> June, 2016	30 <sup>th</sup> June, 2017	30 <sup>th</sup> June, 2018	30 <sup>th</sup> June, 2019
	Audited	Projected		
<b>Net Sales Revenue</b>	444,777,724	609,345,482	853,083,675	981,046,226
Less: Cost of Sales	262,528,992	359,209,162	501,783,818	576,364,658
<b>Gross Profit</b>	<b>182,248,732</b>	<b>250,136,320</b>	<b>351,299,857</b>	<b>404,681,568</b>
<b>Less: Operating Expenses:</b>	87,751,623	107,700,684	159,656,658	171,547,990
Administrative Expenses	23,381,246	28,525,120	54,353,158	45,183,790
Selling & Distributing Expenses	64,370,377	79,175,564	105,303,500	126,364,200
<b>Profit from Operations</b>	<b>94,497,109</b>	<b>142,435,637</b>	<b>191,643,199</b>	<b>233,133,579</b>
Add: Non-Operating Income	850,491	10,554,353	2,542,352	2,091,761
<b>Profit before Contribution to WPPF &amp; Welfare Fund</b>	<b>95,347,600</b>	<b>152,989,990</b>	<b>194,185,551</b>	<b>235,225,340</b>
Less: Contribution to WPPF & Welfare Fund	4,540,362	7,285,238	9,246,931	11,201,207
<b>Profit before Tax</b>	<b>90,807,238</b>	<b>145,704,752</b>	<b>184,938,620</b>	<b>224,024,133</b>
<b>Less: Income Tax Expenses:</b>	31,782,533	50,996,664	46,488,890	56,215,209
Current Tax	26,522,010	37,912,172	44,368,188	45,019,431
Deferred Tax	5,260,523	13,084,492	2,120,702	11,195,778
<b>Net Profit for the year</b>	<b>59,024,705</b>	<b>94,708,088</b>	<b>138,449,730</b>	<b>167,808,923</b>

- Dividend is not considered

## Statement of Cash Flows (Projected)

Particulars	Amounts in Taka		
	30 <sup>th</sup> June, 2017	30 <sup>th</sup> June, 2018 Projected	30 <sup>th</sup> June, 2019
<b>Cash Flow from Operating Activities</b>			
Cash receipts from customers & Others	578,257,329	779,631,575	899,323,284
Cash payment to Suppliers, Employees & Others	(522,616,225)	(690,677,810)	(838,546,008)
<b>Cash Generate from operation</b>	<b>55,641,103</b>	<b>88,953,765</b>	<b>60,777,276</b>
Cash payment against income Tax	(39,567,194)	(37,912,172)	(44,368,188)
<b>Net Cash from Operating Activities</b>	<b>16,073,909</b>	<b>51,041,593</b>	<b>16,409,088</b>
<b>Cash Flow from Investing Activities</b>			
Acquisition of property, plant and equipment	(159,949,628)	(67,583,235)	(166,848,576)
Payment against Capital Work In Progress	-	(19,331,400)	-
<b>Net Cash used in Investing Activities</b>	<b>(159,949,628)</b>	<b>(86,914,635)</b>	<b>(166,848,576)</b>
<b>Cash Flow from Financing Activities</b>			
Proceeds from issue of share capital	-	200,000,000	-
<b>Net Cash from Financing Activities</b>	<b>-</b>	<b>200,000,000</b>	<b>-</b>
<b>Net increase in Cash and Cash equivalents</b>	<b>(143,875,720)</b>	<b>164,126,958</b>	<b>(150,439,488)</b>
Cash and Cash Equivalents at beginning of the period	240,795,305	96,919,585	261,046,543
<b>Cash and Cash Equivalent at end of the Period</b>	<b>96,919,585</b>	<b>261,046,543</b>	<b>110,607,055</b>



### Cost of the Project

The cost of the expansion project is as follows:

Sl.	Particulars	Amount in Tk.
1	Construction and other civil works	58,580,000
2	Machineries	124,720,000
3	IPO Expenses	16,700,000
<b>Total</b>		<b>200,000,000</b>

### Means of Finance

The project will be financed through using IPO proceeds.

### Weaknesses

1. **Low Financial Position:** The Company needs more finance to be competitive over its rivals.
2. **Innovation:** Innovative effectiveness is low due to the lack of the sophisticated equipment, lack of the capital, lack of the skilled manpower, and the lack of the professional in our country.

### Threats

1. **Intense Competition:** There is high rivalry among the competitors to get the market share as maximum as possible.
2. **Threat of entrant:** Capital requirement is low. Creating regional distribution network is very easy. Hence, threat of new entrant is high.
3. **Shortage of Power:** Lack of opportunity to supply emergency power.

### Conclusion

The feasibility of the project has been conducted and analyzed from the viewpoint of marketing, financial, management & economic aspects and found to be worthwhile. The projected financial results and the profitability estimated based on historical data shows that the project is viable and lucrative. This projection will help the interested parties to have an idea over the Indo Bangla Pharmaceuticals Limited (IBPL).

Sd/-  
**Jayanta Kumer Podder**  
M.Com. MIAT, MCA, ACS, FCMA  
CEO & Principal  
Podder & Associates  
Professional Accountants & Business Advisor

Date: September 28, 2017

## CHAPTER (XXIII): LOCK-IN

(a) Ordinary shares of the issuer shall be subject to lock-in, from the date of issuance of prospectus or commercial operation, whichever comes later, in the following manner:

- (1) All shares held, at the time of according consent to the public offer, by sponsors, directors and shareholders holding ten percent (10%) or more shares, other than alternative investment funds, for 03(three) years.
- (2) In case any existing sponsor or director of the issuer transfers any share to any person, other than existing shareholders, all shares held by those transferee shareholders, at the time of according consent to the public offer, for 03 (three) years.
- (3) Twenty five percent (25%) of the shares allotted to eligible investors, for 06 (six) months and other twenty five percent (25%) of the shares allotted to them, for 09 (nine) months.
- (4) All shares held by alternative investment funds, at the time of according consent to the public offer, for 01 (one) year.
- (5) All shares held, at the time of according consent to the public offer, by any person other than the persons mentioned in subrules (1), (2) and (3) above, for 01 (one) year.

(b) The following table indicates the Lock-In status of the shareholders of Indo-Bangla Pharmaceuticals Limited:

Sl.	Name of Shareholders	Position	No. of Shares	Holding %	BO ID	Date of acquisition	*Lock-in Period
1	Aziza Yeasmin	Chairman	2,005,000	2.75%	1201530062008346	18/06/2014	3 Years
2	A F M Anowarul Huq	Managing Director	12,435,000	17.03%	1201530062008298	18/06/2014	3 Years
3	Hafiza Yeasmin	Director	2,005,000	2.75%	1201530062008311	18/06/2014	3 Years
4	Md. Amin-Ur-Rashid	Director	2,515,000	3.45%	1201950062016965	18/06/2014	3 Years
5	Fatima Parvin	Director	2,461,000	3.37%	1201950062017274	06/06/2016	3 Years
6	Sayedra Huq	Director	2,001,000	2.74%	1201950062017258	06/06/2016	3 Years
7	Mst Shahanaz Akter	Director	2,051,000	2.81%	1201950062017017	06/06/2016	3 Years
8	Md. Mizanur Rahman	Director	2,051,000	2.81%	1201950062017282	06/06/2016	3 Years
9	Aysha Siddika	Sponsor Shareholder	2,005,000	2.75%	1201950062017266	18/06/2014	3 years
10	Md. Bellal Khan	Sponsor Shareholder	3,140,000	4.30%	1201530062008303	18/06/2014	3 years

11	Investment Corporation of Bangladesh Represented by Md. Emdad Hossain Mollah	Director	15,000,000	20.55%	1201530000003501	06/08/2015	3 years
12	ICB Capital Management Limited	Shareholder	1,000,000	1.37%	1201530000001725	06/08/2015	1 year
13	Bangladesh Funds	Shareholder	6,000,000	8.22%	1605420043478871	06/08/2015	1 year
14	FAS Capital Management Limited	Shareholder	450,000	0.62%	1604630040382971	06/08/2015	1 year
15	Continental Insurance Limited	Shareholder	250,000	0.34%	1203510009734492	06/08/2015	1 year
16	Saiful Islam Kamruz	Shareholder	100,000	0.14%	1204170000858864	06/08/2015	1 year
17	Md. Siddiqur Rahman	Shareholder	150,000	0.21%	1203850050304882	06/08/2015	1 year
18	Sayed Sakib Naimuddin	Shareholder	100,000	0.14%	1202090043529568	06/08/2015	1 year
19	Mr. Hazi Abdul Kader Mia	Shareholder	1,000	0.00%	1202800018215401	15/12/2015	1 year
20	Mr. Ayub Hossain Khan	Shareholder	1,000	0.00%	1202800000042215	15/12/2015	1 year
21	Mr. S.M. Ashfaqur Rahman	Shareholder	101,000	0.14%	1202240049275011	06/06/2016	1 year
22	Mr. Md. Mustafizur Rahman	Shareholder	155,000	0.21%	1202800005735176	06/06/2016	1 year
23	Shamima Akhter	Shareholder	30,000	0.04%	1202830048268769	06/06/2016	1 year
24	Md. Abul Kalam Azad	Shareholder	51,000	0.07%	1202800003934084	06/06/2016	1 year
25	Akram Hossain Md. Feroz	Shareholder	2,800,000	3.84%	1205150000008272	06/06/2016	1 year
26	A.T.M. Shafiqul Hasan	Shareholder	120,000	0.16%	1201590029913417	06/06/2016	1 year
27	Rajib Kumar Saha	Shareholder	20,000	0.03%	1202020017193489	15/12/2015	1 year
28	Zillur Rahman Zilu	Shareholder	20,000	0.03%	1203550038380920	15/12/2015	1 year
29	Md. Abdullah Al Mamun	Shareholder	20,000	0.03%	1202240060691166	15/12/2015	1 year
30	Shamima Nasrin	Shareholder	50,000	0.07%	1204560043510669	06/06/2016	1 year
31	Kazi Mahbulul Haque	Shareholder	50,000	0.07%	1204560055357102	06/06/2016	1 year
32	Eng. Mahmudul Hasan	Shareholder	110,000	0.15%	1205150055070792	06/06/2016	1 year
33	BMSL Invesment Ltd.	Shareholder	10,000	0.01%	1604940020020801	15/12/2015	1 year
34	Abaci Invesment Ltd (MDA)	Shareholder	10,000	0.01%	1602770045524684	15/12/2015	1 year
35	Khairul Hossain	Shareholder	20,000	0.03%	1201700058531344	15/12/2015	1 year
36	Partho Kumar Bagchi	Shareholder	50,000	0.07%	1203570011404113	06/06/2016	1 year
37	H. A. Mamun	Shareholder	101,000	0.14%	1202010055060934	06/06/2016	1 year
38	Satyendra Nath Roy	Shareholder	48,000	0.07%	1202060015277340	06/06/2016	1 year
39	Eurodesch Consumer Products Ltd	Shareholder	1,000	0.00%	1205150055070966	15/12/2015	1 year
40	Sonamoni Saha	Shareholder	1,000	0.00%	1201910061487831	15/12/2015	1 year
41	Most. Afroza Akter	Shareholder	1,000	0.00%	1204220021590934	15/12/2015	1 year
42	Lubna Nishat Mim	Shareholder	42,000	0.06%	1201950062052254	06/06/2016	1 year

43	Jannatul Marzan	Shareholder	2,251,000	3.08%	1201950062052262	06/06/2016	1 year
44	Nazmun Nahar	Shareholder	1,301,000	1.78%	1201950062017241	06/06/2016	1 year
45	Md. Abdus Sabur Khan	Shareholder	1,651,000	2.26%	1201950062017033	06/06/2016	1 year
46	Md. Abdur Rashid	Shareholder	201,000	0.28%	1202240061364251	06/06/2016	1 year
47	Masuda Islam Sharnali	Shareholder	501,000	0.69%	1605550062101886	06/06/2016	1 year
48	Shakil Mahmud	Shareholder	751,000	1.03%	1605550062101886	06/06/2016	1 year
49	Md. Towhidul Islam	Shareholder	801,000	1.10%	1202830055707558	06/06/2016	1 year
50	Md. Faysal Ahmed	Shareholder	501,000	0.69%	1203040058175818	06/06/2016	1 year
51	Abdul Kaiwm Sikder	Shareholder	751,000	1.03%	1202830048268991	06/06/2016	1 year
52	Safia Begum	Shareholder	901,000	1.23%	1201950062016973	06/06/2016	1 year
53	Soneya Akter	Shareholder	701,000	0.96%	1201950062016957	06/06/2016	1 year
54	Tania Rashid	Shareholder	751,000	1.03%	1201950062016991	06/06/2016	1 year
55	Md. Alauddin	Shareholder	651,000	0.89%	1201950062016981	06/06/2016	1 year
56	Tahmina Nupur	Shareholder	151,000	0.21%	1202010059550091	06/06/2016	1 year
57	Md. Masum Billah	Shareholder	1,000	0.00%	1203130025666759	15/12/2015	1 year
58	Md. Khalid Hossain	Shareholder	1,000	0.00%	1203130025666759	15/12/2015	1 year
59	Mushfiq Ul Quayoom	Shareholder	1,000	0.00%	1203130025666759	15/12/2015	1 year
60	Neaz Rahman Shaqib	Shareholder	1,000	0.00%	1604630054980351	15/12/2015	1 year
61	Md. Ziaul Hossain	Shareholder	300,000	0.41%	1201530062955713	06/06/2016	1 year
62	Md. Emdadul Hoque	Shareholder	300,000	0.41%	1202830063196835	06/06/2016	1 year
63	Md. Obaidul Islam Khan	Shareholder	50,000	0.07%	1204220040609968	06/06/2016	1 year
64	Md. Farid Ahmed	Shareholder	700,000	0.96%	1604940059674010	06/06/2016	1 year
65	Jubaida Nasrin	Shareholder	50,000	0.07%	120430020835718	06/06/2016	1 year
66	Md. Humayan Kabir	Shareholder	100,000	0.14%	1203680020762241	06/06/2016	1 year
67	Iqbal Ahmed	Shareholder	50,000	0.07%	1201820062950662	06/06/2016	1 year
68	Mst. Nurun Nahar Parvin	Shareholder	50,000	0.07%	1602770062695315	06/06/2016	1 year
			<b>73,000,000</b>	<b>100%</b>			

*[From the issue date of Prospectus]*

## CHAPTER (XXIV): MARKETS FOR THE SECURITIES BEING OFFERED

### Stock Exchanges:

The issuer shall apply to the following bourses for listing shares within 7 (seven) working days from the date of consent accorded by the Commission to issue the prospectus:



#### **Dhaka Stock Exchange Limited (DSE)**

9/F, Motijheel C/A, Dhaka-1000; and



#### **Chittagong Stock Exchange Limited (CSE)**

CSE Building, 1080 Sheikh Mujib Road, Chittagong.

### Declaration about Listing of Shares with Stock Exchanges:

None of the Stock Exchanges, if for any reason, grant listing within 75 days from the closure of subscription, any allotment in terms of this prospectus shall be void and the Company shall refund the subscription money within fifteen days from the date of refusal for listing by the stock exchange, or from the date of expiry of the said 75 (seventy-five) days, as the case may be.

In case of non-refund of the subscription money within the aforesaid fifteen days, the Company directors, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (two percent) per month above the bank rate, to the subscribers concerned.

The issue managers, in addition to the issuer Company, shall ensure due compliance of the above mentioned conditions and shall submit compliance report thereon to the Commission within seven days of expiry of the aforesaid fifteen days' time period allowed for refund of the subscription money.

### Trading and Settlement;

Trading and Settlement Regulation of the stock exchanges will apply in respect of trading and settlement of the shares of the Company.

### THE ISSUE SHALL BE PLACED IN “N” CATEGORY

## **CHAPTER (XXV): DESCRIPTION OF SECURITIES OUTSTANDING OR BEING OFFERED**

### **(a) Dividend, voting and preemption rights;**

The Share Capital of the Company is divided into Ordinary Shares, carrying equal rights to vote and receive dividend in terms of the relevant provisions of the Companies Act 1994 and the Articles of Association of the Company. All Shareholders shall have the usual voting rights in person or by proxy in connection with, among others, election of Directors & Auditors and other usual agenda of General Meeting – Ordinary or Extra-ordinary. On a show of hand, every shareholder presents in person and every duly authorized representative of a shareholder present at a General Meeting shall have one vote and on a poll every shareholder present or by proxy shall have one vote for every share held by him or her.

In case of any additional issue of shares for raising further capital the existing shareholders shall be entitled to Right Issue of shares in terms of the guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) from time to time.

### **(b) Conversion and liquidation rights;**

In terms of provisions of the Companies Act 1994, Articles of Association of the Company and other relevant rules in force, the shares of the Company are freely transferable. The Company shall not charge any fee for registering transfer of shares. No transfer shall be made to a firm, an infant or person of unsound mind.

### **(c) Dividend policy;**

- i. The profit of the Company, subject to any special right relating thereto created or authorized to be created by the Memorandum and subject to the provisions of the Articles of Association, shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively.
- ii. No large dividend shall be declared than is recommended by the Directors, but the Company in its General Meeting may declare a smaller dividend. The declaration of Directors as to the amount of Net profit of the Company shall be conclusive.
- iii. No dividend shall be payable except out of the profits of the Company or any other undistributed profits. Dividend shall not carry interest as against the Company.
- iv. The Directors may from time to time pay the members such interim dividend as in their judgment the financial position of the Company may justify.
- v. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of transfer.
- vi. No limitation in payment of dividend is stipulated in any debt instrument or otherwise.

**(d) Other rights of the securities holders;**

In terms of the provisions of the Companies Act 1994, Articles of Association of the Company and other relevant rules in force, the shares of the Company are transferable. The Company shall not charge any fee, other than Government duties for registering transfer of shares. No transfer shall be made to a minor or person of unsound mind.

The Directors shall present the financial statements as required under the law & International Accounting Standard. Financial statements will be prepared in accordance with the International Accounting Standards consistently applied throughout the subsequent periods and present with the objective of providing maximum disclosure as per law and International Accounting Standard to the shareholders regarding the financial and operational position of the Company. The shareholders shall have the right to receive all periodical statement and reports, audited as well as un audited, published by the Company from time to time.

The shareholder holding minimum of 10% shares of paid-up capital of the Company shall have the right to requisition extra ordinary General Meeting of the Company as provided for the section 84 of the Companies Act 1994.

## CHAPTER (XXVI): FINANCIAL STATEMENTS

- (a) **The latest financial statements prepared and audited by any of the Commission’s panel of auditors in adherence to the provisions of the Securities and Exchange Rules, 1987, the কোম্পানি আইন, ১৯৯৪, International Financial Reporting and Auditing Standards as adopted in Bangladesh from time to time and any other law as applicable;**

### **Independent Auditors Report To the shareholders of Indo-Bangla Pharmaceuticals Limited**

We have audited the accompanying Financial Statements of **Indo-Bangla Pharmaceuticals Limited** which comprises the Statement of Financial Position as at 30 June 2016, 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 other explanatory notes forming part of the financial statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS)/ Bangladesh Accounting Standards, the Companies Act, 1994, Securities and Exchanges Rules 1987 and other applicable laws and regulations. This responsibility includes designing, implementing internal control relevant to the preparation of financial statements that are free from material misstatement whether due to fraud or error selecting and applying appropriate accounting policies and making accounting estimates that reasonable in the circumstances.

#### **Auditor’s Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

#### **Basis of Opinion**

We have conducted audit in accordance with Bangladesh Standards on Auditing (BSA) and accordingly we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation.

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



**Opinion**

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standard (BFRS) present fairly in all material respects the financial position of the company as at 30 June, 2016 and the result of its operation and cash flows for the year then ended and comply with the Companies Act, 1994, Securities and Exchange Rules, 1987 and other applicable laws and regulations.

We further report that;

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of these books;
- c) the company's consolidated Financial Statements dealt with by the report are in agreement with the books of accounts; and
- d) the expenditure incurred were for the purposes of company's business;

Dated, Dhaka;  
08 September, 2016

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

**INDO-BANGLA PHARMACEUTICALS LTD**  
**STATEMENT OF FINANCIAL POSITION**  
As at 30 June 2016

Particulars	Notes	Amounts in Taka		
		30th June,2016	30th June,2015	1th July,2015 (Re-Stated)
<b>ASSETS:</b>				
<b>Non-current Assets:</b>		<b>330,469,857</b>	<b>158,274,850</b>	<b>158,274,850</b>
Property, Plant and Equipment	3.00	211,400,486	147,873,513	147,873,513
Capital Work in Progress	4.00	119,069,371	10,401,337	10,401,337
<b>Current Assets:</b>		<b>614,908,956</b>	<b>224,744,682</b>	<b>224,744,682</b>
Inventories	5.00	156,521,360	142,164,099	142,164,099
Trade & Other Receivables	6.00	112,266,319	41,438,482	41,438,482
Advance, Deposits and Prepayments	7.00	105,325,972	35,253,978	35,253,978
Cash and Cash equivalents	8.00	240,795,305	5,888,123	5,888,123
<b>TOTAL ASSETS</b>		<b>945,378,813</b>	<b>383,019,532</b>	<b>383,019,532</b>
<b>OWNER'S EQUITY AND LIABILITIES</b>				
<b>Owner's Equity:</b>		<b>849,233,972</b>	<b>159,209,267</b>	<b>159,209,267</b>
Share Capital	9.00	730,000,000	99,000,000	99,000,000
Retained Earnings	10.00	119,233,972	60,209,267	60,209,267
<b>NON-CURRENT LIABILITIES</b>		<b>13,823,679</b>	<b>4,105,826</b>	<b>4,022,794</b>
Deferred Tax Liability	11.00	9,283,317	4,105,826	4,022,794
Provision for WPPF	12.00	4,540,362	-	-
<b>Current Liabilities:</b>		<b>82,321,162</b>	<b>219,704,439</b>	<b>219,787,471</b>
Trade Payables	13.00	15,911,787	11,847,860	11,847,860
Vendors payable Account	14.00	-	171,837,213	171,837,213
Provision for Taxes	15.00	54,919,591	28,314,549	28,397,581
Liabilities for Expenses	16.00	11,489,784	7,704,817	7,704,817
<b>TOTAL OWNER'S EQUITY AND LIABILITIES</b>		<b>945,378,813</b>	<b>383,019,532</b>	<b>383,019,532</b>
Net Asset Value (NAV) Per Share	24.00	11.63	16.08	16.08

Annexed notes form an integral part of these financial statements.

Sd/-  
**Chief Financial Officer**

Sd/-  
**Director**

Sd/-  
**Managing Director**

Signed in terms of our annexed report of even date.

Date: Dhaka  
8-Sep-16

Sd/-  
**Mahfel Huq & Co**  
Chartered Accountants

**INDO-BANGLA PHARMACEUTICALS LTD**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**For the Year ended 30 June, 2016**

Particulars	Notes	Amounts in Taka	
		30th June,2016	30th June,2015
<b>Net Sales Revenue</b>	17.00	444,777,724	435,024,108
Less: Cost of Sales	18.00	262,528,992	257,883,659
<b>Gross Profit</b>		<b>182,248,732</b>	<b>177,140,449</b>
<b>Less: Operating Expenses:</b>		87,751,623	84,720,465
Administrative Expenses	19.00	23,381,246	22,007,014
Selling & Distributing Expenses	20.00	64,370,377	62,713,451
<b>Profit from Operations</b>		<b>94,497,109</b>	<b>92,419,984</b>
Add: Non-Operating Income:	21.00	850,491	209,658
<b>Profit before Contribution to WPPF &amp; Welfare Fund</b>		<b>95,347,600</b>	<b>92,629,642</b>
Less: Contribution to WPPF & Welfare Fund	12.00	4,540,362	-
<b>Profit before Tax</b>		<b>90,807,238</b>	<b>92,629,642</b>
<b>Less: Income Tax Expenses:</b>		<b>31,782,533</b>	<b>32,420,375</b>
Current Tax	22.00	26,522,010	28,397,581
Deferred Tax	11.00	5,260,523	4,022,794
<b>Net Profit for the year</b>		<b>59,024,705</b>	<b>60,209,267</b>
<b>Earnings per share (Basic)</b>	23.00	<b>2.62</b>	<b>6.40</b>

Annexed notes form an integral part of these financial statements.

Sd/-  
**Chief Financial Officer**

Sd/-  
**Director**

Sd/-  
**Managing Director**

Signed in terms of our annexed report of even date.

Date: Dhaka  
8-Sep-16

Sd/-  
**Mahfel Huq & Co**  
Chartered Accountants

**INDO BANGLA PHARMACEUTICALS LTD**  
**Statement of Changes in Equity**  
**For the year ended 30th June, 2016**

Particulars	Share Capital	Retained Earnings	Total Equity
Balance as at 30-06-2015	99,000,000	60,209,267	159,209,267
Share allotment	631,000,000	-	631,000,000
Net Profit for the year	-	59,024,705	59,024,705
Closing Balance (30-06-2016)	<b>730,000,000</b>	<b>119,233,972</b>	<b>849,233,972</b>

**INDO BANGLA PHARMACEUTICALS LTD**  
**Statement of Changes in Equity**  
**For the year ended 30th June, 2015**

Particulars	Share Capital	Retained Earnings	Total Equity
Initial Capital (at incorporation)	1,000,000	-	1,000,000
Share Allotment	98,000,000	-	98,000,000
Net Profit for the year	-	60,209,267	60,209,267
Closing Balance (30-06-2015)	<b>99,000,000</b>	<b>60,209,267</b>	<b>159,209,267</b>

Annexed notes form an integral part of these financial statements.

Sd/-  
**Chief Financial Officer**

Sd/-  
**Director**

Sd/-  
**Managing Director**

Signed in terms of our annexed report of even date.

Date: Dhaka  
8-Sep-16

Sd/-  
**Mahfel Huq & Co**  
Chartered Accountants

**INDOBANGLA PHARMACEUTICALS LIMITED**  
**Statement of Cash Flows**  
**For the year ended 30th June, 2016**

Particulars	Amounts in Taka	
	2016	2015
<b>Cash Flow from Operating Activities</b>		
Cash receipts from customers	374,559,271	438,103,575
Cash receipts from others income	241,107	209,658
Cash payment to Suppliers	(256,407,305)	(288,800,236)
Cash payment to Employees	(62,440,406)	(59,295,036)
Cash payment to Others	(34,132,076)	(7,810,716)
<b>Cash Generate from operation</b>	<b>21,820,591</b>	<b>82,407,246</b>
Cash payment against income Tax	(7,801,198)	(7,551,199)
<b>Net Cash from Operating Activities</b>	<b>14,019,393</b>	<b>74,856,046</b>
<b>Cash Flow from Investing Activities</b>		
Acquisition of property, plant and equipment	(6,470,900)	(48,342,450)
Advance paid for construction	(22,448,801)	(12,448,801)
Advance paid L/C Margin for Machinery	(30,568,200)	
Paid for Work in Progress	(158,787,097)	(10,401,337)
Advance paid for Land	(20,000,000)	
Paid for Vendor Payable	(171,837,213)	-
<b>Net Cash used in Investing Activities</b>	<b>(410,112,211)</b>	<b>(71,192,588)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from issue of share capital	631,000,000	1,000,000
<b>Net Cash from Financing Activities</b>	<b>631,000,000</b>	<b>1,000,000</b>
<b>Net increase in Cash and Cash equivalents</b>	<b>234,907,182</b>	<b>4,663,458</b>
Cash and Cash Equivalents at beginning of the period	5,888,123	1,224,665
<b>Cash and Cash Equivalent at end of the Period</b>	<b>240,795,305</b>	<b>5,888,123</b>

Annexed notes form an integral part of these financial statements.

Sd/-  
**Chief Financial Officer**

Sd/-  
**Director**

Sd/-  
**Managing Director**

Signed in terms of our annexed report of even date.

Date: Dhaka  
8-Sep-16

Sd/-  
**Mahfel Huq & Co**  
Chartered Accountants

**Indo-Bangla Pharmaceuticals Ltd**  
**Notes to the Financial Statements**  
**For the Period ended 30th June 2016**

**1.00 Reporting Entity and its Activities**

**1.01 Legal forms of the Entity**

Indo-Bangla Pharmaceuticals Limited was incorporated as a private Limited Company under the Companies Act-1994 on 18 June 2014 vides registration no.C-116665/14 through take over of M/S. Indo-Bangla Pharmaceutical Works, a proprietorship business since pre-liberation period. The company has been converted into public limited company on 21-10-2014. Registered office of the company and Factory is at Aziz Bhaban, College Road, Barisal. Authorized capital of the company is Tk.1000,000,000 divided into 100,000,000 ordinary shares of Tk.10 each. Paid up capital of the company was Tk.99,000,000 divided into 9,900,000 ordinary shares of Tk.10 each. The Company raised its paid-up capital from tk. 99,000,000 to tk. 199,000,000 with the consent of Bangladesh Securities and Exchange Commission (BSEC) dated 06 August, 2015. The Paid-up capital of the Company has been increased further from Tk.199,000,000 to Tk. 730,000,000 through allotment of 53,100,000 ordinary shares of Tk.10 each to the existing shareholders in cash consideration by allotment dated 06-06-2016 with due permission from BSEC.

**1.02 Nature of Business Activities**

The Company is engaged in manufacturing and selling of all kinds of medicine (excluding Antibiotic), medical preparations drugs & chemicals (Human Health). The company took permission for production and selling of veterinary medicine also.

**2.00 Significant Accounting policies and other Information**

The 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 BAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements. The previous years' figures were presented accounting to the same accounting principles. Compared to the previous year, there were no significant changes in the accounting and valuation principals affecting the financial position and performance of the company. However, changes made to the presentation are explained in the note for each respective item.

**2.01 Statement of Compliance**

This financial Statement has been prepared on going concern concept and on accrual basis in accordance with the applicable as of International Accounting Standard (IAS), Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs), the companies Act,1994, the Securities and Exchange Rules,1987, the Income Tax Ordinance,1984, the Value-Added Tax Rules, 1991, the VAT Act,1991, the Customs Act,1969 and other applicable laws and regulations.

**2.02 Compliance with BAS**

The following BAS have been applicable for the preparation of the financial statements for the year under review:

BAS 1	Presentation of Financial Statements
BAS 2	Inventories
BAS 7	Statement of Cash Flows
BAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
BAS 10	Events after the Reporting Period
BAS 12	Income Taxes
BAS 16	Property, Plant and Equipment
BAS 18	Revenue
BAS 19	Employee's Benefits

- BAS 24 Related Party Disclosures
- BAS 33 Earnings Per Share
- BAS 36 Impairment of Assets
- BAS 37 Provisions, Contingent Liabilities and Contingent Assets.
- BAS 39 Financial Instruments: Recognition and Measurement.

The related BFRSs are also complied for preparation of these Financial Statements.

**2.03 Statement of Cash Flows:**

Statement of cash flows is prepared in accordance with BAS-7"Statement of Cash flows" and the cash flow from the operating activities have been presented under direct method considering the provisions of paragraph 19 of BAS-7 which provides that "Enterprise are Encouraged to Report Cash Flow from Operating Activities Using the Direct Method".

**2.04 Property, Plant and Equipment:**

All property, plant and equipment are initially accounted for at cost and depreciated over their expected useful life in accordance with BAS-16. The cost of acquisition of an asset comprise 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 nonrefundable taxes.

**Depreciation:**

Depreciation has been charged on item of Property, Plant & Equipment and has been computed during the year using the reducing balance method so as to write off the assets over their expected useful life. Depreciation has been charged on addition from the date when it was put to use. Rate of depreciation on property, plant and equipment considering their useful life are as follows.

Particulars	Rate of Depreciation	
	2016	2015
Machineries & Equipment	3%	3%
Generator	3%	3%
Furniture & Fixture	10%	10%
Office Equipment	10%	10%
Transport	10%	10%
Building	2.5%	2.5%
Water Plant	10%	10%
ETP Plant	10%	10%

**2.05 Basis of Preparation & Presentation of the Financial Statements:**

The Financial statements have been prepared and the disclosures of information have been made in accordance with the requirements of the Companies Act, 1994 and Bangladesh Accounting Standards and Bangladesh Financial Reporting Standards. The Financial Statements have been prepared according to BAS-1 Presentation of Financial Statements on accrual basis following going concern assumption.

**2.06 Use of Estimates and Judgments:**

The preparation of Financial Statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses. Due to inherent uncertainties involved in making estimates actual results may differ from those estimates and underlying assumptions are reviewed on a going concern basis.

## **2.07 Going Concern**

The company has adequate resources to continue its operation for the foreseeable future. For this reason, the directors adopt going concern basis in preparing the Financial Statement. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

## **2.08 Reporting Period**

The accounting period of the company covers financial period from 1st July 2015 to 30th June 2016.

## **2.09 Segmental Reporting**

No segmental reporting is applicable for the company as required by BAS14: "Segment Reporting" as the company operates in a single industry segment and within a single geographical territory.

## **2.10 Events after the Reporting Period**

As per **BAS-10:"Events after the Reporting Period"** is those events favorable and unfavorable that occur between the end of the reporting year and the date when the financial statements are authorize for issue.

The name of the chairman & the director are respectively Aysha Siddika and Md. Bellal Khan who have been resigned on 28th July 2016.

Simultaneously, Aziza yeasmin appointed as a Chairman, Fatema Parvin, Shanaj Akter & Mizanur Rahman appointed as a director, Harun or Rasid and Moniruzaman appointed as an independent director on the same date.

The company has a deed of agreement for corporate office (1250 sqf at monthly rent Tk. 32,500) at Jahan Tower A-2,11/1 Avoy das lane, Tikatuly in Dhaka 1203 on 1st August 2016.

The company has registered 37.40 decimal of land vides Deed no.8605 and 8611 on 24th August, 2016.

## **2.11 Revenue Recognition:**

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates exclusive of VAT as per BAS-18. Revenue is recognized when the significant risks and reward of ownership have been transferred to the buyer.

## **2.12 Financial Instruments:**

A financial instrument in any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

### **Financial Assets**

Financial assets of the company include cash and cash equivalents, equity instrument of another entity, trade receivable and other receivables. The company initially recognize receivable on the date they are originated. All other financial assets are recognized initially on the date which the company becomes a part to the contractual obligation of the transaction. The company derecognizes a financial asset when and only when contractual rights or probabilities of receiving the cash flows from the assets expire or it transfer the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and reward of ownership of the financial assets are transferred.



### **Initial Recognition**

An entity recognizes a financial assets or liabilities in its statement of financial position when and only when, the entity becomes a party to the contractual provision of the instrument and subsequently recognizes at their amortized cost.

### **Trade and other Receivable**

This represents the net realizable value only. This is considered good and realizable and therefore, no amount was written off as debt and even no debt was doubtful to provide for in the accounts.

### **Cash & Cash Equivalents**

According to BAS 7 ' Statement of cash flows' comprises of cash in hand, demand deposits and Cash equivalents which are short term highly liquid investments that are readily convertible to Cash and which are subject to an insignificant risk of changes in value. BAS 1 "Presentation of Financial Statements" provides that Cash & Cash Equivalents are not restricted in use. Considering the provision of BAS 7 & BAS 1, Cash in Hand, Short term FDR & Bank Balances have been treated as Cash & Cash Equivalents.

### **Financial Liabilities**

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when it's contractual obligations are discharged or cancelled or expired. Financial liabilities are recognized initially at fair value less any directly attributable transactions cost. Subsequently to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities include loan and borrowing, trade creditors, liabilities for expenses and liabilities for other finance.

#### **2.13 Valuation of Inventories:**

Inventories comprise of Raw materials, work-in-process, Finished goods, Spares, Accessories and Stores. They are stated at the lower of cost and net realizable Value in accordance with BAS-2.

The stock of raw materials and spares has been valued of at average cost and the stock of finished goods have been valued at cost or net realizable value whichever is lower.

#### **2.14 Impairment of assets**

All assets have been reviewed according to BAS 36 and it was confirmed that no such assets have been impaired during the year and for this reason no provision has been made for Impairment of assets.

#### **2.15 Employee Benefit Plan:**

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

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

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

The company's employee benefits include the following:

### **Workers' Profit Participation and Welfare Funds**

The company recognizes contribution to Workers' Profit Participation and Welfare Funds in the accounts from the year 2016.

This represents 5% of net profit before tax but after charged the amount WPPF by the company as per provisions of the Bangladesh Labor (amendment) Act 2013.

### **Short Term Employee Benefits**

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

## **2.16 Liabilities & basis of their measurement:**

### **Accrued Expenses and Other Payables**

Liabilities are recognized for the goods and service received, whether paid or not. Other payables are not interest bearing and are stated at their nominal value.

### **Provisions**

In accordance with the guidelines as prescribed by BAS-37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- a. When the company has an obligation (legal or constructive) as a result of past events;
- b. When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. Reliable estimates can be measured of the amount of the obligation.

The company has no contingent liabilities & assets and its provision as per BAS-37 as on 30th June, 2016.

## **2.17 Related Party Disclosures**

The company in normal course of business carried out a number of transactions with other entities and Directors that fall within the definition of related party contained in BAS-24: Related Party Disclosures. Details of related party disclosures are shown in Note-25.

## **2.18 Income Tax Expenses**

### **Current Tax**

Tax rate of the company is 35% which has been charged as per Income Tax Ordinance, 1984.

### **Deferred Tax:**

The company accounts for deferred tax as per BAS-12 "Income Taxes". Deferred tax is provided using the Financial Position method for all temporary differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purposes. Tax rate prevailing at the Financial Position date is used to determine deferred tax.

## **2.19 Earnings Per Share**

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

### **Basic Earnings**

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

### **Weighted Average Number of Ordinary Shares Outstanding during the year**

The basis of computation of number of shares is in line with the provisions of BAS-33: Earnings Per Share. Therefore, the total number of shares outstanding at the end of the year multiplied by a time weighting factor which is the number of days the specific shares were outstanding as a proportion of total number of days in the period.

### **Additional Informational on Financial Statements:**

#### **2.20 Responsibility for preparation and presentation of financial statements:**

The company's management and the Board of Directors are responsible for the preparation and presentation of Financial Statements as per section 183 of the companies Act 1994.

#### **2.21 Approval of Financial Statements:**

The financial statements were duly approved by the board of Directors as at 8th August, 2016.

#### **2.22 Components of Financial Statements:**

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by BAS 1: "Presentation of Financial Statements". The complete set of financial statements comprises:

- Statement of Financial Position as at 30th June 2016,
- Statement of Profit or Loss and other Comprehensive Income for the year ended 30th June 2016,
- Statement of Changes in Equity for the year ended 30th June 2016,
- Statement of Cash Flows for the year ended 30th June 2016 and
- Notes comprising a summary of significant accounting policies and other explanatory information to the financial Statements for the year ended 30th June 2016.

#### **2.23 Comparative Information:**

Comparative Information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.

Figures for the year 2014-2015 have been re-arranged and re-stated wherever considered necessary to ensure better comparability with the year.

#### **2.24 Re-arrangement**

Previous year figure has been re-arranged whenever considered necessary to ensure comparability with the current year presentation as per BAS-8: "Accounting Policies, Changes in Accounting Estimates and Errors".

### **Re-Statement**

In finalizing the financial statements for the year ended June 30, 2016 some figures of previous year were restated to confirm the provisions of BAS-8: "Accounting Policies, Changes in Accounting Estimates and Errors" 42 & 49. During the year, the following accounting errors has been rectified in compliance with BAS -8:

Previously Deferred Tax liability was calculated on the basis of temporary difference between carrying value of assets for accounting purpose and written down value of assets for tax

purpose. Depreciation for the purpose of tax was computed on the basis of estimation and accordingly the tax written down value although total income tax remained same. In the year 2016, the company obtained tax assessment order from Deputy Commissioner of Taxes for the year 2015 and calculated Deferred Tax Liability on the basis of assessment order of 2015. Accordingly, tax provision has been adjusted with respective head of accounts.

**Re-Classification**

Re-Classification adjustments are amounts which is charged the presentation or classification in its financial statements in the current period.

Re-Classification of Liabilities for repair & maintenance and Office rent expenses:

During the year, Repairs and maintenance of Tk.3,948,512 under the head of Trade & Other payables has been re-classified as Repairs and maintenance under the head of Liabilities for expenses and Office rent of Tk.130,800 has been separated from other expenses for the purpose of fair presentation.

**Re-Classification of cash flows:**

Cash payment to suppliers and others consisted of cash payment against income tax, employees and construction in the year 30th June, 2015, which has been shown in this year separately under the head of cash payment to suppliers, cash payment to employees and cash payment to others.

**Indo-Bangla Pharmaceuticals Ltd**  
**Notes to the Financial Statements**  
**For the year ended 30th June, 2016**

		<b>Amount in Taka</b>	
		<b>30th June'2016</b>	<b>30th June'2015</b>
<b>3.00 Property, Plant and Equipment</b>			
	These have arrived at as under:		
	Opening balance	151,533,130	-
	Assets taken over through vendor agreements	-	103,190,680
	Add: Addition during the period	<u>69,038,764</u>	<u>48,342,450</u>
	<b>Total Cost (a)</b>	<b>220,571,894</b>	<b>151,533,130</b>
	<b>B. Accumulated Depreciation</b>		
	Opening balance	3,659,617	-
	Add: Depreciation Charged for the year	<u>5,511,791</u>	<u>3,659,617</u>
	Total: Depreciation (b)	<u>9,171,408</u>	<u>3,659,617</u>
	<b>WDV as on 30.06.2016 (a-b)</b>	<b><u>211,400,486</u></b>	<b><u>147,873,513</u></b>

The company took over assets and liabilities from Indo Bangla Pharmaceutical works (a proprietorship firm) through two vendors agreements. The Machineries of book valued tk. 97,936,383 have been agreed to take over for tk. 98,000,000 and settle by issued 9,800,000 no. Ordinary shares @ Tk. 10 by a vendor agreement. Another vendor agreement that was subsequently amended by the company for amount of tk. 171,837,213 for taken over Generator, Furniture & Fixture, Office equipment and Transport, all current assets and all current liabilities other than bank loans.

The company signed a Memorandum of Understanding (MoU) with Mr. AFM Anowarul Huque, Managing Director of Indo-Bangla Pharmaceuticals Ltd. to purchase 37.40 decimal of land and 1(one) building (area 2200 square feet) and subsequently on 24th August, 2016 the company purchase the said land and building under two separate registered deed on which the building construction in progress.

A schedule of Property, Plant & Equipment is given in Annexure-A

**4.00 Capital Work in Progress**

These have arrived at as under:

**A. Construction of Building:**

Opening balance	10,401,337	-
Add: Addition during the year	93,708,754	10,401,337
Less: Transfer to Fixed Assets of Building	<u>(62,567,864)</u>	<u>-</u>
<b>Closing Construction of Building</b>	<b>41,542,227</b>	<b>10,401,337</b>
<b>B. Plant &amp; Machinery Addition during the year</b>	<b>77,527,144</b>	<b>-</b>
<b>Total</b>	<b><u>119,069,371</u></b>	<b><u>10,401,337</u></b>

**5.00 Inventories:**

This consists of the following;

Raw Material	Note: 18.01	69,555,407	57,483,839
Finished Goods	Note: 18.00	45,053,550	39,238,921
Work - in - Process	Note: 18.00	18,013,355	17,689,450
Spare Parts	Note: 18.02.1	8,083,723	6,620,359
Packing Materials	Note: 18.03.1	<u>15,815,325</u>	<u>21,131,530</u>
		<b><u>156,521,360</u></b>	<b><u>142,164,099</u></b>

BAS-2 and have been certified by management.

**6.00 Trade & Others Receivable:**

These have arrived at as under:

A. Trade Receivable

Opening balance	41,438,482	-
Trade receivables acquired through vendor agreement	-	44,517,949
Add: Sales during the period	444,777,724	435,024,108
Total	486,216,206	479,542,057
Less: Adjustment / recovery	374,559,271	438,103,575
<b>Closing balance (Trade Receivable) Details are in Annexure-B</b>	<b>111,656,935</b>	<b>41,438,482</b>

B. Other Receivable (Interest on FDR)

	609,384	-
<b>Total:</b>	<b>112,266,319</b>	<b>41,438,482</b>

**Ageing of Accounts Receivable**

More than six months	-	-
Less than six month	112,266,319	41,438,482
	<b>112,266,319</b>	<b>41,438,482</b>

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

Receivable considered good in respect of which the company is fully secured.	-	-
Receivable considered good in respect of which the company holds no security other than the debtor personal security.	112,266,319	41,438,482
Receivables considered doubtful bad.	-	-
Receivable to Directors.	-	-
Receivables due by common management.	-	-
The maximum amount of receivable due by any director or other officer of the company.	-	-
<b>Total</b>	<b>112,266,319</b>	<b>41,438,482</b>

**7.00 Advance, deposit and prepayments:**

This consists of the following;

**Advance**

Advance Income Tax	7.01	15,352,397	7,551,199
Advance to Employees		675,648	662,400
Advance to others	7.02	89,145,609	27,040,379
Prepayment (Insurance)		152,318	-
		<b>105,325,972</b>	<b>35,253,978</b>

**7.01 Advance Tax paid**

Opening	7,551,199	-
Advance Tax paid during the year	7,801,198	7,551,199
	<b>15,352,397</b>	<b>7,551,199</b>

**7.02 Advance to Others**

Goods and services	11,906,106	10,241,337
Construction materials	22,448,801	12,448,801
Tour	4,031,218	4,243,387
L/C Margin for Machinery	30,568,200	-
Land	20,000,000	-
VAT current account	191,284	106,854
	<b>89,145,609</b>	<b>27,040,379</b>

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

**8.00 Cash and Cash equivalents:**

These have arrived at as under:

Cash in Hand		5,822,086	740,329
Cash at Bank	Note-8.01	234,973,219	5,147,794
		<u>240,795,305</u>	<u>5,888,123</u>

**8.01 Cash at Bank**

Pubali Bank Ltd. Barishal Sadar Branch A/C 50517		72,915	1,778
Dutch-Bangla Bank Ltd. Barisal Branch A/C 3745		68,662	82,395
Sonali Bank Ltd. Barishal Corporate Branch A/C. 3953		34,664	700
Islami Bank Bangladesh Ltd. Barishal Branch A/C no.10807		3,924,535	28,525
Islami Bank Bangladesh Ltd. Bhanga Branch A/C no.01405		196,721	-
Islami Bank Bangladesh Ltd. Bhanga Branch A/C no.01506		94,084	-
Islami Bank Bangladesh Ltd. Bhanga Branch A/C no.79513		81,794	-
One Bank Ltd. Barisal Branch A/C no.02579		1,598,850	-
National Bank Ltd. Brishal Branch A/c No CD- 28913		3,900,994	5,034,396
Short Term FDR		225,000,000	-
		<u>234,973,219</u>	<u>5,147,794</u>

Cash balance was certified by the management. Bank balance were agreed with banks Statement/Certified Issued by the respective banks.

**9.00 Share Capital:****Authorized****Capital**

100,000,000 Ordinary Shares  
of Tk. 10 each

<u>1,000,000,000</u>	<u>1,000,000,000</u>
----------------------	----------------------

**Issued, Subscribed & Paid-up Capital:**

73,000,000 Ordinary Shares of Tk. 10 each fully paid  
up

<u>730,000,000</u>	<u>99,000,000</u>
--------------------	-------------------

The company raised its paid-up Capital from TK.99,000,000 to Tk. 730,000,000 through allotment of 10,000,000 and 53,100,000 ordinary shares of Tk.10 each on 06/08/2015 and 06/06/2016 respectively.

9.01 A distribution schedule of the above shares is given below;

Name	Status with the Company	30-06-2016 Share Holding	% of Holding Position	30-06-2015 Share Holding	% of Share Holding Position
Aziza Yeasmin	Chairman	2,005,000	2.75%	5,000	0.05%
A F M Anowarul Huq	Managing Director	12,435,000	17.03%	9,855,000	99.55%
Hafiza Yeasmin	Director	2,005,000	2.75%	5,000	0.05%
Md. Amin-Ur-Rashid	Director	2,515,000	3.45%	15,000	0.15%
Sayedra Huq	Director	2,001,000	2.74%	-	-
Fatima Parvin	Director	2,461,000	3.37%	-	-
Investment Corporation of Bangladesh	Director	15,000,000	20.55%	-	-
Mst. Shahnaj Akter	Director	2,051,000	2.81%	-	-
Mizanur Rahman	Director	2,051,000	2.81%	-	-
Md. Bellal Khan	Shareholder	3,140,000	4.78%	15,000	0.15%
Aysha Siddika	Shareholder	2,005,000	2.75%	5,000	0.05%
ICB Capital Management Limited	Shareholder	1,000,000	1.37%	-	-
Bangladesh Funds	Shareholder	6,000,000	8.22%	-	-
FAS Capital Management Limited	Shareholder	450,000	0.62%	-	-
Continental Insurance Limited	Shareholder	250,000	0.34%	-	-
Saiful Islam Kamruz	Shareholder	100,000	0.14%	-	-
Md. Siddiqur Rahman	Shareholder	150,000	0.21%	-	-
Sayed Sakib Naimuddin	Shareholder	100,000	0.14%	-	-
Mr. Hazi Abdul Kader Mia	Shareholder	1,000	0.001%	-	-
Mr. Ayub Hossain Khan	Shareholder	1,000	0.001%	-	-
Mr. S.M. Ashfaqur Rahman	Shareholder	101,000	0.14%	-	-
Mr.Md. Mustafizur Rahman	Shareholder	105,000	0.14%	-	-
Shamima Akhter	Shareholder	30,000	0.04%	-	-
Md. Abul Kalam Azad	Shareholder	51,000	0.07%	-	-
Akram Hossain Md. Feroj	Shareholder	1,000,000	1.37%	-	-
A.T.M. Shafiqul Hasan	Shareholder	120,000	0.16%	-	-
Rajib Kumar Saha	Shareholder	20,000	0.03%	-	-
Zillur Rahman Zilu	Shareholder	20,000	0.03%	-	-
Md. Abdullah al Mamun	Shareholder	20,000	0.03%	-	-
Shamima Nasrin	Shareholder	50,000	0.07%	-	-
Kazi Mahbubul Haque	Shareholder	50,000	0.07%	-	-
Eng. Mahmudul Hasan	Shareholder	110,000	0.15%	-	-



BMSL Invesment Ltd.	Shareholder	10,000	0.01%	-	-
Abaci Investment Ltd (MDA)	Shareholder	10,000	0.01%	-	-
Khairul Hossain	Shareholder	20,000	0.03%	-	-
Partho Kumar Bagchi	Shareholder	50,000	0.07%	-	-
H. A. Mamun	Shareholder	101,000	0.14%	-	-
Satyendra Nath Roy	Shareholder	48,000	0.07%	-	-
Eurodesch Consumer Products Ltd	Shareholder	1,000	0.001%	-	-
Sonamoni Saha	Shareholder	1,000	0.001%	-	-
Most. Afroza Akter	Shareholder	1,000	0.001%	-	-
Lubna Nishat Mim	Shareholder	2,251,000	3.08%	-	-
Nazmun Nahar	Shareholder	1,801,000	2.47%	-	-
Md. Abdus Sabur Khan	Shareholder	1,651,000	2.26%	-	-
Jannatul Marzan	Shareholder	2,251,000	3.08%	-	-
Md. Ikbal Hussain	Shareholder	1,241,000	1.70%	-	-
Md. Abdur Rashid	Shareholder	201,000	0.28%	-	-
Masuda Islam Sharnali	Shareholder	501,000	0.69%	-	-
Shakil Mahmud	Shareholder	501,000	0.69%	-	-
Md. Towhidul Islam	Shareholder	801,000	1.10%	-	-
Md. Faysal Ahmed	Shareholder	501,000	0.69%	-	-
Abdul Kaiwm Sikder	Shareholder	501,000	0.69%	-	-
Safia Begum	Shareholder	901,000	1.23%	-	-
Soneya Akter	Shareholder	701,000	0.96%	-	-
Tania Rashid	Shareholder	751,000	1.03%	-	-
Md. Alauddin	Shareholder	651,000	0.89%	-	-
Tahmina Nupur	Shareholder	151,000	0.21%	-	-
Md. Masum Billah	Shareholder	1,000	0.001%	-	-
Md. Khalid Hossain	Shareholder	1,000	0.001%	-	-
Mushfiq UI Quayoom	Shareholder	1,000	0.001%	-	-
Neaz Rahman Shaqib	Shareholder	1,000	0.001%	-	-
<b>Total</b>		<b>73,000,000</b>	<b>100%</b>	<b>9,900,000</b>	<b>100%</b>

#### 10.00 Retained Earnings:

This amount consists of as follows:

Balance brought forward

60,209,267 -

Add: Net Profit for the year

59,024,705 60,209,267

**119,233,972** **60,209,267**

**11.00 Deferred Tax Liability:**

This amount consists as follows:

Carrying Value of Property, Plant & Equipment (Annexure-A)	211,400,486	147,873,513
As Tax Base	184,876,723	136,379,817
Temporary Difference	<u>26,523,763</u>	<u>11,493,696</u>
<b>Deferred Tax Liabilities @35%</b>	<b>9,283,317</b>	<b>4,022,794</b>
Opening Deferred Tax Liability	4,022,794	-
Deferred Tax Liability/Expenses (Current year)	<u>5,260,523</u>	<u>4,022,794</u>

**12.00 Provision for WPPF**

Profit before contribution for WPPF	95,347,600	-
Provision for contribution @5% Profit After WPPF	<u>4,540,362</u>	<u>-</u>

**13.00 Trade Payables:**

<b>Opening balance;</b>	11,847,860	-
Trade Payable acquired through vendor agreement	-	9,536,835
Add: Purchase during the period	258,806,463	280,869,924
Total:	270,654,323	290,406,759
Less: Adjustment / recovery	254,742,536	278,558,899
<b>Closing balance (Details are in Annexure-C)</b>	<u>15,911,787</u>	<u>11,847,860</u>
This consists of the following year's addition		
Raw and Packing Materials	9,884,766	5,412,642
Chemicals	6,027,021	6,435,218
	<u>15,911,787</u>	<u>11,847,860</u>

**14.00 Vendor Payable Accounts:**

The above amount is payable to A.F.M Anowarul Huq, proprietor of M/S Indo-Bangla Pharmaceutical Works for the amount of purchase consideration amount tk. 269,837,213 due to net assets taken over (except bank liabilities of Indo-Bangla Pharmaceuticals Works) less shares issued amount tk. 98,000,000.

Assets Taken Over

Machineries	98,000,000	98,000,000
Generator	2,882,879	2,882,879
Furniture & Fixture	390,074	390,074
Office Equipment	55,901	55,901
Transport	1,861,826	1,861,826
Inventory	103,277,537	103,277,537
Trade & Other Receivables	44,517,949	44,517,949
Advance, Deposit and Prepayments	30,889,668	30,889,668
Cash & Cash Equivalent	1,224,665	1,224,665
<b>Total Assets:</b>	<b>283,100,499</b>	<b>283,100,499</b>

Liabilities Taken Over:

Trade & Other Payables	9,536,835	9,536,835
Liabilities for Expenses	3,726,451	3,726,451

**Total Liabilities:**

<b>Purchase Consideration</b>	<b>269,837,213</b>	<b>269,837,213</b>
Less: Issued 98,00,000 no. of Shares @ Tk. 10	98,000,000	98,000,000
<b>Payable to Vendor</b>	<b>171,837,213</b>	<b>171,837,213</b>
Less: Paid & Adjustment during the year	171,837,213	-
<b>Balance</b>	<u>-</u>	<u>171,837,213</u>

**15.00 Provision for Taxes**

This has been arrived as at under;

Balance b/d	28,397,581	-
Add: Provision during the Period	26,522,010	28,397,581
	<u>54,919,591</u>	<u>28,397,581</u>

Tax assessment up to Income year 2014-2015 has been completed. As per assessment tax liability stood at Tk.34,117,129 subsequently paid Tk.8,551,199.

**16.00 Liabilities for Expenses:**

This consists of the following

Telephone Bill	8,558	68,045
Electricity Bill	136,612	175,562
Directors Remuneration	150,000	-
Salary & Wages	3,999,715	2,913,248
Repairs and Maintenance	6,909,896	3,948,512
Audit Fees with VAT	172,500	172,500
Factory Rent	109,000	425,100
Others	3,503	1,850
	<u>11,489,784</u>	<u>7,704,817</u>

**17.00 Net Sales Revenue:**

Net Sales (Net off VAT)	444,777,724	435,024,108
	<u>444,777,724</u>	<u>435,024,108</u>

Sales represents details are in Annexure-D

**18.00 Cost of Sales:**

This has been arrived as under;

Raw Material Consumed	Notes #18.01	179,027,986	168,618,598
Add: Work in process (Opening)		17,689,450	-
Add: Work in process (Taken over)		-	20,558,942
Less: Work in Process (Closing)		18,013,355	17,689,450
<b>Total Consumption</b>		<u>178,704,081</u>	<u>171,488,090</u>
Add: Manufacturing Overhead	Notes #18.02	26,534,444	22,746,902
Add: Direct expenses	Notes #18.03	65,375,188	62,410,047
<b>Cost of Production</b>		<u>270,613,713</u>	<u>256,645,040</u>
Add: Finished Goods (Opening balance)		39,238,921	-
Add: Finished Goods (Taken over)		-	42,541,260
<b>Finished Goods Available</b>		<u>309,852,634</u>	<u>299,186,300</u>
Less: Finished Goods (Closing balance Details are in Annexure-E)		45,053,550	39,238,921
Less: Sample Costs		2,270,092	2,063,720
<b>Cost of Sales:</b>		<u>262,528,992</u>	<u>257,883,659</u>

**18.01 Material Consumed:**

Opening balance	57,483,839	-
Materials (Taken over)	-	33,109,890
Add: Material Purchased	<u>191,099,554</u>	<u>192,992,547</u>
Import	124,513,068	151,023,980
Local	66,586,486	41,968,567
Less: Materials (Closing balance Details are in Annexure-F)	69,555,407	57,483,839
<b>Total</b>	<u>179,027,986</u>	<u>168,618,598</u>

<b>18.02 Manufacturing Overhead:</b>		
Salary & Wages	4,150,471	4,049,240
Cork & Cap	1,616,056	1,576,640
Carton & Label	2,187,929	2,134,565
Hand Glove, Tape, Gum etc.	161,463	157,525
Quality Control Expenses	246,743	240,725
Accessories	1,790,853	1,747,174
Apron & Uniform	164,875	160,853
Carriage Inward	693,611	676,693
Water bill	5,265	4,680
Washing Expenses	2,400	122,027
Maintenance of Machine (Spare parts)	Notes #18.02.01 7,795,778	6,317,378
Electricity Bill Factory	1,367,000	1,491,598
Maintenance of Factory Building	409,672	399,680
Factory Rent	1,308,000	425,100
Depreciation (Annexure-A)	4,634,327	3,243,023
	<b><u>26,534,444</u></b>	<b><u>22,746,902</u></b>
<b>18.02.01 Spare Parts Consumption</b>		
Opening balance	6,620,359	-
Spare Parts (Taken Over)	-	1,955,893
Purchase during the year	9,259,142	10,981,844
Less: Stock of Spare parts (Closing balance)	8,083,723	6,620,359
Consumption	<b><u>7,795,778</u></b>	<b><u>6,317,378</u></b>
<b>18.03 Direct expenses:</b>		
Delivery Charges	651,177	620,169
Packing Materials	Notes #18.03.1 63,763,972	60,875,555
Medical Bag Expenses	363,225	345,928
Cost of Literature	96,910	92,296
Remission Settlement	499,904	476,099
Total	<b><u>65,375,188</u></b>	<b><u>62,410,047</u></b>
<b>18.03.1 Packing Materials</b>		
Opening balance	21,131,530	-
Packing Materials (Taken over)	-	5,111,552
Purchase during the year	58,447,767	76,895,533
Less: Packing Materials (Closing balance)	15,815,325	21,131,530
Consumption	<b><u>63,763,972</u></b>	<b><u>60,875,555</u></b>
<b>19.00 Administrative Expenses</b>		
Salary of Office Staff	8,633,432	8,550,811
Director Remuneration (Note-26)	1,050,000	-
Board Meeting Fee (Note-26)	245,000	-
Travelling & Conveyance	2,087,305	2,069,844
Entertainment	1,502,018	1,480,016
Office Rent	130,800	130,800
Printing & Stationery	1,806,365	1,796,917
News Paper & Magazine	42,033	36,550
Post & Telegram	304,637	264,902
Insurance Premium	152,319	51,233
License & Legal Fee	568,870	417,970
Telephone Bill	99,698	404,855
TA & DA of Field Staff	3,027,415	2,909,270
Audit Fees	172,500	172,500
Electricity Bill	305,420	296,792

Maintenance of Transport	1,510,390	1,487,296
Securities service	645,826	561,588
Preliminary expenses (Notes-19.01)	-	519,265
Bank Charge	4,830	4,400
Others expenses	214,924	435,412
Depreciation (Annexure-A)	877,464	416,594
<b>Total</b>	<b><u>23,381,246</u></b>	<b><u>22,007,014</u></b>

**19.01 Preliminary & Pre-operating expenses:**

RJSC Registration Fee	-	464,000
Stamp Charges	-	11,000
Trade Licenses Fees	-	5,000
Entertainment	-	22,517
Service Charge	-	11,535
Fees & Form	-	5,213
	<b><u>-</u></b>	<b><u>519,265</u></b>

Preliminary & Pre-Operating Expenses are fully written off in the Income year 2014-2015.

**20.00 Selling & Distributing Expenses**

Salary & allowance (Including Depot Staff)	32,815,664	32,274,490
Incentive Bonus	2,338,816	2,294,623
Carriage Outward	2,179,769	2,156,321
Packing Materials-Selling & Distribution	3,201,249	3,131,521
Sales Promotion	3,424,488	3,325,642
Training & seminar Expenses	4,464,889	4,056,425
Entertainment for Conference	1,930,204	1,852,351
Gift & Presentation (Promotional Materials)	2,184,686	2,160,752
Sample expense	2,270,092	2,063,720
Travelling & Conveyance	9,560,520	9,397,606
	<b><u>64,370,377</u></b>	<b><u>62,713,451</u></b>

**21.00 Non-Operating Income:**

Misc Sales	241,107	209,658
Interest on FDR	609,384	-
	<b><u>850,491</u></b>	<b><u>209,658</u></b>

**22.00 Current Tax:**

Profit before tax as per account	90,807,238	92,629,642
Add: Accounting depreciation	5,511,791	3,659,617
Less: Tax base depreciation	(20,541,858)	(15,153,313)
Current year profit before Tax	<b><u>75,777,171</u></b>	<b><u>81,135,946</u></b>
Current Tax @ 35%	<b><u>26,522,010</u></b>	<b><u>28,397,581</u></b>

**23.00 Earnings Per Share:**

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

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

Total Comprehensive Income for the Year	59,024,705	60,209,267
Weighted Average number of ordinary shares outstanding	22,543,442	9,407,407
<b>Earnings per share (Basic)</b>	<b><u>2.62</u></b>	<b><u>6.40</u></b>
Weighted Average Number of Shares		Weight

100,000	Shares		1.00	100,000	100,000
9,800,000	Shares		1.00	9,800,000	9,307,407
10,000,000	Shares (allotment date 06/08/2015)		0.9016	9,016,393	-
53,100,000	Shares (allotment date 06/06/2016)		0.0683	3,627,049	-
<b>Weighted Average Number of Shares</b>				<b>22,543,442</b>	<b>9,407,407</b>

#### 24.00 Net Assets Value Per Share:

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

Total Assets	945,378,813	383,019,532
Less: Non-Current Liabilities + Current Liabilities	96,144,841	223,810,265
Net Assets Value	849,233,972	159,209,267
Number of ordinary shares outstanding	73,000,000	9,900,000
	<b>11.63</b>	<b>16.08</b>

#### 25.00 Related parties Transactions:

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

##### (a) Remuneration

Name	Designation	Nature of Transaction	Amount in (BDT)	
			2015-2016	2014-2015
Mr. A.F.M Anowarul Huq	Managing Director	Remuneration	1,050,000	-

##### (b) Board meeting fee

Name	Designation	Number of meeting	Amount in (BDT)	
			2015-2016	2014-2015
Mrs. Aziza Yeasmin	Chairman	7	35,000	-
Mr. A.F.M Anowarul Huq	Managing Director	7	35,000	-
Mrs. Hafiza Yeasmin	Director	7	35,000	-
Md. Amin-Ur-Rashid	Director	7	35,000	-
Sayeda Huq	Director	7	35,000	-
Md. Bellal Khan	Ex Director	7	35,000	-
Aysha Siddika	Ex Chairman	7	35,000	-

##### (c) Factory Rent

Name of the parties	Relationship	Nature of Transaction	Amount in (BDT)	
			2015-2016	2014-2015
Mrs. Aziza Yeasmin	Chairman	Factory Rent	1,308,000	425,100
Mr. A.F.M Anowarul Huq	Managing Director	Factory Rent		
Mrs. Hafiza Yeasmin	Director	Factory Rent		

**26.00 Production Capacity and Utilization**

Item	Unit	Production Capacity		Actual Production		Capacity Utilization		
		2016	2015	2016	2015	2016		2015
Tablet	Million Pcs	87	84.5	58	55	66.67%		65.09%
Capsule	Million Pcs	435	425	290	280	66.67%		65.88%
Liquid	Million ML	145	140	87	81	60.00%		57.86%

**27.00 The requirements of schedule XI, Part II, Para 3, of the company Act.1994****Employees**

Number of employees whose salary was below Tk. 5,300

Number of employees whose salary was above Tk. 5,300

2016	2015
-	-
206	138

**28.00 Financial Risk Management**

The management of company has overall for the establishment and oversight of the company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risk for its use of financial instruments.

Credit Risk

Liquidity Risk

Market Risk

**Credit Risk**

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables. Management has a credit policy in place and exposure to credit risk monitored on an ongoing basis. As at 30th June 2016 substantial part of the receivables are those from its related company and subject to insignificant credit risk. Risk exposures from other financial assets. i.e. Cash at bank and other external receivables are nominal.

**Liquidity Risk**

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalent to meet expected operational expenses including financial obligation through preparation of the cash flow forecast with due consideration of time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. In extreme stressed conditions the company may get support from the related company in the form of short term financing.

**Market Risk**

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

**(a) Currency risk**

The company is exposed to currency risk on certain revenues and purchases such as revenue from foreign customers and import of raw materials, machineries and equipment. Majority of the company's foreign currency transactions are denominated in USD and relate to procurement of raw materials, machineries and equipment from abroad.

**(b) Interest rate risk**

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



**INDO-BANGLA PHARMACEUTICALS LTD**  
**Schedule of Property Plant & Equipment**  
**As at 30 June 2016**

Category of Assets	COST			Rate	DEPRECIATION			Written Down Value as on 30.06.2016
	Balance as on 01.07.2015	Addition	Total Cost as at 30.06.2016		Balance as on 01.07.2015	Charge During the period	Total as at 30.06.2016	
Machineries & Equipment	114,553,535	4,235,600	118,789,135	3%	3,022,768	3,356,512	6,379,280	112,409,855
Generator	2,882,879	-	2,882,879	3%	86,486	83,892	170,378	2,712,501
Furniture & Fixture	4,352,524	1,508,300	5,860,824	10%	138,069	446,584	584,653	5,276,171
Office Equipment	2,658,481	402,000	3,060,481	10%	92,343	263,314	355,657	2,704,824
Transport	1,861,826	-	1,861,826	10%	186,183	167,564	353,747	1,508,079
Building	21,090,550	62,567,864	83,658,414	2.5%	43,939	786,865	830,804	82,827,610
Water Plant	2,512,960	-	2,512,960	10%	62,824	245,014	307,838	2,205,122
ETP Plant	1,620,375	325,000	1,945,375	10%	27,006	162,045	189,051	1,756,324
<b>Balance 30th June,2016</b>	<b>151,533,130</b>	<b>69,038,764</b>	<b>220,571,894</b>		<b>3,659,617</b>	<b>5,511,791</b>	<b>9,171,408</b>	<b>211,400,486</b>
<b>Balance 30th June,2015</b>	<b>103,190,680</b>	<b>48,342,450</b>	<b>151,533,130</b>		<b>-</b>	<b>3,659,617</b>	<b>3,659,617</b>	<b>147,873,513</b>

**Allocation of Depreciation**

Factory	4,634,327
Administration	877,464
	<u>5,511,791</u>

**INDO-BANGLA PHARMACEUTICALS LIMITED**  
**TRADE RECEIVABLE AMMOUNT DATED: 30.06.2016**

Sl. No	Name of Party	Amount Tk.
		<b>30/6/2016</b>
	<b>General Party</b>	
1	Barendra distribution, Rajshahi	6,824,586
2	Saimun drug, Khulna	6,587,963
3	Shafi Medicall Hall, Jessore	6,025,478
4	Mannan Pharmacy, Ullapara	5,978,641
5	Shaha pharmacy, Sherpur	5,648,752
6	Rakib medical hall, Bogura	5,626,897
7	khokon medical hall, Khulna	5,248,759
8	Rafiq medical hall, Natore	5,062,485
9	Deep medical hall, Rangpur	4,752,654
10	Iqbal medical hall, Kishorgonj	4,254,321
11	City pharmacy, Glachipa	4,054,219
12	Badal pharmacy, Gopalganj	3,787,741
13	Kanai Lal Pharma, Faridpur	3,514,875
14	Rumman Medical, Bogura	1,678,956
15	Ali Medical, Kishorgonj	1,352,411
16	Shahin Medical Hall, Dhaka	1,263,045
17	Sundorban Pharmacy, Comilla	1,245,786
18	Jannat Medical, Natore	1,124,586
19	Bangladesh Medical Hall, Maymensing	1,054,265
20	City Medical Hall, Magura	2,880,546
21	Tanvir Medical Hall, Hatia	877,643
22	Asha Drug, Khulna	1,678,452
23	Shams pharmacy, Chittagong	2,474,203
24	Aroga Niketon, Dohar	458,693
25	Basin Medical Hall, Narshingdi	888,745
26	Lovely Enterprise, Feni	385,235
27	Janata Medical Hall, Gopalganj	3,500,000
28	Rup Saj Corner, Sayedpur	2,378,451
29	Helal Drug, Rajshahi	2,367,665
30	Utsab Meidcal, Kishorgonj	1,354,555
31	Taramoni Medical Hall, Faridpur	3,345,869
32	Prodip Medical Store, Jessore	4,026,650
33	Tanzila Medical Hall, Bogra	3,526,650
34	Badhan Pharmacy, Jhinaidah	2,520,050
35	Lia Aroggo Niketon, Chittagong	2,526,650
36	Kanai Lal Medical Hall, Faridpur	1,380,458
	<b>Sub Total Tk.</b>	<b>111,656,935.00</b>

**Annexure-C**

**INDO-BANGLA PHARMACEUTICALS LIMITED**  
**TRADE PAYABLE AMMOUNT DATED: 30.06.2016**

Sl. No	Name of the Medical Hall	Address	Payable Amount
1	Pirojpur Printing & Packing	185, Fakirapul, Motijhil, Dhaka.	1,533,875
2	S.T.S Foil Corporation	Fakirapul, Motijhil, Dhaka.	3,259,742
3	M.K. Printers	103, Arambag, Motijhil, Dhaka.	1,652,645
4	Jass Corporation	Asulia, Savar.	3,835,245
5	Oni Printers	240/3, Fakirapul Motijhil, Dhaka.	3,365,875
6	Nahid Perfumary & Chemical	47/C, Midford, Dhaka.	346,512
7	Riya Perfumary	Midford, Dhaka.	255,420
8	Brothers Hood Chemical	Agrabad, Chittagong.	303,415
9	Desh Foil Limited	Sabujbag, Dhaka.	270,954
10	Banik Stors	Bazar Road, Barisal.	233,961
11	Padma Cap	Oponin Mor, Barisal.	223,629
12	Global Capsul	Rupatoli, Barisal.	223,625
13	Rouf Medical Hall	Babu Bazar, Dhaka	221,653
14	Rabby Cartoon	Barisal	185,236
	<b>Total Taka</b>		<b>15,911,787</b>

**Annexure-D**

**INDO-BANGLA PHARMACEUTICALS LIMITED**  
**SALES STATEMENT, DATED: 01/07/2015-30/06/2016**

Sl. No	Name of the Product	Quantity (Box)	Taka (1/7/15-30/6/16)	Quantity (Box)	Taka (18/6/14-30/6/15)
1	Dextrin	250,932	8,782,620	245,913	8,606,968
2	Indomoxin PFS	879,676	17,593,520	862,082	17,241,650
3	Indoplex 100 mg	949,936	13,299,104	930,937	13,033,122
4	Indostin R	452,393	20,357,685	443,345	19,950,531
5	Indocal	439,131	8,782,620	430,348	8,606,968
6	Indozith 500 mg	193,984	10,281,152	190,104	10,075,529
7	I-Cet	1,634,549	27,787,333	1,601,858	27,231,586
8	I-pedom	1,390,538	27,810,760	1,362,727	27,254,545
9	Protobit	421,508	33,299,132	413,078	32,633,149
10	Cipro-I	365,874	18,293,700	358,557	17,927,826
11	I-B Oral Saline	263,880	11,874,600	258,602	11,637,108
12	Indoprox	182,892	18,289,200	179,234	17,923,416
13	Metrol	165,710	8,782,787	162,396	8,606,977
14	Indotetra-250mg	338,337	17,593,524	331,570	17,241,654
15	Inket	443,304	13,299,120	434,438	13,033,138
16	Relise	636,177	20,357,664	623,453	19,950,511
17	Riboflavin	165,709	8,782,577	162,395	8,606,925
18	Zins Syrup	734,368	10,281,152	719,681	10,075,529
19	Indoplex 200mg	1,389,366	27,787,320	1,361,579	27,231,574
20	Seplon	1,738,173	27,810,768	1,703,410	27,254,553
21	Indoflox PFS	1,109,970	33,299,100	1,087,771	32,633,118
22	Indocef	703,604	18,293,704	689,532	17,927,830
23	Indomol Plus	224,049	11,874,597	210,606	11,162,121
24	Trilugel	304,820	18,289,200	292,627	17,540,492
25	Fixim PFS	182,689	11,874,785	179,035	11,637,289
	<b>Total Taka</b>	<b>15,561,569</b>	<b>444,777,724</b>	<b>15,235,279</b>	<b>435,024,108</b>

**INDO-BANGLA PHARMACEUTICALS LIMITED**  
**FINISHED GOODS**

<b>Sl. No</b>	<b>Name of the Product</b>	<b>Quantity (Box)</b>	<b>Taka (30/06/2016)</b>	<b>Quantity</b>	<b>Taka (30/06/2015)</b>
1	Dextrin	44,721	1,565,235	29,516	1,033,055
2	Indomoxin PFS	49,352	987,040	32,572	651,446
3	Indoplex 100 mg	92,730	1,298,220	61,202	856,825
4	Indostin R	80,341	3,615,345	53,025	2,386,128
5	Indocal	78,262	1,565,240	51,653	1,033,058
6	Indozith 500 mg	35,149	1,862,897	23,198	1,229,512
7	I-Cet	151,450	2,574,650	99,957	1,699,269
8	I-pedom	82,178	1,643,560	54,237	1,084,750
9	Protobit	77,192	6,098,168	116,947	9,238,791
10	Cipro-I	71,748	3,587,400	113,354	5,667,684
11	I-B Oral Saline	42,756	1,924,020	28,219	1,269,853
12	Indoprox	11,784	1,178,400	7,777	777,744
13	Indoplex 200mg	93,765	1,875,300	61,885	1,237,698
14	Indozith 15 PFS	76,370	1,985,620	50,404	1,310,509
15	Indozith 30 PFS	52,521	2,626,049	34,664	1,733,193
16	Inket	75,308	2,259,240	49,703	1,491,098
17	Relise	157,096	5,027,072	138,158	4,307,451.80
18	Seplon	115,882	1,854,112	76,482	1,223,714
19	Zins Syrup	108,999	1,525,982	71,939	1,007,142
	<b>Total Taka</b>		<b>45,053,550</b>		<b>39,238,921</b>

**INDO-BANGLA PHARMACEUTICALS LIMITED**

**Annexure-F**

**Stock of RAW Materials**

SL	Name of Product	As at 30th June,2016			As at 30th June,2015		
		Stock (Qut)	Rate	Amount in Tk.	Stock (Qut)	Rate	Amount in Tk.
01	Albendazole	655	1,300	851,500	511	1,280	653,952
02	Aminophylline	365	800	292,000	285	800	227,760
03	Amoxicillin Trihydrate	625	2,500	1,562,500	488	2,450	1,194,375
04	Amoxicillin Trihydrate (Micronized)	335	2,500	837,500	261	2,500	653,250
05	Aluminium Hydroxide Dried Gel	313	300	93,900	244	300	73,242
06	Ascorbic Acid	340	420	142,800	265	420	111,384
07	Aceclofenac	355	2,110	749,050	277	2,110	584,259
08	Azithromycin (Compacted)	156	12,200	1,903,200	122	12,200	1,484,496
09	Azithromycin (Mic)	126	12,200	1,537,200	98	12,200	1,199,016
10	Ciprofloxacin Hydrochloride	173	2,400	415,200	135	2,400	323,856
11	Cetirizine Dihydrochloride	225	3,408	766,800	176	3,408	598,104
12	Dextrose Monohydrate			-	-		-
13	Calcium Carbonate	755	19	14,345	589	19	11,189
14	Calcium Lactate	576	128	73,728	449	128	57,508
15	Caffeine Anhydrous	290	1,070	310,300	226	1,070	242,034
16	Cephadrine (Com.)	275	4,800	1,320,000	315	4,800	1,509,600
17	Cephadrine (Mic)	175	4,800	840,000	137	4,800	655,200
18	Di-calcium Phosphate	219	38	8,322	171	38	6,491
19	Doxycycline Hydrochloride	450	4,600	2,070,000	351	4,600	1,614,600
20	Diclofenac Sodium	310	1,020	316,200	242	1,020	246,636
21	Diclofenac Sodium SR Pellets	383	1,140	436,620	299	1,140	340,564
22	Doxtorose Anhydrous	287	82	23,534	224	82	18,357
23	Diazepam	254	2,000	508,000	198	2,000	396,240
24	Domperidone Plain	14	8,100	113,400	11	8,100	88,452
25	Dexamethasone	21	8,100	170,100	16	8,100	132,678
26	Ferrous Sulphate	11	58,000	638,000	12	58,000	671,640
27	Flucloxacillin Sodium	230	168	38,640	179	168	30,139
28	Folic Acid	245	3,484	853,580	191	3,484	665,792
29	Ferrous Fumarate	770	2,400	1,848,000	601	2,400	1,441,440
30	Hyoscin Butyl Bromide	362	169	61,178	282	169	47,719
31	Ibuprofen	1	115,000	143,750	1	115,000	112,125
32	Indomethacin	174	850	147,900	136	850	115,362
33	Ketorolac	135	2,300	310,500	105	2,300	242,190
34	Magnesium Hydroxide	15	19,000	285,000	12	19,000	222,300
35	Mebendazole	520	260	135,200	406	260	105,456
36	Metronidazole	530	1,200	636,000	413	1,200	496,080
37	Metronidazole Benzoate	80	830	66,400	62	830	51,792
38	Naproxen	70	1,080	75,600	55	1,080	58,968
39	Nicotinamide	11	3,800	41,800	9	3,800	32,604
40	Neutral Pellets	205	850	174,250	160	850	135,915
41	Omeprazole Pellets 8.5%	80	540	43,200	62	540	33,696
42	Paracetamol	165	910	150,150	129	910	117,117
43	Potassium Chloride	225	315	70,875	176	315	55,283
44	Promethazine Hydrochloride	706	18	12,708	551	18	9,912
45	Pyridoxine Hydrochloride (B6)	10	2,800	28,000	8	2,800	21,840
46	Ranitidine Hydrochloride	49	2,600	127,400	38	2,550	97,461
47	Riboflavine (B2)	148	1,280	189,440	115	1,280	147,763

48	Riboflavine 5 Phosphate Sodium	148	3,400	503,200	115	3,400	392,496
49	Sulphamethoxazole	54	6,900	372,600	42	6,900	290,628
50	Sodium citrate	122	1,020	124,440	95	1,020	97,063
51	Sodium Chloride	300	108	32,400	234	108	25,272
52	Salbutamol	700	32	22,400	546	32	17,472
53	Tetracycline Hydrochloride	79	1,200	94,800	62	1,200	73,944
54	Thiamine Dydrochloride (B1)	280	1,390	389,200	218	1,390	303,576
55	Trimethoprim	310	2,600	806,000	242	2,600	628,680
56	Zinc Sulphate	88	1,780	156,640	69	1,780	122,179
57	Triprolidine Hydrochloride	126	28	3,528	98	28	2,752
58	Pseuduephedrine HCL	127	900	114,300	99	900	89,154
59	Dextromethorphan HBR	223	6,500	1,449,500	174	6,500	1,130,610
60	Cefixime Compacted	165	1,090	179,850	129	1,090	140,283
61	Oxitetracline Hydrochloride	476	14,000	6,664,000	411	14,000	5,757,920
62	Aerosil	465	650	302,250	363	650	235,755
63	Avicel Rc-591	375	140	52,500	293	140	40,950
64	Avicel-01	258	225	58,050	201	225	45,279
65	Aspertem	425	90	38,250	332	90	29,835
66	Amarmath Colour	365	650	237,250	285	650	185,055
67	Banana Flavour Liq	460	800	368,000	359	800	287,040
68	Banana Trusil Flavour Powder	375	1,200	450,000	293	1,200	351,000
69	Citric Acid Monohydrate	425	85	36,125	332	85	28,178
70	Citric Acid Anhydrous	510	94	47,940	398	94	37,393
71	Carboxy Methyl Cellulose Sodium CMCS	320	322	103,040	250	322	80,371
72	Caustic Soda	280	9	2,520	218	9	1,966
73	Erythrosin Lake (Diclofenac Colour) Pink	552	3,100	1,711,200	431	3,000	1,291,680
74	Essence Lemon	325	800	260,000	254	800	202,800
75	ETDA	254	400	101,600	198	400	79,248
76	Gum Acacia	354	320	113,280	276	320	88,358
77	Gluconate Liquid (Seplon)	256	690	176,640	200	690	137,779
78	Gelatine	425	120	51,000	332	120	39,780
79	Glycerine	376	68	25,568	293	68	19,943
80	Green Lake Color (Indoprox)	724	3,100	2,244,400	665	3,000	1,994,160
81	Hydroxypropyl Methyl Cellulose (HPMC)	225	640	144,000	176	640	112,320
82	Hydrochloric Acid (HCL)	365	18	6,570	285	18	5,125
83	Iso. Prpyl Alcohol (IPA)	256	90	23,040	200	90	17,971
84	Lactose	457	258	117,906	356	258	91,967
85	L 30 D 35	1,260	392	493,920	983	392	385,258
86	Methyl Paraben Plain (M.P.P)	129	425	54,825	101	425	42,764
87	Mannitol	265	185	49,025	207	185	38,240
88	Methanol	453	84	38,052	353	84	29,681
89	mango Flavour (Powder)	254	1,200	304,800	198	1,200	237,744
90	Manthl	256	90	23,040	200	90	17,971
91	Maize Starch (Apple)	524	58	30,392	409	58	23,706
92	Maize Starch (Globe)	352	62	21,824	275	62	17,023
93	Magnesium Stearate	375	120	45,000	293	120	35,100
94	Methyl Paraben Sodium (MPS)	185	325	60,125	144	325	46,898
95	Orange Red Colour	765	650	497,250	597	650	387,855

96	Orange Lake Colour (vitamine)	852	3,100	2,641,200	666	3,100	2,063,236
97	Orange Liquid	158	800	126,400	123	800	98,592
98	Orange Flavour (Powder)	485	1,200	582,000	378	1,200	453,960
99	Orange Oil	225	330	74,250	176	330	57,915
100	Povidone K-30	195	720	140,400	152	720	109,512
101	Sodium Thiosulphate	285	80	22,800	222	80	17,784
102	Potassium Sorbate	1,258	350	440,300	981	350	343,434
103	Propyl paraben Plain (P.P.P)	1,128	700	789,600	880	700	615,888
104	Propyl Paraben Sodium (P.P.S)	1,858	900	1,672,200	1,449	900	1,304,316
105	Poly Ethylen Glycol (PEG)	1,325	650	861,250	1,034	650	671,775
106	Purified Talc.	1,045	60	62,700	815	60	48,906
107	Propylene Glycol	1,925	180	346,500	1,502	180	270,270
108	Pineapple Liquid	1,498	900	1,348,200	1,168	900	1,051,596
109	Polish/Carnubawax	1,396	450	628,200	1,089	450	489,996
110	Ruspberry Red Colour	1,825	1,600	2,920,000	1,424	1,570	2,234,895
111	Ruspberry Trusil Flavour (Powder)	2,087	1,200	2,504,400	1,628	1,200	1,953,432
112	Sodium Starch Glycolate	1,575	750	1,181,250	1,229	750	921,375
113	Saccharin Sodium	1,352	280	378,560	1,055	280	295,277
114	Sorbitol 70% Solution	2,135	840	1,793,400	2,065	840	1,734,852
115	Sodium Benzoate	1,285	260	334,100	1,002	260	260,598
116	Sodium Lauryl Sulphate (Cetrimide)	1,150	450	517,500	897	445	399,165
117	Strawberry Liquid	2,485	900	2,236,500	2,238	875	1,958,513
118	Seplon Scent	1,856	1,100	2,041,600	1,598	1,050	1,677,564
119	Sucrose	924	85	78,540	721	85	61,261
120	Tween-80	678	800	542,400	529	775	409,851
121	Titanium Dioxide	725	350	253,750	566	330	186,615
122	Eudragit-L 100	410	4,200	1,722,000	422	4,100	1,729,380
123	Yellow Colour	529	900	476,100	413	890	367,232
124	Vanilla Flavour Liquid	448	900	403,200	203	889	180,467
125	Yellow Lake Colour	356	3,600	1,281,600	578	3,575	2,065,206
126	Cap Protobit (Size#2) D Blue-White	1,249,983	0.17	212,497	974,987	0.17	165,748
127	(Size #1) Green op - white op	1,800,000	0.17	306,000	1,407,820	0.15	211,173
	<b>Total</b>			<b>69,555,407</b>			<b>57,483,839</b>

(b) **Information as is required under section 186 of the কোম্পানি আইন, ১৯৯৪ relating to holding company;**

Not applicable for Indo-Bangla Pharmaceuticals Limited as it is not a holding Company.

(c) Selected ratios as specified in Annexure-D;

**Auditor's certificate regarding calculation of EPS and Ratios**

This is to certify that Indo-Bangla Pharmaceuticals Limited has maintained the following ratios as computed on the basis of the audited financial statements for the year ended June 30, 2016 and 2015.

Particulars	30-Jun-2016		30-Jun-2015
	Ratio		

**I. Liquidity Ratios:**

(i) Current Ratio	7.47		1.02
(ii) Quick Ratio	4.29		0.22

**II. Operating Efficiency Ratios:**

(i) Accounts Receivable Turnover Ratio	5.79		10.50
(ii) Inventory Turnover Ratio	1.76		1.81
(iii) Asset Turnover Ratio	0.67		1.14

**III. Profitability Ratios:**

(i) Gross Margin Ratio	40.98%		40.72%
(ii) Operating Profit Ratio	21.25%		21.24%
(iii) Net Profit Ratio	13.27%		13.84%
(iv) Return on Assets Ratio	8.89%		15.72%
(v) Return on Equity Ratio	11.71%		37.82%
(vi) Basic Earnings Per Share (EPS)	2.62		6.40
(vii) EBITDA Margin	22.49%		22.09%

**IV. Solvency Ratios:**

(i) Debt to Total Assets Ratio	-		-
(ii) Debt to Equity Ratio	-		-
(iii) Times Interest Earned Ratio	-		-
(iv) Debt Service Coverage Ratio	-		-

**V. Cash Flow Ratios:**

(i) Net Operating Cash Flow per Share (NOCFPS)	0.19		7.56
(ii) NOCFPS to EPS Ratio	0.07		1.18

Place: Dhaka  
Date: October 01, 2017

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

**1. It is observed that return on equity and EPS are declining year to year. Explain;**

Our profitability did not decrease; it is remaining same to June 30, 2015. In the year ended June 30 2016, Share capital has increased by Tk. 631,000,000 and same time no. of shares has increased by 63,100,000 compare to year ended June 30 2015. Hence, return on equity and EPS seems decreased.



<b>Ratio Calculation</b>					
Particulars	Formula	30-06-2016		30-06-2015	
		Calculation	Ratio	Calculation	Ratio
<b>I. Liquidity Ratios:</b>					
(i) Current Ratio	Current Assets/Current Liabilities	614,908,956	7.47	224,744,682	1.02
		82,321,161		219,787,472	
(ii) Quick Ratio	(Current Assets-Inventories-Advance, Deposit & Prepayments)/Current Liabilities	353,061,624	4.29	47,326,605	0.22
		82,321,161		219,787,472	
<b>II. Operating Efficiency Ratios:</b>					
(i) Accounts Receivable Turnover Ratio	Net Sales/Average Accounts Receivables	444,777,724	5.79	435,024,108	10.50
		76,852,400		41,438,482	
(ii) Inventory Turnover Ratio	Cost of Goods Sold /Average Inventory	262,528,992	1.76	257,883,659	1.81
		149,342,730		142,164,099	
(iii) Asset Turnover Ratio	Net Sales/Average Total Assets	444,777,724	0.67	435,024,108	1.14
		664,199,172		383,019,532	
<b>III. Profitability Ratios:</b>					
(i) Gross Margin Ratio	Gross Profit/Net Sales	182,248,732	40.98%	177,140,449	40.72%
		444,777,724		435,024,108	
(ii) Operating Profit Ratio	Operating Profit/Net Sales	94,497,109	21.25%	92,419,984	21.24%
		444,777,724		435,024,108	
(iii) Net Profit Ratio	Net Profit after Tax/Net Sales	59,024,705	13.27%	60,209,267	13.84%
		444,777,724		435,024,108	
(iv) Return on Assets Ratio	Net Profit after Tax/ Average Total Assets	59,024,705	8.89%	60,209,267	15.72%
		664,199,172		383,019,532	
(v) Return on Equity Ratio	Net Profit after Tax/ Average Total Shareholders Equity	59,024,705	11.71%	60,209,267	37.82%
		504,221,620		159,209,267	
(vi) Basic Earnings Per Share (EPS)	Net Profit after Tax/Weighted Average Number of Ordinary Shares Outstanding	59,024,705	2.62	60,209,267	6.40
		22,543,442		9,407,407	
(vii) EBITDA Margin	EBITDA/Net Sales	100,008,901	22.49%	96,079,601	22.09%
		444,777,724		435,024,108	
<b>IV. Solvency Ratios:</b>					
(i) Debt to Total Assets Ratio	Total Debt/Total Assets	-	-	-	-
		945,378,813		383,019,532	
(ii) Debt to Equity Ratio	Total Debt/Total Equity	-	-	-	-
		849,233,972		159,209,267	
(iii) Times Interest Earned Ratio	EBIT/Financial Expenses	94,497,109	-	92,419,984	-
		-		-	
(iv) Debt Service Coverage Ratio	Net Operating Profit / Total Debt Service	100,008,901	-	96,079,601	-
		-		-	
<b>V. Cash Flow Ratios:</b>					
(i) Net Operating Cash Flow per Share (NOCFPS)	Net Operating Cash Flow/ Number of Ordinary Shares Outstanding	14,019,393	0.19	74,856,046	7.56
		73,000,000		9,900,000	
(ii) NOCFPS to EPS Ratio	Net Operating Cash Flow per Share/EPS	0.19	0.07	7.56	1.18
		2.62		6.40	

**Comparison ratios with the industry average ratios of the same periods:**

INDO BANGLA PHARMACEUTICALS LTD.		Industry Average ***	Remark/Explanation
Particulars	30/06/2016	2015	
	Ratio	Ratio	
<b>I. Liquidity Ratios:</b>			
(i) Current Ratio	7.47	2.47	IBPL's Current Ratio is higher as the current assets are higher than the current liabilities.
(ii) Quick Ratio	4.29	1.15	IBPL's Ratio is higher as the quick assets are higher than the current liabilities.
<b>II. Operating Efficiency Ratios:</b>			
(i) Accounts Receivable Turnover Ratio	5.79	10.66	IBPL's Ratio is satisfactory as collection period is shorter.
(ii) Inventory Turnover Ratio	1.76	3.38	IBPL's Ratio is satisfactory as inventory is sold in shorter time.
(iii) Asset Turnover Ratio	0.67	0.57	IBPL's Ratio is satisfactory with the average industry.
<b>III. Profitability Ratios:</b>			
(i) Gross Margin Ratio	40.98%	45.21%	IBPL's Ratio is satisfactory with the average industry as the ratio of the same nature of the business is almost same.
(ii) Operating Profit Ratio	21.25%	25.50%	IBPL's Ratio is satisfactory with the average industry as the ratio of the same nature of the business is almost same.
(iii) Net Profit Ratio	13.27%	15.87%	IBPL's Ratio is satisfactory with the average industry as the ratio of the same nature of the business is almost same.
(iv) Return on Assets Ratio	8.89%	9.56%	IBPL's Ratio is satisfactory with the average industry.
(v) Return on Equity Ratio	11.71%	13.11%	IBPL's Ratio is satisfactory with the average industry.
(vi) Basic Earnings Per Share (EPS)	2.62	5.27	IBPL's Ratio is satisfactory with the average industry.
(vii) EBITDA Margin	22.49%	262.33%	IBPL's Ratio is satisfactory with the average industry.
<b>IV. Solvency Ratios:</b>			
(i) Debt to Total Assets Ratio	-	0.14	IBPL's Ratio is null as the company has no long term and short term debt.
(ii) Debt to Equity Ratio	-	0.22	IBPL's Ratio is null as the company has no long term and short term debt.
(iii) Times Interest Earned Ratio	-	14.15	IBPL's Ratio is null as the company has no financial expense.
(iv) Debt Service Coverage Ratio	-	Not Available	IBPL's Ratio is null as the company has no long term and short term debt.
<b>V. Cash Flow Ratios:</b>			
(i) Net Operating Cash Flow per Share (NOCFPS)	0.19	3.05	IBPL's Ratio is satisfactory as Net Operating Cash Flow is positive.
(ii) NOCFPS to EPS Ratio	0.07	0.79	IBPL's Ratio is satisfactory as Net Operating Cash Flow is positive.

\*\*\* The Industry average ratio is calculated through using the ratio of 5 listed similar companies namely Square Pharma Ltd. for the year ended March 31, 2015, Beximco Pharma Ltd. for the year ended December 31, 2015, Pharma Aid Ltd. for the year ended June 30, 2015, Beacon Pharma Ltd. for the year ended June 30, 2015 and Central Pharma Ltd. for the year ended June 30, 2015. (Source: Annual Report) Information for the Company Ambee Pharmaceuticals Limited, Orion Pharma Limited & Renata Limited is not available.

INDO BANGLA PHARMACEUTICALS LTD.		Industry Average ***	Remark/Explanation
Particulars	30/06/2015 Ratio	2014 Ratio	
<b>I. Liquidity Ratios:</b>			
(i) Current Ratio	1.02	1.95	IBPL's Current Ratio is higher as the current assets are higher than the current liabilities.
(ii) Quick Ratio	0.22	1.02	IBPL's Ratio is lower as the quick assets are lower than the current liabilities.
<b>II. Operating Efficiency Ratios:</b>			
(i) Accounts Receivable Turnover Ratio	10.50	8.77	IBPL's Ratio is satisfactory as collection period is shorter.
(ii) Inventory Turnover Ratio	1.81	2.95	IBPL's Ratio is satisfactory as inventory is sold in shorter time.
(iii) Asset Turnover Ratio	1.14	0.54	IBPL's Ratio is satisfactory with the average industry.
<b>III. Profitability Ratios:</b>			
(i) Gross Margin Ratio	40.72%	46.97%	IBPL's Ratio is satisfactory with the average industry as the ratio of the same nature of the business is almost same.
(ii) Operating Profit Ratio	21.24%	22.67%	IBPL's Ratio is satisfactory with the average industry as the ratio of the same nature of the business is almost same.
(iii) Net Profit Ratio	13.84%	13.87%	IBPL's Ratio is satisfactory with the average industry as the ratio of the same nature of the business is almost same.
(iv) Return on Assets Ratio	15.72%	6.70%	IBPL's Ratio is satisfactory with the average industry.
(v) Return on Equity Ratio	37.82%	14.01%	IBPL's Ratio is satisfactory with the average industry.
(vi) Basic Earnings Per Share (EPS)	6.40	8.19	IBPL's Ratio is satisfactory with the average industry.
(vii) EBITDA Margin	22.09%	197.69%	IBPL's Ratio is satisfactory with the average industry.
<b>IV. Solvency Ratios:</b>			
(i) Debt to Total Assets Ratio	-	0.19	IBPL's Ratio is null as the company has no long term and short term debt.
(ii) Debt to Equity Ratio	-	0.67	IBPL's Ratio is null as the company has no long term and short term debt.
(iii) Times Interest Earned Ratio	-	7.90	IBPL's Ratio is null as the company has no financial expense.
(iv) Debt Service Coverage Ratio	-	Not Available	IBPL's Ratio is null as the company has no long term and short term debt.
<b>V. Cash Flow Ratios:</b>			
(i) Net Operating Cash Flow per Share (NOCFPS)	7.56	8.97	IBPL's Ratio is satisfactory as Net Operating Cash Flow is positive.
(ii) NOCFPS to EPS Ratio	1.18	1.50	IBPL's Ratio is satisfactory as Net Operating Cash Flow is positive.

\*\*\* The Industry average ratio is calculated through using the ratio of 8 listed similar companies namely Square Pharma Ltd. for the year ended March 31, 2014, Beximco Pharma Ltd. for the year ended December 31, 2014, Renata Ltd. for the year ended December 31, 2014, Pharma Aid Ltd. for the year ended June 30, 2014, Orion Pharma Ltd. for the year ended December 31, 2014, Beacon Pharma Ltd. for the year ended June 30, 2014, Central Pharma Ltd. for the year ended June 30, 2014 and Ambee Pharma Ltd. for the year ended December 31, 2014. (Source: Annual Report)

**Rationale for choosing these 8 Companies:**

There are twenty-eight pharmaceutical companies listed in the capital market. Among the twenty-eight companies IBPL has taken eight companies because IBPL's product mix matches to these eight companies.

- (d) **Auditors report under Section 135(1), Paragraph 24(1) of Part II of Schedule III of the কোম্পানি আইন, ১৯৯৪. The report shall include comparative income statements and balance sheet and aforementioned ratios for immediate preceding five accounting years of the issuer. If the issuer has been in commercial operation for less than five years, the above mentioned inclusion and submission will have to be made for the period since commercial operation;**

**Auditors' report Under Section-135 (1) and Para-24(1) of Part-II of Schedule-III of the Companies Act 1994**

We have examined the Financial Statements of Indo-Bangla Pharmaceuticals Limited for the year ended June 30, 2015 and 2016 were audited by us. In pursuance of Section-135 (1) and Para-24 (1) of Part-II of Schedule-III of the Companies Act 1994, our report is as under:

**A) Statements of Assets and Liabilities of the company is as under:**

Particulars	Amount in Taka	
	30-Jun-16	30-Jun-15
		Restated
<b>APPLICATION OF FUND</b>		
<b>NON-CURRENT ASSETS</b>		
Property, Plant and Equipment	211,400,486	147,873,513
Work in Progress	119,069,371	10,401,337
<b>Total Non-Current Assets</b>	<b>330,469,857</b>	<b>158,274,850</b>
<b>CURRENT ASSETS</b>		
Inventories	156,521,360	142,164,099
Trade & Other Receivables	112,266,319	41,438,482
Advance, Deposits and Prepayments	105,325,972	35,253,978
Cash and Cash equivalents	240,795,305	5,888,123
<b>Total Current Assets</b>	<b>614,908,956</b>	<b>224,744,682</b>
<b>TOTAL ASSETS</b>	<b>945,378,813</b>	<b>383,019,532</b>
<b>OWNER'S EQUITY</b>		
Share Capital	730,000,000	99,000,000
Retained Earnings	119,233,972	60,209,267
<b>Total Equity</b>	<b>849,233,972</b>	<b>159,209,267</b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred Tax Liability	9,283,317	4,022,794
Provision for WPPF	4,540,362	-
	<b>13,823,679</b>	<b>4,022,794</b>
<b>CURRENT LIABILITIES</b>		
Trade and other Payables	15,911,787	11,847,860
Vendors payable Account	-	171,837,213
Provision for Taxes	54,919,591	28,397,581
Liabilities for Expenses	11,489,784	7,704,817
<b>TOTAL CURRENT LIABILITIES</b>	<b>82,321,162</b>	<b>219,787,471</b>
<b>TOTAL LIABILITIES</b>	<b>96,144,840</b>	<b>223,810,265</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>945,378,813</b>	<b>383,019,532</b>
Net Asset Value (NAV) per Share	11.63	16.08

**B) The statements of operating results of the company is as follow:**

Particulars	Amount in Taka	
	30-Jun-16	30-Jun-15
		Restated
Net Sales Revenue	444,777,724	435,024,108
Cost of Goods Sold	262,528,992	257,883,659
<b>Gross Profit</b>	<b>182,248,732</b>	<b>177,140,449</b>
<b>Operating Expenses:</b>	<b>87,751,623</b>	<b>84,720,465</b>
Administrative Expenses	23,381,246	22,007,014
Selling & Distributing Expenses	64,370,377	62,713,451
<b>Profit from Operations</b>	<b>94,497,109</b>	<b>92,419,984</b>
Non-Operating Income	850,491	209,658
<b>Profit before Contribution to WPPF &amp; Welfare Fund</b>	<b>95,347,600</b>	<b>92,629,642</b>
Contribution to WPPF & Welfare Fund	4,540,362	-
<b>Profit before Tax</b>	<b>90,807,238</b>	<b>92,629,642</b>
<b>Provision for Taxation:</b>	<b>31,782,533</b>	<b>32,420,375</b>
Income Tax Current year	26,522,010	28,397,581
Deferred Tax Current year	5,260,523	4,022,794
<b>Profit after tax</b>	<b>59,024,705</b>	<b>60,209,267</b>
<b>Earnings per Share (Basic)</b>	2.62	6.40
<b>Earnings Per Share (Adjusted)</b>	2.62	2.67

Adjusted Earnings per Share (EPS) for all the years is calculated considering the latest number of share i.e. 73,000,000.

**C. Dividend declared:**

Particulars	30-Jun-16	30-Jun-15
Cash Dividend	Nil	Nil
Stock Dividend (Bonus Share)	Nil	Nil

D. Indo-Bangla Pharmaceuticals Limited (IBPL) was incorporated in Bangladesh as a Private Limited Company with the issuance of Certificate of incorporation bearing no. C-116665/14 dated on June 18, 2014 by the Registrar of Joint Stock Companies & Firms. The Company Converted into public Limited Company on October 21, 2014.

E. The Company started its commercial operation in June 18, 2014.

F. No proceeds or part of the proceeds of the issue of shares would be applied directly by the company in the purchase of any business.

G. The Company did not prepare any statement of accounts for the year subsequent to June 30, 2016.

H. Figures related to previous years have been re-arranged whenever considered necessary.

Place: Dhaka  
Date: September 24, 2016

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

## (e) Financial spread sheet analysis for the latest audited financial statements;

**Indo Bangla Pharmaceuticals Ltd.**  
Statement of Financial Position  
As at June 30, 2016

Particulars	Amount	Percentage on Total Asset	Grand Total
<b>PROPERTY &amp; ASSETS</b>			
<b>NON-CURRENT ASSETS</b>	<b>330,469,857</b>		<b>34.96%</b>
<b>Property, Plant and Equipment</b>	<b>211,400,486</b>	<b>22.36%</b>	
Machineries & Equipment	112,409,855	11.89%	
Generator	2,712,501	0.29%	
Furniture & Fixture	5,276,171	0.56%	
Office Equipment	2,704,824	0.29%	
Transport	1,508,079	0.16%	
Building	82,827,610	8.76%	
Water Plant	2,205,122	0.23%	
ETP Plant	1,756,324	0.19%	
<b>Capital Work in Progress</b>	<b>119,069,371</b>		<b>12.59%</b>
<b>Current Assets</b>	<b>614,908,956</b>		<b>65.04%</b>
<b>Inventories</b>	<b>156,521,360</b>	<b>16.56%</b>	
Raw Material	69,555,407	7.36%	
Finished Goods	45,053,550	4.77%	
Work - in - Process	18,013,355	1.91%	
Spare Parts	8,083,723	0.86%	
Packing Materials	15,815,325	1.67%	
<b>Trade &amp; Other Receivables</b>	<b>112,266,319</b>	<b>11.88%</b>	
Accounts Receivable	112,266,319	11.88%	
<b>Advances, Deposits and Pre-payments</b>	<b>105,325,972</b>	<b>11.14%</b>	
Advance Income Tax	15,352,397	1.62%	
Advance to Employees	675,648	0.07%	
Prepayment (Insurance)	152,318	0.02%	
Goods and services	11,906,106	1.26%	
Construction materials	22,448,801	2.37%	
Tour	4,031,218	0.43%	
L/C Margin for Machinery	30,568,200	3.23%	
Land	20,000,000	2.12%	
VAT current account	191,284	0.02%	
<b>Cash and Cash Equivalents</b>	<b>240,795,305</b>	<b>25.47%</b>	
<b>Total Assets</b>	<b>945,378,813</b>		<b>100.00%</b>
<b>SHAREHOLDERS' EQUITY &amp; LIABILITIES</b>			
<b>SHAREHOLDERS EQUITY</b>	<b>849,233,972</b>		<b>89.83%</b>
Share Capital	730,000,000	77.22%	
Retained Earnings	119,233,972	12.61%	
<b>NON-CURRENT LIABILITY</b>	<b>13,823,679</b>		<b>1.46%</b>
Deferred Tax Liability	9,283,317	0.98%	
Provision for WPPF	4,540,362	0.48%	
<b>CURRENT LIABILITY</b>	<b>82,321,162</b>		<b>8.71%</b>
Trade Payables	15,911,787	1.68%	
Provision for Taxes	54,919,591	5.81%	
<b>Liabilities for Expenses</b>	<b>11,489,784</b>	<b>1.22%</b>	
Telephone Bill	8,558	0.001%	

Electricity Bill	136,612	0.014%	
Directors Remuneration	150,000	0.016%	
Salary & Wages	3,999,715	0.423%	
Repairs and Maintenance	6,909,896	0.731%	
Audit Fees with VAT	172,500	0.018%	
Factory Rent	109,000	0.012%	
Others	3,503	0.0004%	
<b>Total Liabilities &amp; Shareholders Equity</b>	<b>945,378,813</b>		<b>100%</b>

**Indo Bangla Pharmaceuticals Ltd.**  
**Statement of Profit and Loss and Other Comprehensive Income**  
**For the year ended June 30, 2016**

Particulars	For the year ended June 30, 2016	Percentage on Total Turnover	Grand Percentage
<b>Turnover</b>	<b>444,777,724</b>		<b>100%</b>
Sales Revenue	444,777,724		
<b>Less: Cost of Goods Sold</b>	<b>262,528,992</b>		<b>59.02%</b>
Raw material consumed	179,027,986	40.25%	
Direct Expense	65,375,188	14.70%	
Manufacturing Overhead	26,534,444	5.97%	
	270,937,618		
Add: Opening Work in process	17,689,450		
Less: Closing Work in process	18,013,355		
<b>Cost of Production</b>	<b>270,613,713</b>	<b>60.84%</b>	
Add: Opening Stock of Finished Goods	39,238,921		
<b>Cost of Goods available for Sale</b>	<b>309,852,634</b>	<b>69.66%</b>	
Less: Closing Stock of Finished Goods	45,053,550		
Less: Sample Costs	2,270,092		
<b>Cost of Goods Sold:</b>	<b>262,528,992</b>	<b>59.02%</b>	
<b>Gross Profit</b>	<b>182,248,732</b>		<b>40.98%</b>
<b>Less: Operating Expenses</b>	<b>87,751,623</b>		<b>19.73%</b>
Administrative Expenses	23,381,246	5.26%	
Selling & Distribution Expenses	64,370,377	14.47%	
<b>Operating Profit</b>	<b>94,497,109</b>		<b>21.25%</b>
<b>Add: Non-Operating Income</b>	<b>850,491</b>		<b>0.19%</b>
Other Income	850,491	0.19%	
<b>Profit before Contribution to WPPF &amp; Welfare Fund</b>	<b>95,347,600</b>		<b>21.44%</b>
Less: Contribution to WPPF & Welfare Fund	4,540,362	1.02%	
<b>Net Profit before Income Tax</b>	<b>90,807,238</b>		<b>20.42%</b>
<b>Less: Income Tax Expenses:</b>	<b>31,782,533</b>		<b>7.15%</b>
Current Tax	26,522,010	5.96%	
Deferred Tax	5,260,523	1.18%	
<b>Total Comprehensive Income for the Year</b>	<b>59,024,705</b>		<b>13.27%</b>

**Indo Bangla Pharmaceuticals Ltd.**  
**Worksheet Analysis**  
**For the year ended June 30, 2016**

Particulars	Trial Balance		Adjustment		Adjusted Trial balance		Statement of Profit or Loss and Other Comprehensive Income		Statement of Changes in Equity (Retained Earnings)		Statement of Financial Position	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Property, Plant & Equipment	220,571,894				220,571,894						220,571,894	
Accumulated Depreciation		3,659,617		5,511,791		9,171,408						9,171,408
Capital Work in Progress	119,069,371				119,069,371						119,069,371	
Inventories	156,521,360				156,521,360						156,521,360	
Trade & Other Receivables	112,266,319				112,266,319						112,266,319	
Advance, Deposits & Pre payments	-		16,765,290		16,765,290						16,765,290	
Advance Income Tax	15,352,397				15,352,397						15,352,397	
Construction materials	22,448,801				22,448,801						22,448,801	
L/C Margin for Machinery	30,568,200				30,568,200						30,568,200	
Advance against Land	20,000,000				20,000,000						20,000,000	
VAT current account	191,284				191,284						191,284	
Cash & Cash Equivalent	240,795,305				240,795,305						240,795,305	
Share Capital		730,000,000				730,000,000						730,000,000
Opening Retained Earnings		60,209,267				60,209,267			60,209,267			
Deferred Tax Liability		9,283,317				9,283,317						9,283,317
Provision for WPPF		4,540,362				4,540,362						4,540,362
Trade Payables		15,911,787				15,911,787						15,911,787
Provision for Taxes		54,919,591				54,919,591						54,919,591
Liabilities for Expenses		-	11,489,784			11,489,784						11,489,784
Sales Revenue		444,777,724				444,777,724	444,777,724					
Cost of Sales (Excluding Depreciation)	269,232,665		568,106	11,906,106	257,894,665		257,894,665					
Administrative Expenses (Excluding Depreciation)	19,365,102		7,997,864	4,859,184	22,503,782		22,503,782					
Selling & Distribution Expenses	61,446,563		2,923,814		64,370,377		64,370,377					
Depreciation Expense	-		5,511,791		5,511,791		5,511,791					
Other Income		850,491				850,491		850,491				
Contribution to WPPF	4,540,362				4,540,362		4,540,362					
Current Tax	26,522,010				26,522,010		26,522,010					
Deferred Tax	5,260,523				5,260,523		5,260,523					
	1,324,152,156	1,324,152,156	33,766,865	33,766,865	1,341,153,730	1,341,153,730	386,603,510	445,628,215				
Net Profit							59,024,705		59,024,705			
							445,628,215	445,628,215	-	119,233,972		
Closing Retained Earnings									119,233,972			119,233,972
									119,233,972	119,233,972		
											954,550,221	954,550,221



- (f) **Earnings Per Share (EPS) on fully diluted basis (with the total existing number of shares) in addition to the weighted average number of shares basis. Future projected Net Income should not be considered while calculating the weighted average EPS;**

*As per audited financial statement as at 30 June, 2016*

<b>Particulars</b>	<b>Amount in Taka</b>
Profit after tax	59,024,705
Total existing number of Share	73,000,000
Weighted average number of Share	22,543,442
<b>Earnings per Share (EPS)-Fully Diluted Basis</b>	<b>0.81</b>
<b>Earnings per Share (EPS)-Weighted average no. of Share basis</b>	<b>2.62</b>

- (g) **All extra-ordinary income or non-recurring income coming from other than core operations should be shown separately while showing the Net Profit as well as the Earnings Per Share;**

*As per audited financial statement as at 30 June, 2016*

<b>Particulars</b>	<b>Amount in Taka</b>
Profit before Contribution to WPPF & Welfare Fund	95,347,600
Less: Non-Operating Income	850,491
Less: Contribution to WPPF & Welfare Fund	4,540,362
<b>Net profit before tax except Non-Operating Income &amp; Contribution to WPPF &amp; Welfare Fund</b>	<b>89,956,747</b>
Less: Income Tax Current Year	26,522,010
Less: Deferred Tax	5,260,523
<b>Profit after tax</b>	<b>58,174,214</b>
No. of shares	73,000,000
<b>Earnings per Share (EPS)</b>	<b>0.80</b>

- (h) **Quarterly or half-yearly EPS should not be annualized while calculating the EPS;**

This information is not applicable for IBPL.

- (i) **Net asset value (with and without considering revaluation surplus or reserve) per unit of the securities being offered at the date of the latest audited statement of financial position.**

The Company has not revalued any of its assets.

*As per audited financial statement as at 30 June, 2016*

<b>Particulars</b>	<b>Amount in Taka</b>
Share Capital	730,000,000
Retained Earnings	119,233,972
<b>Total Shareholders' Equity</b>	<b>849,233,972</b>
Total Number of Ordinary Share	73,000,000
<b>Net Assets Value (NAV) at BDT 10.00 per share</b>	<b>11.63</b>

- (j) **The Commission may require the issuer to re-audit the audited financial statements, if any deficiency or anomaly is found in the financial statements. In such a case, cost of audit should be borne by the concerned issuer.**

This information is not applicable for IBPL.

(k) **Following statements for the last five years or any shorter period of commercial operation certified by the auditors: -**

(i) **Statement of long term and short term borrowings including borrowing from related party or connected persons with rate of interest and interest paid or accrued;**

After due verification, we certify that Indo-Bangla Pharmaceuticals Ltd. did not take any Long Term and Short Term Borrowing Including Borrowing from Related Party or Connected Person from 18 June 2014 to 30 June 2016.

Place: Dhaka  
Date: September 24, 2016

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

(ii) **Statement of principal terms of secured loans and assets on which charge have been created against those loans with names of lenders, purpose, sanctioned amount, rate of interest, primary security, collateral or other security, re-payment schedule and status;**

After due verification, we certify that Indo-Bangla Pharmaceuticals Ltd. did not take any Secured Loans from any lender and no charge has been created on any assets for any loan from 18 June 2014 to 30 June 2016.

Place: Dhaka  
Date: September 24, 2016

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

(iii) **Statement of unsecured loans with terms and conditions;**

This is to certify that **Indo-Bangla Pharmaceuticals Ltd.** did not take any unsecured loan from 18 June 2014 to 30 June 2016.

Place: Dhaka  
Date: September 24, 2016

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

(iv) **Statement of inventories showing amount of raw material, packing material, stock-in-process and finished goods, consumable items, store and spares parts, inventory of trading goods etc.;**

After due verification, we certify that the Statement of inventories showing amount of raw materials, packing materials, stock in process and finished goods, consumable items, store & spare parts, inventory of trading goods etc; of Indo-Bangla Pharmaceuticals Ltd. for the last two years were as follows:

Items	Amount In (BDT)	
	Year Ended 30 June 2016	Year Ended 30 June 2015
<b>Raw Materials</b>	69,555,407	57,483,839
<b>Packing Materials</b>	15,815,325	21,131,530
<b>Stock in Process</b>	18,013,355	17,689,450
<b>Finish Goods</b>	45,053,550	39,238,921
<b>Consumable Items</b>	Nil	Nil
<b>Store &amp; Spare Parts</b>	8,083,723	6,620,359
<b>Trading Goods</b>	N/A	N/A
<b>Total</b>	<b>156,521,360</b>	<b>142,164,099</b>

Place: Dhaka  
Date: September 24, 2016

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

(v) **Statement of trade receivables showing receivable from related party and connected persons;**

After due verification, we certify that the statement of trade receivables showing Receivable from related party and connected person of **Indo-Bangla Pharmaceuticals Ltd.** for the last two years were as follows:

Particulars	Amount in BDT	
	30-Jun-16	30-Jun-15
<b>Trade Receivable:</b>		
Barendra distribution, Rajshahi	6,824,586	2,774,586
Saimun drug, Khulna	6,587,963	2,687,963
Shafi Medical Hall, Jessore	6,025,478	2,134,910
Mannan Pharmacy, Ullapara	5,978,641	1,430,952
Shaha pharmacy, Sherpur	5,648,752	3,778,074
Rakib medical hall, Bogura	5,626,897	-
khokon medical hall, Khulna	5,248,759	2,430,943
Rafiq medical hall, Natore	5,062,485	3,191,591
Deep medical hall, Rangpur	4,752,654	2,675,764
Iqbal medical hall, Kishorgonj	4,254,321	2,363,667
City pharmacy, Glachipa	4,054,219	1,966,569
Badal pharmacy, Gopalganj	3,787,741	-
Kanai Lal Pharma, Faridpur	3,514,875	1,733,910
Rumman Medical, Bogura	1,678,956	1,417,969
Ali Medical, Kishorgonj	1,352,411	921,541
Shahin Medical Hall, Dhaka	1,263,045	702,059
Sundorban Pharmacy, Comilla	1,245,786	680,354
Jannat Medical, Natore	1,124,586	673,696

Bangladesh Medical Hall, Maymensing	1,054,265	268,833
City Medical Hall, Magura	2,880,546	1,319,560
Tanvir Medical Hall, Hatia	877,643	426,883
Asha Drug, Khulna	1,678,452	807,465
Shams pharmacy, Chittagong	2,474,203	803,217
Aroga Niketon, Dohar	458,693	255,243
Basin Medical Hall, Narshingdi	888,745	451,965
Lovely Enterprise, Feni	385,235	264,255
Janata Medical Hall, Gopalganj	3,500,000	1,419,046
Rup Saj Corner, Sayedpur	2,378,451	507,491
Helal Drug, Rajshahi	2,367,665	606,685
Utsab Meidcal, Kishorgonj	1,354,555	593,609
Taramoni Medical Hall, Faridpur	3,345,869	-
Prodip Medical Store, Jessore	4,026,650	-
Tanzila Medical Hall, Bogra	3,526,650	1,181,050
Badhan Pharmacy, Jhinaidah	2,520,050	259,064
Lia Aroggo Niketon, Chittagong	2,526,650	-
Kanai Lal Medical Hall, Faridpur	1,380,458	709,568
<b>Total Trade Receivable</b>	<b>111,656,935</b>	<b>41,438,482</b>
With Related Party	Nil	Nil
With Connected Persons Party	Nil	Nil
<b>Grand Total:</b>	<b>111,656,935</b>	<b>41,438,482</b>

Place: Dhaka  
Date: September 24, 2016

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

**(vi) Statement of any loan given by the issuer including loans to related party or connected persons with rate of interest and interest realized and accrued;**

This is to certify that Indo-Bangla Pharmaceuticals Ltd. did not give any loan to any related party or connected persons from June 18, 2014 to June 30, 2016.

Place: Dhaka  
Date: September 24, 2016

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

**(vii) Statement of other income showing interest income, dividend income, discount received, other non operating income;**

After due verification, we certify that the Statement of Other Income showing interest income, dividend Income, discount received and other non operating income of Indo-Bangla Pharmaceuticals Ltd. for the last two years were as follows:

Place: Dhaka  
Date: September 24, 2016

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

(viii) Statement of turnover showing separately in cash and through banking channel;

Particular	Amount in (BDT)	
	Year Ended 30 June 2016	Year Ended 30 June 2015
Interest Income	609,384	-
Dividen Income	-	-
Discont Received	-	-
Other Non-Opereting Income	241,107	209,658
<b>Total</b>	<b>850,491</b>	<b>209,658</b>

Place: Dhaka  
Date: September 24, 2016

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

(ix) Statement of related party transaction;

After due verification, we certify that the Status of related Party Transacitons of Indo-Bangla Pharmaceuticals Ltd. for the last two years were as follows:

**A: Director Remuneration**

Name	Position	Amount in (BDT)	
		2015-2016	2014-2015
Mr. A.F.M Anowarul Huq	Managing Director	1,050,000	-

**B: Board Meeting Fees**

Name	Position	Amount in (BDT)	
		2015-2016	2014-2015
Mrs. Aziza Yeasmin	Chairman	35,000	-
Mr. A.F.M Anowarul Huq	Managing Director	35,000	-
Mrs. Hafiza Yeasmin	Director	35,000	-
Md. Amin-Ur-Rashid	Director	35,000	-
Sayedra Huq	Director	35,000	-
Md. Bellal Khan	Ex Director	35,000	-
Aysha Siddika	Ex Chairman	35,000	-
Subtotal		<b>245,000</b>	

**C: Factory Rent**

Name	Position	Nature of Transaction	Amount in (BDT)	
			2015-2016	2014-2015
Mrs. Aziza Yeasmin	Chairman	Factory Rent	1,308,000	425,100
Mr. A.F.M Anowarul Huq	Managing Director			
Mrs. Hafiza Yeasmin	Director			
Mrs. Sayeda Huq	Director			

**D: Other Transactions**

Mr. A.F.M Anowarul Huq	Managing Director	Allotment of share (Other than cash)	-	98,000,000
		Advance against land	20,000,000	-

Place: Dhaka  
Date: June 20, 2017

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

- (x) **Reconciliation of business income shown in tax return with net income shown in audited financial statements;**

Particulars	Amount in BDT	
	30 June, 2016	30 June, 2015
Business Income as per audited financial statement	90,807,238	92,629,642
Add: Accounting Depreciation	Not submitted	3,659,617
Less: Tax Base Depreciation		15,390,548
<b>Income Shown in Tax Return</b>		<b>80,898,711</b>

Place: Dhaka  
Date: September 24, 2016

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

- (xi) **Confirmation that all receipts and payments of the issuer above Tk.5,00,000/- (five lac) were made through banking channel;**

We have conducted such test of accounting transactions of Indo-Bangla Pharmaceuticals Ltd. as were considered necessary and do hereby confirm that the company made receipts and payments except petty cash over tk. 500,000 (five lac) from June 18, 2014 to June 30, 2016 through banking channel so far as it appeared from our test of those accounting transactions.

Place: Dhaka  
Date: September 24, 2016

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

- (xii) **Confirmation that Bank Statements of the issuer are in conformity with its books of accounts;**

This is to certify that the Books of Accounts of Indo-Bangla Pharmaceuticals Ltd. from June 18, 2014 to June 30, 2016 are in conformity with Bank Statements.

Place: Dhaka  
Date: September 24, 2016

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

- (xiii) **Statement of payment status of TAX, VAT and other taxes or duties; and**

After due verification, we certify that the Status of Tax, VAT and Others Taxes/ Duties Payments of Indo-Bangla Pharmaceuticals Ltd. for the last two years were as follows:

Particular	Payment Status	
	Year Ended 30 June, 2016	Year Ended 30 June, 2015
Tax	7,801,198	7,551,199
VAT	66,801,089	65,246,209
Others Taxes/Duties	-	-
<b>Total</b>	<b>74,602,287</b>	<b>72,797,408</b>

Place: Dhaka  
Date: September 24, 2016

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

**Auditors' additional disclosure relating to the financial statements  
of  
Indo-Bangla Pharmaceuticals Limited**

- 1) It appears from Note No. 14.00 to the audited F/S for the year ended on June 2016 that assets amounting Tk. 26.98 Crore were taken over from proprietorship through Vendors agreement, out of which Tk. 10.32 Crore was accounted for Property, Plant & Equipment (Note No. 3.00). As such, the detailed calculation (showing effect on non-current assets) of non-current assets taken over from proprietor are required to disclosed;

Non-current assets taken over from proprietor and accounted for Property, Plant & equipment are as follows:

<b>Particulars</b>	<b>Amount in Tk.</b>
Machineries	98,000,000
Generator	2,882,879
Furniture & Fixture	390,074
Office Equipment	55,901
Transport	1,861,826
<b>Total</b>	<b>103,190,680</b>

- 2) Disclosure regarding valuation;

Assets taken over from proprietorship were valued by the competent valuer namely G.K. ADJUSTERS LTD.

- 3) Disclosure regarding detailed calculation of restatement in deferred tax and tax provision;

Detailed calculation of re-statement of deferred tax and tax provision are as follows:

**Deferred tax liability as on 1<sup>st</sup> July 2015 is as follows:**

	<i>Amount in Tk.</i>
Carrying Value of Property, Plant & Equipment	147,873,513
As Tax Base	136,379,817
Temporary Difference	11,493,696
Deferred Tax Liabilities @35%	4,022,794

**Provision for tax as on 30th June 2015 is as follows:**

	<b>Amount in Tk.</b>
This has been arrived as at under;	
Profit before tax as per accounts	92,629,642
Add: Accounting depreciation	3,659,617
Less: Tax base depreciation	15,153,313
Taxable Income	81,135,946
Current Tax @35%	28,397,581

**Deferred tax liability as on 30th June 2015 is as follows:**

	<i>Amount in Tk.</i>
Carrying Value of Property, Plant & Equipment	147,873,513
As Tax Base	136,142,582
Temporary Difference	11,730,931
Deferred Tax Liabilities @35%	4,105,826

4) Utilization of participation fund;

The Company has opened a bank account in the name of trust and fund has been transferred to that bank account.

5) MD's remuneration as per Para 4, Schedule XI, part –II of the Companies Act 1994;

MD's remuneration as per Para 4, Schedule XI, part –II of the Companies Act 1994 for the year 2015-2016 is as follows:

<b>Name</b>	<b>Position</b>	<b>Amount in Tk.</b>
Mr. A.F.M Anowarul Huq	Managing Director	1,050,000

6) Cost of goods sold from import as per Para 8, Schedule XI, part –II of the Companies Act 1994;

During the period 1<sup>st</sup> July 2015 to 30<sup>th</sup> June 2016 total value of import in respect of raw materials and packing materials stands equivalent USD 1,923,788 on CIF basis. Details are as follows:

<b>Particulars</b>	<b>Amount in Tk.</b>
Import of Raw Materials	124,513,068
Import of Packing Materials	31,510,892
<b>Total</b>	<b>156,023,960</b>

7) Whether payments made on 24-08-2016 has been adjusted the advance as mention to note 7.02.

Advance made against land Tk. 2.00 Crore which has been mentioned in note no. 7.02 duly adjusted with the payments made on 24-08-2016 i.e. the registration date of land.

8) The years in which such re-arrangements/re-statements were made, basis and impact on NAV and EPS;

In finalizing the financial statements for the year ended June 30, 2016 some figures of previous year were restated to conform to the provisions of BAS-8: "Accounting Policies, Changes in Accounting Estimates and Errors" 42 & 49. During the year the following accounting errors has been rectified in compliance with BAS -8:

Previously Deferred Tax liability was calculated on the basis of temporary difference between carrying values of assets for accounting purpose and written down value of assets for tax purpose. Depreciation for the purpose of tax was computed on the basis of estimation and accordingly the tax written down value although total income tax remained same. In the year 2016, the company obtained tax assessment order from Deputy Commissioner of Taxes for the year 2015 and calculated Deferred Tax Liability on the basis of assessment order of 2015. Accordingly, tax provision has been adjusted with respective head of accounts.

There is no impact on NAV and EPS as the re-statement has been made between deferred tax liability and provision for tax.



- 9) Separate break-up of salary & wages as disclosed in note 18.02;

Separate break-up of salary & wages are as follows:

<b>Particulars</b>	<b>Amount in Tk.</b>
Salary	568,600
Wages	3,581,871
Total Salary and Wages	4,150,471

- 10) Calculation of WPPF as disclosed in note 12.00 of the accounts;

WPPF calculated @ 5% of net profit after charge the WPPF but before Income tax. Detail calculation of WPPF is as follows:

$$\begin{aligned}
 &= \frac{\text{Net profit before WPPF} \times 5}{105} \\
 &= \frac{95,347,600.00 \times 5}{105} \\
 &= 4,540,362
 \end{aligned}$$

- 11) Explain why your provided certificate dated 24-09-2016 regarding related party transaction have not include advance against land amounting to Tk. 2.00 Crore has shown in notes 7.02 to Mr. A.F.M. Anowarul Huq, Mrs. Sayeda Huq, Aziza Yesmin & Hafiza Yesmin who are presently director of the company and also you have not included Tk. 17, 18, 37,213.00 paid to Mr. A.F.M. Anowarul Haque as shown in the cash Flow Statement for the year ended 30<sup>th</sup> June 2016.

We submit herewith the certificate regarding any transaction with directors or related party during last 5 (five) years.

- 12) List of transport as shown in Annexure-A of the accounts year ended 30<sup>th</sup> June 2016.

Detail list of transport as shown in Annexure-A of the accounts ended 30<sup>th</sup> June 2016 is as follows:

<b>Particulars</b>	<b>Description</b>
Number of Transport	One Pcs
Owner Name	Indo-Bangla Pharmaceuticals Ltd.
Classification of Transport	Covered Van Tata 2009
Registration Number	Dhaka Metro NA 14-2674
Chassis Number	MAT4450519ZR57923
Engine Number	275IDI05MQZSE8160

- 13) Details balance confirmation certificates;

We have sent balance confirmation letter to all 36 respective parties regarding trade receivables. Of the 36 Parties, 28 parties have confirmed their balance, rest of them namely: Rumman Medical, Tanvir Medical Hall, Asha Drug, Aroga Niketon, Lovely Enterprise, Feni; Utsab Meidcal, Ali Medical, Taramoni Medical have not answered in writing but verbally confirmed the balance.

14) Subsequent balance of trade receivable;

Trade receivable as shown in note no. 6.00 of the financial statements as on 30<sup>th</sup> June 2016 has already been collected by December 2016.

15) Quantity wise inventories.

<b>Stock Of Packing Materials Dated : 30/06/2016</b>				
<b>SL</b>	<b>Name of Product</b>	<b>Quantity</b>	<b>Rate</b>	<b>Amount</b>
01	Albendox Tablet 400mg (Case cover)	6,000	1.00	6,000.00
02	Albendox Tablet 400mg (Master Carton)	1,742	16.00	27,872.00
03	Butabrom Tablet 10mg	638	1.20	765.60
04	Caltab Tablet 300mg	292	1.35	394.20
05	Cotrimox-DS Tablet	3,542	3.50	12,397.00
06	Cotrimox Suspension	2,980	3.25	9,685.00
07	Cotrimox Tablet	4,592	2.95	13,546.40
08	Cipro-I Tablet 500mg (6×5,s)	4,526	2.50	11,315.00
09	Dextrin Tablet (Carton)	3,215	2.10	6,751.50
10	Indoflox Capsule 250 mg	3,542	2.75	9,740.50
11	Indoflox Capsule 500mg	1,650	3.10	5,115.00
12	Indoflox Dry Syrup	630	2.10	1,323.00
13	Indomox Tablet 250mg	970	1.95	1,891.50
14	Indomoxin Capsule 250mg	1,365	2.15	2,934.75
15	Indomoxin Capsule 500mg	3,920	2.15	8,428.00
16	Indomoxin Dry Syrup	1,725	1.95	3,363.75
17	Indophylline Tablet	215	2.10	451.50
18	Indoplex-B- Tablet	3,592	1.85	6,645.20
19	Indoplex Syrup 100ml	1,620	2.35	3,807.00
20	Indoplex Syrup 200ml	785	3.50	2,747.50
21	Indocof	1,262	2.95	3,722.90
22	Indotetra Capsule 500mg	865	4.00	3,460.00
23	Indoprox 250mg	685	3.30	2,260.50
24	Indoprox 500mg	395	3.30	1,303.50
25	I-B Oral Saline	1,322	5.00	6,610.00
26	Indomol Plus	6,542	2.15	14,065.30
27	Indox Capsule	6,952	2.65	18,422.80
28	Indofenac-50	11,750	1.65	19,387.50
29	Indofenac SR Capsule 100mg	652	2.10	1,369.20
30	I-Cet Syrup	635	1.95	1,238.25
31	I-Cet Tablet	850	2.25	1,912.50
32	I-Pedom Tablet	1,565	1.95	3,051.75
33	Indocef Carton (100ml)	640	1.95	1,248.00
34	Indomoxin Paediatric Drops Carton (15ml)	865	2.10	1,816.50
35	Indozith 30ml Carton	520	1.95	1,014.00
36	Indozith 15ml Carton	1,520	1.65	2,508.00
37	Indozith 250mg	3,965	2.85	11,300.25
38	Indozith 500mg	2,575	2.85	7,338.75
39	I-Pedom 60ml Syrup	375	1.95	731.25
40	Inket	1,350	2.25	3,037.50
41	Indoflam 400mg Carton	1,720	1.95	3,354.00
42	Indoflam 100ml Carton	800	1.65	1,320.00
43	I-Cin	1,955	2.10	4,105.50
44	Mebendox Suspension	845	1.95	1,647.75
45	Mebendox Tablet	1,274	2.35	2,993.90
46	Metrol Suspension	2,695	2.10	5,659.50
47	Metrol Tablet 400mg	2,540	3.50	8,890.00
48	Neostin-R Tablet 150mg	6,825	2.15	14,673.75

49	Zins Syrup	4,565	1.95	8,901.75
50	Paracetamol Tablet (Blister)	11,575	2.20	25,465.00
51	Paramol Suspension	3,095	1.25	3,868.75
52	Protobit 20mg	6,982	4.00	27,928.00
53	Testy Salt Saline	8,533	5.00	42,665.00
54	Tensareal Tablet (New)	2,700	1.25	3,375.00
55	Trialugel Tablet	4,576	4.50	20,592.00
56	Riboflavin Tablet	3,498	4.50	15,741.00
57	Relise Tablet	6,512	3.70	24,094.40
58	Sulbumol Suspension	11,719	2.50	29,297.50
59	Fixim-PFS (50ml)	11,512	2.60	29,931.20
60	I-Fol Tablet	4,226	1.90	8,029.40
61	Arromin Elixir 100ml	12,380	0.25	3,095.00
62	Arromin Elixir 60ml	45,621	0.25	11,405.25
63	Aurioton Syrup	9,821	0.25	2,455.25
64	Cotrimox Suspension	44,273	0.25	11,068.25
65	Fixim-PFS (50ml)	1,830	0.25	457.50
66	Indomoxin Dry Syrup	45,621	0.25	11,405.25
67	Indoplex B Tablet	39,839	0.25	9,959.75
68	Indoplex Syrup 100ml	8,292	0.25	2,073.00
69	Indoplex Syrup 200ml	45,721	0.25	11,430.25
70	Indocef 100ml Lebel	91,098	0.25	22,774.50
71	Indomoxin Paediatric Drops	15,290	0.25	3,822.50
72	Indozith 30ml Lebel	8,291	0.25	2,072.75
73	Indozith 15ml Lebel	11,930	0.25	2,982.50
74	Indoflam 100ml Lebel	32,832	0.25	8,208.00
75	Indocof	40,291	0.25	10,072.75
76	I-Pedom Syrup Lebel	57,201	0.25	14,300.25
77	I-Cet Syrup	102,000	0.25	25,500.00
78	Indocal Tablet 500mg	12,307	0.25	3,076.75
79	Indoflox Dry Syrup	8,923	0.25	2,230.75
80	Seplon 110 ml	22,301	0.25	5,575.25
81	Seplon 56ml	46,786	0.25	11,696.50
82	Zins Syrup	16,390	0.25	4,097.50
83	Sulbumol Suspension	16,391	0.25	4,097.75
84	Mebendox Suspension	12,983	0.25	3,245.75
85	Metrol Suspension	36,978	0.25	9,244.50
86	Paramol Suspension	34,921	0.25	8,730.25
87	Indomoxin P/D	25,550	0.30	7,665.00
88	I-Cet Syrup (60ml)	26,208	0.30	7,862.40
89	I-Pedom	11,588	0.30	3,476.40
90	Indoflox Dry Syrup	25,928	0.30	7,778.40
91	Indomol Plus	6,385	0.30	1,915.50
92	Indoprox 250mg	22,565	0.30	6,769.50
93	Indocof	21,639	0.30	6,491.70
94	I-Cin	24,585	0.30	7,375.50
95	Indocef	23,921	0.30	7,176.30
96	Inket Tablet	16,982	0.30	5,094.60
97	Indozith	35,685	0.30	10,705.50
98	Indoflam	25,454	0.30	7,636.20
99	Relise Tablet	26,593	0.30	7,977.90
100	Sulbumol Syrup	11,763	0.30	3,528.90
101	Zins Syrup	12,093	0.30	3,627.90
102	Protobit 20mg	25,413	0.30	7,623.90
103	Cipro -I	12,983	0.30	3,894.90
104	Fixim-PFS (50ml)	17,620	0.30	5,286.00
105	Alu Alu Bottom (240mm)	250.00	1,050.00	262,500.00

106	Alu Alu Bottom (210mm)	550.00	1,050.00	577,500.00
107	Albendox Tablet 400mg	485.00	750.00	363,750.00
108	Alu Alu Bottom (245mm)	350.00	1,050.00	367,500.00
109	Butabrom Tablet	250.00	750.00	187,500.00
110	Clear Foil	450.00	750.00	337,500.00
111	Cipro-I	550.00	750.00	412,500.00
112	Cotrimox-DS Tablet	345.00	750.00	258,750.00
113	Cotrimox Tablet	251.00	750.00	188,250.00
114	Caltab Tablet	445.00	750.00	333,750.00
115	Dextrin Tablet	574	750.00	430,500.00
116	I-Cet Tablet	251.00	750.00	188,250.00
117	Indomox Tablet 250mg	620.00	750.00	465,000.00
118	I-B Oral Saline	454.00	560.00	254,240.00
119	Indophylline Tablet	540.00	750.00	405,000.00
120	Indomoxin Capsule 500mg	365.00	750.00	273,750.00
121	Indomoxin Capsule 250mg	328.00	750.00	246,000.00
122	Indoflox Capsule 250mg	425.00	750.00	318,750.00
123	Indoflox Capsule 500mg	350.00	750.00	262,500.00
124	Indoprox Tablet 250mg	650.00	750.00	487,500.00
125	Indoprox Tablet 500mg	745.00	750.00	558,750.00
126	Indox	480.00	750.00	360,000.00
127	Indomol Plus	552.00	750.00	414,000.00
128	Indozith 250mg Foil	335.00	750.00	251,250.00
129	Indozith 500mg Foil	425.00	750.00	318,750.00
130	I-Cin	535.00	750.00	401,250.00
131	I-Fol Tablet Foil	350.00	750.00	262,500.00
132	Indoflam Tablet Foil	680.00	750.00	510,000.00
133	I-Pedom	675.00	750.00	506,250.00
134	Protobit (20mg)	272.00	750.00	204,000.00
135	Puretab Foil	350.00	750.00	262,500.00
136	Puretab Plus Foil	450.00	750.00	337,500.00
137	Tasty Salt Saline	500.00	750.00	375,000.00
138	Trialugel Tablet	300.00	750.00	225,000.00
139	Relise	200.00	750.00	150,000.00
140	Gyfusin	390.00	750.00	292,500.00
141	Metrol Tablet 400mg	350.00	750.00	262,500.00
142	Mebendox Tablet	270.00	750.00	202,500.00
143	Neostin-R 150mg	300.00	750.00	225,000.00
144	PVC Film (169mm)	240.00	250.00	60,000.00
145	PVC Film (135mm)	300.00	250.00	75,000.00
146	PVC Film (110mm)	570.00	250.00	142,500.00
147	PVC Film (150mm)	600.00	250.00	150,000.00
148	PVC Film (105mm) Orange Colour	1,100.00	250.00	275,000.00
149	PVC Film (256mm)	852.00	250.00	213,000.00
150	PVC Film (235mm)	650.00	250.00	162,500.00
151	Indoplex 200ml (1×20)	680	35.00	23,800.00
152	100ml (1×12)	529	35.00	18,515.00
153	60ml (1×12)	375	35.00	13,125.00
154	Indoplex B pot (1×20)	238	35.00	8,330.00
155	Indocal (1×20×30)	155	35.00	5,425.00
156	Indomoxin P/D (1×24)	68	35.00	2,380.00
157	Indozith 30ml (1×24)	129	35.00	4,515.00
158	Indozith 15ml (1×60)	425	35.00	14,875.00
159	Indoprox 250mg	167	35.00	5,845.00
160	Indoprox 500mg	420	35.00	14,700.00
161	Neostin-R 150mg (10×10×100)	130	35.00	4,550.00
162	Neostin-R 150mg (10×10×200)	130	35.00	4,550.00

163	Protobit (6×10×100)	539	35.00	18,865.00
164	Protobit (6×10×50)	230	35.00	8,050.00
165	Cipro - I (6×5×60)	139	35.00	4,865.00
166	Cipro - I (6×5×120)	85	35.00	2,975.00
167	IB Saline (1×20)	98	35.00	3,430.00
168	T.S.S (1×20)	30	35.00	1,050.00
169	T.S.S (1×12)	80	35.00	2,800.00
170	Packing Paper	692	2.50	1,730.00
171	Hand Gloves	190	125.00	23,750.00
172	Cotton	290	250.00	72,500.00
173	Tape Large	800	30.00	24,000.00
174	Tape Small	290	25.00	7,250.00
175	Hlogram	930	1.00	930.00
176	Plastic Sandel	9	80.00	720.00
177	Droper (5ml) White	23,320	0.75	17,490.00
178	Droper 1.25ml (28 Cap)	25,470	1.00	25,470.00
179	Droper 1.25ml Red	32,690	1.25	40,862.50
180	Wrapping Paper	44.00	25.00	1,100.00
181	Spoon White	18,512	1.00	18,512.00
182	Spoon Tansperants	12,360	1.00	12,360.00
183	Gum Pot (For Label Use)	500	250.00	125,000.00
184	Washing Brush 1 Aunc	280	250.00	70,000.00
185	Washing Brush 2 Aunc	200	300.00	60,000.00
186	Washing Brush 3 Aunc	150	350.00	52,500.00
187	Washing Brush 8 Aunc	300	400.00	120,000.00
188	Pusher (25 mm)	55,000	0.50	27,500.00
189	Pusher 28mm	3,400	0.50	1,700.00
190	Pusher 22mm	36,000	0.50	18,000.00
191	28mm Cap	12,000	1.00	12,000.00
192	25mm Cap	17,150	1.00	17,150.00
193	22mm Cap	9,345	1.00	9,345.00
194	Face Mark	3	150.00	450.00
195	Show Cover	139	30.00	4,170.00
196	Doctors cap	18	50.00	900.00
197	Inner Sheet	300	25.00	7,500.00
198	MC (1×120)	180	10.00	1,800.00
199	Seplon 110ml	3,580	3.50	12,530.00
200	Seplon 56ml	3,570	3.00	10,710.00
201	Bottle (8 Aunc) 200ml	3,530	5.00	17,650.00
202	Bottle (3 Aunc) 100ml	3,255	5.00	16,275.00
203	Bottle (2 Aunc) 60ml	3,245	4.00	12,980.00
204	Bottle (pot) 35ml	5,612	3.50	19,642.00
205	Bottle (1 Aunc) 30ml	3,433	3.00	10,299.00
206	Bottle (1/2 Aunc) 15ml	582	3.00	1,746.00
207	200 ml Amber	2,453	6.00	14,718.00
208	100ml Amber	1,566	5.00	7,830.00
209	100ml White	2,954	4.50	13,293.00
210	60ml Amber	6,545	4.00	26,180.00
211	30ml Amber Pot	4,526	4.00	18,104.00
212	Cap	11,310	1.00	11,310.00
213	Indocal Pot White	8,671	3.00	26,013.00
			<b>Total</b>	<b>15,815,325.00</b>

Place Dhaka  
Date: June 20, 2017

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

**Additional Disclosure on the Financial Statements of  
Indo-Bangla Pharmaceuticals Ltd  
For the year ended 30 June 2016**

It has been noticed in the financial statements of Indo-Bangla Pharmaceuticals Ltd for the year ended 30 June 2016 subsequent to the issue of such financial statement that few inadvertent mistakes was done by the company in the policy notes. The actual position has been described as under;

**Note no. 1.02: Nature of Business Activities**

In the last line of the above para it was written that “The Company took permission for production and selling of Veterinary medicine also.”

The above line should be read as under;

“The company applied for permission for production and selling of Veterinary medicine also.”

**In note no. 2.10: Events after the Reporting period**

In the last line of last para of above notes one deed number out of two deeds executed for purchase of land on 24.08.2016 was mistakably cited due to oversight. Actually the deed numbers should be read as no. 8606 and 8611 dated 24<sup>th</sup> August 2016. The para should be read as “The Company has registered 37.40 decimal of land vide deeds no. 8606 and 8611 on 24<sup>th</sup> August 2016.”

We regret for the inadvertent oversight by us.

Sd/-

**Mahfel Huq & Co.**

Chartered Accountants

24 September 2017

**Auditors’ additional disclosure relating to the financial statements  
of**

**Indo-Bangla Pharmaceuticals Limited**

1) Disclosure regarding gross sales;

Gross sales including VAT as at 30<sup>th</sup> June 2016 are as follows;

Particulars	30th June 2016	30th June 2015
	Amount in Tk.	Amount in Tk.
Gross turnover:		
Domestic:		
Own products (with VAT)	511,494,383	500,277,724
	511,494,383	500,277,724
Manufactured by others:	-	-
Exports:	-	-
Total Gross Turnover	511,494,383	500,277,724
Less VAT	66,716,659	65,253,616
Net Turnover	444,777,724	435,024,108

- 2) It is observed from note 4.00 (capital work-in-progress) for the period ended 30/06/2016 that the company has incurred Tk. 9, 37, 08,754.00 for the addition of building. But the company has no land as on 30/06/2016. As per note 14.00 that company has also not taken land and building at the time of acquisition. Explain whether the company can incurred expenditure on construction/addition of building, (which it does not own) only on the basis of a MoU with previous owner. Also, state whether such construction with signing a (MoU) consistent with provision of BAS with detailed reference thereof;

Mr. AFM Anowarul Haq is the Managing Director of Indo-Bangla Pharmaceuticals Ltd. and he is the seller of the land. Moreover, the seller is the majority shareholder and sponsor Director of Indo-Bangla Pharmaceuticals Ltd. At the time of converting from proprietorship to limited company, Indo-Bangla Pharmaceuticals Ltd. took all current assets, current liabilities and other moveable assets of the proprietorship. Subsequently, MoU was signed between Indo-Bangla Pharmaceuticals Ltd. and the seller regarding the buying of the land. Since registration procedure to purchase the land was time-consuming the company started construction of building. Finally, the company purchased the land including three finished building and two under construction building on the land. The purchase deed has been executed on 24.08.2016. As there was binding to comply with (Good Manufacturing Practice) GMP and to continue operation as well, the company had to continue the constructions in to the said lands. There is no reference in BAS regarding this matter. However, in our opinion this is consistent with the BAS as there is no reference.

- 3) Break-up of land and land development expense;

There is no such expenses has been incurred for land and land development. Below are the details of land purchase cost for land purchase on 24th August 2016.

Date	Particulars	Amount in Tk.
24.08.2016	Deed value	31,391,000
	Stamp and registration	2,381,930
	Legal and other charges	1,384,990
<b>Total</b>		<b>35,157,920</b>

- 4) Disclosure as per Schedule XI, Part – II, Para 8

During the period 1<sup>st</sup> July 2015 to 30<sup>th</sup> June 2016 total value of import in respect of raw materials and packing materials stands equivalent USD 1,923,788 on CIF basis. Details are as follows:

(a) Value of imports calculated on CIF basis by the Company during the financial year 2015-2016 in respect of Raw materials, Component and Spare parts and Capital Goods were as follows:

Sl.	Year	Particulars	Import		
			Unit	Quantity	Amount in BDT
i	2015-2016	Product raw Materials	Kg	629,412	124,513,068
i	2015-2016	Packing raw Materials	Kg	73,025	31,510,892
					156,023,960
ii	2015-2016	Components of Spare parts	-	-	-
iii	2015-2016	Capital goods	Pc	2	3,569,760

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

(c) Value of both imported and Indigenous raw materials, Spare parts and Consumption thereon were as follows;

Particulars	Raw Material		Total	Spare parts		Total
	Imported Value (in BDT)	Indigenous Value (in BDT)		Imported Value (in BDT)	Indigenous Value (in BDT)	
Opening Balance	43,983,282	13,500,557	57,483,839	-	6,620,359	6,620,359
Purchase During the year	124,513,068	66,586,486	191,099,554	-	9,259,142	9,259,142
Closing balance	44,119,609	25,435,798	69,555,407	-	8,083,723	8,083,723
Consumption During the year	124,376,741	54,651,245	179,027,986	-	7,795,778	7,795,778
Percentage of total Consumption During the year	69.47%	30.53%	100.00%	-	100.00%	100.00%

#### Packing Materials:

Particulars	Imported value (In BDT)	Indigenous value (In BDT)	Total (In BDT)
Opening Balance	-	21,131,530	21,131,530
Purchase During the year	31,510,892	26,936,875	58,447,767
Closing balance	7,103,247	8,712,078	15,815,325
Consumption During the year	24,407,605	39,356,367	63,763,972
Percentage of total Consumption During the year	38.28%	61.72%	100.00%

(d) No amount is remitted during the year in foreign currencies on account of dividend with a specific mention of the number of non-residents shareholders, the number of shares held by them on which the dividends were due and the year to which the dividends, related;

(e)	Earnings in foreign exchange Classified under the following heads as follows:
i)	No export made during the year;
ii)	No Royalty, know-how, professional and consultation fees were received
iii)	No Interest and dividend received
iv)	No Other income received

5) Information as per requirement of schedule XI, Part I para-4 of the Companies Act, 1994.

Information required as per Para 4, Schedule XI, part –I of the Companies Act 1994 for the year 2015-2016 are as follows:

Aging schedule of trade and other receivable is as follows:

Particulars	30-Jun-2016	30-Jun-2015
	Amount in TK.	Amount in TK.
More than six months	-	-
Less than six months	112,266,319	41,438,482
<b>Total</b>	<b>112,266,319</b>	<b>41,438,482</b>

The classification of trade receivables is given below:

Receivables considered good in respect of which the company is fully secured.	-	-
Receivables considered good for which the company holds no security other than the debtor's personal security	111,656,935	41,438,482
Receivables considered doubtful or bad.	-	-
Receivable due by directors or other officers of the	-	-



company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.		
Receivables due by companies under the same management.	-	-
The maximum amount due by directors or other officers of the company at any time during the year.	-	-

6) Information of advance to others amount in Tk. 8,91,45,609.00 under note 7.02;

Detailed information of advance to others as on 30<sup>th</sup> June 2016 is as follows:

Particulars	Amount in Tk.	Status as on June 20, 2017
Goods and services	11,906,106	Advance is duly adjusted after receiving goods and services. It is a recurring process. Now as on 20 <sup>th</sup> June 2017 the balance was Tk. 4,256,320.
Construction materials	22,448,801	Construction material has been supplied and was duly adjusted.
Tour	4,031,218	After completion of tour, advance paid to sales representative, is duly adjusted. It's an ongoing process. Now as on 20 <sup>th</sup> June 2017 the balance was Tk. 1,721,775.
L/C Margin for Machinery	30,568,200	Advance has been adjusted after receiving the machineries and installed with other machineries in the factory.
Land	20,000,000	Land has been registered on 24.08.2016 and advance has been adjusted duly.
VAT current account	191,284	According to VAT Rules a Current has to be maintained and there has to be positive balance before delivery of goods from factory premises. This amount has been adjusted on regular basis.

7) Subsequent balance of advance against machinery (Note 7.02) with addresses of the parties and reasons of advances;

Machinery has already been arrived and installed with other machinery in the factory. The mentioned L/C margin was 100% of machinery invoice value. Name and address of the supplier are as follows:

Sl.	Name of Supplier	Address
1	Runin Dolin Inp & Exp Trade Co. Ltd.	Trade Co Ltd No 45, Longshan Rd Ruian, City Zhejiang, China
2	Printemps International, India	21/1, A/3, Room No. 203, Jindal Towers, Darga Road, Beniapur, Kolkata, West Bengal, 700017, India.
3	Julian Machinery Co. Ltd. Taiwan	No.100, Sec. 1, Guofeng Rd. Shengang Dist., Taichung City 42942, Taiwan
4	Wissenschaft Liche Knaver GmbH, Germany	Heganer Weg 38, 14163 Berlin, Germany

8) List of the machineries & equipment added during the year 30-06-2016;

Detailed list of the machineries & equipment added during the year 30-06-2016 are as follows:

Particulars	Seller name	Seller Address	Amount in Tk.
2 nos. Auto Liquid Filling & Sealing Machine	Julian Machinery Co. Ltd. Taiwan	No.100, Sec. 1, Guofeng Rd. Shengang Dist., Taichung City 42942, Taiwan	3,569,760
C&F, Loading unloading, erection & Other cost	C&F: Sundarban Trading Agency, B.S Nahar Building (1 <sup>st</sup> Floor), Room no. 16, Strand road.Chitagong.		665,840
<b>Total</b>			<b>4,235,600</b>

9) Submitted certificate of payment of VAT does not agree with the audited accounts;

VAT Current Account is a memorandum account. In the certificate we have disclosed the payment of VAT during the period and in the financial statements VAT current account shows how much taka has deposited in with VAT current account. VAT current account balance indicates the positive balance of VAT Current Account.

10) Name wise break-up with date of FDR;

Name wise break-up of FDR is as follows:

Date	Bank Name & Branch	Amount in Tk.
16.06.2016	One Bank Ltd. Barisal branch	170,000,000
16.06.2016	Standard Bank Ltd. Barisal branch	55,000,000
<b>Total</b>		<b>225,000,000</b>

11) Break-up of cash payment to others;

Break-up of cash payment to others is as follows:

Particulars	Amount in Tk.
Cash payments for Manufacturing overhead	9,041,161
Cash payments for Administrative expenses	7,705,630
Cash payments for Selling & distribution expenses	17,385,285
<b>Total</b>	<b>34,132,076</b>

12) Details of capital work-in-progress;

Detail of Capital Work in Progress for the year ended 30<sup>th</sup> June 2016 is as follows:

A. Construction of Building:

Name of buildings	Particulars of construction	Total area (sft)	Total amount	Status
Building-4	Four Storied under construction building Pillar-RCC, Wall-Brick Roof-Brick.	9106.40	19,095,243	60% completed
Building-5	Four Storied under construction building Pillar-RCC, Wall-Brick Roof-Brick.	16447.20	22,446,984	40% completed
<b>Total</b>			<b>41,542,227</b>	

## B. Plant & Machinery

Sl	L/C No., Name of Bank & Supplier	Particular of Machinery	Invoice Value (\$)	Invoice Value (In BDT)	Local Cost (In BDT)	Total (In BDT)	Present Status
1	LC No. 091016010006 L.C Beneficiary: Runin Dolin Inp & Exp Trade Co. Ltd. China, L.C opening Bank: Islami Bank Bangladesh Ltd. Barisal Branch	5 Blister Packing Machine, DPP 250LL	250,000.00	19,570,275.00	393,362.53	19,963,637.53	Machine installation complete and production running
2	LC No. 091016010010 L.C Beneficiary: Runin Dolin Inp & Exp Trade Co. Ltd. China, L.C opening Bank: Islami Bank Bangladesh Ltd. Barisal Branch	2 Blister Packing Machine, China & DPH 250	79,300.00	6,208,222.54	124,785.27	6,333,007.81	
3	LC No. 091016010017 L.C Beneficiary: Printemps International, India, L.C opening Bank: Islami Bank Bangladesh Ltd. Barisal Branch	4 Automatic Capsule Filling & Sealing Machine, India Pharma fill-A 150	160,000.00	12,498,576.00	251,221.38	12,749,797.38	
4	LC No. 091016010037 L.C Beneficiary: Julian Machinery Co. Ltd. Taiwan, L.C opening Bank: Islami Bank Bangladesh Ltd. Barisal Branch	2 Auto Liquid Filling & Sealing Machine, Taiwan & GI-RFC-2410	44,800.00	3,499,422.08	70,338.38	3,569,760.46	
5	LC No. 091016010048 L.C Beneficiary: Julian Machinery Co. Ltd. Taiwan, L.C opening Bank: Islami Bank Bangladesh Ltd. Barisal Branch	3 Dry Powder Filling Machine, Taiwan & GI-DRY-2410	120,000.00	9,373,572.00	188,408.80	9,561,980.80	
6	LC No. 091016010071 L.C Beneficiary: Julian Machinery Co. Ltd. Taiwan, L.C opening Bank: Islami Bank Bangladesh Ltd. Barisal Branch	5 Automatic Strip packing Machine, Taiwan 501	37,000.00	2,890,155.47	58,092.12	2,948,247.59	
7	LC No. 091016010095 L.C Beneficiary: Printemps International, India, L.C opening Bank: Islami Bank Bangladesh Ltd. Barisal Branch	8 Auto Sachet Filling Machine, India, Wraptech MB-100C/F	64,048.00	5,003,820.45	100,576.79	5,104,397.24	
8	LC No. 091016010110 L.C Beneficiary: Wissenschaft Liche Knaver Gmbth, Germany, L.C opening Bank: Islami Bank Bangladesh Ltd. Barisal Branch	3 HPLC, Knauer, Germany, S1 no 98619	130,500.00	10,196,108.55	204,941.78	10,401,050.33	Machine installation complete and production running
9	LC No. 091016010118 L.C Beneficiary: Alpha Bruker Gmbth, Germany	1 FTIR, ALPHA, Bruker, Germany	81,000.00	6,326,910.00	127,170.89	6,454,080.89	
10	LC No. 091016010329 L.C Beneficiary: Wissenschaft Liche Knaver Gmbth, Germany, L.C opening Bank: Islami Bank Bangladesh Ltd. Barisal Branch	1 Moisture Blance, Germany 1.5L 50/617	5,534.71	432,490.89	8,693.07	441,183.96	
<b>Total</b>						<b>77,527,144.00</b>	
<b>Grand Total (A+B)</b>						<b>119,069,371.00</b>	

13) Address of parties in Annexure B,

Name and address of the parties in Annexure B is as follows:

Sl. No	Name of Party	Full Address
1	Barendra distribution	181/A, Upo shohor, Newmarket, Rajshahi,
2	Saimun Drug, Khulna	17/3, Durgabari Road, Mymensing
3	Shafi Medical Hall	25, BCDS Market, Maik Potti, Jessore
4	Mannan Pharmacy	BRTC Bus Station, Shamoli Para, 120/A, Ulla Para, Sirajgonj
5	Shaha Pharmacy	Ranjit Shaha, 45, Taramoni Medical Hall, College Mor, Sherpur
6	Rakib Medical hall	Rakibul Hasan, 10, Hatirkumrul, Oil Pump, Sirajgonj
7	Khokon Medical hall	75, Sarder Super Market, Satkhira, Khulna
8	Rafiq Medical hall	85, Kadamtala Bazar, Natore
9	Deep Medical hall	60, Hisan Medicine Market, Rangpur.
10	Iqbal Medical hall	27, Sadar Road, Kishoreganj
11	City Pharmacy	Bishnu podo Shaha, 12, Thana More Golachipa.
12	Badal Pharmacy	Sumit Sikder, 67, Natun Bazer, Gopalganj.
13	Kanai Lal Pharma	Kanai Lal Das, 102, Laheri Para, Faridpur.
14	Rumman Medical	110, Nodi Bangla Market, 2 <sup>nd</sup> floor, Shatmata, Bogra.
15	Ali Medical	Sarwar Hossain, 115, Sadar Road, Kishoreganj.
16	Shahin Medical Hall	76, Nurpur Market, Babubazar, Dhaka
17	Sundorban Pharmacy	Tofazzel Hossen, 24, Station Road, Comilla.
18	Jannat Medical	Kayser Ahmed, 45, Station Road, Natore.
19	Bangladesh Medical Hall	17, Durgabari Road, Mymensing
20	City Medical Hall	33, Datta Building, In front of Town Hall, Magura.
21	Tanvir Medical Hall	Golam Sorowar Hossain, 21, Station Road, Hatia.
22	Asha Drug	Mr. Azad, 42/A, Heraj Market, Khulna.
23	Shams Pharmacy	167, Bijoy Bitan, Hali Shohor, Hazari Lane, Chittagong.
24	Arogga Niketon	Monorongan Pal, 12, Sadar Road, Dohar, Dhaka.
25	Basin Medical Hall	M.A Mannan, 55, Madhabpur, Narsingdi.
26	Lovely Enterprise, Feni	Mr. Bimal, 34, Station Road, Feni.
27	Janata Medical Hall	15, Hazi Super Market, Rangpur.
28	Rup Saj Corner	Mr. Arif, 27, Bazar Road, Saidpur.
29	Helal Drug	Md. Issa, 55, Laxmipur Mor, Rajshahi.
30	Utsab Meidcal	Deb Dulal Shaha, 15, Sadar Road, Kishoreganj
31	Taramoni Medical Hall	Biplob Das, 7, Khoda Box Road, Faridpur.
32	Prodip Medical Store	Md. Rakibul Islam, 18, M.K Road, Jessore.
33	Tanzila Medical Hall	19, Merina Nodi Bangla Market, Bogra.
34	Badhan Pharmacy	28, Bangabandhu Sarak, Jhenaidah
35	Lia Aroggo Niketon	G.C Market, 170 Hazari Lane, Chittagong.
36	Kanai Lal Medical Hall	Rajon Lal Das, 11, Bhanga Bazar, Bhanga, Faridpur.

Place Dhaka  
Date: October 01, 2017

Sd/-  
**Mahfel Huq & Co.**  
Chartered Accountants

## CHAPTER (XXVII): PUBLIC ISSUE APPLICATION PROCEDURE

### Step-1 (Applicant)

1. An applicant for public issue of securities shall submit application/buy instruction to the Stockbroker/ Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e. the subscription closing date), which shall be the **25<sup>th</sup> (twenty fifth) working day** from the date of publication of abridged version of prospectus.
2. The application/buy instruction may be submitted in prescribed paper or electronic form, which shall contain the Customer ID, Name, BO Account Number, Number of Securities applied for, Total Amount and Category of the Applicant. At the same time:
  - a) Other than non-resident Bangladeshi (NRB) and Foreign applicants shall make the application money and service charge available in respective customer account maintained with the Stockbroker/Merchant Banker. No margin facility, advance or deferred payment is permissible for this purpose. In case the application is made through a margin account, the application money shall be deposited separately and the Stockbroker/Merchant Banker shall keep the amount segregated from the margin account, which shall be refundable to the applicant, if become unsuccessful.
  - b) Non-resident Bangladeshi (NRB) and Foreign applicants shall submit bank drafts (FDD), issued in favor of the Issuer for an amount equivalent to the application money, with their application to the concerned Stockbroker/Merchant Banker. A Non-resident Bangladeshi (NRB) and Foreign applicant may also submit a single draft against 02(two) applications made by him/her, i.e. one in his/her own name and the other jointly with another person. The draft (FDD) shall be issued by the Bank where the applicant maintains NITA/Foreign Currency account debiting the same account. No banker shall issue more than two drafts from any NITA/Foreign Currency account for any public issue. At the same time, the applicant shall make the service charge available in respective customer account maintained with the Stockbroker/Merchant Banker.

### Step-2 (Intermediary)

3. The Stockbroker/Merchant Banker shall maintain a separate bank account only for this purpose namely "Public Issue Application Account". The Stockbroker/Merchant Banker shall:
  - a) post the amount separately in the customer account (other than NRB and Foreign applicants), and upon availability of fund, block the amount equivalent to the application money;
  - b) accumulate all the application/buy instructions received up to the cut-off date, deposit the amount in the "Public Issue Application Account" maintained with its bank within the first banking hour of **next working day** of the cut-off date. In case of application submitted by the Stock-dealer or the Merchant Banker's own portfolio, the application amount should also be transferred to the "Public Issue Application Account";
  - c) instruct the banker to block the account for an amount equivalent to the aggregate application money and to issue a certificate in this regard.
4. Banker of the Stockbroker/Merchant Banker shall block the account as requested for, issue a certificate confirming the same and handover it to the respective Stockbroker/Merchant Banker.

5. For Non-resident Bangladeshi (NRB) and Foreign applicants, the Stockbroker/Merchant Banker shall prepare a list containing the draft information against the respective applicant's particulars.
6. The Stockbroker/Merchant Banker shall prepare category wise lists of the applicants containing Customer ID, Name, BO Account Number and Number of Securities applied for, and **within 03 (three) working days** from the cut-off date, send to the respective Exchange, the lists of applicants in electronic (text format with tilde '~' separator) format, the certificate(s) issued by its banker, the drafts received from Non-resident Bangladeshi (NRB) and Foreign applicants and a copy of the list containing the draft information.
7. **On the next working day**, the Exchanges shall provide the Issuer with the information received from the Stockbroker/Merchant Bankers, the drafts submitted by Non-resident Bangladeshi (NRB) and Foreign applicants and the list containing the draft information. Exchanges shall verify and preserve the bankers' certificates in their custody.
8. The application/buy instructions shall be preserved by the Stockbroker/Merchant Bankers up to 6 months from listing of the securities with exchange.

### **Step-3 (Issuer)**

9. The Issuer shall prepare consolidated list of the applications and send the applicants' BOIDs in electronic (text) format in a CDROM to CDBL for verification. The Issuer shall post the consolidated list of applicants on its website and websites of the Exchanges. CDBL shall verify the BOIDs as to whether the BO accounts of the applicants are active or not.
10. **On the next working day**, CDBL shall provide the Issuer with an updated database of the applicants containing BO Account Number, Name, Addresses, Parents' Name, Joint Account and Bank Account information along with the verification report.
11. After receiving verification report and information from CDBL, the Issuer shall scrutinize the applications, prepare category wise consolidated lists of valid and invalid applications and submit report of final status of subscription to the Commission and the Exchanges **within 10 (ten) working days** from the date of receiving information from the Exchanges.
12. The Issuer and the issue manager shall conduct category wise lottery with the valid applications **within 03 (three) working days** from the date of reporting to the Commission and the Exchanges, if do not receive any observation from the Commission or the Exchanges.
13. The Issuer and issue manager shall arrange posting the lottery result on their websites within **06 (six) hours** and on the websites of the Commission and Exchanges within **12 (twelve) hours** of lottery.
14. Within **02 (two) working days** of conducting lottery, the Issuer shall:
  - a) send category wise lists of the successful and unsuccessful applicants in electronic (text format with tilde '~' separator) format to the respective Exchange.
  - b) send category wise lists of unsuccessful applicants who are subject to penal provisions as per conditions of the Consent Letter issued by the Commission in electronic (text format with tilde '~' separator) format to the Commission and Exchanges mentioning the penalty amount against each applicant.

- c) issue allotment letters in the names of successful applicants in electronic format with digital signatures and send those to respective Exchange in electronic form.
- d) send consolidated allotment data (BOID and number of securities) in electronic text format in a CDROM to CDBL to credit the allotted shares to the respective BO accounts.

**Step-4 (Intermediary)**

15. **On the next working day**, Exchanges shall distribute the information and allotment letters to the Stockbroker/Merchant Bankers concerned in electronic format and instruct them to:
  - a) remit the amount of successful (other than NRB and Foreign) applicants to the Issuer's respective Escrow Account opened for subscription purpose, and unblock the amount of unsuccessful applicants;
  - b) send the penalty amount of other than NRB and Foreign applicants who are subject to penal provisions to the Issuer's respective Escrow Accounts along with a list and unblock the balance application money;
16. **On the next working day** of receiving the documents from the Exchanges, the Stockbrokers/Merchant Banker shall request its banker to:
  - a) release the amount blocked for unsuccessful (other than NRB and foreign) applicants;
  - b) remit the aggregate amount of successful applicants and the penalty amount of unsuccessful applicants (other than NRB and foreign) who are subject to penal provisions to the respective 'Escrow' accounts of the Issuer opened for subscription purpose.
17. **On the next working day** of receiving request from the Stockbrokers/Merchant Bankers, their bankers shall unblock the amount blocked in the account(s) and remit the amount as requested for to the Issuer's 'Escrow' account.
18. **Simultaneously**, the stockbrokers/Merchant Bankers shall release the application money blocked in the customer accounts; inform the successful applicants about allotment of securities and the unsuccessful applicants about releasing their blocked amounts and send documents to the Exchange evidencing details of the remittances made to the respective 'Escrow' accounts of the Issuer. The unblocked amounts of unsuccessful applicants shall be placed as per their instructions. The Stockbroker/Merchant Banker shall be entitled to recover the withdrawal charges, if any, from the applicant who wants to withdraw the application money, up to an amount of Tk. 5.00 (five) per withdrawal.
19. All drafts submitted by NRB or Foreign applicants shall be deposited in the Issuer's respective 'Escrow' accounts and refund shall be made by the Issuer by refund warrants through concerned stockbroker or merchant banker or transfer to the applicant's bank account through banking channel within 10 (ten) working days from the date of lottery.

**Miscellaneous:**

20. The Issuer, Issue Manager(s), Stockbrokers and Merchant Bankers shall ensure compliance of the above.
21. The bank drafts (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of abridged version of prospectus.
22. Amount deposited and blocked in the “Public Issue Application Account” shall not be withdrawn or transferred during the blocking period. Amount deposited by the applicants shall not be used by the Stockbrokers/Merchant Bankers for any purpose other than public issue application.
23. The Issuer shall pay the costs related to data transmission, if claimed by the Exchange concerned up to an amount of Tk.2,00,000.00 (taka two lac) for a public issue.
24. The Stockbroker/Merchant Bankers shall be entitled to a service charge of Tk.5.00 (taka five) only per application irrespective of the amount or category. The service charge shall be paid by the applicant at the time of submitting application.
25. The Stockbroker/Merchant Banker shall provide the Issuer with a statement of the remittance and drafts sent.
26. The Issuer shall accumulate the penalty amount recovered and send it to the Commission through a bank draft/payment order issued in favor of the Bangladesh Securities and Exchange Commission.
27. The concerned Exchange are authorized to settle any complaints and take necessary actions against any Stockbroker/Merchant Banker in case of violation of any provision of the public issue application process with intimation to the Commission.

**All eligible Stock Brokers and Merchant Bankers shall receive the IPO subscription.**

The IPO subscription money collected from successful applicants (other than NRB applicants) by the Stockbrokers/Merchant Bankers will be remitted to the Company’s **High Performance Account Corporate No. 1011360459420** with Eastern Bank Limited, Principal Branch, Dhaka, Bangladesh for this purpose.

The IPO subscription money collected from successful NRB applicants in US Dollar or UK Pound Sterling or EURO shall be deposited to three FC accounts opened by the Company for IPO purpose are as follows:

SL	Name of the A/C	Account No.	Type of A/C	Currency	Bank & Branch
1	Indo-Bangla Pharmaceuticals Limited	1013050459441	FC A/C	USD	Eastern Bank Limited, Principal Branch, Dhaka
2		1013060459430		GBP	
3		1013070459408		EUR	



## APPLICATION FORM

পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।

Interested persons are entitled to a prospectus, if they desire, and that copies of prospectus may be obtained from the issuer and the issue manager.

### INDO-BANGLA PHARMACEUTICALS LIMITED

#### APPLICATION FOR PUBLIC ISSUE

**Date:**

Name of applicant	:																			
Client Code	:																			
BO ID No.	:																			
Category of applicant	:																			
Name of the Company/Fund	:																			
Number of Shares/Units	:	.....															Shares of Tk.	.....		each
Total amount in Tk.	:																			
Amount in word	:																			
Mode of payment	:																			
Cheque/Draft information	:																			

\_\_\_\_\_  
Signature of  
Applicants

\_\_\_\_\_  
Signature of  
Authorized Officer

## CHAPTER (XXVIII): OTHERS

### MANAGEMENT ADDITIONAL DISCLOSURE

1. **It appears that none of the top 5 (five) salaried personnel is from Research & Development Department**

Mr. Shah-e-Azam is the head of Product Development, which is our R&D department. He is the among the top 5 salaried persons in our company.

2. **It appears that Tk. 12.09 crore from immediate past capital raising were utilized for investment in FDR. Rationales for further capital raising from IPO is required to disclose;**

Investment in FDR was temporary. We have procured land and building for expansion our business. We are on the process to further expand our business to be competitive with our competitors.

3. **It appears that actual capacity utilization of tablet, capsule & liquid for the year ended 30/06/16 respectively 66.67%, 66.67%, & 60% but you have stated that from IPO proceeds you will further purchase machineries. Explain;**

Currently our factory runs on average 65% capacity level which is almost the optimum level for existing machineries. For a constant business growth, we need to install new machineries for increase the capacity and production volume. Hence our management has decided to install new machineries and financing through Initial Public offering.

4. **It is also observed that huge amount of sales is piled up with account receivables (approximately 25%) year to year and huge amount of inventory excluding spare parts and packing materials (approximately 30%) are remain as inventory Explain;**

In order to boost up the market share and increase sales, Management has adopted credit policy for 90 to 120 days. Our management expects that the credit policy will boost our sales and we will be able to compete with our competitors in effective way. Hence, at the end of the year a portion of sales is retained with accounts receivable. To keep up the sales we have to maintain the optimum level of inventory.

Sd/-

**A F M Anowarul Huq**

Managing Director

**Indo-Bangla Pharmaceuticals Ltd.**

**DECLARATION FROM THE ISSUER THAT COMPANY WILL SHIFT ITS EXISTING INDUSTRY TO A NEW INDUSTRIAL AREA IMMEDIATELY**

We, the issuer, have bought land of 1.59 acre at Ranirhat, Bakergonj, Barisal. We informed to the Department of Environment that we would shift to the industrial area within 3/4 years. We reiterate our commitment here that we will shift within 3/4 years.

Sd/-

**A F M Anowarul Huq**

Managing Director

**Indo-Bangla Pharmaceuticals Ltd.**

**DECLARATION FROM ISSUE MANAGERS THAT COMPANY WILL SHIFT ITS EXISTING INDUSTRY TO A NEW INDUSTRIAL AREA IMMEDIATELY;**

We, the issue managers, would like to inform you that we discussed with the top management regarding the shifting of the existing industry. In this regard, issuer has bought land of 1.59 acre at Ranirhat, Bakergonj, Barisal. In addition, the issuer informed the matter to the Department of Environment that they would shift within 3/4 years.

Sd/-

**Mahbub H. Mazumdar FCMA**

Chief Executive

**AFC Capital Limited**

Sd/-

**Moinul Hossain Asif**

Managing Director

**EBL Investments Limited**

Sd/-

**Tania Sharmin**

Managing Director & CEO

**CAPM Advisory Limited**

**DECLARATION REGARDING COST AUDIT**

This is to inform you that Ministry of Commerce in its Gazette dated 12th January, 2003 ordered 5 companies from power sector and 6 companies from jute sector would be under Cost Audit Compliance. Later on, 3rd December 2009 Ministry of Commerce issued Gazette by which 42 companies from Garments and Textiles sector, 12 companies from Pharmaceutical sector and all the companies involved in manufacturing of Chemical Fertilizer would be under Cost Audit Compliance.

Since Indo-Bangla Pharmaceuticals Limited are not bracketed in above mentioned companies Cost Audit by Cost and Management Accountants is not applicable for "Indo-Bangla Pharmaceuticals Limited".

Sd/-

**A F M Anowarul Huq**

Managing Director

**Indo-Bangla Pharmaceuticals Ltd.**

Sd/-

**Md. Faruque Hossain**

Chief Financial Officer

**Indo-Bangla Pharmaceuticals Ltd.**

Sd/-

**Mahbub H. Mazumdar FCMA**

Chief Executive

**AFC Capital Limited**

Sd/-

**Moinul Hossain Asif**

Managing Director

**EBL Investments Limited**

Sd/-

**Tania Sharmin**

Managing Director & CEO

**CAPM Advisory Limited**

Date: September 28, 2017