

Healing Minds...

Healing Hearts...

21st
Annual Report
2021-2022



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*In the name of Allah
the most gracious
the most merciful*

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- ✓ Shows 95% clinical success rate in SSSIs
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Letter of Transmittal

To
Honorable Shareholders
Bangladesh Securities and Exchange Commission (BSEC)
Registrar of Joint Stock Companies & Firms of Bangladesh
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Subject: Disposal of Annual Report for the year ended 30 June, 2022.

Dear Sir(s),

We are pleased to enclose a copy of the Annual Report containing Directors' Report, Auditors' Report along with Audited Financial Statements including Statement of Financial Position as at June 30, 2022, Statement of Profit or Loss and other Comprehensive Income, Changes in Equity and Cash Flows for the year ended June 30, 2022 along with notes thereon of Silva Pharmaceuticals Limited for your kind information and record.

Thank You.
Yours Sincerely,



(Md. Iqbal Hossain)
Company Secretary

বিজ্ঞপ্তি



Silva Pharmaceuticals Limited

সিলভা ফার্মাসিউটিক্যালস লিমিটেড
বাড়ি # ৬৫, রোড # ৮/এ, ধানমন্ডি, ঢাকা-১২০৯

২১ তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

সিলভা ফার্মাসিউটিক্যালস লিমিটেড - এর সম্মানিত শেয়ারহোল্ডারগণকে জানানো যাচ্ছে যে, আগামী ২৯শে ডিসেম্বর, ২০২২, বৃহস্পতিবার, সকাল ১১টায় কোম্পানির ২১তম বার্ষিক সাধারণ সভা বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের আদেশ নং BSEC/SMRRCD/2009-193/08, তারিখ: ১০ই মার্চ, ২০২১ অনুসারে ডিজিটাল (ভার্চুয়াল) প্লাটফর্মের মাধ্যমে অনুষ্ঠিত হবে। সভায় নিম্নবর্ণিত বিষয়সমূহ <https://silvapharm2022.digitalagmbd.net> লিংকের মাধ্যমে আলোচনা করা হবে :

আলোচ্যসূচি

১. ২০২১-২০২২ অর্থ বছরের নিরীক্ষিত হিসাব এবং তার উপর নিরীক্ষক ও কোম্পানির পরিচালকমন্ডলীর প্রতিবেদন গ্রহণ এবং অনুমোদন;
২. বোর্ড কর্তৃক সুপারিশকৃত ২০২১-২০২২ অর্থ বছরের প্রস্তাবিত লভ্যাংশ অনুমোদন;
৩. আর্টিকেলস অব এসোসিয়েশন অনুসারে পরিচালক নির্বাচন;
৪. ব্যবস্থাপনা পরিচালক নিয়োগ/পুনঃ নিয়োগের অনুমোদন;
৫. স্বতন্ত্র পরিচালক নিয়োগ/পুনঃ নিয়োগের অনুমোদন;
৬. ২০২২-২০২৩ অর্থ বছরের জন্য বিধিবদ্ধ অডিটর নিয়োগ এবং তাদের পারিশ্রমিক নির্ধারণ;
৭. ২০২২-২০২৩ অর্থ বছরের জন্য কমপ্লায়েন্স অডিটর নিয়োগ এবং তাদের পারিশ্রমিক নির্ধারণ;
৮. আইপিও - এর অর্থ ব্যবহারের সময় বর্ধিতকরণের জন্য অনুমোদন।

বোর্ডের আদেশক্রমে



(মোঃ ইকবাল হোসেন)

কোম্পানি সেক্রেটারী

তারিখ: ২৪শে নভেম্বর, ২০২২

টীকা:

১. রেকর্ড ডেট (০১ ডিসেম্বর, ২০২২, বৃহস্পতিবার) এ কোম্পানির শেয়ার রেজিস্টার অথবা ডিপোজিটরি রেজিস্টারে (CDBL) যে সকল শেয়ার হোল্ডারগণের নাম রেকর্ডভুক্ত থাকবে তারাই কেবল বার্ষিক সাধারণ সভায় অংশগ্রহণ, ভোট প্রদান এবং লভ্যাংশ পাবার যোগ্য বলে বিবেচিত হবেন;
২. সভায় অংশগ্রহণ ও ভোট প্রদানে উপযুক্ত কোন সদস্য/সদস্যা তার পক্ষে অন্য কোন ব্যক্তিকে সভায় অংশগ্রহণ ও ভোটদানের জন্য প্রক্সি নিয়োগ করতে পারবেন। সভা অনুষ্ঠানের নির্ধারিত সময়ের অন্তত পক্ষে ৪৮ ঘণ্টা পূর্বে প্রক্সি ফর্ম ২০.০০ টাকার রেভেনিউ স্ট্যাম্প সহকারে যথাযথভাবে পূরণ করে কোম্পানির রেজিস্টার অফিসে ই-মেইল share@silvapharma.com এর মাধ্যমে জমা দিতে হবে;
৩. বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের আদেশ নং BSEC/CMRRCD/2006-158/208/Admin/81, তারিখ ২০ জুলাই, ২০১৮ অনুসারে বার্ষিক প্রতিবেদন ২০২১-২০২২ এর সফট কপি কোম্পানিতে সংরক্ষিত স্ব-স্ব শেয়ারহোল্ডারগণের ই-মেইলের মাধ্যমে প্রেরণ করা হবে। বার্ষিক প্রতিবেদন কোম্পানির ওয়েবসাইটেও (www.silvapharma.com) পাওয়া যাবে। এজিএমে যোগদানের পদ্ধতি পরবর্তী সময়ে কোম্পানির ই-মেইল/এসএমএস/ওয়েবসাইটের মাধ্যমে জানানো হবে;
৪. শেয়ারহোল্ডারগণ বার্ষিক সাধারণ সভা শুরু ২৪ ঘণ্টা পূর্ব থেকে এবং এজিএম চলাকালীন সময়ে ভার্চুয়াল লিংক/ই-মেইল share@silvapharma.com এর মাধ্যমে প্রশ্ন ও মন্তব্য করতে পারবেন। শেয়ারহোল্ডারগণ ১৬ সংখ্যার বিও আইডি/ফলিও নাম্বার সহ সংশ্লিষ্ট পরিচয় নির্দেশক তথ্য নিশ্চিত করে লিংক: <https://silvapharm2022.digitalagmbd.net> এ লগইন করতে পারবেন;
৫. ২৯শে ডিসেম্বর, ২০২২, বৃহস্পতিবার, সকাল ১১টায় মিটিং শুরুর পূর্বেই শেয়ারহোল্ডারগণকে সিস্টেমে লগইন করার অনুরোধ করা যাচ্ছে। উল্লেখ্য, সকাল ১০ঃ৪৫ টায় সরাসরি সম্প্রচার কার্যক্রম শুরু হবে। ভার্চুয়াল সভায় যুক্ত হতে প্রয়োজনে ০১৮-১২৭৮১৩৯০ নাম্বারে যোগাযোগ করুন;
৬. সদস্যদেরকে তাদের নিজ ডিপোজিটরি পারটিসিপেন্ট (ডিপি) এর মাধ্যমে ১২ ডিজিট ই-টিআইএন, ব্যাংক অ্যাকাউন্ট, মেইলিং ঠিকানা এবং যোগাযোগ নাম্বার দিয়ে তাদের নিজ বিও অ্যাকাউন্ট আপডেট করার জন্য অনুরোধ করা হচ্ছে;
৭. সংশ্লিষ্ট বোর্ডের হাউস/ডিপিদেরকে রেকর্ড ডেট অনুসারে তাদের মার্জিন ঋণধারীদের বিশদ বিবরণ (শেয়ারহোল্ডারদের নাম, বিও আইডি নম্বর, ক্লায়েন্ট-ভিত্তিক শেয়ারহোল্ডিং অবস্থান, গ্লস লভ্যাংশ প্রাপ্তি, প্রয়োজ্য করের হার এবং নেট লভ্যাংশ প্রাপ্তি) যোগাযোগকারী ব্যক্তির নাম সহ ২০শে ডিসেম্বর, ২০২২ তারিখের পূর্বে কোম্পানির শেয়ার অফিসে প্রদান করার জন্য অনুরোধ করা হচ্ছে। মার্চেন্ট ব্যাংক এবং ডিপোজিটরি পারটিসিপেন্টকে (ডিপি) তাদের ব্যাংকের নাম, অ্যাকাউন্ট নম্বর এবং রাউটিং নম্বর ইত্যাদি আমাদের নিকট প্রদান করার জন্য অনুরোধ করা যাচ্ছে;
৮. অনুমোদিত *superannuation* তহবিল বা পেনশন তহবিল বা গ্র্যাচুয়িটি তহবিল বা স্বীকৃত প্রভিডেন্ট তহবিল বা শ্রমিকদের অংশগ্রহণের তহবিলের জন্য সংশ্লিষ্ট *trusty* বোর্ডকে ২০শে ডিসেম্বর, ২০২২ তারিখের পূর্বে আপডেট ট্যাক্স রিভেট সার্টিফিকেট প্রদান করার জন্য অনুরোধ করা হচ্ছে।

বিঃ দ্রঃ বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের বিজ্ঞপ্তি নং SEC/CMRRCD/2009-193/154, তারিখ ২৪ অক্টোবর, ২০১৩ এবং স্টক এক্সচেঞ্জের লিস্টিং রুলস মোতাবেক ২১তম বার্ষিক সাধারণ সভায় কোন ধরনের উপহার/উপহার কুপন/খাদ্য বস্তু বিতরণ করা হবে না।



Notice

**Silva Pharmaceuticals Limited**

সিলভা ফার্মাসিউটিক্যালস লিমিটেড

House # 65, Road # 8/A, Dhanmondi, Dhaka

Notice of the 21st Annual General Meeting

Notice is hereby given that the **21st Annual General Meeting (AGM)** of the shareholders of Silva Pharmaceuticals Limited will be held on **Thursday, 29 December, 2022 at 11.00 A.M.** The AGM will be held virtually by using digital (Virtual) platform pursuant to the BSEC's Directive BSEC/SMRRCD/2009-193/08 dated March 10, 2021 through the link <https://silvaphagm2022.digitalagmbd.net> to transact the following businesses:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the company for the year ended 30 June, 2022 together with the Auditors' Report and Directors' Report thereon;
2. To approve proposed dividend for the financial year ended 30 June, 2022 as recommended by the Board;
3. To elect/re-elect Directors who will retire by rotation as per the relevant provisions of Articles of Association;
4. To approve the appointment/ re-appointment of the Managing Director;
5. To approve the appointment /re-appointment of the Independent Director;
6. To appoint Statutory Auditors' for the financial year 2022-2023 and to fix-up their remuneration;
7. To appoint Compliance Auditors for the financial year 2022-2023 and to fix-up their remuneration;
8. To approve the time extension for utilization of IPO proceeds.

By Order of the Board,

(Md. Iqbal Hossain)

Company Secretary

Dated: 24 November, 2022

Notes:

- i. The Shareholders, whose names will appear in the Share Register of the Company or Depository Register (CDBL) on the "**Record Date**" i.e. **Thursday, 01 December 2022** respectively are eligible to attend/participate and vote in the Annual General Meeting (AGM) through digital platform and entitled to the dividend.
- ii. A Members entitled to attend and vote in the Annual General Meeting, may appoint a proxy to attend and vote on his/her stead. The proxy Form must be affixed with requisite revenue stamp of Tk. 20.00 and be sent through email to Silva Pharmaceuticals Limited's Registered Office at share@silvapharma.com at least 48 hours before the schedule time of the meeting.
- iii. Pursuant to the BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018, soft copy of the Annual Report 2021-22 will be sent to the Shareholders' respective e-mail addresses as available with us. The Annual Report 2021-22 will also be available in the Company's website at: www.silvapharma.com. AGM joining procedure will be notified later through e-mail/SMS/website of the Company in due course.
- iv. The Members will be able to submit their questions/comments through virtual link/e-mail share@silvapharma.com 24 hours before commencement of the AGM and during the AGM. For logging into the system, the members need to put their 16-digit Beneficiary Owner (BO) ID/Folio number and other credentials as proof of their identity by visiting the link <https://silvaphagm2022.digitalagmbd.net>.
- v. Shareholders are requested to login to the system prior to starting of the meeting at 11.00 a.m. on Thursday, 29 December 2022. The webcast will start at 10.45 AM. Please contact at 01812781390 for any queries in accessing the virtual meeting.
- vi. The Members are requested to update their respective BO Accounts with 12 Digit e-TIN, Bank Account, Mailing Address and Contact Number through their respective Depository Participant (DP).
- vii. The concerned Brokerage Houses/DP's are requested to provide us a statement with the details (Shareholders' Names, BO ID Numbers, Client-wise shareholding position, Gross Dividend Receivables, applicable tax rate and Net Dividend Receivables) of their Margin Loan Holders who hold Company's share, as on the 'Record Date' along with the name of the Contact Person in this connection, to the Company's Share Office on or before 20 December, 2022. The Merchant Banks and Depository Participants (DP) are also requested to provide us with their Bank Names, Account Numbers and Routing Numbers etc.
- viii. The concerned trusty board of approved superannuation fund or pension fund or gratuity fund or recognize provided fund or workers participation fund are requested to provide us update tax rebate certificate on or before 20 December, 2022.

N.B.: In compliance with the Bangladesh Securities and Exchange Commission's circular no. SEC/CMRRCD/2009-193/154 dated October 24, 2013, and The Listing Regulations of Stock Exchanges, no gift/gift coupon/food box/benefit in cash or in kind shall be distributed / paid to the shareholders for attending the ensuing 21st Annual General Meeting.



Our Vision, Mission & Core Values

Mission

We are committed to enhancing human health and well-being by providing contemporary and affordable medicines, manufactured in full compliance with global quality standards.

1

Vision

We continually strive to improve our core capabilities to address the unmet medical needs of the patients and to deliver outstanding results for our shareholders.


2

Core Value

- Quality
- Creativity
- Trust
- Social Responsibility
- Team Work
- Growth

3

Corporate Directory

| | |
|---|---|
| Name of the Company | : Silva Pharmaceuticals Limited (SILVAPHL) |
| Logo | :  Silva Pharmaceuticals Limited সিলভা ফার্মাসিউটিক্যালস্ লিমিটেড |
| Legal Position | : Public Limited Company |
| Date of Incorporation | : April 24, 2001 |
| Company Registration No. | : CH-42959(2318)/2001 |
| Commencement of Commercial Operations | : 1 st July, 2003 |
| Converted into Public Ltd. Company | : April 22, 2014 |
| Subscription Opened on IPO | : 29 July, 2018 |
| Subscription Closed | : 05 August, 2018 |
| Listed in DSE & CSE | : DSE: 23 September, 2018 and CSE: 16 September, 2018 |
| Trading started on DSE & CSE | : 10 October, 2018 |
| Registered as Depository Participant of CDBL | : 24 September, 2018 |
| Market Category | : "B" |
| Electronic Shares | : Yes |
| Face Value | : Tk. 10.00 |
| Authorized Capital | : Tk. 1,500,000,000 divided into 150,000,000 Ordinary Share of Tk. 10.00 each. |
| Paid up Capital | : Tk. 1,365,000,000 divided into 136,500,000 Ordinary Share of Tk. 10.00 each. |
| Obtained Certification of Membership from BAPLC | : 27 October, 2019 |
| Registered, Corporate & Share Office | : House # 65 (Ground Floor), Road # 8/A (New), Dhanmondi, Dhaka-1209. Tel: 880-2-55000692; +880-2-8191336 Fax: +880-2-55000693 Email: share@silvapharma.com ; Web: www.silvapharma.com |
| Factory | : Silva Pharmaceuticals Limited, 137, Joykrishnarampur, Main Road, Maijdee Court, Noakhali. Tel: +880-321-63301 |
| Board of Directors | : 8 (Eight) Directors. |
| Auditors' | : Shiraz Khan Basak & Co., Chartered Accountants R. K. Tower (Level-10) 86, Bir Uttam C.R. Datta Road, Dhaka-1205. Tel: +880-02-9635139 E-mail: bhudhar@gmail.com ; shirazkhanbasak.ca@gmail.com |
| Compliance Auditors' | : S. H. Khan & Co. , Chartered Accountants, Fahima Tower (5 th Floor), 42-43, Purana Paltan, Dhaka-1000. Tel: +880-1711200685 E-mail: shk.shkhan@gmail.com |

Corporate Review

Management Apparatus

(a) Board of Directors:

| | |
|--|--------------------------------|
| Mrs. Silvana Mirza | : Chairman |
| Dr. Saira Khan, MBBS, DCH, FCPS, | : Director & Managing Director |
| Mrs. Samina Mirza | : Director |
| Mrs. Farhana Mirza | : Director |
| Mrs. Mahmuda Akhter (Nominated by ICB) | : Director |
| Mr. Monsur Rahman (Nominated by Adarsha Fisheries & Poultry Farm Ltd.) | : Director |
| Mr. Md. Musfiqur Rahman, FCA | : Independent Director |
| Mr. Muhammad Moniruzzaman, FCA | : Independent Director |

(b) Audit Committee:

| | |
|--|--------------------|
| Mr. Md. Musfiqur Rahman, FCA, Independent Director | : Chairman |
| Mrs. Samina Mirza, Director | : Member |
| Mr. Monsur Rahman (Nominated by Adarsha Fisheries & Poultry Farm Ltd.), Director | : Member |
| Mr. Md. Iqbal Hossain, Company Secretary | : Member Secretary |

(c) Nomination and Remuneration Committee (NRC):

| | |
|--|--------------------|
| Mr. Muhammad Moniruzzaman, FCA, Independent Director | : Chairman |
| Mrs. Farhana Mirza, Director | : Member |
| Mr. Monsur Rahman (Nominated by Adarsha Fisheries & Poultry Farm Ltd.), Director | : Member |
| Mr. Md. Iqbal Hossain, Company Secretary | : Member Secretary |

(d) Management Committee:

| | |
|----------------------------------|---|
| Dr. Saira Khan, MBBS, DCH, FCPS. | : Managing Director |
| Mr. A. R. Hassan Mirza | : Executive Director |
| Mr. Md. Iqbal Hossain | : Company Secretary |
| Mr. Md. Abul Kasem | : Chief Financial officer (CFO) |
| Mr. Salim Ullah Chowdhury | : Head of Sales |
| Mr. Adiluzzaman | : Production Manager (Current Charge) |
| Mr. Khurshid Ahmed Siddique | : Head of Internal Audit and Compliance |
| Mr. Md. Nazmul Haque | : Head of HRD |

(e) Bankers:

Al-Arafah Islami Bank Limited;
Dutch Bangla Bank Limited;
National Bank Limited.
Shahjalal Islami Bank Limited
Jamuna Bank Limited.
Sonali Bank Limited.

(f) Insurers:

Agrani Insurance Co. Ltd.

Board of Directors**Mrs. Silvana Mirza**

Chairman

Mrs. Silvana Mirza was born at Noakhali in Bangladesh in the year 1978. She was graduated in Islamic Studies from Asian University of Bangladesh.

She has been a Director of the company since 2001 and was unanimously appointed as the Chairman of the Board in 2017. She is also one of the sponsors of the Company.

She does not hold membership in any sub-committee of the Board.

Currently, she is also the director of S.R. Fisheries and Dairy Farm Ltd., Al-Amin Agro Fisheries Complex Ltd. and Adarsha Fisheries and Poultry Farm Ltd.

She oversees the business with inception of the company as director Operation. Her interpersonal skills, leadership behavior, high analytical ability in business and very hard working nature made her worth as director.

**Dr. Saira Khan, MBBS, DCH, FCPS.**

Director & Managing Director

Dr. Saira Khan, MBBS, DCH, FCPS. was born at Dhaka in Bangladesh in the year 1981. She is a daughter of Lt. Gen. (Retd.) M. Nooruddin Khan ex. Army Chief. She is a medical graduate from the Armed Forces Medical College, Dhaka with an MBBS in 2004, she has completed Diploma in Child health (DCH) in July, 2009 and FCPS (Paediatrics) in July, 2016.

She began her career as Honorary Medical Officer with Shaheed Suhrawardy Hospital in the year 2006. In the year 2010 she joined BIRDEM General Hospital as Medical Officer, then she joined Dhaka Ahsania Mission as Specialist physician (Paediatrics) in the year 2013 and she joined Marks Medical College and Hospital as Assistant Professor (Paediatrics) in the year 2016.

She has been serving as the Director of the Board since 2017 and was appointed as the Managing Director of the Company in 2017.

She does not hold membership in any sub-committee of the Board.

Currently, She is also the director of ARK Hospital Ltd. and AGI Flour Mills Ltd.

She has strong insights and research skills and a deep understanding of customer and consumer strategy. Apart from her active involvement in the management and executive decision making of the company, she is the leading force of the Marketing Department and has taken the responsibility to revolutionize it. SPL continues to move forward with her expertise in strategic marketing and brand development. She believes in utilizing & fostering the talent, integrity, creativity and teamwork of people in achieving sustainable business results. She is oversees the management of Silva Pharmaceuticals Limited as the Managing Director with her professional, creative and result-driven approach. Her interpersonal skills, leadership behavior, high analytical ability in business and very hard working nature made her worth as director.



Mrs. Samina Mirza

Director

Mrs. Samina Mirza was born at Noakhali in Bangladesh in the year 1985. She was graduated from United Kingdom.

She has been a Director of the company since 2001. She is also one of the sponsors of the Company.

She is the member of the Audit Committee since 2017.

Currently, she is also the director of Adarsha Fisheries and Poultry Farm Ltd.

She is a visionary, dynamic and ingenious businessman in Bangladesh. Her acumen in business and flexible manner in terms of public relations made her a role model in developing the culture of the organization.



Mrs. Farhana Mirza

Director

Mrs. Farhana Mirza was born at Noakhali in Bangladesh in the year 1986. She was graduated in Islamic Studies from Asian University of Bangladesh.

She has been a Director of the company since 2001. She is also one of the sponsors of the Company.

She is the member of the Nomination and Remuneration Committee since 2018.

Currently Mrs. Farhana Mirza is also the director of Adarsha Fisheries and Poultry Farm Ltd.

She is a visionary, dynamic and ingenious businessman in Bangladesh. She is doing her job nicely with adding value by creative and innovative ideas to the Board.



Mr. Monsur Rahman

Director (Nominee Director of Adarsha fisheries & Poultry Farm Ltd.)

Mr. Monsur Rahman was born at Dhaka in Bangladesh in the year 1985. He was graduated in Electronic and Telecommunication Engineering (ETE) in the year 2009 from North South University, Bangladesh.

He holds the position of the Nominated Director of Adarsha Fisheries and Poultry Farm Limited in the Board of Silva Pharmaceuticals Limited since 2017.

He is the member of the Audit Committee since 2017 and the Nomination and Remuneration Committee since 2018.

Currently He is not involved with other organization.

He is a visionary, dynamic and ingenious businessman in Bangladesh. He is doing her job nicely with adding value by creative and innovative ideas to the Board.



Mrs. Mahmuda Akhter

Director [Nominee Director of Investment Corporation of Bangladesh (ICB)]

Mrs. Mahmuda Akhter was born in an illustrious family at Mymensingh district in Bangladesh in the year 1968. She completed her graduation and post-graduation in Economics from the University of Dhaka. She holds MBA in Finance from Daffodil International University. She is a Diplomaed Associate of the Institute of Bankers, Bangladesh.

She holds the position of the Nominated Director of Investment Corporation of Bangladesh (ICB) in the Board of Silva Pharmaceuticals Limited since 2021. She has joined ICB in 1995 and is currently serving as the General Manager of the Investment Corporation of Bangladesh (ICB).

She does not hold membership in any sub-committee of the Board.

Currently, she is the director of ICB Securities Trading Company Ltd (ISTCL) and Ajanta Auto Rice Mills Ltd. as nominated director of Investment Corporation of Bangladesh (ICB)

She is visionary, dynamic and doing her job nicely with adding value by creative and innovative ideas. She is a social worker as well.



Md. Musfiqur Rahman, FCA

Independent Director

Mr. Md. Musfiqur Rahman FCA was born on 1965 in a noble Muslim family at Noakhali district in Bangladesh. He completed his Graduation under Chittagong University and qualified as Chartered Accountant from the Institute of Chartered Accountants of Bangladesh (ICAB) in May 2007 and also awarded as fellow member of ICAB in the year 2013.

He was appointed as an Independent Director of the company in 2017 by the Board of Silva Pharmaceuticals Limited.

He is also the Chairman of the Audit Committee since 2017.

Currently He does not hold any directorship in any other company.

He is a partner of Mollah Quadir Yusuf & Co., Chartered Accountants. He has about 30 years of experience in the area of Accounting, Auditing, Secretarial Practice, Income Tax and other financial and management consultancy. He is a social worker as well.



Muhammad Moniruzzaman, FCA

Independent Director

Mr. Muhammad Moniruzzaman, FCA was born in an illustrious family at Faridpur in the year 1976. He took Masters of Commerce from Dhaka College under National University and qualified as Chartered Accountant in June 2012 from the Institute of Chartered Accountants of Bangladesh (ICAB).

He was appointed as an Independent Director of the company in 2020 by the Board of Silva Pharmaceuticals Limited and will be re-appointed in the ensuing AGM subject to the approval of shareholders.

He is the Chairman of the Nomination and Remuneration Committee (NRC) since 2020.

Currently He does not hold any directorship in any other company.

He is expert in the field of Accounting, Auditing, Secretarial Practice, Income Tax and other financial and management consultancy. Formerly he was an Independent Director of Sandhani Life Insurance Company Limited from 2012 to 2016. He is a social worker as well.

চেয়ারম্যানের বিবৃতি

বিসমিল্লাহির রাহমানহির রাহিম

শ্রদ্ধেয় শেয়ারহোল্ডার, সহকর্মী, বিশিষ্ট অতিথি, ভাই এবং বোনেরা,

আসসালামু আলাইকুম ওয়া রাহমাতুল্লাহ।

কোম্পানির পরিচালনা পর্যদের পক্ষ থেকে আপনাদের সবাইকে ২১তম বার্ষিক সাধারণ সভায় আনন্দের সহিত স্বাগত জানাচ্ছি এবং ৩০ জুন, ২০২২ সমাপ্ত অর্থ বছরের নিরীক্ষিত আর্থিক বিবরণী ও প্রতিবেদনসমূহ আপনাদের সদয় বিবেচনা ও অনুমোদনের জন্য পেশ করা হলো।

আপনারা সকলেই অবগত আছেন যে, কোম্পানির বেশিরভাগই ব্যবসায়িক সাফল্য নির্ভর করে বিদ্যমান জাতীয় ও বৈশ্বিক আর্থ-সামাজিক এবং পারিপার্শ্বিক পরিস্থিতির উপর যেখানে ২০২১-২০২২ অর্থবছরে আমাদের কোভিড-১৯ মহামারীর তৃতীয় এবং চতুর্থ ঢেউয়ের মোকাবিলা করে কোম্পানিকে এগিয়ে নিয়ে যাওয়া যথেষ্ট চ্যালেঞ্জিং ছিল। আমরা আমাদের কর্মকর্তা-কর্মচারী এবং যারা সম্মুখ যোদ্ধা হিসেবে কাজ করতে গিয়ে করোনা ভাইরাসে আক্রান্ত হয়ে মারা গেছেন তারা যেন বেহেশতে শান্তি প্রাপ্ত হয় সেজন্য মহান সর্বশক্তিমান আল্লাহর নিকট প্রার্থনা করছি।

এখন, আমরা আপনাদের সামনে ২০২১-২০২২ সালের বার্ষিক প্রতিবেদন উপস্থাপন করতে চাই যাতে কোম্পানির আর্থিক অবস্থান, অর্জন এবং উল্লেখযোগ্য পারফরমেন্স দেখানো হয়েছে। ইনশাআল্লাহ।

কোভিড-১৯ মহামারীর কারণে কঠিন সময় পার করা এবং চলমান রাশিয়া-ইউক্রেন ভূ-রাজনৈতিক পরিস্থিতির কারণে বাজার অনিশ্চয়তার পাশাপাশি ডলারের বিপরীতে টাকার অবমূল্যায়নের ফলে সরবরাহ শৃঙ্খলায় বিঘ্ন ও অতিরিক্ত খরচের সৃষ্টি হওয়া সত্ত্বেও ২০২১-২০২২ অর্থ বছরে মোটামুটিভাবে সফলতা অর্জন করতে সক্ষম হয়েছি। আমরা বিশ্বাস করি যে, আমাদের প্রচেষ্টা এবং টিমওয়ার্ক কোম্পানিকে প্রতিযোগিতামূলক শিল্প পরিস্থিতিতে তার লাভজনকতা বজায় রাখতে সক্ষম করেছে।

কোম্পানির নেট টার্নওভার আগের বছরের তুলনায় ২.৫৭% কমে ৭৭৮.৬৭ মিলিয়ন টাকা হয়েছে এবং কর পরবর্তী নিট মুনাফা আগের বছরের তুলনায় ১৪.৬৭% কমে ১০২.২৬ মিলিয়ন টাকা হয়েছে। চলমান রাশিয়া-ইউক্রেন ভূ-রাজনৈতিক পরিস্থিতির কারণে আর্থিক বছরের দ্বিতীয়ার্ধে ডলারের বিপরীতে টাকার অবমূল্যায়নের ফলে সরবরাহ শৃঙ্খলায় বিঘ্ন ও অতিরিক্ত খরচের সৃষ্টি হওয়ায় উপরোক্ত হ্রাস ঘটেছে। উপরোক্ত পারফরম্যান্স এবং ব্যবসায়ের ফলাফলের ভিত্তিতে বোর্ড ২০২১-২০২২ অর্থ বছরের জন্য সমস্ত শেয়ারহোল্ডারদের ০৩.০০% নগদ লভ্যাংশ [স্পিনসর এবং পরিচালকদের বাদ দিয়ে (আইসিবির জন্য ০১.৫০% নগদ লভ্যাংশ ব্যতীত)] প্রদানের সুপারিশ করেছে।

আমি আপনাদেরকে নিশ্চয়তা দিতে চাই যে, শেয়ারহোল্ডারদের ইকুইটি বাড়াতে আমাদের কঠোর প্রচেষ্টা আগের মতো অব্যাহত থাকবে। আমাদের উত্তম পরিচালনা এবং দক্ষ শ্রম কোম্পানির প্রধান চালিকা শক্তি। আমরা দৃঢ়ভাবে বিশ্বাস করি যে, আরও ভালো মার্কেটিং পলিসির মাধ্যমে কোম্পানির আর্থিক অবস্থা এবং বাজারের স্থিতিশীলতা ভবিষ্যতে বৃদ্ধি পাবে। আমরা আশাবাদী ২০২২-২০২৩ সাল সফলতা বয়ে আনবে এবং খুব শীঘ্রই করোনা ভাইরাস মহামারী ও রাশিয়া-ইউক্রেন ভূ-রাজনৈতিক পরিস্থিতির পরিসমাপ্তি হবে বলে বিশ্বাস করি।

এই সাফল্য বয়ে আনার জন্য কোম্পানির সর্বস্তরের কর্মীদের নিবেদিত প্রতিশ্রুতি ও দক্ষতার ছাপ স্পষ্ট দেখতে পাচ্ছি এবং ব্যবস্থাপনা কর্তৃপক্ষের অবদানের কথা স্বীকার করছি। তাদের এই প্রচেষ্টার কারণে কোম্পানির পারফরমেন্স দুর্দান্ত ও শক্তিশালীভাবে ব্যবসাকে সামনের দিকে এগিয়ে নিয়ে যাচ্ছে। আমরা যে সাফল্য অর্জন করেছি তা কেবলমাত্র সংশ্লিষ্ট সকলের সম্মিলিত প্রচেষ্টার কারণেই সম্ভব হয়েছে। আমি আন্তরিকভাবে কোম্পানিতে তাদের অবদানকে স্বীকার করছি।

আমরা আমাদের মূল্যবান গ্রাহক, শুভকাজক্ষী, পেশাদারী স্বাস্থ্যসেবক, ব্যাংকার, যোগানদাতা, বাংলাদেশ সিকিউরিটিজ অ্যান্ড একচেঞ্জ কমিশন (বিএসইসি), ঢাকা স্টক একচেঞ্জ, চট্টগ্রাম স্টক একচেঞ্জ, সেন্ট্রাল ডিপোজিটরি বাংলাদেশ লিঃ, রেজিস্ট্রার অব জয়েন্ট স্টক কোম্পানিজ এন্ড ফার্মস (আরজেএসসি), জাতীয় রাজস্ব বোর্ড, বীমা সংস্থা এবং সমাজের সকলের নিকট কৃতজ্ঞ যারা এই কোম্পানিকে আপন হিসাবে বিবেচনা করেছেন।

সকলের শান্তিপূর্ণ সমৃদ্ধি ও সুস্বাস্থ্য কামনা করছি। পরিশেষে আমি কোম্পানীর ভবিষ্যৎ অগ্রগতি ও উন্নতির জন্য এবং সর্বোপরি দেশ ও জাতির কল্যাণের জন্য মহান আল্লাহ পাকের দরবারে দোয়া প্রার্থনা করছি।


সিলপানা মির্জা
চেয়ারম্যান

Chairman's Statement

Bismillahir Rahmanir Rahim

Dear Shareholders, Ladies and Gentlemen,

Assalamu Alaikum WaRahmatullah,

It is a great honour and privilege to welcome you on behalf of the Board of the Directors to the 21st Annual General Meeting of the Silva Pharmaceuticals Limited and submits before you the Annual Report containing audited financial statements and reports for the year ended 30 June, 2022 for your consideration and approval.

You are all aware that, the company's operational success mostly depends on the factors of socio-economic situation exists nationally and globally where we had to face the intensity of third and fourth wave of pandemic COVID-19 and as such the year 2021-22 was challenging for us. We pray to the almighty Allah for the employees as front fighters, concerned and people who of died infecting of this pandemic corona virus for their peace and rest in the Heaven.

Now, we would like to present before you the Annual Report for the year 2021-2022 showing the financial position, achievement and the notable performance of the company. In Sha Allah.

I am pleased to share that the financial year 2021-2022 has been roughly successful although we are passing a tough time in COVID-19 situation and the ongoing Russia-Ukraine geopolitical situation which has caused supply chain disruptions as well as additional cost pressure for devaluation of BDT against USD as well as market uncertainties. We believe that our endeavours and teamwork have enabled the Company to maintain its profitability under competitive industry scenario.

However, the company decreased its net turnover to Tk. 778.67 million down by 02.57% from the previous year and the Net Profit after Tax has to Tk. 102.26 million which was 14.67% lower than the previous year. The above decreases has been occurred due to the ongoing Russia-Ukraine geopolitical situation which has caused supply chain disruptions as well as additional cost pressure for devaluation of BDT against USD in the second half of the financial year. Based on the above performance and business results the board has recommended 03.00% Cash dividend for all shareholders [excluding sponsors and directors (except 1.50% Cash for ICB)] for the year 2021-2022.

I would like to assure you that, our hard effort to increase the shareholders equity will continue as before. Our efficient management and skilled labour stands the main driving force of the company. We strongly believe that the financial growth and market stability of the company will gradually rise in future by utilizing our optimum capacity through better marketing policy. We look forward to a successful year 2022-2023 and we hope and believe the Corona Virus pandemic and ongoing Russia-Ukraine geopolitical situation will end very soon.

I sincerely show my immense impression for the dedication commitment and skills of the employees of all level and gratitude as acknowledgement for the contribution made by the management to bring this success. It is their efforts that drive the business forward, delivering excellent performance and strong growth across our business. The success we have achieved is only possible because of the collective effects of all concerned. I thankfully acknowledge their contribution to the company.

We are grateful to our valued customers, well-wishers, healthcare professionals, bankers, suppliers, Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock exchange, Chittagong Stock Exchange, Central Depository Bangladesh Ltd., Registrar of Joint Stock Companies and Firms (RJSC), National Board of Revenue, Insurers, and the Society at large who consider the company as their own.

Thanking you all with wishes of a peaceful prosperity and good health. Lastly I pray to the almighty Allah to bless us with success and help us in our endeavor marching towards a bright future and benevolence to our people as a whole.

Mrs. Silvana Mirza
Chairman

পরিচালকমন্ডলীর প্রতিবেদন

বিসমিল্লাহির রাহমানহির রাহিম

সম্মানিত শেয়ারহোল্ডারগণ,

আসসালামু আলাইকুম ওয়া রাহমাতুল্লাহ।

কোম্পানির পরিচালনা পর্ষদের পক্ষ থেকে আপনাদের সবাইকে ২১তম বার্ষিক সাধারণ সভায় আন্তরিক শুভেচ্ছা ও স্বাগত জানাচ্ছি। ৩০ জুন, ২০২২ সমাপ্ত অর্থ বছরের উপর পরিচালকমন্ডলীর প্রতিবেদন এবং নিরীক্ষক কর্তৃক নিরীক্ষিত আর্থিক বিবরণী সমূহ আপনাদের মূল্যবান দিক নির্দেশনা, মতামত ও সদয় বিবেচনার জন্য পেশ করা হলো। আলোচ্য সময়ে কোম্পানির ব্যবসায়িক সাফল্যের জন্য মহান রাক্বুল আলামীনের দরবারে শুকরিয়া আদায় করছি।

এই প্রতিবেদনটি কোম্পানি আইন ১৯৯৪ এর ধারা ১৮৪ এবং বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং - BSEC/CMRRCD/2006-158/207/Admin/80, তারিখ ০৩ জুন, ২০১৮ এর শর্তানুসারে প্রস্তুত করা হয়েছে। এছাড়াও পরিচালকগণ স্বচ্ছতা এবং সুশাসন অনুশীলন নিশ্চিত করার জন্য কিছু প্রাসঙ্গিক এবং গুরুত্বপূর্ণ বিষয় ব্যাখ্যা করেছেন।

পটভূমি

সিলভা ফার্মাসিউটিক্যালস লিমিটেড ২০০১ সালের ২৪ এপ্রিল কোম্পানি আইন, ১৯৯৪ অনুসারে রেজিস্ট্রার অব জয়েন্ট স্টক কোম্পানির রেজিস্ট্রেশন নং - CH-৪২৯৫৯(২৩১৮)/২০০১ এর মাধ্যমে নিবন্ধিত হয়। ২২ এপ্রিল, ২০১৪ সালে প্রতিষ্ঠানটি ১৯৯৪ সালের কোম্পানি আইন অনুসারে পাবলিক লিমিটেড কোম্পানি হিসেবে নিবন্ধিত হয়। কোম্পানিটি ২৩ সেপ্টেম্বর, ২০১৮ তারিখে ঢাকা স্টক এক্সচেঞ্জ লিমিটেড (ডিএসই) ও ১৬ সেপ্টেম্বর, ২০১৮ তারিখে চট্টগ্রাম স্টক এক্সচেঞ্জ লিমিটেডে (সিএসই) তালিকাভুক্ত হয়। ১০ অক্টোবর, ২০১৮ থেকে উভয় স্টক এক্সচেঞ্জে কোম্পানির শেয়ার লেনদেন শুরু হয়।

মূল কার্যক্রম

কোম্পানির মূল কার্যক্রম হচ্ছে সর্বোচ্চ মানসম্পন্ন ঔষধ উৎপাদন করে বাংলাদেশ ও বহির্বিদেশে বাজারজাতকরণের মাধ্যমে আন্তর্জাতিক মানের স্বাস্থ্যসেবা প্রদানের লক্ষ্যে মানব কল্যাণে ভূমিকা রাখা।

পরিচালনা পর্ষদ

পরিচালনা পর্ষদ কোম্পানির সর্বোচ্চ প্রশাসনিক সংস্থা এবং যারা সকল শেয়ারহোল্ডার এবং স্টেকহোল্ডারদের স্বার্থের প্রতিনিধিত্ব করে। কোম্পানির পর্ষদে ৮ (আট) জন পরিচালক রয়েছেন, যাদের মধ্যে ৪ (চার) জন শেয়ারহোল্ডার পরিচালক, ২ (দুই) জন মনোনীত পরিচালক এবং ২ (দুই) জন স্বতন্ত্র পরিচালক রয়েছেন। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের (বিএসইসি) রেফারেন্স নং BSEC/CMRRCD/2006-158/207/Admin/80; তারিখ ৩ জুন, ২০১৮ এর কর্পোরেট গভর্নেন্স কোডের বিধান অনুসারে স্বতন্ত্র পরিচালক নিয়োগ দেয়া হয়। পর্ষদের অপরিহার্য ভূমিকা হল কোম্পানির কৌশল অনুমোদন করা এবং নীতিগত পর্যবেক্ষণ করা।

শিল্প সম্ভাবনা

আলোচ্য অর্থ বছরে সিলভা ফার্মাসিউটিক্যালস লিঃ সর্বক্ষেত্রে তথা উৎপাদনশীলতা ও ব্যবসা পরিচালনায় উত্তম নীতি সংরক্ষণ ও উন্নয়নকে অগ্রাধিকার দেয়ার প্রত্যয়ে অবিচল থাকার চেষ্টা অব্যাহত রেখেছে। আলহামদুলিল্লাহ।

একটি প্রতিযোগিতামূলক ব্যবসায়িক পরিবেশে কোম্পানি প্রতিযোগিতামূলক দরে সর্বোচ্চ গুণগত মানসম্পন্ন পণ্য দিয়ে ভোক্তা সাধারণের পাশে থাকতে সক্ষম হয়েছে। কোম্পানিটি উন্নত প্রযুক্তির উপর নির্ভর করে ভবিষ্যৎ চ্যালেঞ্জ মোকাবিলা করার লক্ষ্যে চাহিদামাফিক পণ্য পরিবেশনার মাধ্যমে ব্যবসা সম্প্রসারণের উপর সর্বাধিক গুরুত্ব দেয়।

বাংলাদেশ ফার্মাসিউটিক্যাল মার্কেট

ফার্মাসিউটিক্যাল শিল্প বাংলাদেশের একটি গুরুত্বপূর্ণ খাত। যা বর্তমানে দেশের অর্থনীতিতে উল্লেখযোগ্য অবদান রাখছে। ২০২১-২২ অর্থ বছরে বাংলাদেশ ফার্মাসিউটিক্যাল মার্কেট এর প্রবৃদ্ধি হয়েছে -৩.৮৫%। এ সময়ে সিলভা ফার্মাসিউটিক্যালস লিঃ -২.৫৭% প্রবৃদ্ধি অর্জন করেছে।

ব্যবসায়িক পর্যালোচনা

চলমান রাশিয়া-ইউক্রেন ভূ-রাজনৈতিক পরিস্থিতির কারণে ২০২১-২০২২ সালটি কেবল কোম্পানির জন্যই নয়, সমগ্র বিশ্বের জন্য একটি চ্যালেঞ্জিং বছর ছিল, যার ফলে সাপ্লাই চেইনে বিঘ্ন ঘটেছে এবং সেইসাথে মার্কিন ডলারের তুলনায় টাকার অবমূল্যায়নের জন্য অতিরিক্ত ব্যয়ের চাপ সৃষ্টি হয়েছে এবং করোনানাভাইরাস (কোভিড -১৯) দ্বারা প্রভাবিত হয়েছে। উপরোক্ত দুর্ঘটনাদের প্রাদুর্ভাব দেশের সামষ্টিক অর্থনৈতিক কর্মক্ষমতার পাশাপাশি এর পরিচালনা এবং আর্থিক অবস্থানকে ব্যাপকভাবে প্রভাবিত করেছে।

রাশিয়া-ইউক্রেন ভূ-রাজনৈতিক পরিস্থিতি এবং কোভিড-১৯-এর দুর্দশার কারণে পর্যালোচনাধীন বছরটি জাতীয় ও আন্তর্জাতিক ব্যবসায়িক এলাকায় তীব্র প্রতিযোগিতা বিরাজ করছিল; পরিচালনা পর্ষদ কর্তৃক সময়োপযোগী বিভিন্ন দূরদর্শী পদক্ষেপ সত্ত্বেও আমরা সন্তোষজনক প্রবৃদ্ধির প্রবণতা বজায় রাখতে সক্ষম হইনি।

ফলে মানসম্মত ঔষধ উৎপাদন ও ভোক্তাগণের কাছে ঔষধ পৌঁছানো মোটেও সহজ ছিলো না। সময়োপযোগী বিকল্প কর্মকৌশল প্রয়োগ করে মান নিয়ন্ত্রণ, যুগোপযোগী বিতরণ প্রক্রিয়া, রোগী ও ভোক্তাগণের কাছে ঔষধ পৌঁছে প্রতিষ্ঠান অর্থবহ ভূমিকা রাখতে সক্ষম হয়েছে।

২০২১-২২ অর্থ বছরে EPS দাঁড়িয়েছে ০.৭৫ টাকা যা ২০২০-২১ অর্থ বছরে ছিলো ০.৮৮ টাকা। আলোচ্যবর্ষে নীট সম্পদ মূল্য ১৭.০৩ টাকা যা ২০২০-২১ অর্থ বছরে ছিলো ১৬.৬৩ টাকা এবং NOCFPS দাঁড়িয়েছে ১.১৮ টাকা যা বিগত বছরে ১.১৭ টাকা ছিলো। উল্লেখ্য যে কিছু এলাকা বন্যার কবলে পরায় এবং বিক্রয় ও বিপণন দলের একটি বড় অংশ বছরের শেষ দিকে প্রতিষ্ঠান ছেড়ে যাওয়ায় আলোচ্য বছরে বিক্রয় ও শেয়ার প্রতি আয় (ইপিএস) পূর্বের বছরের তুলনায় কমেছে। উপরন্তু ডলারের বিপরীতে টাকার অবমূল্যায়ন ও সামষ্টিক অর্থনৈতিক কারণে আমদানী ব্যয় সহ কাঁচামালের খরচ উল্লেখযোগ্য হারে বৃদ্ধি পেয়েছে।

শ্রম আইনের প্রতিপালন

শ্রমবান্ধব পরিবেশ বজায় রাখার লক্ষ্যে কোম্পানি বাংলাদেশ শ্রম আইন, ২০০৬ (সংশোধিত শ্রম আইন, ২০১৮) ও শ্রম বিধি যথাযথভাবে প্রতিপালন করেছে। বাংলাদেশ শ্রম বিধিমালা, ২০১৫ এর আলোকে যথাক্রমে অংশগ্রহণকারী কমিটি, সেইফটি কমিটি ও ক্যান্টিন ব্যবস্থাপনা কমিটি গঠিত হয়েছে। তাছাড়া গঠন করা হয়েছে যৌন নিপীড়ন বিরোধী কমিটি। কমিটিগুলো বিধিবদ্ধ প্রক্রিয়ায় শ্রমিক-কর্মচারীদের স্বার্থে কাজ করে যাচ্ছে।

দূষণমুক্ত পরিবেশ

সিলভা ফার্মাসিউটিক্যালস লিঃ পরিবেশ আইনের প্রতি শ্রদ্ধাশীল এবং এ লক্ষ্যে সংশ্লিষ্ট সকল কার্যক্রম গ্রহণ করেছে। ক্রমবর্ধমান মানবসৃষ্ট দূষণ ও বিপর্যয়ের কারণে সৃষ্ট পরিবেশ ও জনস্বাস্থ্য ঝুঁকিমুক্ত রাখা এবং উৎপাদনকালীন অভ্যন্তরীণ দূষণ ও বর্জ্য নিঃসরণে রাষ্ট্রীয় সংস্থা পরিবেশ অধিদপ্তর ও ঔষধ প্রশাসন অধিদপ্তরের বিধিমালা অনুসরণ করে ETP ও অন্যান্য নিরাপত্তা কার্যক্রম পরিচালনা করে যাচ্ছে।

IAS, IFRS সহ অন্যান্য আরোপযোগ্য আইন ও নীতি সমূহের যথাযথ বাস্তবায়ন

কোম্পানি আইন, ১৯৯৪ এবং বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন বিধি, ১৯৮৭ এবং বাংলাদেশ ফাইনেন্সিয়াল রিপোর্টিং অ্যাক্ট, ২০১৫ অনুসরণ পূর্বক কোম্পানি যাতে তার যাবতীয় আর্থিক লেনদেনের হিসাব সংরক্ষণ করাসহ সঠিক আর্থিক অবস্থা প্রকাশ করে, তা নিশ্চিত করার দায়িত্ব পরিচালকমণ্ডলীর। সকল আর্থিক হিসাব প্রণয়নে International Accounting Standards (IAS) এবং International Financial Reporting Standards (IFRS) সহ অন্যান্য আরোপযোগ্য নীতিসমূহের পূর্ণ অনুসরণ পূর্বক প্রস্তুত করার প্রক্রিয়া নিশ্চিত করা হয়।

আর্থিক প্রতিবেদন ও জবাবদিহি

আলোচ্য অর্থ বছরের প্রথম প্রান্তিক, অর্ধ-বার্ষিক এবং তৃতীয় প্রান্তিকের আর্থিক হিসাব প্রস্তুত, আর্থিক বছর শেষে বার্ষিক হিসাব এবং কার্যক্রমের যথাযথ মূল্যায়ন ও প্রকাশের দায়িত্ব পরিচালকমণ্ডলী পালন করে যাচ্ছেন। পরিচালকমণ্ডলী কর্তৃক গঠিত অডিট কমিটি এসব প্রতিবেদনের তথ্যাবলীর সঠিকতা, যথার্থতা, স্বচ্ছতা ও পূর্ণাঙ্গতা নিয়মিত নিরীক্ষা করে থাকেন।

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং SEC/CMRRCD/2008-183/Admin/3-34, তারিখঃ ২৭ সেপ্টেম্বর, ২০০৯ এবং ঢাকা স্টক এক্সচেঞ্জ লিঃ ও চট্টগ্রাম স্টক এক্সচেঞ্জ এর লিস্টিং রুলস অনুযায়ী ২০২১-২০২২ অর্থ বছরের প্রথম প্রান্তিক, অর্ধ বার্ষিক ও তৃতীয় প্রান্তিকের অনিরাঙ্কিত হিসাব কোম্পানির ওয়েবসাইট, খবরের কাগজ ও অনলাইন নিউজ পোর্টালের মাধ্যমে প্রকাশ করা হয়েছে এবং কোম্পানি যথারীতি ও নিয়মিতভাবে BSEC, DSE, CSE সহ অন্যান্য নিয়ন্ত্রণকারী প্রতিষ্ঠান সমূহে প্রেরণ করেছে।

অডিট কমিটি

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং BSEC/CMRRCD/2006-158/207/Admin/80 তারিখ ০৩ জুন, ২০১৮ এর নির্দেশনা মোতাবেক পরিচালকমণ্ডলী কর্তৃক গঠিত ১ জন স্বতন্ত্র পরিচালকসহ অভিজ্ঞতা সম্পন্ন ৩ (তিন) সদস্য বিশিষ্ট অডিট কমিটি কাজ করছে। কমিটি তার রিপোর্টে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন ও বোর্ড কর্তৃক প্রদত্ত দায়িত্ব সম্পাদন, অভ্যন্তরীণ নিরীক্ষা পদ্ধতি, বার্ষিক আর্থিক প্রতিবেদন প্রস্তুতি এবং বহিঃ নিরীক্ষকগণের পর্যবেক্ষণ গুলোর বিশদ আলোচনা ও পর্যালোচনা করেছেন। রিপোর্টিং এর কোন পর্যায়ে নূন্যতম ত্রুটি, অমিল অথবা সত্য পরিপন্থী তথ্য না থাকায় আর্থিক অবস্থার প্রতিবেদন বাস্তব ও স্বচ্ছ হিসেবে গণ্য হয়েছে। অডিট কমিটির একটি রিপোর্ট বার্ষিক প্রতিবেদনের ৪৯-৫২ নং পৃষ্ঠায় সন্নিবেশিত হয়েছে।

সুবিধাভোগী ব্যবসা নিষিদ্ধকরণ বিধিমালা প্রতিপালন

কোম্পানি তার সকল পরিচালক, সকল কর্মকর্তা-কর্মচারী এবং এর সাথে সংশ্লিষ্ট সবার জন্য শেয়ার লেনদেনের ক্ষেত্রে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের বিধি অনুসারে সুবিধাভোগী ব্যবসা নিষিদ্ধকরণ বিধিমালা প্রতিপালনকল্পে একটি নীতি নির্ধারণ করেছে। এ নীতিমালা যথাযথভাবে প্রতিপালিত হচ্ছে।

স্বতন্ত্র পরিচালক

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং BSEC/CMRRCD/2006-158/207/Admin/80 তারিখ ০৩ জুন, ২০১৮ অনুযায়ী ২ জন স্বতন্ত্র পরিচালক যথাক্রমে জনাব মোঃ মুশফিকুর রহমান, এফসিএ ও জনাব মোহাম্মদ মনিরুজ্জামান, এফসিএ দায়িত্ব পালন করছেন।

আইনের প্রতি শ্রদ্ধা

রাষ্ট্রীয় আইন ও বিধি বিধানের যথাযথ অনুসরণ ও প্রতিপালনে সর্বোচ্চ অগ্রাধিকার প্রদান করা হচ্ছে এবং করণীয় বিষয়সমূহ যথাসময়ে ও যথাযথভাবে নিশ্চিত করা হচ্ছে। কোম্পানি আইন প্রয়োগকারী ও নিয়ন্ত্রণকারী সংস্থা সমূহের বিধি বিধান মেনে চলতে বদ্ধপরিকর।

বিধিবদ্ধ পরিশোধ সমূহ

কোম্পানিতে কর্মরত কর্মকর্তা-কর্মচারীগণের এবং রাষ্ট্রীয় সকল বিধিবদ্ধ দেনাসমূহ যথাযথভাবে হালনাগাদ পরিশোধিত হয়েছে।

পুঁজি বাজারের বিধি সমূহ প্রতিপালন

কোম্পানি ঢাকা ও চট্টগ্রাম স্টক এক্সচেঞ্জ লিঃ এ তালিকাভুক্ত হওয়ার পর থেকে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ লিঃ, চট্টগ্রাম স্টক এক্সচেঞ্জ লিঃ সহ এতদসংশ্লিষ্ট অন্যান্য কর্তৃপক্ষের সময়ে সময়ে ইস্যুকৃত আইন, বিধি ও নির্দেশনা সমূহ যথাযথভাবে প্রতিপালন করে যাচ্ছে।

শ্রমিকদের মুনাফা অংশীদারিত্ব ও কল্যাণ তহবিল (WPP & WF)

শ্রম আইন, ২০০৬ (সংশোধিত শ্রম আইন, ২০১৮) অনুযায়ী, কোম্পানির চলতি বছরের মুনাফার ৫% অর্থাৎ ৫৮,৩৩,৩১১.০০ টাকা যথাসময়ে শ্রমিক অংশগ্রহণ তহবিল ও শ্রমিক কল্যাণ তহবিলে প্রদান করা হবে।

শেয়ার বাজারে কোম্পানির অবস্থান

আলোচ্য সময়ে কোম্পানির শেয়ার ঢাকা স্টক এক্সচেঞ্জ ও চট্টগ্রাম স্টক এক্সচেঞ্জ এ অতিমাত্রায় বৃদ্ধি বা অবমূল্যায়িত হয়নি। শেয়ারহোল্ডারগণ সর্বদা সিলভা ফার্মাসিউটিক্যালসের শেয়ারের উপর আস্থাশীল। ২০২১-২০২২ অর্থবছরে প্রতি ১০ টাকার অভিহিত মূল্যের শেয়ার ঢাকা স্টক এক্সচেঞ্জে সর্বনিম্ন ১৭.৬০ টাকা থেকে সর্বোচ্চ ২৭.৪০ টাকায় এবং চট্টগ্রাম স্টক এক্সচেঞ্জে সর্বনিম্ন ১৭.৫০ টাকা থেকে সর্বোচ্চ ২৭.৩০ টাকায় ট্রেডিং হয়েছে।

পরিচালনা পর্ষদের কোড অব কন্ডাক্ট প্রতিপালন

বাংলাদেশ সিকিউরিটিজ এক্সচেঞ্জ এন্ড কমিশন এর বিধি প্রতিপালনার্থে কোম্পানির পরিচালনা পর্ষদ পরিচালকদের জন্য পৃথক একটি কোড অব কন্ডাক্ট অনুমোদন করেছে। বার্ষিক প্রতিবেদনের ৬২ নং পৃষ্ঠায় সেটি বর্ণিত হয়েছে। কোড অব কন্ডাক্টটি কোম্পানির অফিশিয়াল ওয়েবসাইটে <https://silvapharma.com/investors/ipo/> লিংকে আপলোড করা হয়েছে।

নৈতিকতা প্রতিপালন

কোম্পানি নৈতিকতার উপর সর্বোচ্চ গুরুত্ব দিয়ে থাকে। যাতে আইন-কানুন ও পেশাদারিত্ব বজায় রেখে সংশ্লিষ্ট কর্মকর্তা ও কর্মচারীবৃন্দ সঠিক ও সূচারুভাবে স্ব স্ব দায়িত্ব পালন করতে সক্ষম হন।

কর্মকর্তা-কর্মচারী-শ্রমিক সুসম্পর্ক

সিলভা ফার্মাসিউটিক্যালস লিমিটেডে কর্মরত সর্বস্তরের কর্মকর্তা -কর্মচারী-শ্রমিকদের মাঝে কাজের প্রতি একগ্রতা, নিষ্ঠা, গভীর আন্তরিকতা, অর্থবহ সহযোগিতা ও মর্যাদাপূর্ণ ভাষ্যপ্রতিম সুসম্পর্ক বিরাজ করছে যা কোম্পানির উন্নয়ন ও উৎপাদনের গতিশীলতা বৃদ্ধিতে প্রতিনিয়ত শক্তি যোগাচ্ছে।

নমিনেশন ও রেম্যুনেরেশন কমিটি (NRC)

বাংলাদেশ সিকিউরিটিজ এক্সচেঞ্জ কমিশনের কর্পোরেট গভর্নেন্স কোড নোটিফিকেশন নং BSEC/CMRCD/2006-158/207/Admin/80 তারিখঃ ০৩ জুন, ২০১৮ এর ৬ নং শর্ত অনুসারে একটি Nomination and Remuneration কমিটি (NRC) গঠন করা হয়। আলোচ্য অর্থ বছরে NRC কমিটির কার্যক্রমের বিস্তারিত বিবরণ প্রতিবেদনের ৫৩-৫৫ নং পৃষ্ঠায় সন্নিবেশিত হয়েছে।

পারিশ্রমিক নীতি

সম্মানী বিষয়ে সিদ্ধান্ত নেয়ার ক্ষেত্রে মুদ্রাস্ফীতি, প্রাইস ইনডেক্স এবং অপরাপর প্রতিযোগী কোম্পানি সমূহের সাথে সামঞ্জস্য রেখে কর্মকর্তা, কর্মচারীদের বেতন-ভাতা-মজুরী ইত্যাদি নির্ধারণ করা হয়। বাংলাদেশ সিকিউরিটিজ এক্সচেঞ্জ কমিশনের জারিকৃত কর্পোরেট গভর্নেন্স কোড অনুসারে NRC কমিটির সুপারিশ মোতাবেক কার্যনিবাহী পরিচালকদের মূল্যায়ন ও সম্মানী বোর্ডের অনুমোদন সাপেক্ষে প্রদানের পদ্ধতি অনুসরণ করা হয়।

আর্থিক বিবরণী প্রস্তুত পরবর্তী ঘটনাবলী

০১ জুলাই, ২০২১ থেকে ৩০ জুন, ২০২২ পর্যন্ত সময়ের আর্থিক বিবরণী প্রস্তুত-পরবর্তী সময়ের প্রয়োজনীয়তা অথবা আর্থিক বিবরণীতে প্রকাশযোগ্য কোন ঘটনা ঘটেনি।

লভ্যাংশ বন্টন নীতি

সিলভা ফার্মাসিউটিক্যালস লিঃ এর ব্যবস্থাপনা কর্তৃপক্ষ একান্তভাবে বিশ্বাস করে যে, কোম্পানি কার্যক্রমের ফলস্বরূপ চলমান সময়ে শেয়ারহোল্ডারদেরকে যেমন সর্বোচ্চ সুবিধা তথা মুনাফা প্রদান করতে হবে তেমনি অর্জিত মুনাফার একাংশ সঞ্চয়রূপে ছিঁত রাখতে হবে যাতে ভবিষ্যতেও কোম্পানির সার্বিক সম্প্রসারণ ও শেয়ারহোল্ডারদেরকে ক্রমবর্ধমান সুবিধা প্রদানের সামর্থ্য বজায় থাকে। এ বিবেচনায় কোম্পানি বর্তমান ও ভবিষ্যৎ বিনিয়োগের চাহিদা ও স্বার্থের মাঝে ভারসাম্যপূর্ণ গুরুত্ব প্রদান করে লভ্যাংশ ঘোষণা করে থাকে।

বাংলাদেশ সিকিউরিটিজ এক্সচেঞ্জ কমিশনের বিধি নং-বিএসইসি / সিএমআরআরসিডি / ২০২১-৩৮৬/০৩ তারিখঃ- জানুয়ারি ১৪, ২০২১ প্রতিপালনার্থে কোম্পানির পরিচালনা পর্ষদ শেয়ারহোল্ডারদের জন্য একটি লভ্যাংশ বন্টন নীতি অনুমোদন করেছে যাহা বার্ষিক প্রতিবেদনে প্রকাশ ও

কোম্পানির অফিশিয়াল ওয়েবসাইটে আপলোড করা হয়েছে। কোম্পানির “লভ্যাংশ বন্টন নীতি” বার্ষিক প্রতিবেদনের ৬৩-৬৫ নং পৃষ্ঠায় বিবৃত হয়েছে।

অ-দাবীকৃত লভ্যাংশ পুঁজিবাজার স্থিতিশীলকরণ তহবিলে স্থানান্তর

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের বিধি নং- বিএসইসি/সিএমআরআরসিডি/২০২১-৩৮৬/০৩ তারিখঃ- জানুয়ারি ১৪, ২০২১ এবং ক্যাপিটাল মার্কেট স্ট্যাবিলাইজেশন ফান্ড রুলস ২০২১ প্রতিপালনার্থে লভ্যাংশ স্থানান্তরের কোনো প্রয়োজনীয়তা নেই, যেহেতু কোম্পানি লভ্যাংশ প্রদান শুরু করেছে ২০১৯ সাল থেকে। বছর ভিত্তিক অ-দাবীকৃত/অ-বিতরণকৃত লভ্যাংশের তালিকা নিম্নরূপঃ-

অ-দাবীকৃত/অ-বিতরণকৃত লভ্যাংশ

| বিবরণ | টাকার পরিমাণ |
|-------------------------|---------------------|
| ২০২০-২০২১ সালের লভ্যাংশ | ৩,৯৭,৬৮৪.০০ |
| ২০১৯-২০২০ সালের লভ্যাংশ | ৩,৯৭,৪৬৫.০০ |
| ২০১৮-২০১৯ সালের লভ্যাংশ | ৪,৬৮,৪৯৬.০০ |
| নীট সুদ | ৩৩,২৮৭.০০ |
| মোট | ১২,৯৬,৯৩২.০০ |

রিজার্ভ এন্ড সারপ্লাস

২০২১-২০২২ অর্থ বছরে কোম্পানির রিজার্ভ এন্ড সারপ্লাস ৯৬,০১,৯৮,৩৮১.০০ টাকায় উন্নীত হয়েছে যা পূর্ববর্তী ২০২০-২০২১ অর্থ বছরে ছিলো ৯০,৫৪,৭২,১২৮.০০ টাকা।

বিধিবদ্ধ নিরীক্ষক নিয়োগ

কোম্পানির নিরীক্ষক মেসার্স শিরাজ খান বসাক এন্ড কোং, চার্টার্ড একাউন্টেন্টস ২০২০-২০২১ অর্থ বছরে নিরীক্ষা কার্য সম্পাদন করেছেন। মেসার্স শিরাজ খান বসাক এন্ড কোং, চার্টার্ড একাউন্টেন্টস ২১তম বার্ষিক সাধারণ সভায় অবসর গ্রহণ করেছেন। আইন অনুসারে বর্তমান নিরীক্ষক পুনরায় কোম্পানির নিরীক্ষক হিসেবে নিয়োগ প্রাপ্ত হওয়ার যোগ্য। এ কারণে মেসার্স শিরাজ খান বসাক এন্ড কোং, চার্টার্ড একাউন্টেন্টস, ৮৬, বীর উত্তম সিআর দত্ত রোড, (লেভেল-১০), ঢাকা-১২০৫ ২০২২-২৩ অর্থ বছরের জন্য নিরীক্ষক হিসেবে নিয়োগ প্রাপ্ত হওয়ার ইচ্ছা (Expression of Interest) প্রকাশ করেছেন।

অডিট কমিটি নিরীক্ষা কার্য এবং অডিট ফার্মের প্রোফাইল বিশদভাবে পর্যালোচনা করে আগামী অর্থ বছরের জন্য মেসার্স শিরাজ খান বসাক এন্ড কোং, চার্টার্ড একাউন্টেন্টস-কে কোম্পানির নিরীক্ষক হিসেবে নিয়োগ দানের জন্য প্রস্তাব করেন।

আইন অনুযায়ী যোগ্য হওয়ায়, পরিচালকমন্ডলী অডিট কমিটির সুপারিশের সাথে একমত পোষণ পূর্বক মেসার্স শিরাজ খান বসাক এন্ড কোং, চার্টার্ড একাউন্টেন্টস, ৮৬, বীর উত্তম সিআর দত্ত রোড, (লেভেল-১০), ঢাকা-১২০৫ - কে ৩,০০,০০০ (দুই লক্ষ) টাকা (উৎসে কর কর্তন সহ কিন্তু উৎসে মুসক কর্তন ব্যতিরেকে) অডিট ফি ধার্য করে ২০২২-২৩ অর্থ বছরের জন্য কোম্পানির নিরীক্ষক হিসেবে নিয়োগদানের জন্য প্রস্তাব করেন। বিষয়টি এই বার্ষিক সাধারণ সভায় কোম্পানির শেয়ারহোল্ডারগণের বিবেচনা ও চূড়ান্ত অনুমোদনের জন্য পেশ করা হবে এবং নিরীক্ষকের আবেদনের প্রেক্ষিতে ২০২১-২০২২ অর্থ বছরের নিরীক্ষা ফি ICAB এর তালিকা অনুযায়ী সংশোধিত হয়ে ২,০০,০০০ (দুই লক্ষ) টাকা থেকে ৩,০০,০০০ (তিন লক্ষ) টাকা হয়েছে যা শেয়ারহোল্ডারদের অনুমোদনের জন্য ২১তম বার্ষিক সাধারণ সভায় পেশ করা হবে।

কমপ্লায়েন্স অডিটর নিয়োগ

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের ইস্যুকৃত কর্পোরেট গভর্নেন্স কোড অনুযায়ী মেসার্স এস এম জাকারিয়া এন্ড কোং, চার্টার্ড একাউন্টেন্টস কোম্পানির ২০২১-২২ অর্থ বছরের কমপ্লায়েন্স অডিট সম্পন্ন করেছেন এবং মেসার্স এস এম জাকারিয়া এন্ড কোং এই বার্ষিক সাধারণ সভায় অবসর গ্রহণ করেন। জনাব কে. এম. কাউসার আলী, এফসিএ, মেসার্স এস এইচ খান এন্ড কোং, চার্টার্ড একাউন্টেন্টস - এর পার্টনার পরবর্তী অর্থ বছরের জন্য নিয়োগপ্রাপ্ত হওয়ার ইচ্ছা প্রকাশ (Expression of Interest) করেন। এ বিষয়ে বোর্ড আলোচনা করে মেসার্স এস এইচ খান এন্ড কোং, চার্টার্ড একাউন্টেন্টস, ফাহিমা টাওয়ার (৫ম তলা), ৪২/৪৩, পুরানা পল্টন, ঢাকা-১০০০ - কে পরবর্তী বছরের কমপ্লায়েন্স অডিটর হিসেবে নিয়োগ দানে সম্মত হয়েছেন।

অডিট কমিটি উল্লিখিত নিরীক্ষা সংস্থার পর্যালোচনা করেছে এবং মেসার্স এস এইচ খান এন্ড কোং, চার্টার্ড একাউন্টেন্টস - কে পরবর্তী বছরের কোম্পানির কমপ্লায়েন্স অডিটর হিসেবে নিয়োগদানের জন্য সুপারিশ করেছে।

এ ব্যাপারে বোর্ড সার্বিক দিক পর্যালোচনা পূর্বক ৩০,০০০ (ত্রিশ হাজার) (TDS & VDS সহ) টাকা অডিট ফি ধার্য করে মেসার্স এস এইচ খান এন্ড কোং, চার্টার্ড একাউন্টেন্টস কে ২১তম বার্ষিক সাধারণ সভায় ২০২২-২৩ অর্থ বছরের জন্য কোম্পানির কমপ্লায়েন্স অডিটর হিসেবে নিয়োগদানের জন্য প্রস্তাব করেছেন।

ইন্ডিপেন্ডেন্ট জুটিনাইজার নিয়োগ

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের বিধি নং- বিএসইসি/সিএমআরআরসিডি/২০০৯-১৯৩/০৮ তারিখঃ মার্চ ১০, ২০২১ প্রতিপালনার্থে নভেম্বর ১৪, ২০২২ তারিখে অনুষ্ঠিত পরিচালনা পর্ষদের ৯৪তম সভায় ২৯শে ডিসেম্বর, ২০২২ তারিখে অনুষ্ঠিতব্য ২১তম বার্ষিক সাধারণ সভার রেজুলেশন, শেয়ারহোল্ডারদের ভোটাধিকার প্রয়োগের সুবিধাদি পর্যবেক্ষণের জন্য মেসার্স জেসমিন এন্ড এসোসিয়েটস, চার্টার্ড সেক্রেটারিজকে ইন্ডিপেন্ডেন্ট জুটিনাইজার হিসেবে নিয়োগদান করা হয়।

বার্ষিক সাধারণ সভা সমাপ্তির নির্দিষ্ট সময়সীমার মধ্যে নির্বাচন এবং ভোটারের ফলাফলের সঠিকতা বিষয়ে বিস্তারিত তথ্যাদি ইন্ডিপেনডেন্ট স্টুডিআইজার বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনকে জমা দিবেন।

ক্রেডিট রেটিং প্রতিষ্ঠান নিয়োগ

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং- বিএসইসি/সিএমআরআরসি/২০০৯-১৯৩/৩৭/এডমিন/১৩২ তারিখঃ মে ১২, ২০২২ প্রতিপালনার্থে নভেম্বর ১৪, ২০২২ তারিখে অনুষ্ঠিত পরিচালনা পর্ষদের ৯৪তম সভায় মেসার্স ইমারজিং ক্রেডিট রেটিং লিঃ, সামস্ র্যাংগস্, বাড়ি নংঃ ১০৪, পার্ক রোড, লেভেলঃ এ ১, ২ ও ৫, বারিধারা, ঢাকা-১২১২ - কে ২০২১-২০২২ অর্থ বছরের জন্য ৪০,০০০ (চল্লিশ হাজার) টাকায় (উৎসে কর কর্তন ও উৎসে মুসক কর্তন সহ) ক্রেডিট রেটিং ফি ধার্য করে কোম্পানির ক্রেডিট রেটার হিসেবে নিয়োগ প্রদান করা হয়।

শেয়ারহোল্ডারগণের সাথে যোগাযোগ ও সম্পর্ক

কোম্পানি আইন, ১৯৯৪ মোতাবেক কোম্পানি যথারীতি নিয়মিত বার্ষিক সাধারণ সভা আয়োজন করে আসছে, যার মাধ্যমে শেয়ারহোল্ডারগণকে আর্থিক ফলাফল, অগ্রগতি, গৃহীত গুরুত্বপূর্ণ কার্যক্রম ও উন্নয়ন সম্পর্কে অবহিত করা হয়। ফলে শেয়ারহোল্ডারগণ ও সংশ্লিষ্ট প্রতিষ্ঠান কোম্পানি সম্পর্কে বিভিন্ন প্রয়োজনীয় তথ্য যথাসময়ে অবহিত হচ্ছেন। শেয়ারহোল্ডারগণ শেয়ার বিভাগ থেকে টেলিফোন, মোবাইল ফোন, ই-মেইল ও ওয়েবসাইটের (www.silvapharma.com) মাধ্যমে প্রতিনিয়ত প্রয়োজনীয় তথ্যাদি সংগ্রহ করতে পারছেন।

বিএসইসি নোটিফিকেশন নং-বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখঃ ০৩ জুন, ২০১৮ এর ধারা (৫) অনুযায়ী বিবৃতিঃ-

ক) শিল্প দৃষ্টিভঙ্গি এবং সম্ভাব্য ভবিষ্যৎ উন্নয়ন

আমাদের দেশের উৎপাদন শিল্পের মধ্যে ফার্মাসিউটিক্যাল সেক্টর অন্যতম। স্বাস্থ্যসেবা সম্পর্কে সচেতনতা বৃদ্ধি, উচ্চ আয় এবং সরকারি ব্যয় বৃদ্ধির কারণে ওষুধের চাহিদা দিন দিন বাড়ছে। বাংলাদেশের অন্যতম উদীয়মান ফার্মাসিউটিক্যালস প্রস্তুতকারক হিসেবে, আমরা আমাদের শেয়ারহোল্ডারদের সর্বোত্তম স্বার্থের জন্য বাজারের সুযোগ, ব্যবসায়িক সম্ভাবনা এবং গতিশীলতার পূর্ণ ব্যবহার করার চেষ্টা করছি। আমরা স্বাস্থ্যসেবা চ্যালেঞ্জের সঠিক সমাধান দিতে প্রতিশ্রুতিবদ্ধ। আমাদের ব্যবসা সফলভাবে পরিচালিত হচ্ছে এবং দেশের প্রতি আমাদের পরিষেবা দক্ষ মার্চকর্মীদের দ্বারা সুচারুভাবে পরিচালিত হচ্ছে। আমরা ইতিমধ্যে কিছু নতুন পণ্য প্রবর্তন করেছি এবং কিছু পণ্য শীঘ্রই চালু করা হবে।

কোভিড-১৯ এর কঠিন পরিস্থিতি এবং চলমান রাশিয়া-ইউক্রেন ভূ-রাজনৈতিক পরিস্থিতি সত্ত্বেও আমরা কোম্পানির লাভজনকতা বজায় রাখতে সক্ষম হয়েছি। তাছাড়া এই অর্থনৈতিক চ্যালেঞ্জ মোকাবেলার জন্য ব্যয় নিয়ন্ত্রণ, সম্পদের সঠিক ব্যবহার এবং রিসার্চ এন্ড ডেভেলপমেন্ট ক্যাপাবিলিটির উপর আমরা বিশেষভাবে আস্থাশীল। আমাদের স্বপ্নকে সত্যি করতে আমরা সর্বদা বদ্ধপরিকর। সেই সাথে আমরা পণ্যের গুণগত মানের উপর সমানভাবে মনোযোগ দিচ্ছি। আমাদের সমস্ত উদ্যোগ শেয়ারহোল্ডার ও ভোক্তাদের জন্য পণ্যের মূল্য নির্ধারণ করতে পরিচালিত করছি। ফার্মাসিউটিক্যালস ম্যানুফ্যাকচারিং -এ বিশাল অভিজ্ঞতার উপর ভর করে মানসম্মত প্রস্তুতকারক হিসেবে আমাদের খ্যাতি ধরে রাখতে পারবো বলে আমরা আত্মবিশ্বাসী।

খ) সেগমেন্ট বা পণ্যভিত্তিক পারফরমেন্স

আইএফআরএস-০৮ “অপারেটিং সেগমেন্ট” অনুযায়ী কোম্পানির জন্য ভৌগোলিক সেগমেন্ট প্রযোজ্য নয়। কোম্পানি একটি একক ভৌগোলিক এলাকায় কাজ করে এবং কোম্পানির পণ্যের উৎপাদন এবং বিক্রয় এর জন্য একটি একক ব্যবসায়িক লাইন রয়েছে।

পণ্যভিত্তিক বিক্রয় পারফরমেন্স নিম্নে বর্ণিত হলোঃ-

| আইটেমের নাম | সংখ্যা | | টাকার পরিমাণ | |
|-------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | ০১/০৭/২০২১ থেকে ৩০/০৬/২০২২ | ০১/০৭/২০২০ থেকে ৩০/০৬/২০২১ | ০১/০৭/২০২১ থেকে ৩০/০৬/২০২২ | ০১/০৭/২০২০ থেকে ৩০/০৬/২০২১ |
| ট্যাবলেট | ১২১,২৪৩,৪২১ | ১২৬,৮০১,৮৫৩ | ৪৩১,৫৩৫,৮৯৬ | ৪৬৬,৯৪২,১১৪ |
| ক্যাপসুল | ৩৮,৫১৭,৪৮০ | ৩৫,৫৪৮,৫০৪ | ২১৯,৮২৭,৬৩৮ | ২৪৪,৭৮৭,০০২ |
| লিকুইড | ১,৩৪৯,৭৬০ | ১,৫৫৩,৫১০ | ৬৫,৮৯৯,৫৭৪ | ৭১,৫০৮,০৯২ |
| ড্রাই সিরাপ | ১,৩৪৩,৮২২ | ১৭৯,২৭০ | ৬১,৪০৬,৭৪৬ | ১৬,০১২,৩৮৪ |
| মোট | ১৬২,৪৫৪,৪৮৩ | ১৬৪,০৮৩,১৩৭ | ৭৭৮,৬৬৯,৮৫৪ | ৭৯৯,২৪৯,৫৯২ |

পণ্যভিত্তিক পারফরমেন্স আর্থিক বিবরণীর ৪১.০৩ নং নোটে বর্ণিত রয়েছে।

গ) ঝুঁকি ও অনিশ্চয়তা

ফার্মাসিউটিক্যালস শিল্পে বিদ্যুতের অভাব, শ্রমিকদের অস্থিরতা, রাজনৈতিক অস্থিরতা যেমন হরতালের ফলে উৎপাদন ব্যাহত এবং তহবিল ব্যয়ের মতো অনেক চ্যালেঞ্জের মুখোমুখি হতে হয়। বিদ্যমান বৈশ্বিক ও জাতীয় নীতিমালার পরিবর্তন কোম্পানির পক্ষে ইতিবাচক বা নেতিবাচক উভয় প্রভাব ফেলতে পারে। আন্তর্জাতিক বাজারে নীতি পরিবর্তনের কারণে কাঁচামালের অপ্রতুলতা বা মূল্যবৃদ্ধি উৎপাদন ও লাভজনকতাকে বাধা দিতে পারে। মুদ্রা বিনিময় হারের পরিবর্তন দরদামের উপরেও প্রভাব ফেলে এবং এর ফলে কোম্পানির লাভজনকতায়ও আঘাত হানে। বাংলাদেশ ও বিশ্বব্যাপী রাজনৈতিক ও অর্থনৈতিক অস্থিতিশীলতার কারণেও কোম্পানির কার্যকারিতা নেতিবাচকভাবে প্রভাবিত হয়। তদুপরি, শিল্পের ঝুঁকি এবং উৎসে সম্পূর্ণরূপে আসন্ন সরকারী নীতিমালাতেও নির্ভর করে।

করোনা ভাইরাসের প্রাদুর্ভাব ও রাশিয়া-ইউক্রেন যুদ্ধের সম্ভাব্য প্রভাব কোম্পানির ব্যবসায়িক কার্য সম্পাদন এবং সরবরাহের ধারাবাহিকতাকে অনিশ্চিত্যের মধ্যে রেখেছে। এই প্রতিবেদনের তারিখ অবধি, এই প্রকোপ শিল্প-বাণিজ্যের ফলাফলে কোন গুরুত্বপূর্ণ প্রভাব ফেলে নি। তবে, ব্যবসার ফলাফলের উপর সম্ভাব্য প্রভাব, আমাদের সরবরাহের ধারাবাহিকতা এবং আমাদের কর্মচারীদের সাথে নিয়ে আমরা পরিস্থিতি নিবিড়ভাবে পর্যবেক্ষণ

করি। পরিস্থিতি যে কোন সময় পরিবর্তিত হতে পারে এবং করোনার ভাইরাসের প্রাদুর্ভাব কোম্পানির ভবিষ্যত ফলাফলে যে গুরুত্বপূর্ণ প্রভাব ফেলবে না তার কোন নিশ্চয়তা নেই।

ঘ) Cost of Goods Sold, Gross Profit Margin এবং Net Profit Margin - এর উপর আলোচনা

Cost of Goods Sold

এ বছরে Cost of Goods Sold ছিলো ৪৯১.২৯ মিলিয়ন টাকা (বিক্রয়ের ৬৩.০৯%) যা গত বছর ছিলো ৪৮৪.৪৫ মিলিয়ন (বিক্রয়ের ৬০.৬১%)। কোভিড-১৯ মহামারীর কারণে কঠিন সময় পার করা এবং চলমান রাশিয়া-ইউক্রেন ভূ-রাজনৈতিক পরিস্থিতির কারণে ডলারের বিপরীতে টাকার অবমূল্যায়নের ফলে সরবরাহ শৃঙ্খলায় বিঘ্ন ও অতিরিক্ত খরচের সৃষ্টি হওয়ায় এ প্রভাব পরেছে।

Gross Profit

চলতি বছরে কোম্পানি ২৮৭.৩৭ মিলিয়ন টাকা গ্রস প্রফিট অর্জন করে যা বিগত বছর ছিলো ৩১৪.৮০ মিলিয়ন টাকা। গত বছরের তুলনায় এ বছর কাঁচামালের খরচ বেড়ে যাওয়া এবং বিক্রয়ের পরিধি কমে যাওয়া গ্রস প্রফিট হ্রাসের কারণ।

Net Profit/(Loss)

কোম্পানি চলতি বছরে ১০২.২৫ মিলিয়ন টাকা নীট মুনাফা অর্জন করে যা গত বছর ছিলো ১১৯.৮৫ মিলিয়ন টাকা। আগের বছরের তুলনায় এ বছর কাঁচামালের খরচ বেড়ে যাওয়া এবং বিক্রয়ের পরিধি ও অন্যান্য আয় কমে যাওয়ায় নীট মুনাফা হ্রাস পেয়েছে।

আর্থিক ফলাফল

কোম্পানির ৩০শে জুন, ২০২২ সমাপ্ত অর্থ বছরের আর্থিক ফলাফলের সাথে ৩০শে জুন, ২০২১ সমাপ্ত অর্থ বছরের আর্থিক ফলাফলের তুলনা নিম্নরূপঃ-

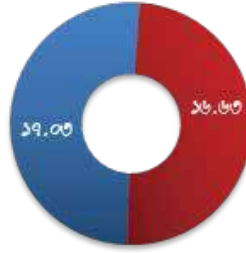
| বিবরণ | টাকার পরিমাণ | |
|----------------------------------|----------------------------|----------------------------|
| | ০১/০৭/২০২১ থেকে ৩০/০৬/২০২২ | ০১/০৭/২০২০ থেকে ৩০/০৬/২০২১ |
| বিক্রয় | ৭৭৮,৬৬৯,৮৫৪ | ৭৯৯,২৪৯,৫৯২ |
| কস্ট অব গুডস সোল্ড | (৪৯১,২৯৫,৭৭৬) | (৪৮৪,৪৪৫,৮৭৭) |
| গ্রস প্রফিট/(লস) | ২৮৭,৩৭৪,০৭৮ | ৩১৪,৮০৩,৭১৫ |
| পরিচালনা ব্যয় | (১৭০,৮২৯,০২৪) | (১৬৬,০৮৮,৩৯৩) |
| পরিচালনা আয় | ১১৬,৫৪৫,০৫৪ | ১৪৮,৭১৫,৩২২ |
| করপূর্ব মুনাফা/(ক্ষতি) | ১১৬,৬৬৬,২২১ | ১৫১,৩৪৫,৩৭০ |
| আয়কর | (১৪,৪১০,৬২৭) | (৩১,৪৯১,৬১৯) |
| কর পরবর্তী মুনাফা/(ক্ষতি) | ১০২,২৫৫,৫৯৪ | ১১৯,৮৫৩,৭৫১ |
| শেয়ার প্রতি আয় | ০.৭৫ | ০.৮৮ |
| রিটেইন্ড আর্নিংস | ৯৬০,১৯৮,৩৮১ | ৯০৫,৪৭২,১২৮ |
| নেট সম্পদ মূল্য | ২,৩২৫,১৯৮,৩৮১ | ২,২৭০,৪৭২,১২৮ |
| শেয়ার প্রতি নেট সম্পদ মূল্য | ১৭.০৩ | ১৬.৬৩ |
| শেয়ার প্রতি নেট চলতি নগদ প্রবাহ | ১.১৮ | ১.১৭ |

শেয়ার প্রতি আয়



■ ২০২১-২০২২ ■ ২০২০-২০২১

শেয়ার প্রতি নীট সম্পদ মূল্য



■ ২০২১-২০২২ ■ ২০২০-২০২১

শেয়ার প্রতি নীট সম্পদ নগদ প্রবাহ



■ ২০২১-২০২২ ■ ২০২০-২০২১

ঙ) অস্বাভাবিক কার্যকলাপ এবং তাদের প্রভাব (লাভ বা ক্ষতি) এর ধারাবাহিকতা সম্পর্কে আলোচনা

২০২০-২০২১ অর্থবছরে কোম্পানির কোন অস্বাভাবিক লাভ-ক্ষতি এর কার্যকলাপ ঘটেনি।

চ) ব্যবসা সংশ্লিষ্ট পক্ষগণের সাথে লেনদেন

ব্যবসা সংশ্লিষ্ট পার্টিসমূহের সাথে লেনদেন International Accounting Standards (IAS) - ২৪ ও ব্যবসায়িক নীতিমালা অনুসরণ করে বাণিজ্যিক ভিত্তিতে করা হয়েছে। আলোচ্য অর্থ বছরের সংশ্লিষ্ট পার্টিসমূহের সাথে লেনদেনের প্রকৃতি, ধরন, মান ইত্যাদি বিস্তারিতভাবে আর্থিক প্রতিবেদনের ১৩২-১৩৩ নং পৃষ্ঠায় উপস্থাপন করা হয়েছে।

ছ) পাবলিক ইস্যুর মাধ্যমে উত্তোলিত অর্থের ব্যবহারের বিবৃতি

সিলভা ফার্মাসিউটিক্যালস লিমিটেড ২৮ জুন, ২০১৮ তারিখে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক আইপিও -এর মাধ্যমে ব্যবসায় মূলধন বাড়াতে সক্ষম হয়েছে।

| ক্রমিক নং | বিবরণ | টাকার পরিমাণ |
|-----------|---|--------------|
| ০১ | নতুন যন্ত্রপাতি এবং সরঞ্জাম ক্রয় | ১২২,৫০০,০০০ |
| ০২ | নতুন কারখানা ভবন নির্মাণ | ৫৬,০০০,০০০ |
| ০৩ | ঋণ পরিশোধ (NCC Bank Limited, Karwan Bazar Branch) | ৯৯,০০০,০০০ |
| ০৪ | আইপিও খরচ | ২২,৫০০,০০০ |
| | মোট | ৩০০,০০০,০০০ |

৩০শে জুন, ২০২২ এর আইপিও অর্থ ব্যবহারের অবস্থা নিম্নরূপঃ-

| আইপিও তহবিল ব্যবহারের বিবরণ | প্রসপেক্টাস অনুযায়ী টাকার পরিমাণ | ১৮তম এজিএম অনুযায়ী টাকার পরিমাণ | ৩০শে জুন, ২০২২ পর্যন্ত তহবিলের ব্যবহার | অ-ব্যবহৃত তহবিলের পরিমাণ |
|-----------------------------------|-----------------------------------|----------------------------------|--|--------------------------|
| আইপিও খরচ | ২২,৫০০,০০০ | ২০,৪৪১,৪৭৪ | ২০,৪৪১,৪৭৪ | - |
| নতুন কারখানা ভবন নির্মাণ | ৫৬,০০০,০০০ | ৫৮,০৫৮,৫২৬ | ৫৮,০৫৮,৫২৬ | - |
| নতুন যন্ত্রপাতি এবং সরঞ্জাম ক্রয় | ১২২,৫০০,০০০ | ১২২,৫০০,০০০ | ৮৩,৫৪৮,৮০৪ | ৩৮,৯৫১,১৯৬ |
| ঋণ পরিশোধ | ৯৯,০০০,০০০ | ৯৯,০০০,০০০ | ৯৯,০০০,০০০ | - |
| মোট | ৩০০,০০০,০০০ | ৩০০,০০০,০০০ | ২৬১,০৪৮,৮০৪ | ৩৮,৯৫১,১৯৬ |

আইপিও তহবিল ব্যবহারের অগ্রগতি

ইতিমধ্যেই আইপিও তহবিলের ৮৭.০১% অর্থ ব্যবহার করা হয়েছে যার মধ্যে আইপিও খরচ, ঋণ পরিশোধ এবং ভবন নির্মাণ ১০০% এবং নতুন যন্ত্রপাতি ও সরঞ্জাম ক্রয় বাবদ ৬৮.২০% সম্পন্ন হয়েছে। আইপিও খরচ, ঋণ পরিশোধ এবং ভবন নির্মাণ নির্ধারিত সময়ের মধ্যে ব্যবহৃত হয়। তহবিল ব্যবহার করে, সিলভা ফার্মাসিউটিক্যালস লিমিটেড একটি নতুন কারখানা ভবন নির্মাণ করেছে এবং নতুন যন্ত্রপাতি স্থাপন করেছে। নতুন ভবন নির্মাণ ও নতুন মেশিনারিজ স্থাপনের প্রক্রিয়া চলমান। আগামী ৬ মাসের মধ্যে পুরো প্রক্রিয়া সম্পন্ন হবে বলে আমরা আশাবাদী। কোম্পানির প্রসপেক্টাস অনুসারে আইপিও তহবিল ১০ এপ্রিল, ২০২০ এর মধ্যে সম্পন্ন করতে হবে বলে উল্লেখ্য ছিলো এবং আমরা ইতিমধ্যে ১৯ তম বার্ষিক সাধারণ সভায় ৩১ ডিসেম্বর, ২০২২ পর্যন্ত সময় বাড়িয়েছি যা শেয়ারহোল্ডারদের দ্বারা অনুমোদিত হয়েছিলো। কোভিড-১৯ মহামারীর দীর্ঘ প্রাদুর্ভাব এবং চলমান রাশিয়া-ইউক্রেন ভূ-রাজনৈতিক পরিস্থিতির কারণে বাজার অনিশ্চয়তার পাশাপাশি উল্লারের বিপরীতে টাকার অবমূল্যায়নের ফলে সরবরাহ শৃঙ্খলায় বিঘ্ন ও অতিরিক্ত খরচের সৃষ্টি হওয়ার কারণে, কারখানা নির্মাণের কাজ যথাসময়ে সম্পন্ন করা সম্ভব হয়নি এবং সংশ্লিষ্ট যন্ত্রপাতি ও সরঞ্জামাদি নির্ধারিত সময়ের মধ্যে আমদানি করা সম্ভব হয়নি।

Utilization of IPO Proceeds - এর সময় বর্ধিতকরণ

আমাদের ঋণ আছে যে, সিলভা ফার্মাসিউটিক্যালস লিমিটেড গত ২রা জুলাই, ২০১৮ সালে ঢাকা স্টক এক্সচেঞ্জ (ডিএসসি) ও চট্টগ্রাম স্টক এক্সচেঞ্জ (সিএসসি) এর তালিকাভুক্তির জন্য কোম্পানির ৩,০০,০০,০০০ সাধারণ শেয়ারের Initial public Offering (IPO) সম্পর্কিত প্রসপেক্টাস জারি করেছিলো এবং ১০ই অক্টোবর, ২০১৮ তারিখ হতে ডিএসসি ও সিএসসিতে যথারীতি লেনদেন শুরু হয়েছিলো।

প্রসপেক্টাসে "Use of Proceeds and implementation schedule" শিরোনামের অধীনে প্রকাশিত হয়েছিলো যে প্রতি ১০.০০ টাকা মূল্যের ৩,০০,০০,০০০ সাধারণ শেয়ার অনুমোদনের মাধ্যমে ৩০,০০,০০,০০০.০০ (ত্রিশ কোটি) টাকা সংগ্রহ করে নিম্নলিখিত খাতে ব্যবহৃত হবেঃ

| ক্রমিক নং | বিবরণ | টাকার পরিমাণ |
|-----------|-----------------------------------|--------------|
| ০১ | নতুন যন্ত্রপাতি এবং সরঞ্জাম ক্রয় | ১২২,৫০০,০০০ |
| ০২ | নতুন কারখানা ভবন নির্মাণ | ৫৬,০০০,০০০ |
| ০৩ | ঋণ পরিশোধ | ৯৯,০০০,০০০ |
| ০৪ | আইপিও খরচ | ২২,৫০০,০০০ |
| | মোট | ৩০০,০০০,০০০ |

উপরে উল্লিখিত খাতের মধ্যে ইতিমধ্যে ঋণ পরিশোধ, আইপিও খরচ ও নতুন কারখানা ভবন নির্মাণ বাবদ বরাদ্দকৃত অর্থ পূর্ণ ব্যবহার হয়েছে। কোম্পানি নতুন যন্ত্রপাতি এবং সরঞ্জাম ক্রয় খাতে ১২,২৫,০০,০০০.০০ টাকার মধ্যে ৮,৩৫,৪৮,৮০৪.০০ টাকা ব্যবহার করেছে এবং ৩০শে জুন, ২০২২ পর্যন্ত ৩,৮৯,৫১,১৯৬.০০ টাকা অব্যবহৃত রয়েছে। ১৯তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের দ্বারা অনুমোদিত বর্ধিত সময় ৩১শে ডিসেম্বর, ২০২২ পর্যন্ত ছিলো। কোভিড-১৯ মহামারীর দীর্ঘ প্রাদুর্ভাব এবং চলমান রাশিয়া-ইউক্রেন ভূ-রাজনৈতিক পরিস্থিতির কারণে বাজার অনিশ্চয়তার পাশাপাশি উল্লারের বিপরীতে টাকার অবমূল্যায়নের ফলে সরবরাহ শৃঙ্খলায় বিঘ্ন ও অতিরিক্ত খরচের সৃষ্টি হওয়ার কারণে, কারখানা নির্মাণের কাজ যথাসময়ে সম্পন্ন করা সম্ভব হয়নি এবং সংশ্লিষ্ট যন্ত্রপাতি ও সরঞ্জামাদি নির্ধারিত সময়ের মধ্যে আমদানি করা সম্ভব হয়নি। ফলে ব্যবস্থাপনা কর্তৃপক্ষ যথাসময়ে যন্ত্রপাতি ও সরঞ্জামাদি অধিগ্রহণ সংক্রান্ত আইপিও তহবিলের ব্যবহার সম্পূর্ণভাবে সম্পন্ন করতে পারেনি। এই পরিস্থিতিতে শেয়ারহোল্ডারদের বৃহত্তর স্বার্থ বিবেচনা করে এবং চলমান রাশিয়া-ইউক্রেন ভূ-রাজনৈতিক পরিস্থিতির কারণে এবং COVID-19

মহামারীর পরিস্থিতির কারণে কোম্পানির পরিচালনা পর্ষদ ১৪ই নভেম্বর তার ৯৪তম সভায় আইপিও তহবিল ব্যবহারের সময় ৩১শে ডিসেম্বর, ২০২০ পর্যন্ত দীর্ঘায়িত করার সুপারিশ করে যা শেয়ারহোল্ডারদের অনুমোদনের জন্য ২১তম বার্ষিক সাধারণ সভায় পেশ করা হবে এবং কমিশন ও এক্সচেঞ্জকে জানানোর প্রয়োজনীয় ব্যবস্থা নেয়া হবে।

জ) আইপিও, আরপিও, রাইট অফার এবং ডাইরেক্ট লিস্টিংয়ের পর যদি আর্থিক ফলাফল খারাপ হয় তার ব্যাখ্যা

সিলভা ফার্মাসিউটিক্যালস লিমিটেড ২০১৮ সালে প্রাথমিক পাবলিক অফারে (আইপিও) তে গিয়েছিলো এবং তারপর থেকে আর কোনও অফার দেয়নি। কোম্পানিটি প্রাথমিক পাবলিক অফারে (আইপিও) যাওয়ার পর আর্থিক ফলাফলের কোন অবনতি হয়নি। সুতরাং, সিলভা ফার্মাসিউটিক্যালস লিমিটেডের জন্য এই ধরনের কোনো ব্যাখ্যার প্রয়োজন নেই।

ঝ) প্রান্তিক আর্থিক বিবরণী ও বার্ষিক আর্থিক বিবরণীর মধ্যে উল্লেখযোগ্য পার্থক্যের ব্যাখ্যা

২০২১-২০২২ অর্থ বছরে, বার্ষিক আর্থিক বিবৃতি প্রান্তিক আর্থিক বিবরণীর পারফরম্যান্সের সাথে সামঞ্জস্যপূর্ণ। প্রান্তিক আর্থিক বিবরণী এবং বার্ষিক আর্থিক বিবৃতির মধ্যে কোনো উল্লেখযোগ্য পার্থক্য পরিলক্ষিত হয়নি।

ঞ) স্বতন্ত্র পরিচালকসহ পরিচালকদের পারিশ্রমিক

কোম্পানি ৩০ জুন, ২০২২ সমাপ্ত বছরের জন্য চলতি অর্থ বছরে ব্যবস্থাপনা পরিচালক ব্যতীত তার পরিচালকদের (স্বতন্ত্র পরিচালক সহ) বোর্ড মিটিংয়ে যোগদানের ফি ব্যতীত কোনও পারিশ্রমিক দেয়নি। স্বতন্ত্র পরিচালকসহ পরিচালকদের পারিশ্রমিকের বিবৃতি বার্ষিক প্রতিবেদনের ১৩৩ নম্বর পৃষ্ঠায় উল্লেখ করা হয়েছে।

ট) কোম্পানির ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক প্রস্তুতকৃত আর্থিক বিবরণী সম্পর্কিত চিত্র, ফলাফল, নগদ অর্থ প্রবাহ এবং তারল্যের পরিবর্তন যুক্তিযুক্ত ও দূরদর্শী বিবেচনার ভিত্তিতে উপস্থাপন

আর্থিক বিবরণীর সাথে যুক্ত নোটগুলি কোম্পানি আইন ১৯৯৪ এবং সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ রুলস ১৯৮৭-এর সাথে সামঞ্জস্য রেখে তৈরি করা হয়েছে। এই বিবরণীসমূহ কোম্পানির চিত্র, ফলাফল, নগদ অর্থ প্রবাহ এবং তারল্যের পরিবর্তন যুক্তিযুক্ত ও দূরদর্শী বিবেচনার ভিত্তিতে উপস্থাপন করা হয়েছে।

ঠ) কোম্পানির হিসাব বহিসমূহ যথাযথভাবে সংরক্ষণ

কোম্পানির হিসাব বহিসমূহ যথাযথভাবে সংরক্ষণ করা হয়।

ড) হিসাবের নীতিমালা

হিসাবের নীতিমালা অনুসরণপূর্বক আর্থিক বিবরণী প্রস্তুত করা হয়েছে এবং হিসাব সম্পর্কিত অনুমানগুলি বিচক্ষণতার সাথে যুক্তিসঙ্গতভাবে তৈরি করা হয়েছে।

ঢ) IAS এবং IFRS এর অনুসরণ

আর্থিক বিবরণীসমূহ প্রস্তুতকালে বাংলাদেশে প্রযোজ্য আন্তর্জাতিক হিসাব মান IAS ও IFRS অনুসরণ করা হয়েছে এবং যথাযথভাবে উপস্থাপন করা হয়েছে।

ণ) অভ্যন্তরীণ নিয়ন্ত্রণ

কোম্পানির অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা সৃষ্টি ভিত্তির উপর প্রতিষ্ঠিত আছে এবং গৃহীত ব্যবস্থা যথাযথভাবে কাজ করেছে। পরিচালকমন্ডলী সময়ে সময়ে অভ্যন্তরীণ নিয়ন্ত্রণ পদ্ধতি মূল্যায়ন ও উন্নয়নের জন্য প্রয়োজনীয় পরিবর্তন আনয়ন করে থাকেন।

ত) মাইনরিটি শেয়ারহোল্ডারদের স্বার্থ

কোম্পানির অবিচ্ছেদ্য নীতি অনুযায়ী, ব্যবস্থাপনা কর্তৃক মাইনরিটি শেয়ারহোল্ডারদের স্বার্থ সুরক্ষিত রয়েছে। ব্যবস্থাপনা কর্তৃক মাইনরিটি শেয়ারহোল্ডারদের স্বার্থ রক্ষায় আপত্তিজনক ত্রিফলাকলাপ থেকে মুক্তির স্বার্থে শেয়ারহোল্ডারদের প্রত্যক্ষ বা পরোক্ষভাবে কার্যকলাপ নিয়ন্ত্রণ এবং কার্যকর প্রতিকার করা হবে। মাইনরিটি শেয়ারহোল্ডারদের স্বার্থের বিষয়ে প্রত্যক্ষ ও পরোক্ষভাবে কোন প্রকার অত্যাচার ঘটনা পরিলক্ষিত হয়নি।

থ) চলমান প্রতিষ্ঠান

পরিচালকমন্ডলী কোম্পানির ব্যবসায়িক গতিপ্রকৃতি বিশ্লেষণের মাধ্যমে মহান আল্লাহর রহমতে নিশ্চিত হয়েছেন যে, আগামী দিনগুলোতে ব্যবসায়িক কার্যক্রম চালিয়ে নেয়ার মত যথেষ্ট সঙ্গতি কোম্পানির রয়েছে। চলমান নীতিমালার আলোকেই কোম্পানির আর্থিক বিবরণী সমূহ প্রস্তুত করা হয়েছে। কোম্পানির ব্যবস্থাপনা কর্তৃপক্ষের বিবেচনায় এরূপ কোন ঘটনা বা পরিস্থিতি সম্পর্কিত বৈষয়িক উদ্বেগ বা অনিশ্চয়তা সৃষ্টি হয়নি, যার দ্বারা কোম্পানি চলমান প্রতিষ্ঠান হিসেবে এর ভবিষ্যৎ কার্যক্রম চালিয়ে যাওয়ার ক্ষেত্রে সক্ষমতার বিষয়ে কোনরূপ সন্দেহ সৃষ্টি করতে পারে।

দ) পরিচালনাগত ব্যাপারে পূর্ববর্তী বছরের তুলনায় উল্লেখযোগ্য বিচ্যুতির ব্যাখ্যা

কোম্পানির পরিচালনাগত ব্যাপারে পূর্ববর্তী বছরের তুলনায় কোনো উল্লেখযোগ্য বিচ্যুতি নেই।

খ) ৫ বছরের পরিচালনা ও আর্থিক ফলাফল

৫ বছরের পরিচালনা ও আর্থিক ফলাফল নিম্নে প্রদর্শিত হলোঃ-

বিগত ৫ বছরের পরিচালনা ও আর্থিক ফলাফল

| বিবরণ | টাকার পরিমাণ | | | | |
|--|-------------------------|---------------|---------------|---------------|---------------|
| | ২০২১-২০২২ | ২০২০-২০২১ | ২০১৯-২০২০ | ২০১৮-২০১৯ | ২০১৭-২০১৮ |
| পরিচালনাগত তথ্য | | | | | |
| বিক্রয় | ৭৭৮,৬৬৯,৮৫৪ | ৭৯৯,২৪৯,৫৯২ | ৭৬৩,৩৩৫,৪০৬ | ৭৩২,৪৫০,১৯০ | ৬৮৫,২৩৩,৪০৮ |
| কস্ট অব গুডস সোল্ড | ৪৯১,২৯৫,৭৭৬ | ৪৮৪,২১৭,৯৪৭ | ৪৬৪,৫২৫,৫৬৮ | ৪৪০,৫০১,০৩৯ | ৪১২,২৩৯,৫৯৪ |
| পরিচালনা ব্যয় | ১৭০,৮২৯,০২৪ | ১৬৬,৩১৬,৩২৩ | ১৫১,৪৫৭,১৩৮ | ১৪১,৬৯৭,৪৪২ | ১২৫,৪১০,২৮৪ |
| আর্থিক ব্যয় | ৪,৭৫৯,৯৭৮ | ২,৭৯২,০৯৫ | ১,৪৫৯,১৩২ | ৩,৬১৩,৮৯৯ | ৫,৬২০,৩৬৪ |
| গ্রুপ প্রফিট | ২৮৭,৩৭৪,০৭৮ | ৩১৫,০৩১,৬৪৫ | ২৯৮,৮০৯,৮৩৮ | ২৯১,৯৪৯,১৫১ | ২৭২,৯৯৩,৮১৪ |
| অপারেটিং প্রফিট | ১১১,৭৮৫,০৭৬ | ১৪৫,৯২৩,২২৭ | ১৪৫,৮৯৩,৫৬৮ | ১৪৬,৬৩৭,৮১০ | ১৪১,৯৬৩,১৬৬ |
| কর পূর্ববর্তী নীট মুনাফা | ১১৬,৬৬৬,২২১ | ১৫১,৩৪৫,৩৭০ | ১৫৯,০৮৭,২৪৮ | ১৫৭,৩১৮,৮৮৪ | ১৪৩,৮৭৬,২১৫ |
| কর পরবর্তী নীট মুনাফা | ১০২,২৫৫,৫৯৪ | ১১৯,৮৫৩,৭৫১ | ১১৮,৯৪২,৯৩১ | ১৪৩,৩২৩,৪১৬ | ৯২,৯৯৩,৯৪১ |
| আর্থিক অবস্থার তথ্য | | | | | |
| শেয়ারহোল্ডারদের ইকুয়িটি | ২,৩২৫,১৯৮,৩৮১ | ২,২৭০,৪৭২,১২৮ | ২,১৯৮,১০৯,৮৭৭ | ২,১৩৩,৪৪২,৯৪৬ | ১,৭১০,৫৬১,০০৪ |
| অ-চলতি সম্পদ | ১,৪৮১,৫৭৬,৭২৪ | ১,৩৭২,২১৭,২২৯ | ১,৩৬৫,৯২৬,৮৩৫ | ১,২৪১,২০২,৩৩৮ | ১,০৮৮,২৩৬,৭০৭ |
| অ-চলতি দায় | ৮১,৪৩১,৬৭২ | ৮৮,১৯৮,৭৮৬ | ৯৮,২৬০,৮৭৩ | ৭৮,৫২০,০৪৩ | ৯১,২১৯,৭৯২ |
| চলতি সম্পদ | ১,০৬৩,১৬৪,০৩৭ | ১,০৭৪,৯৩৭,৮৩৬ | ১,০৯০,২৭৯,৯৬১ | ১,০৬০,৫২০,৩৬৯ | ৯১৩,৫২০,৩৫৬ |
| চলতি দায় | ১৩৮,১১০,৭০৮ | ৮৮,৪৮৪,১৫১ | ১৫৯,৮৩৬,০৪৬ | ৮৯,৭৫৯,৭১৮ | ১৯৯,৯৭৬,২৬৭ |
| মোট সম্পদ | ২,৫৪৪,৭৪০,৭৬১ | ২,৪৪৭,১৫৫,০৬৫ | ২,৪৫৮,২০৬,৭৯৬ | ২,৩৩৩,৭২২,৭০৭ | ২,০০১,৭৭৭,০৬৩ |
| মোট দায় | ২১৯,৫৪২,৩৮০ | ১৭৬,৬৮২,৯৩৭ | ২৫৮,০৯৬,৯১৯ | ১৬৮,২৭৯,৭৬১ | ২৯১,১৯৬,০৫৯ |
| আর্থিক অনুপাত | | | | | |
| চলতি অনুপাত (সময়) | ৭.৭০ | ১২.১৫ | ৬.৮২ | ১১.৮২ | ৪.৫৭ |
| ঋণ-ইকুয়িটি অনুপাত (সময়) | ০.০৯ | ০.০৮ | ০.১২ | ০.০৮ | ০.১৭ |
| মোট মুনাফা অনুপাত (%) | ৩৬.৯১% | ৩৯.৪২% | ৩৯.১৫% | ৩৯.৮৬% | ৩৯.৮৪% |
| নীট মুনাফা অনুপাত (%) | ১৩.১৩% | ১৫.০০% | ১৫.৫৮% | ১৯.৫৭% | ১৩.৫৭% |
| ইকুইটির উপর মুনাফাজর্জন অনুপাত (%) | ৪.৪০% | ৫.২৮% | ৫.৪১% | ৬.৭২% | ৫.৪৪% |
| সম্পত্তির উপর মুনাফাজর্জন অনুপাত (%) | ৪.১০% | ৪.৮৯% | ৫.০০% | ৬.৬৬% | ৪.৭২% |
| ইকুয়িটি প্যারামিটার | | | | | |
| অনুমোদিত মূলধন | ১,৫০০,০০০,০০০ | ১,৫০০,০০০,০০০ | ১,৫০০,০০০,০০০ | ১,৫০০,০০০,০০০ | ১,৫০০,০০০,০০০ |
| পরিশোধিত মূলধন | ১,৩৬৫,০০০,০০০ | ১,৩৬৫,০০০,০০০ | ১,৩৬৫,০০০,০০০ | ১,৩৬৫,০০০,০০০ | ১,৩৬৫,০০০,০০০ |
| শেয়ারহোল্ডারদের ইকুয়িটি | ২,৩২৫,১৯৮,৩৮১ | ২,২৭০,৪৭২,১২৮ | ২,১৯৮,১০৯,৮৭৭ | ২,১৩৩,৪৪২,৯৪৬ | ১,৭১০,৫৬১,০০৪ |
| শেয়ারের সংখ্যা | ১৩৬,৫০০,০০০ | ১৩৬,৫০০,০০০ | ১৩৬,৫০০,০০০ | ১৩৬,৫০০,০০০ | ১০০,০০০,০০০ |
| শেয়ার প্রতি অভিহিত মূল্য | ১০.০০ | ১০.০০ | ১০.০০ | ১০.০০ | ১০.০০ |
| শেয়ার প্রতি নীট সম্পদ মূল্য | ১৭.০৩ | ১৬.৬৩ | ১৬.১০ | ১৫.৬৩ | ১৭.১১ |
| শেয়ার প্রতি আয় | ০.৭৫ | ০.৮৮ | ০.৮৭ | ১.০৫ | ০.৯৩ |
| শেয়ার প্রতি বাজার মূল্য (সমাপনী) | ২৪.১০ | ১৯.৭০ | ১৮.৩০ | ২৩.০০ | প্রযোজ্য নয় |
| শেয়ার মূল্যের উপর মুনাফাজর্জন অনুপাত (সময়) | ২৮.৮০ | ২২.৩৯ | ২১.০০ | ২০.০৭ | প্রযোজ্য নয় |
| শেয়ার প্রতি চলতি নগদ প্রবাহ | ১.১৮ | ১.১৭ | ১.১০ | ১.৩৯ | ১.৩৪ |
| লভ্যাংশ - নগদ (%) | ৩.০০ (আইসিবির জন্য ১.৫) | ৫.০০ | ৫.০০ | ৬.০০ | শূন্য |
| লভ্যাংশ - স্টক (%) | শূন্য | শূন্য | শূন্য | ৫.০০ | শূন্য |
| শেয়ারহোল্ডারদের সংখ্যা | ৬,০৬৭ | ৬,২২৩ | ৬,৯৬২ | ৬,৫৬৬ | ৮৯ |
| কর্মী সংখ্যা | ৬৫৮ | ৯৪৫ | ৯১৪ | ১,০১৮ | ১,০৮২ |

ন) লভ্যাংশ ঘোষণা

চলতি বছরে, কোম্পানির পরিচালনা পর্ষদ স্পনসর ও পরিচালক ব্যাভীত (আইসিবির জন্য ১.৫% সহ) সাধারণ শেয়ারহোল্ডারদের জন্য ৩% নগদ লভ্যাংশ প্রদানের প্রস্তাব দিয়েছে।

প) অন্তর্বর্তীকালীন লভ্যাংশ

২০২১-২০২২ অর্থবছরে কোন বোনাস শেয়ার বা স্টক ডিভিডেন্ড অন্তর্বর্তীকালীন লভ্যাংশ হিসাবে ঘোষণা করা হয়নি।

ফ) পরিচালনা পর্ষদের সভায় উপস্থিতি

৩০শে জুন, ২০২২ সমাপ্ত বছরে পরিচালনা পর্ষদের ০৪ (চার)টি সভা অনুষ্ঠিত হয়েছিলো। পরিচালকদের উপস্থিতির রেকর্ড নীচে দেখানো হয়েছে। যে সকল পরিচালক সভায় উপস্থিত হতে পারেননি তাদের অনুপস্থিত হিসেবে গণ্য করা হয়েছে।

৩০শে জুন, ২০২২ সমাপ্ত বছরের পরিচালনা পর্ষদের সভা ও উপস্থিতিঃ-

| ক্রমিক নং | উপস্থিত পরিচালকবৃন্দের নাম | পদ | অনুষ্ঠিত সভার সংখ্যা | সভায় উপস্থিতির সংখ্যা |
|--------------|--|------------------------|-------------------------|---------------------------|
| ১ | জনাবা সিলভানা মির্জা | চেয়ারম্যান | ০৪ | ০৩ |
| ২ | ডাঃ সাইরা খান, এমবিবিএস, ডিসিএইচ, এফসিপিএস | ব্যবস্থাপনা পরিচালক | ০৪ | ০৪ |
| ৩ | জনাবা সামিনা মির্জা | পরিচালক | ০৪ | ০৩ |
| ৪ | জনাবা ফারহানা মির্জা | পরিচালক | ০৪ | ০৩ |
| ৫ | জনাবা মাহমুদা আক্তার (আইসিবি কর্তৃক মনোনীত) | পরিচালক | ০৪ | ০৪ |
| ৬ | জনাব মনসুর রহমান (আদর্শ ফিশারিজ এন্ড পোল্ট্রি ফার্ম লিঃ কর্তৃক মনোনীত) | পরিচালক | ০৪ | ০৪ |
| ৭ | জনাব মোঃ মুশফিকুর রহমান, এফসিএ | স্বতন্ত্র পরিচালক | ০৪ | ০৪ |
| ৮ | জনাব মোহাম্মদ মনিরুজ্জামান, এফসিএ | স্বতন্ত্র পরিচালক | ০৪ | ০৪ |

উপস্থিতি

| ক্রমিক নং | উপস্থিত ব্যক্তির নাম | পদ | অনুষ্ঠিত সভার সংখ্যা | সভায় উপস্থিতির সংখ্যা |
|--------------|-----------------------------|--|-------------------------|---------------------------|
| ১ | জনাব মোঃ ইকবাল হোসেন | কোম্পানি সচিব | ০৪ | ০৪ |
| ২ | জনাব মোঃ আবুল কাসেম | প্রধান অর্থ কর্মকর্তা | ০৪ | ০৪ |
| ৩ | জনাব খোরশেদ আহম্মদ সিদ্দিকী | অভ্যন্তরীণ নিরীক্ষা ও কমপ্লায়েন্স প্রধান | ০৪ | ০৪ |

ব) শেয়ারহোল্ডিং প্যাটার্ন

৩০শে জুন, ২০২২ পর্যন্ত শেয়ারহোল্ডিং প্যাটার্নের একটি প্রতিবেদন শেয়ারের মোট সংখ্যা (নাম ও বিশদ বিবরণ সহ)নিস্পে প্রকাশ করা হয়েছে।

১. অভিভাবক বা সহায়ক বা সহযোগী কোম্পানি এবং অন্যান্য সংশ্লিষ্ট পক্ষ :

৩০শে জুন, ২০২২ তারিখে সিলভা ফার্মাসিউটিক্যালস লিমিটেডের কোনো অভিভাবক বা সহায়ক বা সহযোগী কোম্পানি নেই। তবে, অন্যান্য সংশ্লিষ্ট পক্ষ কোম্পানির কোনো শেয়ার ধারণ করে না।

২. পরিচালক, প্রধান নির্বাহী কর্মকর্তা, কোম্পানি সচিব, প্রধান অর্থ কর্মকর্তা, অভ্যন্তরীণ নিরীক্ষা ও কমপ্লায়েন্স প্রধান এবং তাদের স্বামী/স্ত্রী ও নাবালক সন্তান :

| ক্রমিক | শেয়ারহোল্ডারদের নাম | পদ | ধারণকৃত শেয়ার | শতাংশ (%) |
|--------|--|---------------------|----------------|-----------|
| ০১. | জনাবা সিলভানা মির্জা | চেয়ারম্যান | ৩০,৫৫,৫০০ | ০২.২৪% |
| ০২. | ডাঃ সাইরা খান, এমবিবিএস, ডিসিএইচ, এফসিপিএস | ব্যবস্থাপনা পরিচালক | ৭৩,১৮,৫০০ | ০৫.৩৬% |
| ০৩. | জনাবা সামিনা মির্জা | পরিচালক | ৩০,৫৫,৫০০ | ০২.২৪% |
| ০৪. | জনাবা ফারহানা মির্জা | পরিচালক | ৩০,৫৫,৫০০ | ০২.২৪% |
| ০৫. | জনাবা মাহমুদা আক্তার (আইসিবি কর্তৃক মনোনীত) | পরিচালক | ২,৮৭,০০,৫৯১ | ২১.০৩% |
| ০৬. | জনাব মনসুর রহমান (আদর্শ ফিশারিজ এন্ড পোল্ট্রি ফার্ম লিঃ কর্তৃক মনোনীত) | পরিচালক | ৫৩,৪৪,৫০০ | ০৩.৯২% |
| ০৭. | জনাব মোঃ মুশফিকুর রহমান, এফসিএ | স্বতন্ত্র পরিচালক | শূন্য | শূন্য |

| | | | | |
|-----|--|---|-----------|--------|
| ০৮. | জনাব মোহাম্মদ মনিরুজ্জামান, এফসিএ | স্বতন্ত্র পরিচালক | শূন্য | শূন্য |
| ০৯. | জনাব মোঃ ইকবাল হোসেন | কোম্পানি সচিব | ১,১৫,৫০০ | ০০.০৮% |
| ১০. | জনাব মোঃ আবুল কাসেম | প্রধান অর্থ কর্মকর্তা | শূন্য | শূন্য |
| ১১. | জনাস খোরশেদ আহম্মদ সিদ্দিকী | অভ্যন্তরীণ নিরীক্ষা ও কমপ্লায়েন্স প্রধান | ২৪,০০০ | ০.০২% |
| ১২. | এ আর হাসান মির্জা | ব্যবস্থাপনা পরিচালক এর স্বামী | ৫১,৯৭,৫০০ | ৩.৮১% |
| ১৩. | অন্যান্য স্বামী/স্ত্রী ও নাবালক সন্তান | | শূন্য | শূন্য |

৩. নির্বাহী কর্মকর্তা :

| ক্রমিক নং | শেয়ারহোল্ডারদের নাম | পদ | ধারণকৃত শেয়ার সংখ্যা | শতাংশ (%) |
|--------------|--|---|--------------------------|-----------|
| ০১. | ডাঃ সায়ারা খান, এমবিবিএস, ডিসিএইচ, এফসিপিএস | ব্যবস্থাপনা পরিচালক | ৭৩,১৮,৫০০ | ০৫.৩৬% |
| ০২. | এ আর হাসান মির্জা | নির্বাহী পরিচালক | ৫১,৯৭,৫০০ | ৩.৮১% |
| ০৩. | জনাব মোঃ ইকবাল হোসেন | কোম্পানি সচিব | ১,১৫,৫০০ | ০০.০৮% |
| ০৪. | জনাব খোরশেদ আহম্মদ সিদ্দিকী | অভ্যন্তরীণ নিরীক্ষা ও কমপ্লায়েন্স প্রধান | ২৪,০০০ | ০.০২% |

৪. কোম্পানিতে দশ শতাংশ (১০%) বা তার বেশি ভোট দেয়ার অগ্রাহ ধারণকারী শেয়ারহোল্ডার (নাম অনুসারে বিশদ বিবরণ) :

| ক্রমিক নং | শেয়ারহোল্ডারদের নাম | পদ | ধারণকৃত শেয়ার সংখ্যা | শতাংশ (%) |
|--------------|---|---------|--------------------------|-----------|
| ০১. | ইনভেস্টমেন্ট কর্পোরেশন অব বাংলাদেশ (আইসিবি) | পরিচালক | ২,৮৭,০০,৫৯১ | ২১.০৩% |

ভ) পরিচালকের নিয়োগ বা পুনঃ নিয়োগ

কোম্পানির আর্টিকেল অফ অ্যাসোসিয়েশনের বিধান অনুসারে জনাবা সিলভানা মির্জা, ডাঃ সায়ারা খান, এমবিবিএস, ডিসিএইচ, এফসিপিএস এবং জনাব মনসুর রহমান এই ২১তম বার্ষিক সাধারণ সভায় পুনঃরাবৃত্তির মাধ্যমে অবসর নেবেন এবং যোগ্য বিবেচ্য হওয়ায় তাদেরকে পুনরায় নিয়োগের জন্য প্রস্তাব দেয়া হবে। পরিচালকদের প্রয়োজনীয় তথ্য সহ সংক্ষিপ্ত জীবনবৃত্তান্ত বার্ষিক প্রতিবেদনের ০৮,০৯ ও ১২ নং পৃষ্ঠায় পরিচালকদের প্রোফাইলের অধীনে বর্ণিত হয়েছে।

ম) ব্যবস্থাপনা পরিচালকের নিয়োগ বা পুনঃ নিয়োগ

ব্যবস্থাপনা পরিচালকের নিয়োগের শর্ত অনুসারে ১১.০৩.২০২২ তারিখে বিদ্যমান ব্যবস্থাপনা পরিচালক ডাঃ সায়ারা খান, এমবিবিএস, ডিসিএইচ, এফসিপিএস-এর ৫ (পাঁচ) বছরের মেয়াদ সফলভাবে সম্পন্ন হয়েছে। কোম্পানি আইন, ১৯৯৪ এর ধারা ১১০ অনুযায়ী, তিনি পুনরায় নিয়োগের জন্য যোগ্য। ২৭শে জানুয়ারী, ২০২২ তারিখে অনুষ্ঠিত ৯১তম সভায় পরিচালনা পর্ষদ তার বর্তমান ব্যবস্থাপনা পরিচালক ডাঃ সায়ারা খান, এমবিবিএস, ডিসিএইচ, এফসিপিএস-কে তিন বছরের এককালীন সময়ের পুনঃনিয়োগের জন্য সুপারিশ করেছে যা ১২ই মার্চ, ২০২২ থেকে ১১ মার্চ, ২০২৫ পর্যন্ত বলবৎ হয় যাহা NRC মিটিংয়েও সুপারিশকৃত এবং তাহা কোম্পানির পরবর্তী বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদনের জন্য পেশ করা হয়েছে। ব্যবস্থাপনা পরিচালকের প্রয়োজনীয় তথ্য সহ সংক্ষিপ্ত জীবনবৃত্তান্ত বার্ষিক প্রতিবেদনের ০৯ নং পৃষ্ঠায় পরিচালকদের প্রোফাইলের অধীনে দেওয়া হয়েছে।

য) স্বতন্ত্র পরিচালকের নিয়োগ বা পুনঃ নিয়োগ

কর্পোরেট গভর্নেন্স কোড (সিজিসি) এর উপর বিএসইসির বিজ্ঞপ্তি, তারিখ- ০৩ জুন ২০১৮ অনুসারে, জনাব মোহাম্মদ মনিরুজ্জামান, এফসিএ-এর স্বতন্ত্র পরিচালকের পদের মেয়াদ ৩১শে ডিসেম্বর ২০২২-এ শেষ হতে যাচ্ছে। কর্পোরেট গভর্নেন্স কোড (সিজিসি) অনুসারে তিনি আরও এক মেয়াদের জন্য পুনরায় নিয়োগের জন্য যোগ্য। ১৪ই নভেম্বর, ২০২২ তারিখে অনুষ্ঠিত ৯৪তম সভায় পরিচালনা পর্ষদ জনাব মোহাম্মদ মনিরুজ্জামান, এফসিএ-কে স্বতন্ত্র পরিচালক হিসেবে তিন বছরের আরও এককালীন সময়ের পুনঃনিয়োগের জন্য সুপারিশ করেছে যা ১লা জানুয়ারী, ২০২৩ হতে ৩১শে ডিসেম্বর, ২০২৫ পর্যন্ত বলবৎ হবে এবং তাহা কোম্পানির পরবর্তী বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদনের জন্য পেশ করা হয়েছে। স্বতন্ত্র পরিচালকের প্রয়োজনীয় তথ্য সহ সংক্ষিপ্ত জীবনবৃত্তান্ত বার্ষিক প্রতিবেদনের ১৫ নং পৃষ্ঠায় পরিচালকদের প্রোফাইলের অধীনে দেওয়া হয়েছে।

র) ব্যবস্থাপনা সংক্রান্ত বিবৃতি এবং পর্যালোচনা

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের কর্পোরেট গভর্নেন্স কোড নোটিফিকেশন নং বিধি নং- বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখঃ ০৩ জুন, ২০১৮ অনুসারে কোম্পানির চলমান সক্ষমতা, আর্থিক অবস্থা ও অন্যান্য প্রকাশিত বিবৃতিগুলো সম্পর্কে পৃথকভাবে ব্যবস্থাপনা পরিচালকের প্রতিবেদনের ৪৪-৪৬ নং পৃষ্ঠায় বিস্তারিত আলোচনা করা হয়েছে।

ল) ব্যবস্থাপনা পরিচালক এবং প্রধান অর্থ কর্মকর্তা কর্তৃক ঘোষণা ও সাক্ষ্যদান

পরিচালনা পর্ষদের কাছে ব্যবস্থাপনা পরিচালক এবং প্রধান অর্থ কর্মকর্তা কর্তৃক ঘোষণা ও প্রমাণপত্র বিএসইসির নোটিফিকেশনের Annexure-A অনুযায়ী বার্ষিক প্রতিবেদনের ৭৭ নং পৃষ্ঠায় উপস্থাপিত হয়েছে।

শ) কর্পোরেট গভর্নেন্স কমপ্লায়েন্স রিপোর্ট

কমপ্লায়েন্স নিরীক্ষক কর্তৃক নিরীক্ষিত বিএসইসির Annexure-B ও Annexure-C প্রোফর্মা অনুযায়ী কর্পোরেট গভর্নেন্স কমপ্লায়েন্স রিপোর্ট বার্ষিক প্রতিবেদনের ৭৮-৮৭ নং পৃষ্ঠায় উপস্থাপিত হয়েছে।

কৃতজ্ঞতা ও ধন্যবাদ জ্ঞাপন

পরিচালকমন্ডলী ঊষধ শিল্পের সাথে সংশ্লিষ্ট স্বাস্থ্য মন্ত্রণালয়, ঊষধ প্রশাসন অধিদপ্তর, ঊষধ শিল্প সমিতি, সম্মানিত চিকিৎসক ও কেমিষ্টগণের অকুণ্ঠ সমর্থনের জন্য আন্তরিক ধন্যবাদ জানাচ্ছে। পরিচালনা পর্ষদ বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি), ঢাকা স্টক এক্সচেঞ্জ (ডিএসই), চট্টগ্রাম স্টক এক্সচেঞ্জ (সিএসই) এর সার্বিক সহযোগিতার জন্য ধন্যবাদ জানাচ্ছে। পরিচালনা পর্ষদ ব্যাংক ও আর্থিক প্রতিষ্ঠানগুলোকে সহায়তার জন্য ধন্যবাদ জানাচ্ছে।

পরিচালকমন্ডলী ব্যবসায়িক সফলতায় আন্তরিক অবদান রাখা সহ সব পর্যায়ের ক্রেতা-ভোক্তা, পৃষ্ঠপোষক ও শুভাকাঙ্ক্ষীদেরকে সার্বিক সহযোগিতার জন্য আন্তরিক মোবারকবাদ জানাচ্ছে। পাশাপাশি কর্মকর্তা ও কর্মচারীগণের গভীর আন্তরিকতা, অর্থবহ সহযোগিতা, আনুগত্য ও কর্তব্য নিষ্ঠার জন্য ধন্যবাদ জ্ঞাপন করছে।

সম্মানিত শেয়ারহোল্ডারগণ পরিচালকমন্ডলীর উপর যে আস্থা ও বিশ্বাস রেখেছেন তা তাদেরকে গভীরভাবে উৎসাহিত ও অনুপ্রাণিত করেছে। এটি বজায় রাখতে ব্যবস্থাপনা কর্তৃপক্ষ, কর্মকর্তা ও কর্মচারীগণ দৃঢ় প্রতিজ্ঞ।

দেশ ও জাতির অব্যহত উন্নয়নে আমাদের সব অকৃত্রিম ও নিরলস প্রয়াস আল্লাহপাক কবুল করুন। সবশেষে, গণপ্রজাতন্ত্রী বাংলাদেশ, দেশের জনসাধারণ ও কোম্পানির উত্তরোত্তর উন্নতি, সমৃদ্ধি ও সার্বিক অগ্রগতির জন্য মহান আল্লাহ রাক্বুল আলামীনের দরবারে রহমত কামনা করছি।

আল্লাহ হাফেজ,

পরিচালকমন্ডলীর অনুমোদনক্রমে ও পক্ষে,

সিলভানা মির্জা

চেয়ারম্যান

ঢাকা, ২৭ অক্টোবর, ২০২২

Directors' Report to the Shareholders

Bismillahir Rahmanir Rahim

Dear Shareholders,

Assalamu Alaikum WaRahmatullah,

The Board of Directors' of Silva Pharmaceuticals Limited highly pleased to welcome you to the 21st Annual General Meeting of the company and present before you to receive, consider and adopt the Audited Financial Statements of the company for the year ended on 30 June, 2022 together with the Auditors' Report and Directors' Report thereon, for your valuable guidance, opinion and consideration. We express our gratitude to the almighty Allah for the company's business achievement in 2021-2022.

In line with the requirements of the compliance with section 184 of the Companies Act, 1994 and BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 3 June, 2018, our company has been presenting Directors' Report covering the financial results and other developments during the year ended 30 June, 2022. In addition the directors explained and disclosed certain issues, which they deemed relevant and important to ensure transparency and good governance practice.

Background:

Silva Pharmaceuticals Limited was incorporated in 24 April, 2001 as a private company limited by shares and registered with the Registrar of Joint Stock Companies & Firms of Bangladesh under the Companies Act, 1994 vide registration no. CH-42959(2318)/2001. On 22 April, 2014 the company converted to a Public Limited company under the Companies Act, 1994. The Company was listed with Dhaka Stock Exchange Limited (DSE) on 23rd September 2018 and Chittagong Stock Exchanges Limited (CSE) on 16th September, 2018. From 10th October, 2018 the shares of the company's are traded in both Stock Exchanges.

Main Objective of the Company

The Company's main objective is to play the role usually offering the healthcare service of highest standard through production and marketing of quality pharmaceuticals finished products in Bangladesh and abroad.

Board of Directors

The Board of Directors is the highest governance body of the Company and represents the interests of all shareholders and stakeholders, irrespective of who elected its directors. The Board of the company comprises with 8 (Eight) Directors, of whom 4 (Four) directors are shareholder Directors, 2 (Two) nominee directors and 2 (Two) independent directors. Independent Directors are appointed as per provision of the Corporate Governance Codes of Bangladesh Securities and Exchange Commission (BSEC) vides reference no. BSEC/CMRRCD/2006-158/207/Admin/80; dated 03 June, 2018. The Board's essential role is to approve the Company's strategy and oversee compliance.

Industrial Prospects

Silva Pharma tried to maintain the continuity of its productivity and best ethical standard of business affairs preferring the principles of sustainable development in the year under review. Alhamdulillah.

The Company has been able to hold its customer satisfaction upright providing the quality products with competitive price in the competitive business environment. The Company gives the utmost importance in extending business activities through supply of products as per demand keeping in view of future challenge depending on the modern technology.

Bangladesh Pharma Market

In the year under review, the growth of pharmaceuticals market of Bangladesh stood -3.85% . The Silva Pharmaceuticals Limited achieved -2.57% growth which is good with respect to the growth of pharma market of Bangladesh.

Business Analysis

The year 2021-2022 was a challenging year not only for the company but also for the entire world due to the ongoing Russia-Ukraine geopolitical situation which has caused supply chain disruptions as well as additional cost pressure for devaluation of BDT against USD as well and affected by the Coronavirus (COVID-19). The above disaster outbreak has greatly impacted the macroeconomic performance of the country as well as its operation and financial position.

The year under review, due to severe competition and distresses of Russia-Ukraine geopolitical situation & COVID-19 prevailed in the national and international business area; we have not been able to maintain an overall progressive growth trend in satisfactory level inspite of various visionary steps given timely by the Board of Directors.

As a result, it became not easy and usual to produce quality medicine and deliver the same at the doorsteps of the customers. The company has played a significant role in applying modern technology ensuring quality control, smooth distribution, and delivery of the medicine to the patients and customers.

In the year 2021-2022 EPS stood Tk. 0.75 which was Tk. 0.88 in 2020-2021. In the year under review Net Asset Value (NAV) per share is Tk. 17.03 which was Tk. 16.63 in 2020-2021 and NOCFPS per share stood Tk. 1.18 in the year under review which was Tk. 1.17 in the year 2020-2021. It is mentionable here that the sales and Earnings Per Shares (EPS) has decreased from corresponding previous year's due to flood affected in some sales reason and a major portion of sales and marketing team was left the company at the last moment of this year. Furthermore, increase in material cost due to macroeconomic factors, including significant increase of import costs caused by devaluation of local currency against US Dollar.

Compliance to the Labor Laws

In order to maintain labor friendly atmosphere in all aspects, the Company duly comply with the Bangladesh Labor Act, 2006 (As amended 2018) and other laws and regulations applicable to the Company. As per the Bangladesh Labor Rules, 2015 the requisite committees like Participatory Committee, Safety Committee, Canteen Management Committee and Sexual Harassment Protection Committee were formed. These committees are serving for the wellbeing of the workers within the purview of the provisions.

Pollution Free Environment

In order to protect from risk of human health and environment, caused by increasing manmade pollution; Silva Pharmaceuticals Limited is trying its best to keep pollution free environment through ETP and follow the required laws and rules of Directorate General of Drug Administration and Department of Environment of the Government in the factory and its surrounding as well.

Implementation of IAS, IFRS and Other Applicable Laws and Regulations

The Board of Directors of the Company is entrusted to ensure the disclosure of the actual financial position and preparation and maintenance of all types of Statutory Statements as per the Bangladesh Securities and Exchange Commission (BSEC), the Companies Act-1994 and Bangladesh Financial Reporting Act (FRA)-2015. The Board of Director's is absolutely responsible to prepare all types of financial reports in line with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and other applicable rules and regulations.

Financial Report and Accountability

The Board of Directors discharged their due responsibilities through timely preparation and publication of 1st quarter, half yearly, 3rd quarter and annual financial report at the end of each financial period and the affairs of the company performed in the year under review. Audit Committee, sub-committee of Board examined the fairness, exactness and transparency and completeness of these reports before placement of the same to the Board of their approval.

The Company Published the report (un-audited Financial Statements) of 1st Quarter, half yearly and 3rd Quarter Financial Statements as per notification of Bangladesh Securities and Exchange Commission (BSEC) and Listing rules 2015 of Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE) through Company's Website, Newspapers and online News portal and submitted the same timely to BSEC, DSE, CSE and other regulatory authorities.

Audit Committee

As per BSEC's notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018, the Audit Committee consisting of three members including one Independent Director having prominent reputation and versatile knowledge and experience have been working effectively. The Audit Committee has detailed discussion and analysis on its report as directed by BSEC and the Board with regards to internal audit system, preparation of annual financial report and the observations of external auditors. As there was no evidence of slightest mistakes, dissemblance or information contrary to the truth, the financial report was considered as realistic and transparent. Report of the Audit Committee is presented in the page no. 49-52 of the Annual Report.

Beneficiary Insider Trading Prohibition Policy

The Company has outlined the beneficiary insider trading prohibition policy regarding the trading of Company's share its directors, employees and concerned persons. The policy is being followed accordingly.

Independent Director

As per notification no-BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018 of Bangladesh Securities and Exchange Commission (BSEC), two learned and veteran professionals respectively Mr. Md Musfiqur Rahman, FCA and Mr. Muhammad Moniruzzaman, FCA have been performing the duties as Independent Director.

Respect to the Laws

The laws of the state and other applicable rules and regulations of the company and the affairs thereon have duly been complied with the highest preference and timely actions on the same have been ensured. The Company is committed to abide by the rules of regulatory bodies and other legislative authorities as always.

Statutory Payments

All statutory payments in relation to the employees and the government have duly been made up to date.

Compliance to the Laws of the Capital Market

Since listing in both the stock Exchanges, the Company strictly abides by all the laws, regulations and directions circulated time to time by Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE) and other related authorities.

Workers Profit Participation and Welfare Fund

In the year under review 5% of the Company's profit Tk. 58,33,311.00 will be transferred to the workers profit participation fund and welfare fund as per Labor Law 2006 (As amended in 2018).

Company's Position in the Share Market

In the year under review, the market share of the Company did not face ups and downs significantly in Dhaka Stock Exchange Ltd. (DSE) or Chittagong Stock Exchange Ltd. (CSE). The shareholders had always been confident on Silva shares. In the year 2021-2022, the company shares were traded in Dhaka Stock Exchanges at minimum of Tk. 17.60 to maximum of Tk. 27.40 and Chittagong Stock Exchanges at minimum of Tk. 17.50 to maximum of Tk. 27.30 as against the face value of Tk. 10.00.

Directors' Code of Conduct

The board of the company has approved a separate Code of Conduct for its Directors in compliance with the requirement of Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code issued on 03 June, 2018 which is stated in the page no. 62 of the Annual report. This Code of Conduct was duly been uploaded in the Company's official website in the following link: <https://silvapharma.com/investors/ipo/Code> of Conduct.

Code of Ethics and its Implementation

Highest emphasis is given on the implementation of code of ethics and principles so that the concerned officials and personal can take appropriate decision complying the required laws and professionals manner.

Workers-Officers Relationships

There exists devotion to work and respectful and harmonious relationships among all levels of officers and employees in The Silva Pharmaceuticals Industry Ltd. which has accelerated the Company's progress and productivity.

Nomination and Remuneration Committee and their Report

In accordance with the condition 6 of Bangladesh Securities and Exchange Commission's Code of Corporate Governance, BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, the Board formed the Nomination and Remuneration Committee (NRC).

The report from the Nomination and Remuneration Committee (NRC) about their activities performed during the year under review is mentioned in the page no. 53-55 of the Annual Report.

Wage-Remuneration Policy

The salary and wages of the employees are usually determined considering the prevailing inflation, price index and in commensuration with the existing salary structure in other competitors' companies. The procedure of evaluation and determining the honorarium of the functional directors are being followed within the criteria recommended by the Nomination and Remuneration Committee (NRC) duly approved by the Boards as per corporate governance code of BSEC.

Events after the Reporting Period

Events after the reporting period for the year 2021-2022, no necessity arose for subsequent adjustment or no pecuniary issues thereto happened which is mentionable in the Financial Statement.

Dividend Distribution Policy

The management of the company sincerely believes that at the end of yearly operation of the company, the highest benefit i.e. dividend is given to the shareholders after retaining a portion of earnings so that the company can maintain the ability for future expansion and also extending facilities to the shareholders in future. Keeping this policy in mind, the company declares dividend giving importance on a balance between the present expectation of the shareholders and that of potential beneficiaries considering all relevant applicable laws and best practices in this connection.

Pursuant to the Dividend related Directive issued by Bangladesh Securities and Exchange Commission (BSEC) on January 14, 2021, the Company has adopted the Dividend Distribution Policy (DPP). The DPP is stated in the page no. 63-65 of the Annual Report 2022 and is also uploaded on the Company's website.

Transferring the Unclaimed Dividend to Capital Market Stabilization Fund

Pursuant to the Bangladesh Securities and Exchange Commission's (BSEC) Directive no. BSEC/CMMRCD/2021-386/03 dated January 14, 2021 and Bangladesh Securities and Exchange Commission Capital Market Stabilization Fund Rules, 2021, during the financial year the company did not required transfer of any amount to this fund, since the company unclaimed/unpaid dividend start from the year 2019. Year wise unclaimed/undistributed/unsettled dividend amount is stated below:

Unclaimed / Unpaid Dividend

| Particulars | Amount in Taka |
|---------------------------------------|---------------------|
| Dividend for the year 2020-2021 | 3,97,684.00 |
| Dividend for the year 2019-2020 | 3,97,465.00 |
| Dividend for the year 2018-2019 | 4,68,496.00 |
| Interest (Net off AIT & Bank Charges) | 33,287.00 |
| Total | 12,96,932.00 |

Reserves and Surplus

In the year 2021-2022, Company's reserves and surplus rose to Tk. 96,01,98,381.00 which was Tk. 90,54,72,128.00 in the previous year.

Appointment of Statutory Auditors'

M/S. Shiraz Khan Basak & Co., Chartered Accountants, existing statutory auditors of the company, audited the Accounts for the year 2021-2022. M/S. Shiraz Khan Basak & Co., Chartered Accountants will retire at the 21st Annual General Meeting. As per Law, the existing auditors are eligible for re-appointment as statutory auditors. M/S. Shiraz Khan Basak & Co., Chartered Accountants, 86, Bir Uttam C.R. Datta Road, (Level-10), Dhaka-1205 has given their expression of interest to be re-appointed as statutory auditors for the financial year 2022-2023.

The Audit Committee reviewed the performance of audit acted in the last year and profile of the said audit firms and recommended in favour of M/S. Shiraz Khan Basak & Co., Chartered Accountants, for re-appointment as Statutory Auditors of the company for the next financial year.

Being eligible as per Law, the Board of Directors has concurred with the recommendation of the audit committee to be re-appointed M/S. Shiraz Khan Basak & Co., Chartered Accountants, 86, Bir Uttam C.R. Datta Road, (Level-10), Dhaka-1205 as statutory auditors of the company for the financial year 2022-2023 and continuation up to the next AGM at a fees of Tk. 3,00,000.00 (Three lac) (including TDS but excluding VDS) only and also as per application of the auditor, the audit fee for the year 2021-2022 revised near to maintenance of ICAB fees schedule from Tk. 2,00,000.00 to Tk. 3,00,000.00 (Three Lac) (including TDS but excluding VDS) subject to approval by the Shareholders in the 21st AGM of the company.

Compliance Auditors' Appointment

As per Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC), M/s. S.M. Zakaria & Co., Chartered Accountants, compliance auditors of the company audited the compliance status of the company for the year 2021-2022 and M/s S.M. Zakaria & Co., Chartered Accountants retire at this AGM. **Mr. K M Kawsar Ali, FCA, Partner of M/s S.H. Khan & Co.**, Chartered Accountants willing to interest in conducting the Compliance Audit for the next year. In this respect **Mr. K M Kawsar Ali, FCA, Partner of M/s S.H. Khan & Co.**, Chartered Accountants giving a proposal for conducting the next year compliance audit. After threadbare discussion the board of directors agrees to appointment of M/s. S.H. Khan & Co., Chartered Accountants, Fahima Tower (5th Floor), 42/43, Purana Paltan, Dhaka-1000 as Compliance Auditors of the Company for the financial year 2022-2023.

The Audit Committee reviewed the profile of the said audit firms and recommended in favour of M/s. S.H. Khan & Co., Chartered Accountants, for appointment as Compliance Auditors of the company for the next financial year.

The Board of Directors recommended for the appointment of M/s S.H. Khan & Co., Chartered Accountants as the Compliance Auditors of the Company for the financial year 2022-2023 and fixing the auditor fees of Tk. 30,000.00 (Thirty Thousand) (including TDS & VDS) only subject to approval by the Shareholders in the 21st AGM of the company.

Independent Scrutinizer Appointment

As per Bangladesh Securities and Exchange Commission's (BSEC's) directive No. BSEC/CMRRCD/2009-193/08 dated 10 March, 2021, the Board of Directors in its 94th meeting held on November 14, 2022 appointed M/s. Jasmin & Associates, Chartered Secretaries as an Independent Scrutinizer to observe the 21st AGM of the company to be held on 29 December, 2022 ensuring the facility to exercise the shareholders (holders of paper shares or dematerialized shares) voting rights on the resolution proposed to be considered at the general meeting.

The due process of election and detailed information of voting results shall be authenticated by Independent Scrutinizer M/s. Jasmin & Associates, Chartered Secretaries and be reported of the same to the BSEC within the stipulated time of conclusion of AGM.

Appointment of Credit Rating Company

As per Bangladesh Securities and Exchange Commission's (BSEC's) Notification No. BSEC/CMRRC/2009-193/37/Admin/132 dated 12 May, 2022, the Board of Directors in its 94th meeting held on November 14, 2022 appointed M/s. Emerging Credit Rating Ltd., SHAMS Rang, House 104, Park Road, Level- A 1, 2 & 5, Baridhara Dhaka-1212 as a Credit Rater to rating position of the company for the financial year 2021-2022 and fixing the Credit Rating fees of Tk. 40,000.00 (Forty Thousand) (including TDS and VDS).

Relation and Communication with the Shareholders

The Company has been arranging regular Annual General Meetings (AGM) as per Companies Act, 1994 through which Shareholders are informed about the Company's progress, important activities and the development activities undertaken during the year under review. As a result, the shareholders concerned organizations and the people get various information about the company in due time. The Shareholders of the company are able to collect all required information from our share department through land phone, mobile phone, e-mail service and website (www.silvapharma.com) as well.

Statements or disclosures as per clause (5) of BSEC Notification No. BSEC/CMRRC/2006-158/207/Admin/80 Dated 03 June, 2018

(i) Industry outlook and possible future developments in the industry:

The Pharmaceutical sector is one of the most developed industries among the manufacturing industries in our country. The demand of medicine is increase in day by day since of increasing in awareness about healthcare, higher income and increasing government expenditure. As one of the emergent pharmaceuticals manufacturers in Bangladesh, we try to make full use of the market scope, our business potentials and dynamics to benefit the best interests of our shareholders. We are committed to provide sustainable solutions to the healthcare challenges. Our business is successfully operated and our services towards nation are smoothly run by the efficient field forces. We have already introduced some new products and some of them are to be introduced soon.

Despite of the tough situation of COVID-19 and Russia-Ukraine ongoing geopolitical situation, we were tried to maintain revenue at a reasonable level. Moreover, we have given special emphasis on cost control, resource optimization and Research & Development capabilities in order to face these economic challenges. We always stick to our belief and focused ideas and activities to make our dream true. At the same time we are equally focused on high quality products. All of our initiatives are directed towards the value creation for our shareholders and customers. With vast experience in pharmaceuticals manufacturing, we are confident and believe that we can hold on our reputation as a quality manufacturer.

(ii) Segment-wise or product-wise performance:

No geographical segment reporting is applicable for the company as required by IFRS 08: Operating Segments, as the company operates in a single geographical area and has a single business line of product i.e. manufacturing and selling of medicine.

Product wise sales performances are given below:

| Name of Item | Quantity (Pcs/PHs) | | Amount in Taka | |
|--------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 01/07/2021 to 30/06/2022 | 01/07/2020 to 30/06/2021 | 01/07/2021 to 30/06/2022 | 01/07/2020 to 30/06/2021 |
| Tablet | 121,243,421 | 126,801,853 | 431,535,896 | 466,942,114 |
| Capsule | 38,517,480 | 35,548,504 | 219,827,638 | 244,787,002 |
| Liquid | 1,349,760 | 1,553,510 | 65,899,574 | 71,508,092 |
| Dry Syrup | 1,343,822 | 179,270 | 61,406,746 | 16,012,384 |
| Total | 162,454,483 | 164,083,137 | 778,669,854 | 799,249,592 |

However, product wise capacity utilization is given in note no. 41.03 of the Financial Statements.

(iii) Risk & Concerns:

Pharmaceuticals industry faces many of the challenges like lack of power, labour unrest, political unrest resulting hartal causing disruption of production and cost of fund. Changes in the existing global or national policies can have either positive or negative impacts for the company. Any insufficiency or price hike of raw materials due to change in policy in the international market might hamper the production and profitability. Changes in currency exchange rates might also affect the pricing and thereby the profitability of the Company. The performance of the company may also be affected negatively by the political and economic instability both in Bangladesh and worldwide. Moreover, risks and concern of the industry solely depends on the upcoming government policy as well.

The potential impact of the Russia-Ukraine war and Corona Virus outbreak on the Company's trading performance and supply continuity remains uncertain. Up to the date of this report, the outbreak has some impact on the trading results of the industry. However, we continue to monitor the situation closely, including the potential impacts on trading results, our supply continuity and our employees. The situation could change at any time and there can be no assurance that the corona virus outbreak will not have a material adverse impact but continuing of Russia-Ukraine war will have a material adverse impact on the future results of the company.

(iv) Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin:**Cost of goods Sold:**

The year's cost of goods sold was Tk. 491.29 million (63.09% of Sales) as compared to last year's cost of goods sold of Tk. 484.45 million (60.61% of Sales). This is due to effect of the COVID-19 pandemic and the ongoing Russia-Ukraine geopolitical situation which has caused supply chain disruptions as well as additional cost pressure for devaluation of BDT against USD.

Gross Profit:

Gross profit earned during the year was Tk. 287.37 million as against last year's gross profit of Tk. 314.80 million. Gross profit decrease due to increase of cost of sales and decrease in sales compared to last year.

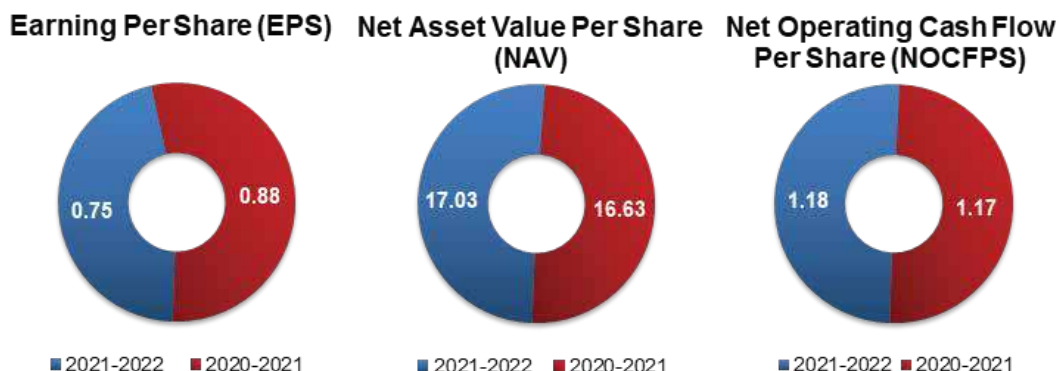
Net Profit/ (Loss):

The company earned net profit during the year amounting to Tk. 102.25 million as compared to last year's net profit of Tk. 119.85 million. The Net profit is decreased compared to the prior year due to increase of cost of sales and decrease in sales & other income.

Financial Results:

The overall financial results of the company for the year ended 30 June, 2022 as compared to previous year ended 30 June, 2021 are summarized as follows:

| Particulars | Amount in Taka | |
|--------------------------------------|--------------------------|--------------------------|
| | 01/07/2021 to 30/06/2022 | 01/07/2020 to 30/06/2021 |
| Turnover | 778,669,854 | 799,249,592 |
| Cost of Goods sold | (491,295,776) | (484,445,877) |
| Gross Profit/ (Loss) | 287,374,078 | 314,803,715 |
| Operating Expenses | (170,829,024) | (166,088,393) |
| Operating Income | 116,545,054 | 148,715,322 |
| Net Profit/ (Loss) before Income Tax | 116,666,221 | 151,345,370 |
| Income Tax Expenses | (14,410,627) | (31,491,619) |
| Net Profit/ (Loss) after Income Tax | 102,255,594 | 119,853,751 |
| Earnings Per Share (EPS) | 0.75 | 0.88 |
| Retained Earnings | 960,198,381 | 905,472,128 |
| Net Asset Value (NAV) | 2,325,198,381 | 2,270,472,128 |
| Net Asset Value (NAV) per Share | 17.03 | 16.63 |
| Net Operating Cash Flow per Share | 1.18 | 1.17 |



(v) Discussion on Continuity of any extra-ordinary activities and their implications (gain or loss):

During the Financial year 2021-2022, no extra ordinary activities occurred in the Company.

(vi) About the Related Party Transactions

The business related Party Transaction of the Company is being made based on the business principle and as per International Accounting Standard IAS-24. During the year under review, the standard, nature and the manner of related party transactions in the ordinary course of business carried out arm's length basis at commercial rates with related parties were reflected transparently in the financial statements which is given in note no. 43.00 of the Financial Statements on page no. 132-133 of this Annual Report

(vii) Statement of Utilization of Proceeds rose through Public Issues:

The Silva Pharmaceuticals Limited accorded the consent from Bangladesh Securities and Exchange Commission (BSEC) on 28 June 2018 for raising its capital through Initial Public Offering (IPO) for implementation of the followings:

| Sl. | Particulars | Amount in BDT. |
|--------------|--|--------------------|
| 01 | Acquisition of brand new machinery and Equipment | 122,500,000 |
| 02 | Civil construction of new factory building | 56,000,000 |
| 03 | Repayment of term loan of NCC Bank Limited (Kowran Bazar Branch) | 99,000,000 |
| 04 | IPO expenses | 22,500,000 |
| Total | | 300,000,000 |

The status of IPO proceeds as on 30 June, 2022 are given below:

| Purpose of IPO Fund Utilization | Estimated Amount as per Prospectus | Revised Estimated Amount as per 18th AGM | Amount used up to 30 June, 2022 | Un-Utilized Amount of IPO Fund |
|---------------------------------|------------------------------------|--|---------------------------------|--------------------------------|
| IPO Expenses | 22,500,000 | 20,441,474 | 20,441,474 | - |
| Civil Construction | 56,000,000 | 58,058,526 | 58,058,526 | - |
| Machinery & Equipment | 122,500,000 | 122,500,000 | 83,548,804 | 38,951,196 |
| Payment of Term Loan | 99,000,000 | 99,000,000 | 99,000,000 | - |
| TOTAL | 300,000,000 | 300,000,000 | 261,048,804 | 38,951,196 |

The progress of utilization of IPO Proceeds

Utilization of IPO Fund already utilized 87.01% amount which includes 100% of IPO Expenses, Payment of Term Loan and Civil Construction and 68.20% of Machinery & Equipment. Used of IPO funds against IPO Expenses, Payment of Term Loan and Civil Construction within its stipulated time. Using the fund, SPL has built a new factory building and installed new capital machineries. Process of built new factory building and installed new capital machineries is going on. We expect to complete the whole procedures within the next 6 months. As per extended time which was approved by the Shareholders in the 19th Annual General Meeting (AGM) the IPO proceeds has to be completed within 31 December, 2022. Due to the long impact of COVID-19 pandemic and the ongoing Russia-Ukraine geopolitical situation which has caused supply chain disruptions as well as additional cost pressure for devaluation of BDT against USD as well as market uncertainties, it is not possible to complete the factory building works in due time and related machineries and equipment are not imported within schedule time properly.

TIME EXTENTION FOR UTILIZATION OF IPO PROCEEDS

It may be recalled that, The Silva Pharmaceuticals Limited issued the prospectus on 02 July, 2018 in relation to the Initial public Offering (IPO) of the Company's 3,00,00,000 Ordinary shares for the listing with Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE) and duly traded from 10 October 2018 in the DSE and CSE.

In the Prospectus, it was disclosed under the head of "Use of Proceeds and implementation schedule" that the company will issue 3,00,00,000 ordinary shares of BDT 10.00 each and raise BDT 30,00,00,000.00 (Thirty Crore) which will supposed to be used for the following purpose:

| Sl. | Particulars | Amount in Tk. |
|-----|--|--------------------|
| 01 | Acquisition of brand new machinery and equipment | 122,500,000 |
| 02 | Civil construction of new factory building | 56,000,000 |
| 03 | Repayment of term loan | 99,000,000 |
| 04 | IPO expenses | 22,500,000 |
| | Total | 300,000,000 |

Out of above mentioned work we already use fully repayment of term loan, IPO Expenses and civil construction of new factory building. The company utilized Tk. 8,35,48,804.00 out of TK. 12,25,00,000.00 in account of Acquisition of brand new machinery and equipment and Tk. 3,89,51,196.00 was remain unutilized as on 30 June, 2022. As per extended time which was approved by the Shareholders in the 19th Annual General Meeting (AGM) the IPO proceeds has to be completed within 31 December, 2022. Due to the long impact of COVID-19 pandemic and the ongoing Russia-Ukraine geopolitical situation which has caused supply chain disruptions as well as additional cost pressure for devaluation of BDT against USD as well as market uncertainties, it is not possible to complete the factory building works in due time and related machineries and equipment are not imported within schedule time properly. For this reason, the management could not complete the utilization of IPO fund regarding the acquisition of machinery & equipment in due time fully. In this situation, considering the greater interest of the shareholders and due to ongoing Russia-Ukraine geopolitical situation and pandemic awareness situation, the board of directors of the company in its 94th meeting held on 14 November, 2022 recommend to lengthen the IPO fund utilization's due time up to 31 December, 2023 for utilization of entire amount of IPO fund subject to the approval by the shareholders in its 21st Annual General Meeting (AGM) and necessary intimation to the Commission and Exchanges.

(viii) Explanation if the financial Results Deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Right Offer and Direct Listing:

Silva Pharmaceuticals Limited went for Initial Public offering (IPO) in the year 2018 and did not go for any further offering since then. There has been no deteriorating in the financial results after the company goes for Initial Public Offering (IPO). So, no such explanation is required for Silva Pharmaceuticals Limited.

(ix) Explanation of significance variance occurs between Quarterly Financial Performance and Annual Financial Statements.:

During the financial year 2021-2022, Annual financial statements are almost in consonance with the quarterly financial performances of the company. As such, no significant variance has been observed between quarterly financial performances and annual financial statements.

(x) Remuneration to directors including independent Directors:

The company did not pay any remuneration or any other facilities or perquisites except board meeting attending fees to its directors (including independent directors) except Managing Director during the financial year ended 30 June, 2022. A statement of remuneration paid to the directors including independent directors is stated in the Notes 43.01 of the notes to financial statements on page no. 133 of this Annual Report.

(xi) Financial Statements prepared by the management of the Company presents fairly its state of affairs, the result of its operation, cash flows and changes in equity:

The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994 and the Securities and Exchange Rules 1987. These statements present fairly the Company's state of affairs, the result of operation, cash flow and changes in equity.

(xii) Proper books of accounts of the company have been maintained:

The Books of accounts of the Company have been maintained properly.

(xiii) Accounting Policies:

The appropriate accounting policies have been consistently applied in preparing financial statements and the accounting estimates are based on reasonable and prudent judgment.

(xiv) Application of IAS and IFRS:

International Accounting Standard (IAS) and International Financial Reporting Standard (IFRS) as applicable in Bangladesh have been followed in preparing financial statements and any departure has been adequately disclosed.

(xv) The system of internal control:

The internal control system was proper and effective application and monitoring was confirmed.

(xvi) Statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress:

As a constant policy of the company, interests of minority shareholders have been protected meticulously by the management. The management protects interest of Minority shareholders from abusive actions by or in the interest of, controlling shareholders acting either directly or indirectly and has effective means of redress in place. No abusive actions either directly or indirectly with regard to the interest of minority shareholders was observed.

(xvii) Going Concern:

By the grace of the Almighty Allah, the Board of Directors after analysis of the business trend of the Company has confirmed that the Company has enough ability to carry on business activities in the coming days as a Going Concern and the financial statements have been prepared on the basis of going concern assumption basis. As per management assessment there is no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

(xviii) Explanation of significant deviation from the last year's operating result:

There have been no remarkable deviations in the operational affairs as compared to the previous year.

(xix) Key operating and financial data preceding 5 (Five) years:

The statement of key operating and financial data for the last preceding 5(five) years of the company have been presented as follows:

Financial Highlights for the last 5 (five) Years

| Particulars | Figures in Taka | | | | |
|--|--------------------|---------------|---------------|---------------|---------------|
| | 2021-2022 | 2020-2021 | 2019-2020 | 2018-2019 | 2017-2018 |
| Operating Data | | | | | |
| Turnover | 778,669,854 | 799,249,592 | 763,335,406 | 732,450,190 | 685,233,408 |
| Cost of Goods Sold | 491,295,776 | 484,217,947 | 464,525,568 | 440,501,039 | 412,239,594 |
| Operating Expenses | 170,829,024 | 166,316,323 | 151,457,138 | 141,697,442 | 125,410,284 |
| Financial Expenses | 4,759,978 | 2,792,095 | 1,459,132 | 3,613,899 | 5,620,364 |
| Gross Profit | 287,374,078 | 315,031,645 | 298,809,838 | 291,949,151 | 272,993,814 |
| Operating Profit | 111,785,076 | 145,923,227 | 145,893,568 | 146,637,810 | 141,963,166 |
| Net Profit before Tax | 116,666,221 | 151,345,370 | 159,087,248 | 157,318,884 | 143,876,215 |
| Net Profit after Tax | 102,255,594 | 119,853,751 | 118,942,931 | 143,323,416 | 92,993,941 |
| Financial Position Data | | | | | |
| Shareholders' Equity | 2,325,198,381 | 2,270,472,128 | 2,198,109,877 | 2,133,442,946 | 1,710,561,004 |
| Non-Current Assets | 1,481,576,724 | 1,372,217,229 | 1,365,926,835 | 1,241,202,338 | 1,088,236,707 |
| Non-Current Liabilities | 81,431,672 | 88,198,786 | 98,260,873 | 78,520,043 | 91,219,792 |
| Current Assets | 1,063,164,037 | 1,074,937,836 | 1,090,279,961 | 1,060,520,369 | 913,520,356 |
| Current Liabilities | 138,110,708 | 88,484,151 | 159,836,046 | 89,759,718 | 199,976,267 |
| Total Assets | 2,544,740,761 | 2,447,155,065 | 2,456,206,796 | 2,301,722,707 | 2,001,757,063 |
| Total Liabilities | 219,542,380 | 176,682,937 | 258,096,919 | 168,279,761 | 291,196,059 |
| Financial Ratios | | | | | |
| Current Ratio (Times) | 7.70 | 12.15 | 6.82 | 11.82 | 4.57 |
| Debt-Equity Ratio (Times) | 0.09 | 0.08 | 0.12 | 0.08 | 0.17 |
| Gross Profit Ratios (%) | 36.91% | 39.42% | 39.15% | 39.86% | 39.84% |
| Net Income Ratio (%) | 13.13% | 15.00% | 15.58% | 19.57% | 13.57% |
| Return on Equity (%) | 4.40% | 5.28% | 5.41% | 6.72% | 5.44% |
| Return on Assets (%) | 4.10% | 4.89% | 5.00% | 6.66% | 4.72% |
| Equity Parameters | | | | | |
| Authorised Capital | 1,500,000,000 | 1,500,000,000 | 1,500,000,000 | 1,500,000,000 | 1,500,000,000 |
| Paid-up Capital | 1,365,000,000 | 1,365,000,000 | 1,365,000,000 | 1,300,000,000 | 1,000,000,000 |
| Shareholders' Equity | 2,325,198,381 | 2,270,472,128 | 2,198,109,877 | 2,133,442,946 | 1,710,561,004 |
| Number of Shares Outstanding | 136,500,000 | 136,500,000 | 136,500,000 | 130,000,000 | 100,000,000 |
| Face Value per share | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Net Asset Value per share (NAV) | 17.03 | 16.63 | 16.10 | 15.63 | 17.11 |
| Earnings Per Share (Basic EPS) | 0.75 | 0.88 | 0.87 | 1.05 | 0.93 |
| Market Price per Share(Closing) | 24.10 | 19.70 | 18.30 | 23.00 | N/A |
| Price Earnings ratio (Times) | 28.80 | 22.39 | 21.00 | 20.07 | N/A |
| Net Operating Cash Flow Per Share (NOCFPS) | 1.18 | 1.17 | 1.10 | 1.39 | 1.34 |
| Dividend -Cash (%) | 3.00 (1.5 for ICB) | 5.00 | 5.00 | 6.00 | Nil |
| Dividend -Stock (%) | Nil | Nil | Nil | 5.00 | Nil |
| Number of Shareholders | 6,067 | 6,223 | 6,962 | 6,566 | 89 |
| Number of Employees | 658 | 945 | 914 | 1,018 | 1,082 |

(xx) Declaration of Dividend:

During the year, the Board of Directors of the Company recommended 3% Cash Dividend for all shareholders excluding sponsors and directors (except 1.50% for ICB).

(xxi) Declaration of Interim Dividend:

During the Financial Year 2021- 2022 no Bonus share or Stock Dividend has been declared by the board as interim dividend.

(xxii) The total number of board meetings held during the year and attendance by each director:

During the year ended 30 June, 2022 the Board of Directors were held 04 (Four) meetings. The attendance record of the Directors is shown below. The Directors who could not attend the meeting were granted leave of absence.

Board Meeting and Attendance During the year ended 30 June, 2022:

| Sl. No. | Name of Attended | Position | No. of Meeting held | No. of Meeting Attended |
|---------|--|----------------------|---------------------|-------------------------|
| 1 | Mrs. Silvana Mirza | Chairman | 04 | 03 |
| 2 | Dr. Saira Khan, MBBS, DCH, FCPS. | Managing Director | 04 | 04 |
| 3 | Mrs. Samina Mirza | Director | 04 | 03 |
| 4 | Mrs. Farhana Mirza | Director | 04 | 03 |
| 5 | Mrs. Mahmuda Akhter (Nominated by ICB) | Director | 04 | 04 |
| 6 | Mr. Monsur Rahman (Nominated by Adarsha Fisheries & Poultry Farm Ltd.) | Director | 04 | 04 |
| 7 | Mr. Md. Musfiqur Rahman, FCA, | Independent Director | 04 | 04 |
| 8 | Mr. Muhammad Moniruzzaman, FCA, | Independent Director | 04 | 04 |

In Attendance

| Sl. No. | Name of Directors Attended | Position | No. of Meeting held | No. of Meeting Attended |
|---------|-----------------------------|-------------------------------------|---------------------|-------------------------|
| 1 | Mr. Md. Iqbal Hossain | Company Secretary | 04 | 04 |
| 2 | Mr. Md. Abul Kasem | Chief Financial Officer | 04 | 04 |
| 3 | Mr. Khurshid Ahmed Siddique | Head of Internal Audit & Compliance | 04 | 04 |

(xxiii) A report on the pattern of shareholding as on 30 June 2022 disclosing the aggregate number of shares (along with name wise details) held by:-

A report on the pattern of shareholding as on 30 June 2022 disclosing the aggregate numbers of shares (along with name wise details) are stated below:-

a. Parent or Subsidiary or Associated Companies and other related parties:

The Silva Pharmaceuticals limited does not have any Parent or Subsidiary or Associated Companies as on 30 June, 2022. However, other related parties do not hold any shares of the company.

b. Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children:

| Sl. No. | Name of the Shareholders | Status | Number of Shares Held | Percentage (%) |
|---------|--|---------------------------------------|-----------------------|----------------|
| 01. | Mrs. Silvana Mirza | Chairman | 30,55,500 | 02.24% |
| 02. | Dr. Saira Khan, MBBS, DCH, FCPS. | Managing Director | 73,18,500 | 05.36% |
| 03. | Mrs. Samina Mirza | Director | 30,55,500 | 02.24% |
| 04. | Mrs. Farhana Mirza | Director | 30,55,500 | 02.24% |
| 05. | Mrs. Mahmuda Akhter (Nominated by ICB) | Director | 2,87,00,591 | 21.03% |
| 06. | Mr. Monsur Rahman (Nominated by Adarsha Fisheries & Poultry Farm Ltd.) | Director | 53,44,500 | 03.92% |
| 07. | Mr. Md. Musfiqur Rahman, FCA, Independent Director | Independent Director | Nil | Nil |
| 08. | Muhammad Moniruzzaman, FCA, Independent Director | Independent Director | Nil | Nil |
| 09. | Md. Iqbal Hossain | Company Secretary | 1,15,500 | 00.08% |
| 10. | Md. Abul Kasem | Chief Financial Officer | Nil | Nil |
| 11. | Khurshid Ahmed Siddique | Head of Internal Audit and Compliance | 24,000 | 0.02% |
| 12. | A R Hassan Mirza | Spouses of Managing Director | 51,97,500 | 3.81% |
| 13 | Other Spouse and Minor Children | | Nil | Nil |

c. Executives:

| Sl. No. | Name of the Shareholders | Status | Number of Shares Held | Percentage (%) |
|---------|----------------------------------|---------------------------------------|-----------------------|----------------|
| 01. | Dr. Saira Khan, MBBS, DCH, FCPS. | Managing Director | 73,18,500 | 05.36% |
| 02. | A R Hassan Mirza | Executive Director | 51,97,500 | 3.81% |
| 03. | Md. Iqbal Hossain | Company Secretary | 1,15,500 | 00.08% |
| 04. | Md. Abul Kasem | Chief Financial Officer | Nil | Nil |
| 05. | Khurshid Ahmed Siddique | Head of Internal Audit and Compliance | 24,000 | 0.02% |

d. Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details):

| Sl. No. | Name of the Shareholders | Status | Number of Shares Held | Percentage (%) |
|---------|--|----------|-----------------------|----------------|
| 01. | Investment Corporation of Bangladesh (ICB) | Director | 2,87,00,591 | 21.03% |

(xxiv) Appointment or re-appointment of Director:

As per provision of the Articles of Association of the company Mrs. Silvana Mirza, Dr. Saira Khan, MBBS, DCH, FCPS, and Mr. Monsur Rahman will retire by rotation in the next 27th Annual General Meeting and being eligible they will be offered for re-appointment. The brief resume along with the required information of the directors is given under the Directors Profile in page no. 08, 09 and 12 of this Annual Report.

(xxv) Appointment or re-appointment of Managing Director:

As per condition of the appointment of the Managing Director the 5 (five) years tenure was successfully completed of existing Managing Director Dr. Saira Khan, MBBS, DCH, FCPS, as on 11.03.2022. As per section 110 of the Companies Act, 1994, she is eligible for re-appointment. The board of directors in its 91st meeting dated 27 January, 2022 recommended for re-appointment of existing Managing Director Dr. Saira Khan, MBBS, DCH, FCPS further one tenure time for three years only with effect from 12 March, 2022 to 11 March 2025 as

recommended by the NRC subject to the approval by the shareholders in its next Annual General Meeting (AGM) of the company. The brief resume along with the required information of the managing director is given under the Directors Profile in page no. 09 of this Annual Report.

(xxvi) Appointment or re-appointment of Independent Director:

The tenure of office of Independent Directorship of Mr. Muhammad Moniruzzaman, FCA was ended on 31 December 2022 as per BSEC's Notification, Dated- 03 June 2018 on Corporate Governance Code (CGC). As per Corporate Governance Code (CGC) he is eligible for re-appointment for further one tenure. The board of directors in its 94th meeting held on 14 November, 2022 has been recommended to be re-appointment of existing Independent Director Mr. **Muhammad Moniruzzaman, FCA** for further one tenure time (three years) only with effect from 01 January, 2023 to 31 December, 2025 subject to the approval by the shareholders in this Annual General Meeting (AGM) of the company. The brief resume along with the required information of the independent director is given under the Directors Profile in page no. 15 of this Annual Report.

(xxvii) Management's Discussion and Analysis:

Detailed discussion on the operating and financial performance of the company along with other disclosures as required under Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) through Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018 has been separately reported by the Managing Director in page no. 44-46.

(xxviii) Declaration or Certification by the Managing Director and Chief Financial Officer:

Declaration or Certification by the Managing Director and Chief Financial Officer to the Board of Director's as required by **Annexure-A** of the notification of BSEC is disclosed in the page no. 77 of the Annual Report

(xxix) The report of compliance on the Corporate Governance Code:

The report of compliance on the Corporate Governance Code audited by Compliance Auditor has been incorporated as per preformats prescribed in Annexure-B and Annexure-C of the notification of BSEC has been disclosed in page no. 78-87 of the Annual Report.

Recognition and Compliments

The Board of Directors extends its heart felt gratefulness to the Ministry of Health, Directorate General of Drug Administration, respected Doctors, Chemists, Patrons and all concerned with the pharmaceuticals industry for their all-out support to us. The Board of Directors remembers the co-operation of Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchanges Ltd. (DSE) and Chittagong Stock Exchanges Ltd, (CSE) gratefully. The Board thanks the banks and the financial institutions for their support.

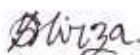
The Board of Directors wishes all levels of officers, employees, buyers, consumers, patrons, well-wishers and all concerned for their sincere contribution towards our business success, we are also grateful to our beloved shareholders for their comprehensive support to the company.

The shareholders trustworthiness to the Board of Directors makes them confident and deeply inspired. The management and employees of all levels are committed to uphold this.

May Allah accept all our efforts for the development of our company, Nation and the country at large. We pray to the Almighty Allah for his blessing for continual overall progress and prosperity of our beloved country People's Republic of Bangladesh.

Allah Hafiz

Approved by the Board of Directors and signed on its behalf,



Mrs. Silvana Mirza

Chairman

Dhaka, 27 October, 2022

Management's Discussion and Analysis

A management's discussion and analysis signed by managing director presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements:

Dear Fellow Shareholders,

Assalamu Alaikum Wa Rahmatullah

I am pleased to present the Statement of the managing director of Silva Pharmaceuticals Limited for the year ended June 30, 2022 on behalf of the management. We acknowledge with gratitude the continued trust and support of our valued shareholders, patrons, physicians, regulatory authorities and the end users of company's products. In this statement, may I take the opportunity to share with you some facts and figures of our company as follows:

As per condition no. 1(5)(xxv) of the corporate governance Code 2018 issued by the BSEC, the management's discussion and analysis representing detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements for the year 2021-2022 among others.

Accounting policies and estimation for preparation of financial statements:

Dear shareholders, the preparation and presentation of the Financial Statements and the relevant disclosures therein have been made in accordance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of Stock Exchanges as applicable and International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) adopted by the Financial Reporting Council (FRC) as applicable to the company. The details description regarding the issues described in the note no. 2.00 and 3.00 of the financial statements.

Changing in accounting policies and estimation, if any:

Silva Pharmaceuticals Limited has been following consistent policies and estimation and there is no such change in accounting policies or estimation which has material impact on the financial statements and the description on the issue is stated in the page no. 103 of the Annual Report.

Comparative analysis of financial performance:

Dear shareholders, please allow me to take you all through the comparative analysis of the financial performance and financial position of our company. In line with the growth of the Pharmaceutical market in the country, the financial performance or results and financial position of the company are also growing. The related financial data for immediate preceding five years are stated in page no. 40 of the Annual Report.

Comparison of financial performance or results and financial position as well as cash flows with the peer industry scenario:

As most of the top leading Pharmaceutical Companies are Private Limited Company or Proprietorship Concern, therefore, they are not disclosing their financial data to the Public. Besides, current year financial data of the companies which are listed with Stock Exchanges are yet to publish. For this reason, it is difficult to make a comparison of financial performance or results and financial position as well as cash flows with the peer industries. It is mentionable here that, due to unavailability of the information regarding peer industries, it is not possible to present the comparative statement in our report.

However, considering the overall Industry scenario it has been observed that financial results along with Financial Performance and Cash Flows of Silva Pharmaceuticals Limited are consistently growing and sustainable.

Financial and Economic Scenario of Bangladesh and the Globe:

Global economic scenario is facing a broad-based and sharper-than-expected slowdown, with inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions in most regions, Russia's invasion of Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the outlook. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest. Food price inflation data for the latest month between June and September 2022 shows high inflation in almost all developing countries, especially the most vulnerable.

The war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. At the same time, economic damage from the conflict will contribute to a significant slowdown in global growth in 2022-23 and add to inflation. According to IMF, Global growth is forecasted to slow from 6.0 percent in 2021 to 3.2 percent in 2022 and 2.7 percent in 2023. This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic. Global inflation is forecast to rise from 4.7 percent in 2021 to 8.8 percent in 2022 but to decline to 6.5 percent in 2023 and to 4.1 percent by 2024. Monetary policy should stay the course to restore price stability, and fiscal policy should aim to alleviate the cost-of-living pressures while maintaining a sufficiently tight stance aligned with monetary policy.

After the world scenario, we may take a look at the condition of our country. Bangladesh has a strong track record of growth and development, even in times of elevated global uncertainty. A robust demographic dividend, strong ready-made garment (RMG) exports, irrepressible remittance inflows, and stable macroeconomic conditions have supported rapid economic growth over the past two decades. A strong recovery from the COVID-19 pandemic continued in FY22, although a recent surge in commodity prices has presented new headwinds.

Bangladesh, like many other countries, faces global economic challenges. Rising commodity prices and a surge in imports in the second half of FY22 resulted in widening Balance of Payments (BoP) deficit and accelerating inflation. Foreign exchange reserves declined as a result. Real GDP growth is expected to slow in FY23 as import suppression measures disrupt economic activity.

The pharmaceutical industry is one of the most technologically advanced sectors currently in existence in Bangladesh. It has grown in the last two decades at a considerable rate. The revenue of the pharmaceutical industry of Bangladesh is mainly generated from domestic sales and exports. Bangladesh is the only least developed country (LDC) that meets nearly 98 percent of its domestic demand for pharmaceutical products. According IQVIA 2Q'22 MAT Report for the FY21-22, domestic market size is approximately \$2.7 billion which is 3.85% negative than previous year. In addition, Bangladeshi pharmaceutical products are exported to around 150 countries and generated \$188.8 million in fiscal year 2021-22 which is 11.69% positive than previous year. With an annual two-digit growth rate in export market, the Bangladesh pharmaceutical industry is now heading toward self-sufficiency in meeting local demand.

Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company:

Currently Bangladesh along with other parts of the globe is passing through a tunnel of crisis in terms of health management, social as well as financial for the pandemic of COVID-19 and ongoing Russia-Ukraine war. The company has been monitoring the impact of COVID-19 and ongoing Russia-Ukraine war on all aspects of its business. The management has exercised due care, in concluding on significant accounting judgments, policies and estimates while preparing the Financial Statements for the year ended 30 June 2022.

Besides, organizations are not free from risks that might arise both from internal and external fronts. Like any other business or industry, Silva Pharmaceuticals Limited operating in a dynamic and competitive market is exposed to risks that may affect its business.

Efficient and effective Risk management is the integral part and parcel of today's business. As such, Silva Pharmaceuticals Limited would be subject to systematic risks of the industry and market as well. The risks and concerned issues related to the financial statements explaining such risk and mitigation plan thereof is described in the page no. 36 and 107-108 of the Annual Report.

Future Plan

Dear Shareholders, I am pleased to inform you that the civil construction of our new factory building is nearly completed; necessary relevant machineries and equipment are going to be imported. We are expecting to start commercial production at the end of 2023. This new facility with expanded capacity will cater to our growing demands in the coming days and will also help to maintain a new backbone towards sustainable growth.

We have recruited technically skilled & professional sales and marketing people in the coming year aiming to keep strong position and wide coverage in prescription front. We have already launched 03 most potential and revenue earning new products under Antibiotic & Respiratory segments in current year and planned to launch another 10 (approx.) new products under different segments by next year. We believe, along with facility expansion, addition of qualified manpower and time demanding new products will boost our future growth.

In order to grow and develop in the future and to provide our healthcare facility globally, we must also expand beyond borders and go international.

Lastly, we would like to express my sincere thanks to all of our valued shareholders, customers, suppliers, bankers, the healthcare professionals and our regulatory authorities for their confidence in us and would also like to acknowledge the helpful guidance from our Board of Directors has always been instrumental in shaping the success of Silva Pharmaceuticals Limited. I would like to thank all of Silva Pharmaceuticals Limited's employees and partners for their hard work throughout the last financial year. I look forward to your continued support with the hope of a successful year ahead.

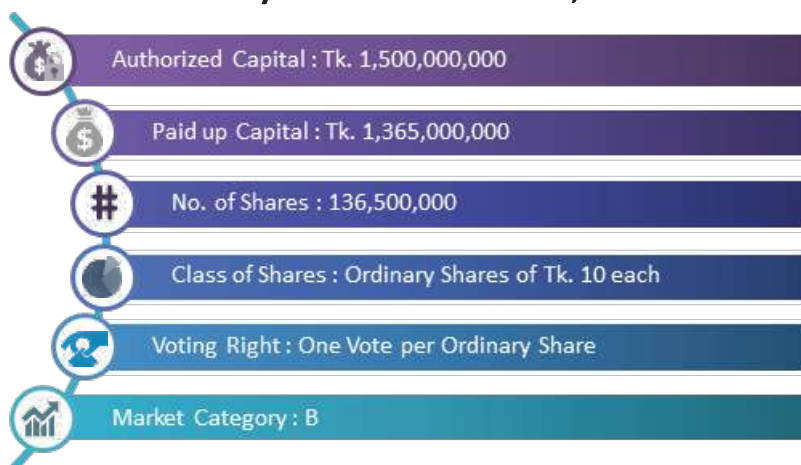
Thank you,



Dr. Saira Khan, MBBS, DCH, FCPS.
Managing Director

Shareholders' Information

For the year ended 30th June, 2022



Redressed of investor's complain: During the year under review, the complaints received from the Shareholders have duly been addressed and resolved accordingly.

Stock Exchange Listing

The issued Ordinary shares of Silva Pharmaceuticals Limited are listed with the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

Status of Shareholding – 2022 (June)



In Pursuance of BSEC Notification No. SEC/CMRRCD/2008-183/Admin/03-34 dated 27-09-2009 the Quarterly Reports is given below:-

QUARTERLY RESULTS

During the year 2021-2022 operational results of the Company were announced on –

| | |
|--------------------------------|-------------------|
| 1 st Quarter Report | 11 November, 2021 |
| Half Yearly Report | 27 January, 2022 |
| 3 rd Quarter Report | 26 April, 2022 |

DIVIDEND : FINANCIAL YEAR 2020-2021

| | |
|---|-------------------|
| Board Meeting for the Year 2020-2021 | 27 October, 2021 |
| Record Date for the Year 2020-2021 | 01 December, 2021 |
| 20 th Annual General Meeting for the Year 2020-2021 | 30 December, 2021 |
| Commencement of Cash Dividend Distribution for the Year 2020-2021 | 24 January, 2022 |
| Completion of Cash Dividend Distribution for the Year 2020-2021 | 24 January, 2022 |



Composition of Shareholding Position

| Sl. No. | Name of the Shareholders | Status | Number of Shares Held | Percentage (%) |
|--------------|--|---------------------|-----------------------|----------------|
| 01. | Mrs. Silvana Mirza | Chairman | 30,55,500 | 2.24% |
| 02. | Dr. Saira Khan, MBBS, DCH, FCPS. | Managing Director | 73,18,500 | 5.36% |
| 03. | Mrs. Samina Mirza | Director | 30,55,500 | 2.24% |
| 04. | Mrs. Farhana Mirza | Director | 30,55,500 | 2.24% |
| 05. | Mrs. Mahmuda Akhter (Nominated by ICB) | Director | 2,87,00,591 | 21.03% |
| 06. | Mr. Monsur Rahman (Nominated by Adarsha Fisheries & Poultry Farm Ltd.) | Director | 53,44,500 | 3.92% |
| 07. | Md. Anwar Mirza | Sponsor Shareholder | 50,92,500 | 3.73% |
| 08. | Mrs. Sajeda Mirza | Sponsor Shareholder | 51,97,500 | 3.81% |
| 09. | Dr. Shibli Mirza | Sponsor Shareholder | 42,00,000 | 3.08% |
| 10. | A R Hassan Mirza | Sponsor Shareholder | 51,97,500 | 3.81% |
| 11. | Institute | Shareholder | 1,86,82,973 | 13.69% |
| 12. | Foreign | Shareholder | 11,856 | 0.01% |
| 13. | General Public | Shareholder | 4,75,87,580 | 34.86% |
| Total | | | 13,65,00,000 | 100.00% |

Report of the Audit Committee

Bismillahir Rahmanir Rahim

Honorable Shareholder(s),
Assalamu Alaikum Wa Rahmatullah

The Audit Committee is a sub-committee of the Board of Directors of Silva Pharmaceuticals Limited and is responsible to oversee the financial reporting process. The committee assists the board for ensuring that the financial statements reflect a true and fair view of the state of affairs of the company and good governance system within the business. The Audit Committee is responsible to the Board of Directors. The duties of the Audit Committee are clearly set forth in writing. The Committee is considered as the overseer of the company's for protecting interest of the shareholders.

Composition of Audit Committee

In compliance with the Corporate Governance Code 2018, Silva Pharmaceuticals Limited established an audit committee as a sub-committee of the Board of Directors. The Audit Committee comprises 3 (three) members including one independent director of the Board. The composition of the present members of the Audit Committee is the following:

| Name of the Members | Status in the Board | Status in the Committee | Educational Qualification |
|--------------------------|----------------------|-------------------------|---------------------------|
| Md. Musfiqur Rahman, FCA | Independent Director | Chairman | M. Com. (DU), FCA |
| Mrs. Samina Mirza | Director | Member | M. A. (UK) |
| Mr. Monsur Rahman | Nominee Director | Member | B.Sc.in Eng.(NSU) |
| Md. Iqbal Hossain | Company Secretary | Secretary | M. Com. (DU), CA (CC). |

All the members of the committee have business acumen are knowledgeable individuals with integrity who are able to ensure compliance with financial, regulatory and corporate laws with the meaningful contribution to business as well.

Meeting and Attendance of the Audit Committee

The Audit Committee was held 4 (Four) meetings during the year 2021-2022. Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) always attended the meeting on invitation to meet instant queries of the Audit Committee.

The number of Audit Committee meetings held and the attendance by each member during the year 2021-2022 are given as follows:

| Name of the Audit Committee Members | Position in the Committee | Number of meetings held | No. of Meetings Attended |
|--|---------------------------|-------------------------|--------------------------|
| Mr. Md. Musfiqur Rahman, FCA | Chairman | 4 | 4 |
| Mrs. Samina Mirza | Member | 4 | 4 |
| Mr. Monsur Rahman (Nominated by Adarsha Fisheries & Poultry Farm Ltd.) | Member | 4 | 4 |
| Mr. Md. Iqbal Hossain, | Secretary | 4 | 4 |

Role of the Audit Committee

The role of the Audit Committee has been defined in line with the relevant provision of the Corporate Governance Code issued by the BSEC, which are given below:

The Audit Committee shall:

- (a) Oversee the financial reporting process;
- (b) Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance plan and review of the Internal Audit and Compliance report;
- (c) Monitor choice of accounting policies and principles;
- (d) Oversee hiring and performance of external auditors;
- (e) Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the board for adoption;
- (f) Review along with the management , the annual financial statements before submission to the board for approval;
- (g) Review along with the management , the half-yearly and quarterly financial statements before submission to the board for approval;
- (h) Review statement of all related party transactions submitted by the management;
- (i) Review the Management Letters issued by the external auditor;
- (j) Review the proceeds raised through Initial Public Offering (IPO) have been utilized as per the purpose stated in relevant prospectus approved by the Commission;
- (k) Review the Management's discussion and analysis before disclosing in the annual report;
- (l) Review the adequacy of Internal Audit and compliance function; and
- (m) Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of Statutory Auditors'.

Co-ordination with the External Auditor's

The Audit Committee reviewed the statutory auditor's audit plan, including its nature and scope, audit report, evaluation of internal control and coordination between internal and statutory auditors.

The Audit Committee reviews the findings and recommendation made by the statutory auditors for removal of recurrence of irregularities.

The Committee also arranged a meeting with the representatives of the statutory auditors on October 27, 2022 for review of the annual financial statements for the year ended 30 June, 2022 before submission to the board for perusal and recommendation.

The Audit Committee has recommended the board to re-appoint existing statutory auditors' of the company M/s. Shiraz Khan Basak & Co., Chartered Accountants for the year 2022- 2023.

Internal Audit and Compliance

The annual and quarterly audit plans including the audit methodology in assessing and rating risks of auditable areas reviewed to ensure adequate scope and comprehensive coverage on the audit activities of the Company.

The Internal Audit reports encompassing the audit issues, audit recommendations and Management's responses reviewed. Improvement actions suggested by the internal auditors in the areas of internal controls, systems and efficiency enhancements were discussed with the Management.

The implementation of these recommendations through follow-up audit reports reviewed to ensure all key areas were addressed.

Financial Reporting

The Audit Committee reviewed the following regarding Financial Statements:

Reviewed the quarterly, half-yearly and annual financial statements of the company and the relevant announcements were made to the Stock Exchanges by the board of directors.

The quarterly, half-yearly and annual financial statements of the company reviewed by the Committee prior to submission of the same to the board of directors for approval to ensure the financial reporting and disclosures made in compliance with the relevant laws.

The Audit Committee reviewed the quarterly and annual financial statements of the company with the chief financial officer and managing director before recommending them to the board of directors for approval. The Committee also concluded that the financial statements presented a true and fair view of the company's financial performance.

The Audit Committee reviewed quarterly IPO fund utilization by the company which is supplied by the management as per CGC condition no. 5(5)(m) and report to the board of the same if any irregularities occurred. During the year under review there were no any anomalies in the quarterly utilized amount by the management and the management utilized IPO proceeds as per published prospectus.

Internal Control and Risk Management System

Based on the review of the effectiveness of the internal controls and the procedures established for identifying, assessing and managing risks, the Committee is of the view that adequate controls and procedures are in place to provide reasonable assurance that the company's assets are safeguarded and that the financial position of the Company is adequately reflected and disclosed.

Major activities carried out during the year of 2021-2022

In the year 2021-2022, the Audit Committee carried out its regular functions on the areas pertaining to its responsibilities. Some of the issues that are performed during the year under review for improvement of operational performance of the company are listed below:

- a) Reviewed the quarterly and annual financial statements of the Company ensured their accuracy and recommended them to the Board for consideration;
- b) Ensured that the statutory auditors' observations have been duly accounted for while preparing annual financial statements before recommending them to the Board for consideration;
- c) Overseen, reviewed and approved the procedure and task of the internal audit;
- d) Reviewed the statutory auditors' (Shiraz Khan Basak & Co., Chartered Accountants) appointment and remuneration for the year ended 30 June, 2023 & increasing current remuneration and made a recommendation to the Board;
- e) The Committee recommended for appointment of Company's Compliance Auditors M/s. S.H. Khan & Co., Chartered Accountants for the year 2022-23 and fixing up their remuneration;
- f) Reviewed the Auditor's Certification on Corporate Governance Compliance for the year ended 30 June, 2022;
- g) Reviewed and ascertained that the internal control system including financial and operational controls, accounting system and reporting structure are adequate and effective;
- h) Reviewed reports of related party transactions and possible conflict of interest;
- i) Reviewed the compliance requirements of BSEC Code, notification and other laws.

There are no significant deviations, inconsistencies, or negative findings/observations in the reporting area. The Committee found acceptable arrangements to provide a true and fair impression of the company's operations and financial situation.

Reporting to the Shareholders and other interested parties

The Audit Committee reports to the shareholders and other interested parties on annual basis by means of presenting a summary of its activities in the form of 'Audit Committee Report'. During the year under review, the committee met 4(Four) times to discharge its duties and responsibilities and accordingly forwarded their reports to the Board. The Board is of the view that there were no other issues having significant material impact on the company's financial statements which needed to be disclosed to the board or regulatory authorities.

The Audit Committee expressed their sincere thanks to all members of Board, team of internal audit, team of accounts & finance and management of the company for their good support.

On behalf of the Audit Committee



Md. Musfiqur Rahman FCA

Chairman,

Audit Committee

Dhaka, 27 October, 2022

Report of the NRC

Report on the activities of the Nomination & Remuneration Committee (NRC)

The Nomination & Remuneration Committee (NRC) is working as per the requirements the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) issued on 03 June, 2018. The NRC assists the board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors/Executive Directors and above hierarchy. The NRC also assists the board to formulate policy for formal and continued process of considering remuneration/honorarium of directors, executive directors and above.

The statement of Nomination and Remuneration Committee is prepared following the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC). This report covers nomination and remuneration policies, evaluation criteria and activities of the NRC.

The NRC consists of three members, of whom one is an independent director, one is a shareholder director and rests one is a nominated directors. Pursuant to code 6.5(c) of the codes of corporate governance, the Nomination & Remuneration Policy of the Company is presented hereunder at a glance:

The Composition of the NRC

The Board of Directors has appointed the Nomination & Remuneration Committee comprising at least three members including an Independent Director and all members of the Committee are Non-Executive Directors.

The Nomination & Remuneration Committee is constituted comprising are the following members:

| Sl. No. | Members | Status with the committee | Status with the Board |
|---------|---|---------------------------|------------------------------------|
| 1 | Mr. Muhammad Moniruzzaman, FCA | Chairman | Independent Non-Executive Director |
| 2 | Mrs. Farhana Mirza | Member | Non-Executive Director |
| 3 | Mr. Monsur Rahman, Nominated by Adarsha Fisheries & Poultry Farm Ltd. | Member | Non-Executive Director |
| 4 | Mr. Md. Iqbal Hossain | Secretary | Company Secretary |

The Independent Director, Mr. Muhammad Moniruzzaman, FCA acts as Chairman of the Committee. As per regulatory guidelines, the Company Secretary, Mr. Md. Iqbal Hossain acts as Secretary to the Committee. The NRC, accordingly, performs in coherence and ensures compliance with the Corporate Governance Code promulgated by the Bangladesh Securities and Exchange Commission (BSEC).

Permanent invitees to the meetings are the Head of Finance & Accounts and the Head of Human Resources. Relevant heads of divisions and other members of the Management team will also attend the meetings at occasions, as required.

Overview of the Nomination and Remuneration Policies

The company follow the nomination and remuneration policies and the benchmark of which pursuing the business code of conduct and standards perceptible in the market context and appropriate to meet the present and future needs of the company.

The broad criteria in this respect for the Executive Directors and above hierarchy of the company are as follows:

(a) Nomination Criteria

- i. The company policies as well as guidelines and applicable laws and regulations for the company;
- ii. A prescribed selection process that is transparent in all respects;
- iii. Following a process which is compatible to the recognized standards and the best practices;

- i. Distinguishing the core competencies of the respective personnel for the different level of management and employees of the company; and
- ii. Follow diversity in age, maturity, qualification, expertise and gender disciplines.

(b) Recruitment and Selection Standards

The outline of the company needs for the employees at different level, as determined by the management. The recruitment and selection of executive directors and above of the company are made according to the following core guiding principles:

Executive Directors and above Level: The candidate(s) for Executive Director(s) are listed based on the set criteria of BSEC and Service Rules of the company. The board of directors appoints executive director(s) and above, upon nomination and recommendation of the NRC.

Independent Director: The Independent Directors shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws that can make meaningful contribution to the business.

The Independent Director should have competence of the relevant sector in which company operates and necessarily should have the qualifications as required by the Code of Corporate Governance issued by the BSEC. The board of directors appoints independent directors upon nomination and recommendation of the NRC, which is then approved by the shareholders in the Annual General Meeting of the company.

(c) Remuneration Criteria

The key features of the Remuneration criteria are recommended by the NRC are as follows:

- i. The structure, scale and composition of remuneration/honorarium are reasonably considered based on the Company's Policies and Guidelines set by the Board of Directors to attract, retain and motivate the higher level executives/executive directors to run the company efficiently and successfully;
- ii. The context of packages, including remuneration/benefit is categorically laid down which meets the appropriate performance benchmarks as per the Company's Policies and Guidelines ratified by the board as and when required;
- iii. The NRC recommends board meeting attendance fees, honorarium, including incidental expenses, if any; and
- iv. No member of the NRC is allowed to receive, either directly or indirectly, any remuneration for any advisory consultancy role or otherwise, other than board meeting and board's sub-committee meetings attendance fees from the company.

(d) Evaluation Criteria

Executive Directors and above Level Executives: The respective line authority of the Executive Directors and above sets the performance measurement criteria based on the role profile and responsibilities through the company's annual appraisal policy at a certain time of each calendar year.

Independent Director:

The evaluation of performance of the independent directors is to be carried out according to the criteria of attendance and participation at the board meetings, committee meetings; and contribution to the improvement of the corporate governance practices of the company.

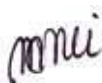
Activity Summary of the Nomination and Remuneration Committee during the year

During the year 2021-2022 the committee met once. The Committee noted the Nomination and Remuneration initiatives ensuring the standards and compliance accordingly. The activities of the NRC during the year were as follows:

- i. Re-appointment of Managing Director: Selected Dr. Saira Khan, MBBS, DCH, FCPS., for re-appointment as the Managing Director of the company for the next 3 (three) years considering his

- qualification, skills, experience, expertise, positive attributes, subject to the approval of the shareholders in the upcoming Annual General Meeting.
- II. Proposal for re-election of Directors: Proposed Mrs. Silvana Mirza, Dr. Saira Khan, MBBS, DCH, FCPS, and Mr. Monsur Rahman for retirement by rotation and for re-election (being eligible) by the shareholders in this upcoming Annual General Meeting.
 - III. Re-appointment of Independent Director: Selected Mr. Mohammed Moniruzzaman, FCA for re-appointment as the Independent Director of the company for the next 3 (three) years considering his qualification, skills, experience, expertise, positive attributes and eligibility as per corporate governance code issued by BSEC, subject to the approval of the shareholders in the upcoming Annual General Meeting.
 - IV. Evaluation of performance: Evaluated the performance of the Board, its committees, individual members of the Board, Key Managerial Personnel and other senior executives of the company, with the assistance of HR department as and when required, and satisfied with their performance.
 - V. Review of remuneration and other fees: Reviewed the annual remuneration package of the Executive Director, Key Managerial Personnel and other senior executives of the company, with the assistance of HR department as and when required, and ensured that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate them to run the company as per company goals.
 - VI. Succession planning: Reviewed the succession plan to ensure that the potential individuals are ready with proper skills, experience, ownership and engagement to fill gaps when necessary.
 - VII. Review of HR and training policy: Reviewed human resources and training policies for the future leaders of the company.
 - VIII. Disclosure of remuneration: Considered and confirmed that the remuneration disclosed in this annual report is accurate, complete and transparent.

On behalf of the Nomination & Remuneration Committee



Muhammad Moniruzzaman, FCA
Chairman,
Nomination & Remuneration Committee (NRC)
Dhaka, 27 October, 2022

Corporate Governance

A Guideline of Transparency and Accountability

CORPORATE GOVERNANCE refers to the procedures through which any corporate entity makes decisions as a going concern for the benefit of all parties involved, both present and future. These decisions may be classified into four categories, namely policy and strategy, operations and execution, performance and assessment, and asset sharing between current and future generations.

The objective of corporate governance of the Silva Pharmaceuticals Limited is to run the company with the sense of four pillars of governance- fairness, transparency, accountability and independence to the shareholders and the society as a whole. The company is directed and managed under the Code of Conducts approved by the board in light of the directives given by the concerned regulatory bodies to establish the good governance in the company to fulfill the stakeholders' rightful expectations.

To this end entire corporate governance efforts are blended with "Good Governance Practices" as ethically and morally acceptable standards under a given socio politico environmental phenomenon of our society in which we work, live and exist.

Corporate Governance functions are carried out by the organisms mentioned hereafter:

BOARD OF DIRECTORS

Constitution

The Board of Directors, the top Management echelon, consisting of the founding entrepreneurs, institutes representatives and Independent Directors, provides the policy and strategic support and direction for the entire range of the corporate activities. The Board of Directors consist of 8 (eight) members including 2 (Two) Independent Directors with varied education and character in decision making process.

The active members of the Board of Directors are as follows:

| | |
|--|--------------------------------|
| Mrs. Silvana Mirza | : Chairman |
| Dr. Saira Khan, MBBS, DCH, FCPS. | : Director & Managing Director |
| Mrs. Samina Mirza | : Director |
| Mrs. Farhana Mirza | : Director |
| Mrs. Mahmuda Akhter (Nominated by ICB) | : Director |
| Mr. Monsur Rahman (Nominated by Adarsha Fisheries & Poultry Farm Ltd.) | : Director |
| Mr. Md. Musfiqur Rahman, FCA | : Independent Director |
| Mr. Muhammad Moniruzzaman, FCA | : Independent Director |

Board Meetings

The Board of Directors has the supreme authority delegated by the shareholders in making strategy, formulation policy and other decision making process for development of the company. During the year under review the board held 04 (four) meetings to transact various agenda. The Board is reconstituted every year at its Annual General Meeting when one-third of the members of the Board retires and seeks re-election. A director is liable to be removed if the conditions of the Articles of Association and the provisions of the Companies Act 1994 are not fulfilled.

Role & Responsibilities

The main role of the Board of Directors, which is the highest level of authority, is to provide general superintendence, oversee the operations and control the affairs of the company through appropriate delegation and accountability processes via the lines of command. However the Board of Directors holds the ultimate responsibility & accountability with due diligence for conducting the activities of the company as per provisions of law in the interest of the shareholders, the stakeholders, the state and the society. The Board of Directors, in fulfillment of its responsibility holds periodic meetings, at least once a quarter and provides appropriate decisions/directions to the Executive Management. Such meetings usually consider operational performance,

financial results, review of budgets, capital expenditure proposals for BMRE or new projects/divisions/ product lines, procurement of funds by issue of shares or borrowing, procurement of raw materials, plant & machinery, pricing of products/ discounts, recruitment, training and promotion of officers, approval of audited accounts and distribution of dividends and other interest of the stakeholders including the employees and workers.

The Board of Directors takes special care in designing and articulating productivity and compensation plans of employees and workers and rewarding them appropriately on the basis of quality and quantity of performance as an incentive.

Board also remains responsible for removal of operational hazards to life and health of workers, friendly environmental work condition and social relationship as demanded of good citizen in a country.

Relationship with Shareholders & Relationship and Public

The shareholders as owners are required to be provided with material information on the company's operation every quarter and annually, the latter at the Annual General Meeting. They are also provided routine services by the Company Affairs Division in matters of their various queries, shares transfer, dematerialization, rematerialization of shares, payment of dividends etc.

The Board is however responsible to the public for publication of any price sensitive information as per BSEC regulation.

Relationship with Government

In its role on accountability to the government, the Board of Directors ensures payment of all dues to government in the form of import duty, custom duty and port charges, VAT, Corporate Taxes and other levies as and when they become due on the basis of actual operations and make sure to avoid corruption. This has enabled the Company to enhance its contribution to the National Exchequer on a progressive rate year after year.

Relationship with Financers/Bankers

The Board oversees the financial transactions and ensures to meet company's commitments to the lenders without default. This has resulted in securing lower interest rates from them.

Relationship with Suppliers

As the company has to import plant and machinery and almost all the raw materials from abroad, it maintains cordial and mutually beneficial interest with its international as well as local suppliers. This has enabled the company to avoid any legal disputes in international/local courts and enhanced the company's image as a good customer.

Corporate Social Responsibilities (CSR)

The Board of Directors is also awoken of the Corporate Social Responsibilities (CSR) especially in the areas of gender equality, race/religion-regional equality, non-employment of child labor, human rights, environmental pollution, social-marketing, social activities (promotion of sports & culture, health care and population control programs, elimination of corruption programs, participation in charitable activities etc. in non-partisan manner) right to form and participate in Union under ILO convention, employment of disabled's etc.

BOARD COMMITTEE

The Board of Directors has formed a number of committees to assist in exercising its authority including monitoring of performance.

Audit Committee

The Board of Directors has constituted an Audit Committee of the Board, which is comprised by the following Non-Executive Directors:

| | |
|--|------------|
| Mr. Md. Musfiqur Rahman, FCA, Independent Director | : Chairman |
| Mrs. Samina Mirza, Director | : Member |
| Mr. Monsur Rahman (Nominated by Adarsha Fisheries & Poultry Farm Ltd.), Director | : Member |

The Committee carries out its responsibilities as defined in the provision of laws through convening meetings and submitting its report to the Board of Directors as and when required. The Committee met 4 (four) times during the year under review.

The Audit Committee shall also co-ordinate with the Internal and external Auditors as and when required, ensures that adequate internal checks & balances supported by adequate MIS are in place for detection of errors frauds and other deficiencies. The other responsibilities include inter alia, not being limited to, the prevention of conflict of interest between the company and its Directors officials, customers, suppliers, government and any other interest groups and detect or remove any scope of insider trading in the company's stock. The Audit Committee also ensures compliance of requirements of BSEC and other agencies.

Nomination and Remuneration Committee

The Board of Directors has formed a Nomination and Remuneration Committee (NRC) of the Board, which is comprised by the following Non-Executive Directors:

| | |
|--|------------|
| Mr. Muhammad Moniruzzaman, FCA, Independent Director | : Chairman |
| Mrs. Farhana Mirza, Director | : Member |
| Mr. Monsur Rahman (Nominated by Adarsha Fisheries & Poultry Farm Ltd.), Director | : Member |

The terms of reference of the NRC inter-alia include to determine the Company's policy on specific remuneration packages for executive directors, to review, recommend and/or approve remuneration to whole-time Directors, to review and approve the Remuneration Policy of the Company, to formulate criteria for evaluation of Independent Directors and the Board, to devise a policy on Board Diversity, to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board the appointment or removal of such persons and to discharge such other functions and exercise such other powers as may be delegated/ directed by the Board of Directors from time to time. The NRC met 1 (one) times during the year under review.

SEPARATE ROLE OF THE CHAIRMAN AND MANAGING DIRECTOR

The positions of Chairman and Managing Director of Silva Pharmaceuticals Limited are held by the following separate directors:

CHAIRMAN

Mrs. Silvana Mirza is the Non-Executive Chairman of the Company and responsible for the functions of the Board.

MANAGING DIRECTOR

Dr. Saira Khan, MBBS, DCH, FCPS. is the Managing Director and serves as the Chief Executive Officer of the Company.

CHIEF FINANCIAL OFFICER (CFO), COMPANY SECRETARY (CS) AND HEAD OF INTERNAL AUDIT AND COMPLIANCE (HIAC)

The following executives have been appointed as CFO, CS, and HIAC of the Company as per requirement of the Corporate Governance Code of Bangladesh Securities and Exchange Commission:

| | |
|--|--|
| Chief Financial Officer (CFO) | Mr. Md. Abul Kasem, M.Com., CA (Inter) |
| Company Secretary (CS) | Mr. Md. Iqbal Hossain, M.Com., CA (CC) and |
| Head of Internal Audit and Compliance (HIAC) | Mr. Khurshid Ahmed Siddique, M.Com. |

EXECUTIVE MANAGEMENT

The Executive Management is led by the Managing Director (CEO) who is appointed by the Board of Directors for a term of 3 years (renewable) with the approval of shareholders in the Annual General Meeting.

The Managing Director is supported by professional, well educated, trained and experienced team consisting of Executive Directors, General Managers, Managers and a host of Senior Executives in the hierarchy of management.

The Executive Management is responsible for preparation of budgetary segment plans/subsegment plans for every cost/profit centers and is held accountable for performance. The Executive Management is aided by committee(s)/sub-committee(s) in carrying out its functions.

OTHER GOVERNANCE APPARATUS

The Company, in its efforts for Corporate Good Governance Practices, uses a series of top ranking professional service providers including Legal experts, Bankers, Insurers and Technical experts who continuously assist the Board of Directors and the Executive Management in properly discharging their duties to all the shareholders, stakeholders, the Government and the public as highlighted below:

Independent Director

In compliance with the BSEC Regulations on Good Governance, the Board of Directors, as empowered by the Regulations, appointed the following persons as non-shareholding Independent Directors with the expectation that their expertise would help contribute to the further disclosure and protect the interests of the stakeholders, investors in general and smaller investors in particular:

- Mr. Md. Musfiqur Rahman, FCA, a qualified chartered accountant and the Partner of Mollah Quader Yousuf & Co., a CA firm in Bangladesh; and
- Mr. Mohammad Moniruzzaman, FCA, a qualified chartered accountant.

Financial Auditors

The role of the auditors in certification of the financial statement is the most significant aspect of Corporate Governance and protection of interest of investors. As evident from the Annual Reports, the company rigidly follows the Companies Act, Rules of Bangladesh Securities and Exchange Commission, listing regulation, code of International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and International Standard of Auditing (ISA) with legally required disclosures of Accounts and Financial Statements. All this has been possible due to the high level capability and integrity of M/s. Shiraz Khan Basak & Co., Chartered Accountants whose unchallenging performance has played a very trustworthy role in the protection of interest of the investors.

Compliance Auditors

The compliance auditor is responsible in certification on compliance of conditions of Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission as well as the provisions of relevant Bangladesh Secretarial Standards of Institute of Chartered Secretaries of Bangladesh. M/s. S. M. Zakaria & Co., Chartered Accountants is the compliance auditors of Silva Pharmaceuticals Limited appointed by its Shareholders in general meeting.

Bankers

The degree of efficient business operation largely depends on the quality of efficiency of banking services received by the company. Efficient banking service brings down cost of operations. On the other hand, cost of financial services and interest on the lending by the banks are also required to be the minimum. With this end of view, the company has established long term business relation-ship with the banks namely Jamuna Bank Ltd., Dutch Bangla Bank Ltd., Al-Arafah Islami Bank Ltd., Shahjalal Islami Bank Ltd., National Bank Ltd., Sonali Bank Ltd. and Union Bank Ltd. who provide most efficient service at minimum cost/interest that benefit the Shareholders. The company has neither ever defaulted in any commitment with its Bankers nor did get entangled in legal dispute at any court premises.

Insurer

Insurance services cover certain operational risks which are required by law/business practices to be covered by legitimate insurance service providers for protection of the interest of the company, nay, the investors. To this end, the company has to select insurer with the most efficient, reputed and financially sound history so that claims, if any, are settled promptly and the premium rates are market competitive. The company, based on these considerations, is maintaining insurance business relationships with the highly reputed insurance

companies namely Delta Life Insurance Company Ltd. and Agrani Insurance Co. Ltd. The company has not yet faced any dispute over any claims.

SHAREHOLDERS' RELATIONSHIP

Corporate Governance issues include how major policy decisions are made in business corporations, how various stakeholders can influence the process, who is held accountable for performance and what performance standards are applied. In a nutshell, in corporate governance, power and influence are crucial. The ownership structure has an impact on the balance of power among shareholders since shareholders are the most significant stakeholder.

Though sponsors usually hold majority shares required for ordinary resolutions, public shareholders have a definite role and influence in the passing of special resolutions required for changes in the business object, sale of business/productive assets, merger and amalgamation, winding up or dissolution and amendments to Memorandum and Articles of Association for protection of minority interest of the shareholdings.

The Company holds regularly as per law the Annual General Meeting with adequate notice and disclosures in the Directors' Report and the Auditors' Report on Accounts/Notes and resolutions are passed with consensus and unanimity. All reasonable and practicable suggestions are implemented with good grace. Special Resolutions are passed in General Meeting with due notices periods.

All enquiries are attended by the Company Secretary. Where necessary, Internal Audit Committee investigates matters of significant merit for consideration by the Management Committee/ Managing Director/Audit Committee of Board/ Board of Directors as the case may be.

The Shareholders as owners are provided with material information on the Company's operation quarterly and annually. They are also provided routine services by the Company Secretary in any company matters which is permissible. The Board is however responsible to the Shareholders as well as investors for publication of price sensitive information as per regulations of Bangladesh Securities and Exchange Commission (BSEC). An experienced person is in charge for all these responsibilities as Company Secretary.

The Company has also a website to provide permissible information/notices/ price sensitive information/financial reports/disclosures and others for the Shareholders and interested investors.

DIVIDEND POLICY

Ethics is an ingredient of Good Governance and involves a determination of what is right and what is wrong and deals with things to be sought and things to be avoided with way of life and the end of life. Ethics invokes the management of the environment within which we function from a perspective broader than, but obviously inclusive of, the current cohort. Since the corporate environment is in theory an infinitely lived entity owned by finitely lived shareholders, a governance ethic must represent a system that serves the needs of the current ownership while preserving the ability of the corporation to sustain itself and benefit future cohorts.

The corporate ethic must necessarily promote efficiency in coexisting with the environment to generate the quality of life for a current cohort and yet also provide an equity that does not disadvantage a future cohort by the decisions of a current cohort.

As an environmental ethic analogy, those living today naturally believe in dividend payouts today with less regard for the consequence tomorrow and those living tomorrow would prefer dividend payouts tomorrow without regard for the sacrifices we make today to allow their greater consumption tomorrow.

Based on the above concept, the company is committed to show a stable policy of distribution (cash outlay) of the accretional wealth (profits) between the current and the future generation of shareholders. This would enable the company to enhance its capital wealth and sustain for perpetuity of existence, benefiting both the present cohorts and the progeny.

CORPORATE SOCIALIZATION

In order to play a model role for Good Governance characteristics in the corporate sector, the company has become members of country's leading stock exchanges, chambers and associations namely:

- a. Bangladesh Aushad Shilpa Samity
- b. Dhaka Stock Exchange Ltd. (DSE)
- c. Chittagong Stock Exchange Ltd. (CSE)

- d. Bangladesh Association of Publicly Listed Companies (BAPLC)
- e. Central Depository Bangladesh Limited (CDBL).

These memberships have provided scope to the company for improvement of Corporate Governance Practices for the benefit of the shareholders/stakeholders.

RESEARCH AND PRODUCTS DEVELOPMENT

As a part of Corporate Social Responsibility for Good Governance the company maintains a team of scientific pharmaceutical experts who continuously conduct research & development programs for improving quality of products, reduction of cost and adaptation of products that are free of intellectual property rights and innovative products.

These efforts have enabled the company to add new products to its product lines every year to the benefit of the common men of the country and the shareholders.

SEGMENT REPORT

The company's chief operating decision makers review the profit and loss of the company on an aggregate basis and manage the operations of the company as a single operating segment. Accordingly, the company operates in one segment, which is the business of developing, manufacturing and marketing of drugs for health care for all live species.

RISK PERCEPTION

Company management perceives investment risks within the national and international economic situation in relation to legal requirements involving intellectual property rights, scientific invention, WTO regulations and monetary & fiscal investment policies and has prepared its production & marketing strategy to meet the challenges from these risks.

SECRETARIAL STANDARD

Silva Pharma try their best maintaining of the Secretarial Standard on meetings of the Board of Directors, Members (shareholders), Minutes and Dividend issued by the Institute of Chartered Secretaries of Bangladesh (ICSB).

COMPLIANCES

Silva Pharma has an established procedure to ensure compliance with all applicable statutory and regulatory requirements. Respective officers are responsible for ensuring proper compliance with applicable laws and regulations.

Code of Conduct for the Board

Our Code of Conduct is based on our values of integrity, respect and trust and the purpose of these codes is to ensure that all the Board Members and other acting on behalf of the Company to act in accordance with this values and principles respecting the core values of the Company. These codes are designed in such a way as to give a clear perception about what is expected from the people inside the Company. All of them are always committed to conduct the business in an ethical, legal and responsible way.

The codes are as follows:

1. Meetings of the Board of Directors and General Meetings, notices, agenda, minutes of the meetings shall be in accordance with the Companies Act, 1994.
2. In the event that a Director is of the view that his dissenting note has not been satisfactorily recorded in the minutes of a meeting of the Board, he may refer the matter to the Company Secretary. The relevant Director may require the note to be appended to the minutes during confirmation of the minutes.
3. The Directors shall ensure that the company abides by all the provisions of securities laws, rules and regulations framed there under and circulars, directions issued by the BSEC, DSE, CSE and other authorities as the case may be.
4. The Directors shall not support any decision in the meeting of the Board which may adversely affect the interest of shareholders or company.
5. The Directors shall ensure performing activities of the company to uphold the interest of general shareholders, and give priority to the interest of the company and its shareholders; even it appears to be conflicting with the interest of the company or its shareholders.
6. The Directors shall carry out their fiduciary duties with a sense of objective judgment and independence in the best interests of the company and its shareholders.
7. The Directors shall submit necessary disclosures/statement of holdings/dealings in securities as required by the Commission and the Exchanges from time to time as per their rules, regulations and bye-laws.
8. The Directors shall unless otherwise required by law, maintain confidentiality and shall not divulge/disclose any information obtained in discharging their duties.
9. A Director shall not use any confidential information for his personal gain, directly or indirectly, received or obtained by him in his capacity as a member of the Board.
10. The company always striving to move forward and value each employee as their contribution is what is driving the Company ahead. The Company encourages its employees to share ideas and knowledge with management as well as between themselves. This enables a great culture of idea sharing inside the Company which brought forward many new business activities.
11. The company ensures that, the workplace and its environment do not endanger the physical integrity or health of the employees. Training programs to reduce accidents and improving working conditions with additional safety gears is an ongoing process. Employees have access to drinking water, sanitary equipped social rooms, built and maintained in accordance with applicable legal requirements.
12. The company ensures an exciting and progressive working environment for its employees who are free from all type of discriminations and harassment. The company ensures that, all the employees act professionally and refrain frauds, dishonesty, deceit or any act that violates the core value of the Company.

Dividend Distribution Policy

[Pursuant to Bangladesh Securities Exchange Commission Directive No. BSEC/CMRRCD/2021-386/03 dated January 14, 2021]

Disclaimer

The Policy does not constitute a commitment by the Company or the Board regarding the future dividends of the Company, but only represents a general guidance to Shareholders regarding dividend policy. The statement of the Policy does not in any way restrict the right of the Board to use its discretion in the recommendation of the dividend to be distributed in the year and the Board reserves the right to depart from the Policy as and when circumstances so warrant.

Given the aforementioned uncertainties, prospective or present investors are cautioned not to place any reliance on any of the forward-looking statements in the Policy or the principles and guidelines outlined in this Policy.

1. Introduction:

This Policy is called “**Silva Pharmaceuticals Limited - Dividend Distribution Policy**” hereinafter referred to as the “**Policy**”) and has been framed by Silva Pharmaceuticals Limited (the “Company”) pursuant to Bangladesh Securities Exchange Commission (BSEC) Directive No. BSEC/CMRRCD/2021-386/03 dated January 14, 2021.

The objective of the Policy is to provide guidance to stakeholders on the dividend distribution framework adopted by the Company. The Board of Directors of the Company (the “Board”) shall consider this Policy when resolving on dividends, always in compliance with the provisions of the Companies Act, 1994, notifications issued by the BSEC and other applicable legal provisions.

In the event of a conflict between the Policy and the existing statutory regulations, the statutory regulations will prevail.

The Policy lays down the broad criteria which the Company would take into consideration for the purpose of ascertaining the amount of dividend to be declared. Whilst doing so, the Company shall keep in mind, the need to maintain a balance between the payout ratio and retained earnings, in order to address future needs of the Company.

The Policy serves as a guideline only for the Board. The decision of the Board with respect to the amount of dividend recommended by it for any given period will be final and shall not be open to challenge on the basis of the Policy.

The Policy has been adopted by the Board at its meeting held on November 11, 2021 which will be effect from first day of January, 2022.

2. Quantum and declaration of dividend payable:

Dividend other than interim dividend shall be declared at the Annual General Meeting of the Shareholders based on the recommendation of the Board. The Board has the authority to declare interim dividend.

Subject to the provisions of the applicable law, the Company’s dividend payout will be determined based on available financial resources, growth/investment requirements and fair shareholder return.

The Board will broadly take into consideration the financial parameters and/or internal and external factors mentioned in clause 3 below while determining whether or not to declare dividend or to determine the quantum of dividend to be declared.

The declared dividend must be approved by the company's shareholders at its annual general meeting. The record date for payment of dividend will be declared in accordance with the relevant law. Shareholders holding shares on record date will be considered eligible for dividend.

The approved cash dividend must be sent to the shareholders register address or bank account (which was preserved by Depository register of CDBL or company's Register as on record date) via Printed dividend warrant or Bangladesh Electronic Fund Transfer (BEFTN).

In case of stock dividend, record date will be fixed as per related rules. The stock dividend will be credited to the shareholder's Beneficiary Owner account (BO Account) on scheduled time as per the related rules of the Securities in this regard and the record date data.

3. Parameters to be considered while recommending/declaring dividend:

The Board while declaring or recommending dividend to the Shareholders, will consider following internal and external factors whereas all these factors are of equal materiality and no single or group of factors supersedes any other factor or group of factors:

Internal Factors:

- Profits earned during the financial year and the retained profits of the previous years or losses suffered in the past years;
- Cash flow position of the Company and Net Debt-to-EBITDA ratio;
- Current and projected cash balance;
- Projections with regard to the performance of the Company;
- Future capital expenditure requirement of the Company;
- Dividend payout history.

External Factors:

- Economic environment;
- Market conditions and market outlook for the Company;
- Changes in Government policies and regulatory provisions;
- Quantum of dividend payout by other comparable businesses.

4. Circumstances under which Shareholders of the Company may or may not expect dividend:

The decision regarding dividend payout is a crucial decision as it determines the amount of profit to be distributed among Shareholders and the amount of profit to be retained in business.

The Board shall consider the parameters mentioned in Clause 3 above before determination of any dividend payout.

The Shareholders of the Company **may not expect** dividend in many other circumstances, some of which are the following, always subject to the discretion of the Board:

- Company has inadequacy of profits or incurs losses for the financial year;
- Company undertakes /proposes to undertake a significant expansion project requiring higher allocation of capital;
- Company undertakes /proposes to undertake any acquisitions or joint arrangements requiring significant allocation of capital;
- Company has significantly higher working capital requirement affecting free cash flow;
- Company is prohibited to recommend/declare dividend by any regulatory body.

5. Utilization of retained earnings:

The Board may retain its earnings in order to make better use of the funds available and increase the value of the stakeholders in the long run after having due regard to the parameters laid down in the Policy.

The Company may declare dividend out of the profits of the Company for the current year or out of the profits for any previous year or years or out of the free reserves available for distribution of dividend, in accordance with the provisions of the Companies Act, 1994, notifications issued by the BSEC and other applicable legal provisions as amended from time to time, after having due regard to the parameters laid down in the Policy.

The retained earnings of the Company may be used in any of the following ways:

- Capital expenditure, and for the purpose of any organic and/ or inorganic growth;
- Declaration of dividend;
- Issue of bonus shares;
- Other permissible usage as per the Companies Act, 1994.

6. Multiple classes of Shares:

Currently, the Company has only one class of equity shares, namely Equity Shares. In the future, if the Company issues multiple classes of shares, the parameters of the Policy will be appropriately addressed.

7. Disclosures:

In case it is proposed not to declare dividend during any financial year, the grounds thereof and the information on the manner in which the retained profits of the Company, if any, are being utilized shall be disclosed to the Shareholders in the Board's Report forming part of the Annual Report of the Company for the given financial year.

The Policy will be available on the Company's website: <https://www.silvapharma.com/> and will also be disclosed in the Company's Annual Report.

8. Policy Review:

The Policy may be modified as may, in the opinion of the Board, be deemed necessary.

Our Major Products

Silva Pharmaceuticals Limited has engaged in manufacturing and marketing of pharmaceutical finished products in the categories of Antibiotics, Antifungals, Analgesics, Anti diabetics, Anti pyretics, Anti inflammatory Drugs, Anti ulcerants, Vitamins & Minerals etc for local market. It has set up a modern pharmaceutical plant that is equipped with advanced machineries and technology.

Antiulcerant

Esosil[®] 20

Esomeprazole 20 mg
Capsule



- Drug of choice in GERD
- Significant improvement of Heartburn symptoms
- Remarkable healing of Erosive Esophagitis



Omesil[®] 20

Omeprazole BP 20 mg
Capsule



- Time tested & trusted PPI
- Used as an adjunct therapy with NSAID
- Highly effective in Reflux Esophagitis

Pantosil[®]

Pantoprazole 20 mg
Tablet



- A superior & confident choice among PPIs
- Safe in pregnancy
- Effective in PUD & GERD

Antiemetic & Antispasmodic

Devomit[®]

Medizine Hydrochloride 25 mg &
Pyridoxine Hydrochloride 50 mg



- First choice in treating nausea and vomiting during pregnancy
- Provides synergistic effect
- Shows long duration of action

Timem[®]

Tiemonium Methylsulphate 1N/50 mg



- Ensures complete relief from visceral spasm and associated pain
- Offers excellent safety & tolerability profile

Antibacterial

Sicef®

Cephadrine 500 mg
Capsule &
125 mg/ 5 ml PFS



- Effective & well tolerated 1st generation cephalosporin
- Confident choice as prophylaxis of dental procedure
- USFDA recommended as pregnancy category B

Probac®

Cefuroxime 250 mg & 500 mg
Tablet



- Offers superior cure rate in RTIs
- Safe and effective antibiotic in all stages of pregnancy
- Potent 2nd generation cephalosporin in UTIs

Supraxim®

Cefixime 200 mg
Capsule &
100 mg/5ml PFS



- Tested and trusted 3rd generation oral cephalosporin
- Drug of choice in Enteric Fever
- Ensures excellent treatment success in Enterocolitis & LRTIs

Macrozith®

Azithromycin 500 mg
Tablet
& 200 mg/5 ml GFS



- Highly active macrolide against atypical bacteria
- Simple dose, faster efficacy
- Right choice for treating Typhoid Fever, RTIs & SSTIs

Macrozith® GFS

Azithromycin 200 mg/5 ml

Right choice in Typhoid Fever &
Respiratory Tract infections.

Banana Flavour

Cipronil® PFS

Ciprofloxacin 250mg/5ml

Highly effective in Shigellosis,
Infectious Diarrhoea &
Urinary Tract Infections.

Strawberry Flavour

Analgesic and Antipyretic

Duet[®]

Paracetamol 500 mg
& Caffeine 65 mg
Tablet

- More than a pain and fever reliever
- Short (45-50 seconds) disintegration time
- Opaque PVC foil protects from sunlight



Orifen

Aceclofenac 100 mg



- Ensures relief from osteoarthritic & rheumatoid arthritic pain
- Also used in low back and cervical pain

Torolac[®]

Ketorolac 10 mg
Tablet



- Relieves moderate to severe acute pain
- Effective in post-operative pain
- Most potent NSAID

Allergy, Cough and Cold:

Aerofen

Ketotifen Fumerate 100 ml syp.



- Prophylactic treatment of Bronchial Asthma
- Symptomatic treatment of Allergic conditions

Ambosil[®]

Ambroxol hydrochloride Syrup &
Pediatric Drop



- Effective in productive Cough & Bronchitis

Vitamins & Minerals

Ensures full spectrum of
Essential Nutrients

Multitonic[®]
Multivitamin & Multimineral Syrup



Multitonic[®] syrup has excellent taste with Mango flavor that ensures compliance to all aged people including children.

Rx in

- Ensures proper physical and mental growth in children
- To build up strong immune system
- Meets proper nutritional requirements for diabetics
- Reduces the risk of heart diseases
- Reduces anxiety and stress levels

Design specially to improve **Intelligence of Children**

Neurex-B[®]

Thiamine Mononitrate (B1) 100 mg
Pyridoxine Hydrochloride (B6) 200 mg
Cyanocobalamin (B12) 200 mcg
Tablet



- Ideal combination of B-vitamins for Neuropathic pain
- Prevents degenerative process of nerves
- Offers a new treatment option in Diabetic Neuropathy

Calsil[®] PLUS

Calcium 500 mg &
Vitamin D₃ 200 I.U.
Tablet



- Synergistic combination for strong bone structure
- Vitamin D₃ increases absorption of calcium
- Prevents Osteoporosis & bone fracture

Alvital[®]
Super Anti-oxidant Vitamin plus
Multimineral Tablet



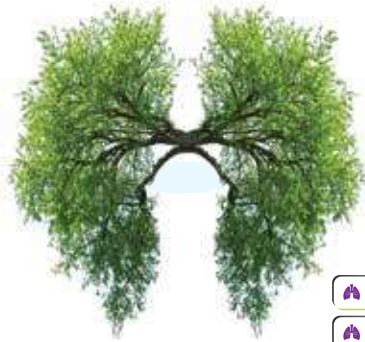
- Delay aging process
- Boost immune system
- Ensures aged patients to lead better quality of life

MultiGold
32 Multivitamin-Multimineral
Tablet



- Enhances immune system
- Provides energy and growth
- Strengthens the body

Habits To Keep Your Lungs Healthy



Silmon[®] 10
Montelukast 10 mg Tablet



- Reduces the bronchoconstriction.
- Controls both early & late phase of allergic rhinitis.
- Prevents exercise-induced bronchospasm.
- Improves symptoms & pulmonary function when added with ICS.
- Well tolerated with a safety profile for both adult & pediatric patients.

Rx

Silmon[®] 10

For long lasting control of Allergic Rhinitis & Asthma.

Freedom from
Allergic Rhinitis & Asthma...

24 hours non-drowsy allergy relief



Sifena[®] 120
Fexofenadine Hydrochloride USP 120 mg



Rx.

- Seasonal Allergic Rhinitis
- Perennial Allergic Rhinitis
- Chronic Idiopathic Urticaria
- Allergen-Induced wheal-and-flare

Feel **free** from Allergic Symptoms

Antifungal

Itranox[®] 100

Itraconazole USP 100 mg Capsule

Unique therapy
for multiple fungal infections

- Ensures better mycological cure rate compared to Terbinafine.
- Ensures better clinical success rate compared to Fluconazole.
- Convenient dosing ensures better patients compliance.



Natural Sweetner

Sugar

Stevia extract



- Can be used to sweeten tea, coffee, beverages and any kind of food.
- 100% natural, Zero calorie, Halal certified
- Great choice for diabetic and fitness conscious people
- Generally Recognized As Safe by USFDA



New Arrival

Antibacterial

Probac Plus[®]

Cefuroxime 250 mg & Clavulanic Acid 62.5 mg and
Cefuroxime 500 mg & Clavulanic Acid 125 mg Tablet

Minimizes resistance, Maximizes efficacy

- ✓ Ensures very low resistance compared to cefuroxime alone
- ✓ Shows 94% clinical success rate in Pharyngitis & Tonsillitis
- ✓ Shows 100% clinical success rate in Community Acquired Pneumonia
- ✓ Shows 96% clinical success rate in UTIs
- ✓ Shows 95% clinical success rate in SSSIs
- ✓ USFDA approved pregnancy category B



Cough Syrup

Respi-D[®]

Dextromethorphan Hydrobromide BP,
Levomenthol BP and
Diphenhydramine Hydrochloride BP



- ✓ Effective for dry cough
- ✓ Provides soothing effect
- ✓ Aids restful sleep

Sugar Free
Raspberry Flavored



Respi-M[®]

Guaifenesin BP, Levomenthol BP and
Diphenhydramine Hydrochloride BP



- ✓ Effective for mucus cough
- ✓ Reduces chest congestion
- ✓ Aids restful sleep

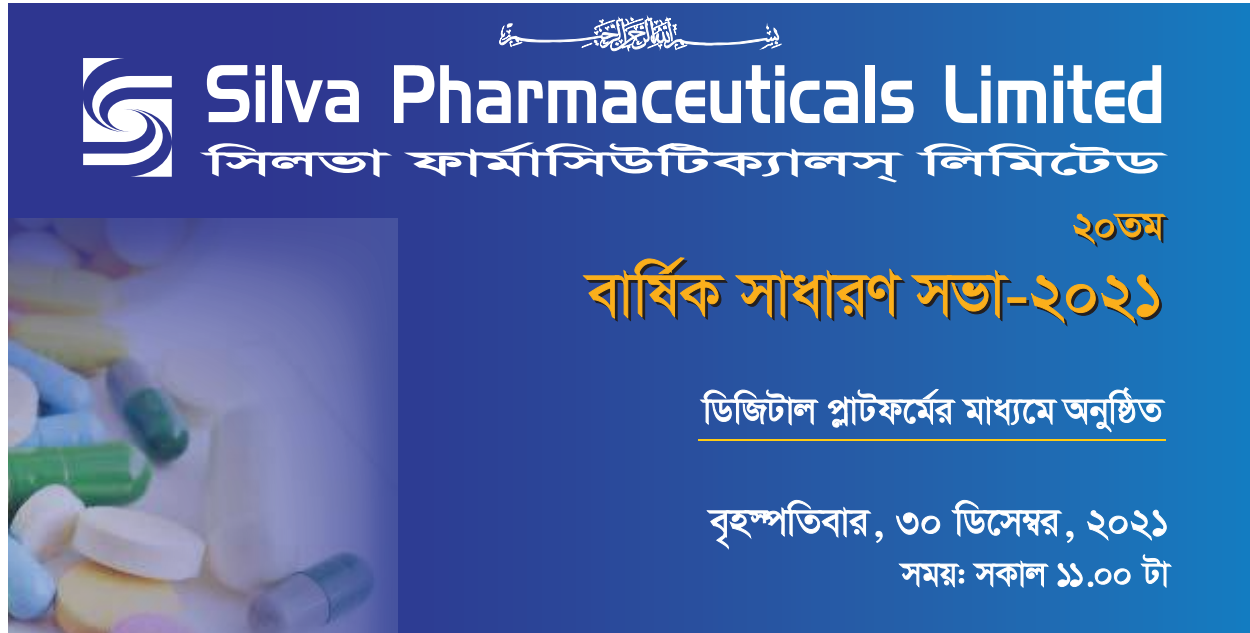
Excerpts from 20th Annual General Meeting

The 20th Annual General Meeting of the Silva Pharmaceuticals Limited was held on 30 December, 2021 at digital/virtual platform. A good number of shareholders attend the AGM by digital platform. Ms. Silvana Mirza Chairman of the Board presided over the meeting. After recitation from the holy Quran, the Annual General Meeting was started by the welcome address to the shareholders by the Chairman.

The Annual General Meeting is a forum through which the shareholders are informed of company's activities and progress. The Chairman of the meeting invited comments of Directors' Report and Audited Financial Statements for the year ended 30 June, 2021. In the question and answer session shareholders were encouraged to ask questions before approving the particular agenda. The shareholders expressed their views on the important activities of the company, its success and progress in the competitive markets by sending message through digitally.

The due process of election and detailed information of "voting results" of each agenda and its resolution was authenticated by Independent Scrutinizer appointed for the purpose as per BSEC's instruction and reported the same to the BSEC within the stipulated time of conclusion of AGM.

The Managing Director Dr. Saira Khan, MBBS, DCH, FCPS thanked the shareholders for their constructive suggestions for the sustainable improvement of the company. Strategies and future vision of the company had also been discussed. Shareholders put up valuable recommendations which were discussed and scrutinized in the subsequent board meeting and proper actions in this respect had duly been taken. The meeting approved 05% Cash Dividend for all shareholders excluding sponsors and directors (except ICB) as against per share of Tk. 10/- each for the year 2020-2021.



Silva Pharmaceuticals Limited
সিলভা ফার্মাসিউটিক্যালস্ লিমিটেড

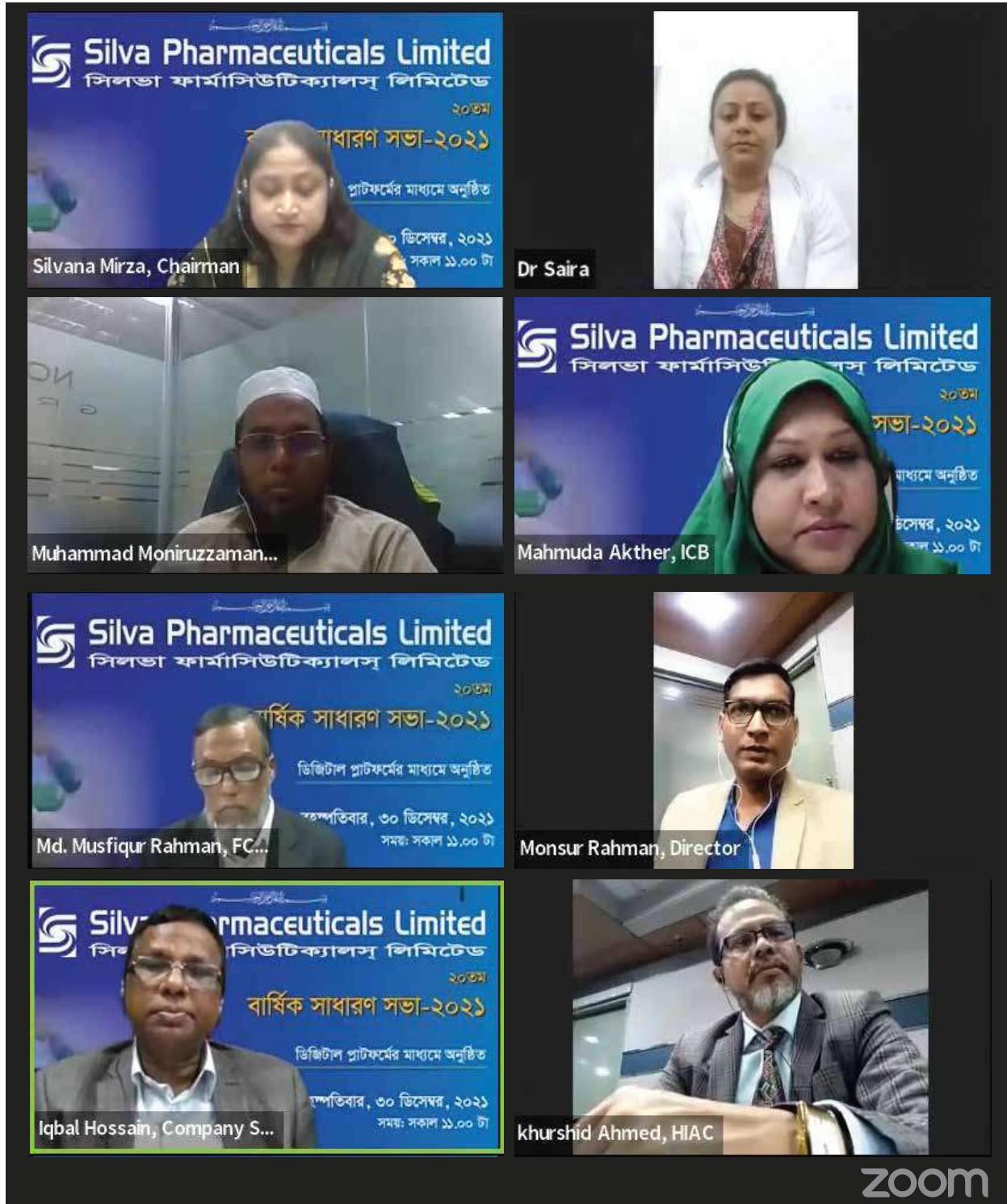
২০তম
বার্ষিক সাধারণ সভা-২০২১

ডিজিটাল প্ল্যাটফর্মের মাধ্যমে অনুষ্ঠিত

বৃহস্পতিবার, ৩০ ডিসেম্বর, ২০২১
সময়: সকাল ১১.০০ টা

Screenshots of 20th Annual General Meeting

Screenshots from 20th Annual General Meeting (AGM) held through Virtual Platform



Certificate of BAPLC



Director's Responsibilities

Statements of Director's Responsibilities for Financial Report

The Directors are responsible for ensuring that the company keeps proper books of accounts of all the transactions and the financial statements for the year from 01 July, 2021 to 30 June, 2022 and gives a true and fair view of the state of affairs and profit for the year.

The directors also ensure that the financial statements have been prepared and presented in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by the Financial Reporting Council (FRC), Bangladesh and provide the information as required by the Company Act 1994 (Amended in 2020), Bangladesh Securities and Exchange Ordinance 1969, Bangladesh Securities and Exchange Commission Rules 1987 and The Regulations, 2015 of the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

It ensures that the estimates and judgments relating to the financial statements were made on a prudent and reasonable basis, so that they reflect in a true and fair manner and reasonably present the Company's true state of affairs.

The Company has taken proper and sufficient care in installing a system of internal control, which is reviewed, evaluated and updated on regular basis. To augment those objectives, the Board of Directors has formed an Audit Committee as per code of Corporate Governance of Bangladesh Securities and Exchange Commission (BSEC). They have performed their responsibilities without any undue interface from any of the Directors.

Internal Audit and Compliance Department of the Company conducts periodic audits to provide reasonable assurance that the established policies and procedures of the Company are consistently followed.

The Company has adequate resources to continue operational existence for the foreseeable future and therefore, has continued to adopt the going concern basis in preparing the Accounts.


The Board of Directors confirms that International Accounting Standards (IAS) as adopted in Bangladesh by the Financial Reporting Council (FRC), have been adhered to, subject to any material departure being disclosed and explained in the notes to the accounts.

The Directors also confirm that the annual reports together with Director's Report and the Financial Statements have been prepared in compliance with the law, rules and regulatory guidance.

The Auditors of the Company, M/S. Shiraz Khan Basak & Co., Chartered Accountants, had carried out the Annual Audit to review on the system of internal controls, as they consider appropriate and necessary, for expressing their opinion on the financial statements. They have also examined the financial statements made available by the management together with all the financial records, related data and minutes of the Board, relevant policies and expressed opinion thereon.



Dr. Saira Khan, MBBS, DCH, FCPS
Managing Director



Md. Iqbal Hossain
Company Secretary

Declaration by MD & CFO**Annexure-A****Silva Pharmaceuticals Limited**
Declaration by Managing Director and Chief Financial Officer**[As per condition No. 1(5)(xxvi)]**

October 27, 2022

The Board of Directors
Silva Pharmaceuticals Limited
House #65, Road #8/A (New),
Dhanmondi, Dhaka-1209**Subject: Declaration on Financial Statements for the year ended on June 30, 2022.**

Dear Sirs,

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

- (1) The Financial Statements of Silva Pharmaceuticals Limited for the year ended on June 30, 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on June 30, 2022 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

**(Dr. Saira Khan, MBBS, DCH, FCPS)**
Managing Director**(Md. Abul Kasem)**
Chief Financial Officer (CFO)

Certificate of Corporate Governance Code



Sobhan Mansion (3rd Floor)
46/1, Purana Paltan, Dhaka-1000
Phone : 02-9581787
Email : zakaria.fca@gmail.com

Annexure – B**‘COMPLIANCE REPORT’**

[Certificate as per condition no. 1(5)(xxvii)] of Corporate Governance Code of Bangladesh Securities & Exchange Commission (BSEC) Vide Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018]

Report to the Shareholders of Silva Pharmaceuticals Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by **Silva Pharmaceuticals Limited** for the year ended on June 30, 2022. This Code relates to the Notification no. **BSEC/CMRRCD/2006-158/207/Admin/80** Dated **3 June, 2018** of the Bangladesh Securities and Exchange Commission.

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


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

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

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

Place: Dhaka
Dated: November 21, 2022




Md. Anwar Hossain FCA
Principal
S. M. Zakaria & Co.
Chartered Accountants

Annexure-C

Compliance status on Corporate Governance Code of BSEC

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

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

(Report under Condition No. 9)


| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---------------|--|-------------------|--------------|------------------|
| | | Complied | Not complied | |
| 1 | BOARD OF DIRECTORS | | | |
| 1(1) | Size of the Board of Directors | √ | | |
| 1(2) | INDEPENDENT DIRECTORS | | | |
| 1(2)(a) | At least 1/5 th of the total number of directors | √ | | |
| 1(2)(b)(i) | Does not hold any share or holds less than one percent (1%) shares of total paid up capital. | √ | | |
| 1(2)(b)(ii) | Not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares. | √ | | |
| 1(2)(b)(iii) | Has not been an executive of the company in immediately preceding 2 (two) financial years. | √ | | |
| 1(2)(b)(iv) | Has any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies | √ | | |
| 1(2)(b)(v) | Not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange | √ | | |
| 1(2)(b)(vi) | Not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market. | √ | | |
| 1(2)(b)(vii) | Not the partners or executives during preceding 3 (three) years of concerned company's statutory audit firm. | √ | | |
| 1(2)(b)(viii) | Not the independent directors in more than 5 (five) listed companies. | √ | | |
| 1(2)(b)(ix) | Not convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a non-bank financial institution (NBFIs). | √ | | |
| 1(2)(b)(x) | Not been convicted for a criminal offence involving moral turpitude. | √ | | |
| 1(2)(c) | Shall be appointed by the Board of Directors and approved by the Shareholders in the AGM. | √ | | |
| 1(2)(d) | The post of independent directors cannot remain vacant for more than 90 days. | √ | | |
| 1(2)(e) | The tenure of office of an Independent Directors shall be for a period of 3 (three) years which may be extended for 1 (one) term only. | √ | | |



| | | | | |
|--------------|--|---|--|------------------------------|
| 1(3) | QUALIFICATION OF INDEPENDENT DIRECTOR | | | |
| 1(3)(a) | Independent Director shall be knowledgeable individual with integrity who is able to ensure required compliance. | √ | | |
| 1(3)(b)(i) | Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company | | | Not Applicable |
| 1(3)(b)(ii) | Corporate Leader who is or was a top level executive not lower than CEO or MD or DMD or CFO or Head of F&A or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company | | | Not Applicable |
| 1(3)(b)(iii) | Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale | | | Not Applicable |
| 1(3)(b)(iv) | University Teacher who has educational background in Economics or Commerce or Business Studies or Law | | | Not Applicable |
| 1(3)(b)(v) | Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a CA or CMA or CFA or CCA or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification | √ | | |
| 1(3)(c) | The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b) | √ | | |
| 1(3)(d) | In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission | | | No such case become apparent |
| 1(4) | Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer | | | |
| 1(4)(a) | The positions of the Chairperson of the Board and the MD and/or CEO of the company shall be filled by different individuals | √ | | |
| 1(4)(b) | The MD and/or CEO of a listed company shall not hold the same position in another listed company | √ | | |
| 1(4)(c) | The Chairperson of the Board shall be elected from among the non-executive directors of the company | √ | | |
| 1(4)(d) | Separate Chairman and CEO and clearly defined roles and responsibilities. | √ | | |
| 1(4)(e) | Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson | √ | | |
| 1(5) | The Directors Report to Shareholders | | | |
| 1(5)(i) | Industry outlook and possible future developments in the industry | √ | | |
| 1(5)(ii) | Segment-wise or product-wise performance. | √ | | |
| 1(5)(iii) | Risks and concerns | √ | | |
| 1(5)(iv) | 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. | √ | | |



| | | | | |
|--------------------|---|---|---|------------------------|
| 1(5)(vi) | Basis for related party transaction- a statement of all related party transactions should be disclosed in the annual report | √ | | |
| 1(5)(vii) | Utilization of proceeds from public issues, right issues and/ or through any others instruments. | √ | | |
| 1(5)(viii) | An explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing etc. | | | No such event occurred |
| 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. | √ | | |
| 1(5)(x) | Remuneration to directors including independent directors. | √ | | |
| 1(5)(xi) | The financial statements prepared by the management of the company present fairly its state of affairs, the results of its operation, cash flows and changes in equity. | √ | | |
| 1(5)(xii) | Proper books of accounts of the 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) | IAS, BAS, IFRS, BFRS, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed. | √ | | |
| 1(5)(xv) | The system of internal control is sound in design and has been effectively implemented and monitored. | √ | | |
| 1(5)(xvi) | Interest of Minority Shareholders | √ | | |
| 1(5)(xvii) | There are no significant doubts upon the company's ability to continue as a going concern. | √ | | |
| 1(5)(xviii) | Significant deviations from the last year's operating results of the company shall be highlighted and the reasons thereof should be explained. | √ | | |
| 1(5)(xix) | Key operating and financial data of at least preceding 5 (Five) years shall be summarized. | √ | | |
| 1(5)(xx) | If the company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given. | √ | | |
| 1(5)(xxi) | Effect that no bonus shares or stock dividend has been declared as interim dividend | √ | | |
| 1(5)(xxii) | The number of Board meetings held during the year and attendance by each director shall be disclosed. | √ | | |
| 1(5)(xxiii) | The Pattern of shareholding: | | | |
| 1(5)(xxiii)(a) | Parent or Subsidiary or Associated Companies and other related parties | √ | | |
| 1(5)(xxiii)(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)(xxiii)(c) | Executives (top five salaried employees of the company other than stated in 1.5(xxi)b); | √ | | |
| 1(5)(xxiii)(d) | Shareholders holding ten percent (10%) or more voting interest in the company (name wise details). | √ | | |
| 1(5)(xxiv) | Appointment or re-appointment of a director | | | |

| | | | | |
|------------------|---|---|--|----------------|
| 1(5)(xxiv)(a) | A brief resume of the Director; | √ | | |
| 1(5)(xxiv)(b) | Nature of his/her expertise in specific functional areas. | √ | | |
| 1(5)(xxiv)(c) | Names of companies in which the person also holds the directorship and the membership of committees of the board. | √ | | |
| 1(5)(xxv) | Management discussion and analysis of financial statements | | | |
| 1(5)(xxv)(a) | accounting policies and estimation for preparation of financial statements | √ | | |
| 1(5)(xxv)(b) | changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes | √ | | |
| 1(5)(xxv)(c) | comparative analysis | √ | | |
| 1(5)(xxv)(d) | compare such financial performance or results and financial position as well as cash flows with the peer industry scenario | √ | | |
| 1(5)(xxv)(e) | briefly explain the financial and economic scenario of the country and the globe | √ | | |
| 1(5)(xxv)(f) | risks and concerns | √ | | |
| 1(5)(xxv)(g) | future plan or projection or forecast for company's operation, performance and financial position | √ | | |
| 1(5)(xxvi) | Declaration or certification by the CEO and the CFO to the Board | √ | | |
| 1(5)(xxvii) | Certificate regarding compliance of conditions of this Code | √ | | |
| 1(6) | Meetings of the Board of Directors | √ | | |
| 1(7) | Code of conduct for the Chairperson, other Board members and Chief Executive Officer | | | |
| 1(7)(a) | Board shall lay down a code of conduct | √ | | |
| 1(7)(b) | The code of conduct as determined by the NRC shall be posted on the website of the company | √ | | |
| 2 | Governance of Board of Directors of Subsidiary Company | The Company has no Subsidiary Company | | |
| 2(a) | Provisions relating to the composition of the Board of the holding company | | | Not Applicable |
| 2(b) | At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company | | | Not Applicable |
| 2(c) | The minutes of the Board meeting of the subsidiary company shall be placed for review | | | Not Applicable |
| 2(d) | The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also | | | Not Applicable |
| 2(e) | The Audit Committee of the holding company shall also review the financial statements | | | Not Applicable |
| 3 | Managing Director(MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS) |  | | |
| 3(1) | Appointment | | | |

| | | | | |
|----------------|---|---|--|--------------------------|
| 3(1)(a) | The Board shall appoint a MD or CEO, a Company Secretary, a CFO and a Head of Internal Audit and Compliance (HIAC) | √ | | |
| 3(1)(b) | The positions of the MD or CEO, Company Secretary, CFO and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals | √ | | |
| 3(1)(c) | The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time | √ | | |
| 3(1)(d) | The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS | √ | | |
| 3(1)(e) | The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board | | | Applicable when required |
| 3(2) | The MD or CEO, CS, CFO and HIAC shall attend the meeting of the Board of Directors' | √ | | |
| 3(3) | <i>Duties of MD or CEO and CFO</i> | | | |
| 3(3)(a) | <i>Certified by MD and CFO that they have reviewed financial statements and that to the best of their knowledge and belief:</i> | | | |
| 3(3)(a)(i) | Do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading | √ | | |
| 3(3)(a)(ii) | True and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws | √ | | |
| 3(3)(b) | MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members | √ | | |
| 3(3)(c) | The certification of the MD or CEO and CFO shall be disclosed in the Annual Report | √ | | |
| 4 | <i>BOARD OF DIRECTORS' COMMITTEE</i> | | | |
| 4(i) | Audit Committee | √ | | |
| 4(ii) | Nomination and Remuneration Committee | √ | | |
| 5 | <i>Audit Committee</i> | | | |
| 5(1) | <i>Responsibility to the Board of Directors</i> | | | |
| 5(1)(a) | The company shall have an Audit Committee as a sub-committee of the Board | √ | | |
| 5(1)(b) | Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company | √ | | |
| 5(1)(c) | The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing | √ | | |
| 5(2) | <i>Constitution of the Audit Committee</i> | | | |
| 5(2)(a) | The Audit Committee shall be composed of at least 3 members. | √ | | |
| 5(2)(b) | Constitution of Audit Committee with Board Members including one Independent Director. | √ | | |

| | | | | |
|----------------|--|---|--|--------------------------|
| 5(2)(c) | All members of the Audit Committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management experience. | √ | | |
| 5(2)(d) | Filling of Casual Vacancy in Committee | | | Applicable when required |
| 5(2)(e) | The Company Secretary shall act as the secretary of the Committee. | √ | | |
| 5(2)(f) | The quorum of the Audit Committee meeting shall not constitute without at least 1 independent director. | √ | | |
| 5(3) | Chairperson of the Audit Committee | | | |
| 5(3)(a) | Chairman of the Audit Committee shall be an Independent Director. | √ | | |
| 5(3)(b) | In absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson | | | No such event occurred |
| 5(3)(c) | Chairman of the audit committee shall remain present in the Annual General Meeting (AGM). | √ | | |
| 5(4) | Meeting of the Audit Committee | | | |
| 5(4)(a) | The Audit Committee shall conduct at least its four meetings in a financial year | √ | | |
| 5(4)(b) | The quorum of the meeting of the Audit Committee shall be constituted in presence | √ | | |
| 5(5) | Role of Audit Committee | | | |
| 5(5)(a) | Oversee the financial reporting process | √ | | |
| 5(5)(b) | Monitor choice of accounting policies and principles. | √ | | |
| 5(5)(c) | Monitor Internal Control Risk management process. | √ | | |
| 5(5)(d) | Oversee hiring and performance of external auditors. | √ | | |
| 5(5)(e) | Hold meeting with the external or statutory auditors | √ | | |
| 5(5)(f) | Review along with the management, the annual financial statements before submission to the board for approval. | √ | | |
| 5(5)(g) | Review along with the management, the quarterly and half yearly Financial Statements before submission to the Board for approval. | √ | | |
| 5(5)(h) | Review the adequacy of internal audit function. | √ | | |
| 5(5)(i) | Review the Management’s Discussion and Analysis before disclosing in the Annual Report | √ | | |
| 5(5)(j) | Review statement of all related party transactions submitted by the management. | √ | | |
| 5(5)(k) | Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors. | √ | | |
| 5(5)(l) | Oversee the determination of audit fees | √ | | |
| 5(5)(m) | 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. | √ | | |
| 5(6) | Reporting of the Audit Committee | | | |
| 5(6)(a) | Reporting to the Board of Directors. | | | |
| 5(6)(a)(i) | The Audit Committee shall report on its activities to the Board of Directors. | √ | | |



| | | | | |
|----------------|---|---|--|--------------------------|
| 5(6)(a)(ii)(a) | Report on conflicts of interests. | | | No such event occurred |
| 5(6)(a)(ii)(b) | Suspected or presumed fraud or irregularity or material defect in the internal control system; | | | No such event occurred |
| 5(6)(a)(ii)(c) | Suspected infringement of laws, including securities related laws, rules and regulations; | | | No such event occurred |
| 5(6)(a)(ii)(d) | Any other matter which shall be disclosed to the Board of Directors immediately. | | | No such event occurred |
| 5(6)(b) | If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier. | | | No such event occurred |
| 5(7) | Reporting of activities of the Audit Committee to the Shareholders and General Investors. | √ | | |
| 6 | <i>Nomination and Remuneration Committee (NRC)</i> | | | |
| 6(1) | <i>Responsibility to the Board of Directors'</i> | | | |
| 6(1)(a) | The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board | √ | | |
| 6(1)(b) | The NRC shall assist the Board in formulation of the nomination criteria or policy | √ | | |
| 6(1)(c) | The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b) | √ | | |
| 6(2) | <i>Constitution of the NRC</i> | | | |
| 6(2)(a) | The Committee shall comprise of at least three members including an independent director | √ | | |
| 6(2)(b) | All members of the Committee shall be non-executive directors | √ | | |
| 6(2)(c) | Members of the Committee shall be nominated and appointed by the Board | √ | | |
| 6(2)(d) | The Board shall have authority to remove and appoint any member of the Committee | √ | | |
| 6(2)(e) | In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee | | | No such event occurred |
| 6(2)(f) | The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor | | | Applicable when required |
| 6(2)(g) | The company secretary shall act as the secretary of the Committee | √ | | |
| 6(2)(h) | The quorum of the NRC meeting shall not constitute without attendance of at least an independent director | √ | | |



| | | | | |
|---------------|---|---|--|--------------------------|
| 6(2)(i) | No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company | √ | | |
| 6(3) | Chairperson of the NRC | | | |
| 6(3)(a) | The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director | √ | | |
| 6(3)(b) | In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson | | | Applicable when required |
| 6(3)(c) | The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders | √ | | |
| 6(4) | Meeting of the NRC | | | |
| 6(4)(a) | The NRC shall conduct at least one meeting in a financial year | √ | | |
| 6(4)(b) | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC | | | Applicable when required |
| 6(4)(c) | The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher where presence of an independent director is must as required under condition No. 6(2)(h) | √ | | |
| 6(4)(d) | The proceedings of each meeting of the NRC shall duly be recorded in the minutes | √ | | |
| 6(5) | Role of the NRC | | | |
| 6(5)(a) | NRC shall be independent and responsible or accountable to the Board and to the shareholders | √ | | |
| 6(5)(b)(i)(a) | The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully | √ | | |
| 6(5)(b)(i)(b) | The relationship of remuneration to performance is clear and meets appropriate performance benchmarks | √ | | |
| 6(5)(b)(i)(c) | Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance | √ | | |
| 6(5)(b)(ii) | Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality | √ | | |
| 6(5)(b)(iii) | Identifying persons who are qualified to become directors and who may be appointed in top level executive position | √ | | |
| 6(5)(b)(iv) | Formulating the criteria for evaluation of performance of independent directors and the Board | √ | | |
| 6(5)(b)(v) | Identifying the company's needs for employees at different levels | √ | | |
| 6(5)(b)(vi) | Developing, recommending and reviewing annually the company's human resources and training policies | √ | | |
| 6(5)(c) | The company shall disclose the nomination and remuneration policy | √ | | |
| 7 | External/Statutory Auditors. | | | |
| 7(1) | The issuer company shall not engage its external or statutory auditors' to perform the following services of the company, namely:- | | | |



| | | | | |
|------------|---|---|--|--|
| 7(1)(i) | Appraisal or valuation services or fairness opinions; | √ | | |
| 7(1)(ii) | Financial Information System design and implementation; | √ | | |
| 7(1)(iii) | Book-keeping or other services related to the accounting records or financial statements; | √ | | |
| 7(1)(iv) | Broker-dealer services; | √ | | |
| 7(1)(v) | Actuarial services; | √ | | |
| 7(1)(vi) | Internal audit services or special audit services | √ | | |
| 7(1)(vii) | Any services that the Audit Committee determines; | √ | | |
| 7(1)(viii) | Audit/certification services on compliance of corporate governance as required under condition No. 9(1); | √ | | |
| 7(1)(ix) | Any other service that creates conflict of interest. | √ | | |
| 7(2) | No partner or employees of the external audit firms shall possess any share of the company | √ | | |
| 7(3) | Representative of external or statutory auditors shall remain present in the Shareholders' Meeting | √ | | |
| 8 | <i>Maintaining a website by the Company</i> | | | |
| 8(1) | The company shall have an official website linked with the website of the stock exchange | √ | | |
| 8(2) | The company shall keep the website functional from the date of listing | √ | | |
| 8(3) | The company shall make available the detailed disclosures on its website | √ | | |
| 9 | <i>Reporting and Compliance of Corporate Governance</i> | | | |
| 9(1) | The company shall obtain a Certificate from a practicing Professional Accountant or Secretary (CA/CMA/CS) regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. | √ | | |
| 9(2) | The professional who will Provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the AGM | √ | | |
| 9(3) | The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not. | √ | | |



Auditors Report to the Shareholders



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Independent Auditors' Report To the Shareholders of Silva Pharmaceuticals Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Silva Pharmaceuticals Limited, which comprise the statement of financial position as at 30 June 2022, and the Statement of Profit or Loss and other Comprehensive Income, statement of changes in equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

Basis of opinion

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

Key Audit Matters

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

| Risks | Our response to the risks |
|---|--|
| Revenue recognition | |
| At the year end the company reported total revenue of BDT 778,669,854 (2020-2021: BDT 799,249,592). Revenue is measured at contract value. Sales income is the major source of income for the company. Therefore, there is a risk of revenue being misstated. | We have tested the design and operative effectiveness of key controls focusing on the following: <ul style="list-style-type: none"> • Check controls over taking sales orders; • Segregation of duties in invoice creation and modification; and • Timing of revenue recognition. |
| There is also a risk that revenue may be overstated due to fraud through manipulation and management may feel to achieve performance targets. | Our substantive procedures in relation to the revenue recognition comprises the following: <ul style="list-style-type: none"> • Obtaining supporting documentation for sales transactions recorded either side of year end |





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| | |
|--|--|
| | <p>to determine whether revenue was recognized in the correct period;</p> <ul style="list-style-type: none"> • Cross match sales order, sales invoice and dispatch carefully; and • Critically assessing journals posted to revenue to identify unusual or irregular items. |
| See note no. 21 to the financial statements | |
| Property, Plant and Equipment | |
| <p>The carrying value of property, plant and equipment amount to BDT 1,195,089,482 (2020-2021: BDT 1,175,793,246). This represents a material amount in the company's statement of financial position as at 30 June 2022 as:</p> <ul style="list-style-type: none"> • There is a risk of determining which costs meet the criteria for capitalization; • Determining the date on which the assets is recognized to property, plant and equipment and depreciation commences; • The estimation of economic useful lives and residual values assigned to property, plant and equipment. <p>Additionally, we identified the carrying value of property, plant and equipment as a key audit matter because of the high level of management judgment involved and because of its significance to the financial statements.</p> | <p>Our audit procedures to assess the carrying value of the property, plant and equipment included the following:</p> <ul style="list-style-type: none"> • Assessing the design, implementation and operating effectiveness of key internal controls over the completeness, existence and accuracy of property, plant and equipment including the key internal controls over the estimation of useful economic lives and residual values; • Testing supporting evidence of acquisition made on sample selected during the year to verify accuracy of recorded cost and ownership of acquired assets to the company; • Testing the key controls over the management's judgement in relation to the accounting estimates of the useful economic lives and residual values of property, plant and equipment; • Physically inspected assets located at factory to verify their existence and assets condition of use during our audit. • Assessing the adequacy of the disclosures of the financial statements. |
| See note no. 4 to the financial statements | |
| Inventories | |
| <p>At year end the company reported total Inventories of BDT 482,294,430 (2020-2021: BDT 464,181,830).</p> <ul style="list-style-type: none"> • This represent material amount of company's working capital in the financial statement as at 30 June 2022 as there is risk of uncollectible; • There is risk of overvaluation; • There is a risk of expiry of date of stocks. • There is a risk of damage of stocks. | <p>Our audit procedure to access the amount of inventories including the following:</p> <ul style="list-style-type: none"> • We conducted physical inventories accompanying with companies related staff. • Checking of cost sheet of finished product, checking of purchased price of raw materials. |
| See note no. 8 to the financial statements | |





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| Trade Receivable | |
|---|--|
| <p>At year end the company reported total Receivable of BDT 255,048,274 (2020-2021: BDT 269,911,936).</p> <ul style="list-style-type: none"> This represent material amount of company's working capital in the financial statement as at 30 June 2022 as there is risk of uncollectible; There is risk of untraceable of credit parties which resulting bad debts. | <p>Our audit procedure to access the amount of trade receivable including the following:</p> <ul style="list-style-type: none"> Checking of sales ledgers with DEPO wise sales ledgers. Checking of subsequent collection amount. Aging analysis. Checking balance confirmation. |
| See note. 9.01 to the financial statements | |

Emphasis of matter

Property plant & equipment: Detailed fixed asset (PPE) register is to be maintained properly. Physical verification (PPE) to be conducted in every year. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. The annual report is expected to be made available to us after the date of this auditors' report.

In connection with our audit of the financial statements, our responsibility is to read the other information identifies above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance of the company.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with related (IASs) and (IFRSs), and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

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





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Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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



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Report on other Legal and Regulatory Requirements


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

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

Dated, Dhaka,
31 October 2022

Shiraz Khan Basak & Co.
Chartered Accountants




Bhudhar Chakraborty FCA
Enrollment no. 599, Partner
DVC: 2210310599AS280327

The Financial Statements

Silva Pharmaceuticals Limited Statement of Financial Position As at 30 June, 2022

| Particulars | Notes | Amount in Taka | |
|---|-------|----------------------|----------------------|
| | | 30-Jun-22 | 30-Jun-21 |
| ASSETS | | | |
| Non Current Assets | | 1,481,576,724 | 1,372,217,229 |
| Property, Plant and Equipment | 4.00 | 1,195,089,482 | 1,175,793,246 |
| Intangible Assets | 5.00 | 1,511,899 | 1,679,888 |
| Right-of-use asset (ROU) | 6.00 | 10,729,545 | 16,275,117 |
| Capital work-in-Progress | 7.00 | 274,245,798 | 178,468,978 |
| Current Assets | | 1,063,164,037 | 1,074,937,836 |
| Inventories | 8.00 | 482,294,430 | 464,181,830 |
| Trade and Other Receivables | 9.00 | 257,610,366 | 272,213,765 |
| Advances, Deposits and Prepayments | 10.00 | 61,789,184 | 68,212,863 |
| Fixed Deposits Receipts (FDR) | 11.00 | 225,044,565 | 211,666,669 |
| Cash and Cash Equivalents | 12.00 | 36,425,492 | 58,662,709 |
| Total Assets | | 2,544,740,761 | 2,447,155,065 |
| SHAREHOLDERS EQUITY AND LIABILITIES: | | | |
| Equity | | 2,325,198,381 | 2,270,472,128 |
| Share Capital | 13.00 | 1,365,000,000 | 1,365,000,000 |
| Retained Earnings | 14.00 | 960,198,381 | 905,472,128 |
| LIABILITIES | | | |
| Non-Current Liabilities | | 81,431,672 | 88,198,786 |
| Deferred Tax Liabilities | 15.00 | 75,680,194 | 80,303,550 |
| Lease liabilities | 16.00 | 5,751,478 | 7,895,236 |
| Current Liabilities | | 138,110,708 | 88,484,151 |
| Lease liabilities | 16.00 | 2,336,467 | 5,673,281 |
| Trade and Other Payables | 17.00 | 6,895,028 | 6,253,488 |
| Unclaimed Dividend Account | 18.00 | 1,296,932 | 1,519,762 |
| Short Term Finance | 19.00 | 91,006,834 | 29,136,806 |
| Provision for Expenses | 20.00 | 36,575,447 | 45,900,814 |
| Total Liabilities | | 219,542,380 | 176,682,937 |
| Total Equity & Liabilities: | | 2,544,740,761 | 2,447,155,065 |
| Net Assets Value (NAV) per share | 30.00 | 17.03 | 16.63 |
| Number of Shares used to compute NAV | | 136,500,000 | 136,500,000 |

The accompanying Notes 1 to 44 form an integral part of these financial statements.


Managing Director


Director



Chief Financial Officer


Company Secretary

Dated. Dhaka
31 October 2022



Shiraz Khan Basak & Co
Chartered Accountants


Bhudhar Chakraborty FCA
Enrollment no. 599, Partner
DVC: 2210310599AS280327

An associate firm of D. N. Gupta & associates

 Silva Pharmaceuticals Limited

Silva Pharmaceuticals Limited
Statement of Profit or Loss and other Comprehensive Income
For the year ended 30 June, 2022

| Particulars | Notes | Amount in Taka | |
|---|-------|-----------------------------|-----------------------------|
| | | 01/07/2021 to 30/06/2022 | 01/07/2020 to 30/06/2021 |
| Revenue | 21.00 | 778,669,854 | 799,249,592 |
| Cost of goods sold | 22.00 | (491,295,776) | (484,445,877) |
| Gross Profit | | 287,374,078 | 314,803,715 |
| Operating expenses | | (170,829,024) | (166,088,393) |
| Administrative Expenses | 23.00 | (38,223,876) | (36,833,475) |
| Selling & Distribution Expenses | 24.00 | (132,605,148) | (129,254,918) |
| Operating Income | | 116,545,054 | 148,715,322 |
| Financial expenses | 25.00 | (4,759,978) | (2,792,095) |
| Other income | 26.00 | 10,714,456 | 12,989,411 |
| Net Operating Profit | | 122,499,532 | 158,912,638 |
| Workers' Profit Participation and Welfare Fund (WPP&WF) | 27.00 | (5,833,311) | (7,567,268) |
| Net Profit before Income Tax | | 116,666,221 | 151,345,370 |
| Income Tax Expenses | | (14,410,627) | (31,491,619) |
| Current Tax Expenses | 28.01 | (19,033,983) | (36,165,456) |
| Deferred Tax Income /(Expenses) | 28.02 | 4,623,356 | 4,673,837 |
| Net Profit after tax | | 102,255,594 | 119,853,751 |
| Other Comprehensive Income | | - | - |
| Total comprehensive income for the year | | 102,255,594 | 119,853,751 |
| Earnings per Share (EPS) | 29.00 | 0.75 | 0.88 |
| Number of Shares used to compute EPS | | 136,500,000 | 136,500,000 |

The accompanying Notes 1 to 44 form an integral part of these financial statements.


Managing Director


Director

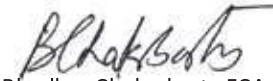

Chief Financial Officer


Company Secretary

Dated. Dhaka
31 October 2022



Shiraz Khan Basak & Co
Chartered Accountants


Bhudhar Chakraborty FCA
Enrollment no. 599, Partner
DVC: 2210310599AS280327

An associate firm of D. N. Gupta & associates

 Silva Pharmaceuticals Limited

Silva Pharmaceuticals Limited**Statement of Changes in Equity****For the year ended 30 June, 2022**

| Particulars | Amount in Taka | | |
|--------------------------------------|----------------------|--------------------|----------------------|
| | Share Capital | Retained Earnings | Total |
| Balance as on 1st July, 2021 | 1,365,000,000 | 905,472,128 | 2,270,472,128 |
| Interest on Dividend Payable Account | - | (37,841) | (37,841) |
| Dividend for the year 2020-2021 | - | (47,491,500) | (47,491,500) |
| Net profit after tax during the year | - | 102,255,594 | 102,255,594 |
| Balance as at 30 June, 2022 | 1,365,000,000 | 960,198,381 | 2,325,198,381 |

The Board of Directors of the Company has recommended 3.00% cash dividend for all shareholders excluding Sponsor & Directors (except 1.50% for ICB) in its 93rd board meeting dated 27 October, 2022.

For the year ended 30 June, 2021

| Particulars | Amount in Taka | | |
|--------------------------------------|----------------------|--------------------|----------------------|
| | Share Capital | Retained Earnings | Total |
| Balance as on 1st July, 2020 | 1,365,000,000 | 833,109,877 | 2,198,109,877 |
| Dividend for the year 2019-2020 | - | (47,491,500) | (47,491,500) |
| Net profit after tax during the year | - | 119,853,751 | 119,853,751 |
| Balance as at 30 June, 2021 | 1,365,000,000 | 905,472,128 | 2,270,472,128 |

The Board of Directors of the Company has recommended 5% cash dividend for all shareholders excluding Sponsor & Directors (except ICB) in its 89th board meeting dated 27 October, 2021.

The accompanying Notes 1 to 44 form an integral part of these financial statements.


Managing Director


Director


Chief Financial Officer


Company Secretary



An associate firm of D. N. Gupta & associates

 Silva Pharmaceuticals Limited

Silva Pharmaceuticals Limited
Statement of Cash Flows
For the year ended 30 June, 2022

| Particulars | Notes | Amount in Taka | |
|---|--------------|-----------------------------|-----------------------------|
| | | 01/07/2021 to 30/06/2022 | 01/07/2020 to 30/06/2021 |
| Cash flows from Operating Activities | | | |
| Cash received from Customers | 31.00 | 793,533,516 | 789,335,155 |
| Cash received from non-operating income | 32.00 | 10,454,193 | 14,116,926 |
| Cash Paid to Suppliers | 33.00 | (427,738,902) | (440,348,010) |
| Cash Paid to Employees | 34.00 | (162,164,126) | (147,622,544) |
| Cash Paid for Others | 35.00 | (22,945,371) | (25,084,434) |
| Cash payment for Financial Expenses | | (4,062,070) | (1,736,978) |
| Income Tax Paid | 36.00 | (26,231,793) | (29,258,410) |
| Net cash generated from operating activities (A)* | 42.00 | 160,845,447 | 159,401,705 |
| Cash flows from Investing Activities | | | |
| Acquisition of Property, Plant and Equipment | 37.00 | (54,112,261) | (7,861,341) |
| Cash Payments for Capital Work-in-progress | | (123,531,884) | (69,323,197) |
| Cash received/Payments from/to FDR | | (13,377,896) | (8,631,491) |
| Net cash used in investing activities (B) | | (191,022,041) | (85,816,029) |
| Cash flows from Financing Activities | | | |
| Short Term Loan received/(paid) from Bank (Net) | | 61,870,028 | 2,456,331 |
| Cash payment towards lease liabilities | | (6,178,480) | (6,492,480) |
| Cash Dividend Paid | | (47,752,171) | (47,299,098) |
| Net cash flow from financing activities (C) | | 7,939,377 | (51,335,247) |
| Net increase/(decrease) of Cash and Cash Equivalents (A+B+C) | | (22,237,217) | 22,250,429 |
| Cash and Cash Equivalents at the beginning of the year | | 58,662,709 | 36,412,280 |
| Cash and Cash Equivalents at the end of the year | 12.00 | 36,425,492 | 58,662,709 |
| Net Operating Cash Flow Per Share (NOCFPS) | 38.00 | 1.18 | 1.17 |
| Number of Shares used to compute NOCFPS | | 136,500,000 | 136,500,000 |

*Refer to Note 42.00 for a reconciliation between net profit with cash flows from operating activities.
The accompanying Notes 1 to 44 form an integral part of these financial statements.


Managing Director


Director


Chief Financial Officer


Company Secretary



An associate firm of D. N. Gupta & associates

 Silva Pharmaceuticals Limited

Silva Pharmaceuticals Limited**Notes to the Financial Statements****For the year ended 30 June, 2022****1.00 About the Company****1.01 Formation and Legal Status**

Silva Pharmaceuticals Limited (the 'Company') was incorporated in Bangladesh on 24 April 2001 as a Private Limited Company and subsequently converted into Public Limited Company on 22 April, 2014 under the Companies Act, 1994 vide Registration No. CH-42959(2318)/2001 dated 24 April 2001. The Company went for Initial Public Offering (IPO) in 2018. The company is a publicly traded company and is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchanges Limited (CSE) since 10th October, 2018.

1.02 Address of the Registered Office and Factory

The registered and corporate office of the company is located at House # 65, Road No. 8/A (New), Dhanmondi, Dhaka-1209, Bangladesh.

Factory of the company is situated at 137, Joykrishnarampur, Main Road, Maijdee Court, Noakhali.

1.03 Nature of Business

The Company is engaged in manufacturing and marketing of pharmaceuticals finished products in the categories of Antibiotics, Analgesics, Anti diabetics, Narcotics, Anti pyretic, Anti inflammatory Drugs, Anti ulcerants, Antiemetic, Gastroprokinetic, Anti histamine, Anti spasmodic expectorants, Vitamins & Minerals medicines which is selling mainly in local market.

2.00 Basis of Preparation of Financial Statements**2.01 Presentation of Financial Statements**

The presentation of these financial statements is in accordance with the guidelines provided by International Accounting Standards (IAS)-1 "Presentation of Financial Statements". The Financial Statements includes the following components:

- i) The Statement of Financial Position as at 30 June, 2022;
- ii) The Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June, 2022;
- iii) The Statement of Changes in Equity for the year ended 30 June, 2022;
- iv) The Statement of Cash Flows for the year ended 30 June, 2022; and
- v) The Notes, comprising summary of significant accounting policies and other explanatory information.

2.02 Statement of Compliance with Applicable Laws and Standards

The Financial Statements have been prepared on accrual basis in accordance with generally accepted accounting principle and practice in Bangladesh in compliance with the Companies Act, 1994, the Bangladesh Securities and Exchange Rules, 1987, The Financial Reporting Act, 2015, the Listing Regulation of Dhaka Stock Exchange Limited (DSE) and Chitagong Stock Exchange Limited (CSE) 2015 and International Financial Reporting Standards (IFRSs) as adopted by the Financial Reporting Council, Bangladesh.

2.03 Other Regulatory Compliance

The Company also complied with the requirements of following laws and regulations from various Government bodies/regulations:

- The Income Tax Ordinance, 1984
- The Income Tax Rules, 1984
- The Value Added Tax and Supplementary Duty Act, 2012
- The Value Added Tax and Supplementary Duty Rules, 2016
- The Drugs Act, 1940 and the Drugs Rules, 1946
- The Drug (Control) Ordinance, 1982
- The Customs Act, 1969
- The Stamp Act, 1899
- The Bangladesh Securities and Exchange Commission Act, 1993
- The Bangladesh Securities and Exchange Commission Rules, 1987
- Listing (DSE & CSE) Regulations, 2015
- Bangladesh Labour Act, 2006

2.04 Use of Estimates and Judgments

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS's) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

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

2.05 Going Concern

The financial statements of the Company have been prepared on a going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon Company's ability to continue as a going concern. The management do not see any issue with respect to going concern due to the COVID-19 pandemic and the ongoing Russia-Ukraine geopolitical situation which has caused supply chain disruptions as well as additional cost pressure for devaluation of BDT against USD as well as market uncertainties. Besides, the management is not aware of any other material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern, which is most unlikely though yet considering overall perspectives.

2.06 Functional and Presentation Currency

The financial statements are expressed in Bangladesh Currency (Taka/ Tk.), which is both functional and reporting currency of the Company.

2.07 Reporting Period

The financial statements of the Company consistently cover one financial year commencing from 01 July, 2021 to 30 June, 2022.

2.08 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.

2.09 Authorization for issuing Financial Statements

The Financial Statements were authorized for issue by the Board of Directors in its meeting held on 27 October 2022 for publication.

2.10 Accrual Basis

The Financial Statements have been prepared, except Cash Flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the company recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the IFRS conceptual Framework.

2.11 Comparative and reclassification

Comparative information has been disclosed in respect of 2021-2022 in accordance with IAS-1 "Presentation of Financial Statements" for all numerical, narrative and descriptive information where it is relevant for understanding of the current year financial statements. Comparative figures have been rearranged/reclassified wherever considered necessary, to ensure better comparability with the current year financial statements and to comply with relevant IFRSs.

2.12 Application of Standards

As per para 12 of the Securities and Exchange Rules 1987, the company complied with the following International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by The Financial Reporting Council (FRC) in preparing the financial statements.

| Name of the Accounting Standards | Reference No. |
|---|---------------|
| International Accounting Standards (IASs) | |
| Presentation of Financial Statements | IAS-1 |
| Inventories | IAS-2 |
| Statement of Cash Flows | IAS-7 |
| Accounting Policies, Changes in Accounting Estimates and Errors | IAS-8 |
| Events after the Reporting period | IAS-10 |
| Income Taxes | IAS-12 |
| Property, Plant & Equipment | IAS-16 |
| Employee Benefits | IAS-19 |
| The Effects of Changes in Foreign Exchange Rates | IAS-21 |
| Borrowing Costs | IAS-23 |
| Related Party Disclosures | IAS-24 |
| Financial instruments: Presentation | IAS-32 |
| Earnings Per Share | IAS-33 |
| Interim Financial reporting | IAS-34 |
| Impairment of assets | IAS-36 |
| Provisions, Contingent Liabilities and Contingent Assets | IAS-37 |
| Intangible Assets | IAS-38 |

| Name of the Accounting Standards | Reference No. |
|--|---------------|
| International Financial Reporting Standards (IFRSs) | |
| Financial Instruments: Disclosure | IFRS-7 |
| Operating Segments | IFRS-8 |
| Financial Instruments | IFRS-9 |
| Fair Value Measurement | IFRS-13 |
| Revenue from Contracts with Customers | IFRS-15 |
| Leases | IFRS-16 |

3.00 Significant Accounting Policies

3.01 Property, Plant and Equipment (PPE)

i) Recognition and Measurement

An item shall be recognized as Property, Plant and Equipment's (PPE) if, and only it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably.

In compliance with the IAS 16 "Property, Plant and Equipment" items of Property, Plant & Equipment (PPE) excluding land are initially measured at cost less accumulated depreciation and accumulated impairment losses, if any. Land is measured at cost. The cost of an item of PPE comprises its purchase price, import duties and non-refundable taxes after deducting trade discount and rebates and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable operating in the intended manner. The cost also includes the cost of replacing part of the property, plant & equipment and borrowing costs for term debt availed for the construction / implementation of the PPE, if the recognition criteria are met.

The cost of self-constructed assets includes the cost of material and direct labour and other cost directly attributable to bringing the assets to a working condition inclusive of inward freight, duties and non-refundable taxes for their intended use.

ii) Subsequent Costs

The subsequent expenditure is only capitalized as part of assets when the useful life or economic benefit or both of that asset is increased provided that it is provable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The cost of the day to day maintaining cost on PPE are recognized in the Statement of Profit or Loss and Other Comprehensive Income as incurred.

iii) Depreciation

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives. Depreciation has been charged on item of property, plant and equipment except land and land development is recognized in the statement of profit or loss and other comprehensive income using "Reducing Balance Method" over the estimated useful lives of each items.

Depreciation on addition to fixed assets charged when the assets are available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Rate of depreciation on property, plant and equipment considering their useful lives are as follows:

| Category of Fixed Assets | Rate of Depreciation |
|------------------------------|----------------------|
| Plant & Machinery | 10% |
| Generator | 10% |
| Building Decoration | 10% |
| Electrical Installation | 10% |
| Gas Installation | 10% |
| Office Equipment | 10% |
| Factory Equipment | 10% |
| Furniture and Fixture | 10% |
| Vehicles | 20% |
| Power House | 10% |
| Laboratory Equipment | 10% |
| Factory Building & Warehouse | 2.50% |

iv) Retirement and Disposals

An asset is de-recognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized as gain or loss from disposal of asset under other income in the statement of comprehensive income.

Impairment

The company reviews the recoverable amount of its assets at each reporting date. If there exist any indication that the carrying amount of assets exceeds the recoverable amount, the company recognizes such impairment loss in accordance with IAS-36 "Impairment of Assets".

All assets have been reviewed according to IAS-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.

3.02 Capital work in progress

Property, Plant and Equipment under construction / acquisition have been accounted for as Capital work-in-progress until construction / acquisition is completed and measures at cost. In case of import, capital work in progress is recognized when risks and rewards associated with such assets are transferred to the company.

3.03 Intangible assets and research and development expenditures

Intangible assets are stated at cost less provisions for amortization and impairments, if any. License, patents, know-how and marketing rights acquired are amortized over their estimated useful lives, using the straight line basis, from the time they are available for use. The cost of acquiring and developing computer software for internal use and internet sites for external use are capitalized as intangible assets where the software or site supports a significant business system and the expenditure leads to the creation of a durable asset.

In compliance with the requirements of IAS 38 "Intangible Assets", research, development and experimental costs are usually absorbed as revenue charges as and when incurred. However, the research and development expenditures that is definite to yield benefit to the Company and is material in the Company 's and/ local context, are capitalized as per IAS-38.

3.04 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds as per IAS 23: Borrowing Costs.

3.05 Inventories

Inventories are stated at the lower of cost or net realizable value in accordance with the Para of 21 & 25 of IAS-2 "Inventories". Costs including an appropriate portion of fixed and variable overhead expenses are assigned inventories by the method most appropriate to the particular class of inventory. Net Realizable Value represents the estimated selling price for the inventories less all estimated cost of completion and cost necessary to make the sale. Item wise valuation is as follows:

- i) Raw and packing materials at weighted average cost ;
- ii) Work-in-progress at standard cost;
- iii) Finished goods at lower of cost or net realizable;
- iv) Printing & Stationary and Spare & Tools are at cost.

Standard cost comprises value of materials, standard activity cost and overheads.

3.06 Financial Instruments

IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

A financial instrument is any contract that gives rise to financial assets and a financial liability or equity instrument of another entity.

I. Financial Assets

(a) Investment in fixed deposit receipt

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

(b) Trade and Other Receivables

Trade receivables represents amount due from customers arising from transactions in the ordinary course of business. Other receivable amount consists of any other types of due from different parties. Aging calculation is prepared to assess the probability of non- recovery of any receivables.

Both receivables are initially recognized at original invoice/face value and subsequently assessed for recoverability and reported accordingly. The management contentiously assess whether provision for bad debt is required and if needed, will account for it.

(c) Advances, Deposits and Prepayments

- Advances are recognized initially at actual cost and deductions or adjustments are accounted for on a timely and suitable manner.
- Deposits are payments made for specific purposes which are expected to be realized or recovered in due course.

- After initial recognition at cost, prepayments are carried at cost less the amount charged for respective periods.

(d) **Cash and cash equivalents**

Cash and cash equivalents consists of cash on hand and with banks on current accounts, deposit accounts and short term investments which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

II. **Financial Liabilities**

(a) **Borrowings**

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

(b) **Trade and Other Payables**

Trade payables include amounts due to suppliers and other relevant parties in relation to the operating activities while other payables consist of amount payable to all the other parties not directly related to the operation of the company. These payables are recognized initially at fair value less any directly attributable transaction costs and subsequently measured at amortized cost using effective interest method.

3.07 Changes in significant accounting policies

The Company has consistently applied the accounting policies to all periods presented in these financial statements.

3.08 Leases

IFRS 16 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments

The Company entered into lease agreements with lessors to use building floor space for business purposes. It does not includes any Machinery, Copy Right, Software, Vehicles etc. The contracts don't offer any buying option, commitment to buy or any assurance of post use minimum market price for the used floors. Considering exemptions allowed in IFRS-16 (shorter contract tenor and small amount of rental expenses in respect to total revenue, the rental agreements are not considered as finance lease.

(a) **Lease Assets (Right of Use Of Assets)**

The right of use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the lessee. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar. Depreciation have charged on right to use assets on straight line basis over the lease period.

(b) **Lease Liabilities**

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessee shall use their incremental borrowing rate.

3.09 Provisions

Provisions are recognized in the financial statements in line with the International Accounting Standards (IAS)-37 "Provisions, Contingent liabilities and Contingent Assets" when

- i) The company has a legal constructive obligation as a result of past events.
- ii) It is probable that an outflow of economic benefit will be required to settle the obligations.
- iii) A reliable estimate can be made of the amount of the obligations.

The Company has no contingent liabilities & assets as per IAS 37 as on 30 June, 2022.

3.10 Related Party Disclosures

As per International Accounting Standards IAS-24 "Related Party Disclosures", parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties which have been given in Note-43.00 of these Financial Statements.

3.11 Employees' Benefit

The company maintains defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds. Employees of the company are entitled to get the following benefits from the company.

The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19 Employee Benefits.

The company's employee benefits include the following:

i) Short Term Employee Benefits

Short-term employee benefits include salaries, bonus etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

ii) Workers Profit Participation and Welfare Fund (WPP&WF)

The company makes an allocation of 5% on net profit after charging such contribution but before tax to this fund as per provisions of the Bangladesh Labour Act, 2006 (Amendment 2013) and is payable to the workers as define in the said Law.

iii) Provident Fund

The company has established contributory provident fund scheme. The fund is wholly administered by a Board of Trustees. No part of the fund is included in the assets of the company. The fund is recognised by NBR.

3.12 Revenue Recognition

The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers to the customer. To achieve that core principle this standard establishes a five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocation the transaction price to the performance obligations in the contracts; and
- Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five step model the company recognizes revenue when (or as) the company satisfies a performance obligation by transferring a promise goods to a customer. Goods is considered as transferred when (or as) the customer obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).

(a) Sale of Goods

Revenue from sale of Goods is recognized when control of the goods and services are transfer to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods. The company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

(b) Interest and Dividend Income

Interest Income is recognized when accrued on a time proportion basis. Dividend income from an investment is recognized when the company's right to receive the payments is established, which is generally the date when shareholders approve the dividend.

3.13 Income Taxes

Income tax expenses comprised of current and deferred tax. Income tax expenses is recognized in the Statement of Profit or Loss and Other Comprehensive Income and accounted for in accordance with requirement of IAS-12 "Income Taxes".

i) Current Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years. The tax rate used for the reporting period was 20.00% as a publicly traded company.

ii) Deferred Tax

The company has recognized deferred tax in compliance with the provision of IAS-12 "Income Taxes". The policy of recognition of deferred tax assets/liabilities is based on temporary differences (taxable or deductible) between the carrying amount (Book Value) of assets and liabilities for financial reporting purpose and its tax base, and accordingly, deferred tax income or expense has been considered to determine net profit after tax and Earnings Per Share (EPS).

3.14 Segment Reporting

As required by IFRS-8 "Operating Segments", if an entity operates and engages in different economic environments and activities then the entity has to disclose information, to enable users of its financial statements to evaluate the nature and financial effects of the business so carried out.

The company consider the operation on aggregate basis and manage the operations as a single operating segment. Hence it is felt that such segment reporting is not required to be disclosed.

3.15 Contingent Liabilities and Assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. In accordance with **IAS-37 "Provisions, Contingent Liabilities and Contingent Assets"** should not be recognized in the year in which the recognition criteria of provision have been made.

3.16 Statement of Cash flows

Statement of Cash Flows is prepared principally in accordance with **IAS 7 " Statement of Cash Flows"**. The cash generating from operating activities has been reported using the direct method as prescribed by the Securities and Exchange Rules, 1987 and as the benchmark treatment of IAS-7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.17 Earnings Per Share (EPS)

Earnings Per Share (EPS) has been calculated in accordance with the International Accounting Standard IAS-33 "Earnings Per Share", by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

i) *Basic Earnings Per Share*

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary equity holders of the entity by the weighted average number of ordinary shares outstanding during the year. The basic EPS of previous year has been restated to adjust the effect of bonus issue of shares during the year. 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.

ii) *Diluted Earnings Per Share*

For the purpose of calculating diluted earnings per share, an entity adjusts profit or loss attributable to each ordinary equity holders of the entity and weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares. Diluted EPS is only calculated where the company has commitment to issue ordinary share in future at reporting date. No such commitment is hold by the company at reporting date.

3.18 Materiality, Aggregation and Offsetting

Each material item as considered by management significant has been displayed separately in the financial statements. Financial Statements are a result of processing a large number of transactions or events that are aggregated into classes according to the nature or function. No amount has been set off unless the Company has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards. The values of assets or liabilities as shown in the statement of financial position are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore.

3.19 Financial Risk Management

International Financial Reporting Standard (IFRS) 7 - Financial instruments: Disclosures - requires disclosure of information relating to: both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the Company's policies for controlling risks and exposures.

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. This note presents information about the company's exposure to each of the following risks, the company's objectives, policies and processes for measuring and managing risk, and its management of capital. The company has exposure to the following risks from its use of financial instruments.

- a) Credit Risk
- b) Liquidity Risk
- c) Market Risk

a) Credit Risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk information helps users of Financial Statements assess the credit quality of the entity's financial assets and level and sources of impairment loss. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. As at 30 June 2022, a substantial part of the receivables is subject to insignificant credit risk. Risk exposures from other financial assets i.e. cash at the bank and other external receivables are very nominal.

Management Perception:

The senior management of Silva Pharmaceuticals Limited carefully manages its exposure to credit risk. Credit exposures arise principally in receivables from customers into Silva Pharmaceuticals Limited asset portfolio. The credit risk management and control are controlled through the credit policies of the company which are updated regularly. The company is also exposed to other credit risks arising from balances with banks which are controlled through board approved counterparty limits.



An associate firm of D. N. Gupta & associates

 Silva Pharmaceuticals Limited

b) Liquidity Risk:

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

Management Perception:

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

c) Market Risk:

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

Management Perception:

Management is fully aware of the market risk and act accordingly. Market for pharmaceuticals drugs and medicines in Bangladesh is growing at an exponential rate. Moreover, the company has a strong marketing and brand management to increase the customer base and customer loyalty.

3.20 The Effects of Changes of Foreign Exchange Rates

Foreign currency transactions are recorded at the rates applicable on the date of transaction in accordance with IAS-21 (The Effects of Changes in Foreign Exchange Rates). Gains or losses out of foreign currency transactions are charged/credited to the profit and loss account whenever arises. This year the company do not generate any revenue from export sale and the company imported raw materials and packing materials through sight L/C. Hence, no gain or losses aroused from changes in foreign currency exchange rate. Monetary assets and liabilities in foreign currencies are converted into BDT at spot exchange rate at the reporting date.

3.21 Events after the Reporting period

As per IAS-10; Events after the reporting period that provide additional information about the company's position at the date of financial position are reflected in the financial statements. All material events occurring after the balance sheet date have been considered and where necessary , adjusted for or disclosed.

The Board of Directors of the Company has recommended 3.00% cash dividend only for General Shareholders other than Sponsors and Directors (excluding 1.50% for ICB) for the year ended June 30, 2022 in its 93rd board meeting held on 27 October, 2022.

Except the facts and figures stated above, there is no other entry or note that has to be disclosed in the Financial Statements.

4.00 Property, Plant and Equipment 30 June, 2022

| Particulars | Cost | | Rate (%) | Depreciation | | Amount in Taka | |
|----------------------------------|-----------------------------|--------------------------|----------|-----------------------------|------------------------|-----------------------------|--|
| | Balance as on 01 July, 2021 | Addition during the year | | Balance as on 30 June, 2022 | Charge during the year | Balance as on 30 June, 2022 | Written Down Value as at 30 June, 2022 |
| Land & Land Development | 342,774,940 | - | 0% | - | - | - | 342,774,940 |
| Plant & Machinery | 603,894,564 | 28,037,958 | 10% | 22,302,226 | 411,309,482 | 220,623,040 | |
| Generator | 12,396,170 | - | 10% | 320,149 | 9,514,833 | 2,881,337 | |
| Building Decoration | 113,032,656 | 8,202,760 | 10% | 7,257,630 | 48,388,188 | 72,847,228 | |
| Electrical Installation | 39,471,371 | - | 10% | 2,949,978 | 12,921,574 | 26,549,797 | |
| Gas Installation | 389,890 | - | 10% | 9,361 | 305,643 | 84,247 | |
| Office Equipment | 48,393,691 | 8,165,336 | 10% | 2,954,031 | 24,820,184 | 31,738,843 | |
| Factory Equipment | 57,673,673 | 6,691,192 | 10% | 3,431,977 | 28,730,833 | 35,634,032 | |
| Furniture and Fixture | 44,066,191 | 3,902,020 | 10% | 2,194,535 | 25,794,280 | 22,173,931 | |
| Vehicle | 124,049,611 | 5,854,680 | 20% | 7,428,770 | 97,719,019 | 32,185,272 | |
| Power House | 1,195,705 | - | 10% | 27,272 | 950,259 | 245,446 | |
| Laboratory Equipment | 67,184,431 | 21,013,379 | 10% | 4,716,665 | 31,007,736.0 | 57,190,074 | |
| Factory Building & Warehouse | 424,089,619 | - | 2.5% | 8,978,495 | 73,928,324 | 350,161,295 | |
| Total as on 30 June, 2022 | 1,878,612,512 | 81,867,325 | | 62,571,089 | 702,819,266 | 1,195,089,482 | |

01 July 2021 to 30 June 2022

62,571,089

62,571,089

58,191,113

3,754,265

625,711

62,571,089

Allocation of Depreciation

Charged during the year

Adjustment during the year

(a) Depreciation charged to cost of sales (Note-22.00)

(b) Depreciation charged to administrative expenses (Note-23.00)

(c) Depreciation charged to selling & distribution expenses (Note-24.00)

Total



| Particulars | Amount in Taka | | | | | |
|----------------------------------|-----------------------------|--------------------------|----------|-----------------------------|------------------------|--|
| | Cost | | Rate (%) | Depreciation | | Written Down Value as at 30 June, 2021 |
| | Balance as on 01 July, 2020 | Addition during the year | | Balance as on 01 July, 2020 | Charge during the year | |
| Land & Land Development | 340,779,915 | 1,995,025 | 0% | - | - | 342,774,940 |
| Plant & Machinery | 597,114,150 | 6,780,414 | 10% | 365,700,874 | 23,306,382 | 214,887,308 |
| Generator | 12,396,170 | - | 10% | 8,838,963 | 355,721 | 3,201,486 |
| Building Decoration | 113,032,656 | - | 10% | 33,141,436 | 7,989,122 | 71,902,098 |
| Electrical Installation | 39,471,371 | - | 10% | 6,693,843 | 3,277,753 | 29,499,775 |
| Gas Installation | 389,890 | - | 10% | 285,881 | 10,401 | 93,608 |
| Office Equipment | 47,019,581 | 1,374,110 | 10% | 18,973,428 | 2,892,725 | 26,527,538 |
| Factory Equipment | 56,611,813 | 1,061,860 | 10% | 21,757,917 | 3,540,939 | 32,374,817 |
| Furniture and Fixture | 43,363,641 | 702,550 | 10% | 21,342,163 | 2,257,582 | 20,466,446 |
| Vehicle | 124,049,611 | - | 20% | 81,850,408 | 8,439,841 | 33,759,362 |
| Power House | 1,195,705 | - | 10% | 892,685 | 30,302 | 272,718 |
| Laboratory Equipment | 59,260,702 | 7,923,729 | 10% | 22,306,210 | 3,984,861 | 40,893,360 |
| Factory Building & Warehouse | 424,089,619 | - | 2.5% | 55,741,116 | 9,208,713 | 359,139,790 |
| Total as on 30 June, 2021 | 1,858,774,824 | 19,837,688 | | 637,524,924 | 65,294,342 | 1,175,793,246 |

| | |
|------------------------------|--|
| 01 July 2020 to 30 June 2021 | |
|------------------------------|--|

65,294,342

65,294,342

60,723,738

3,917,661

652,943

65,294,342

Allocation of Depreciation

Charged during the year

Adjustment during the year

(a) Depreciation charged to cost of sales (Note-22.00)

(b) Depreciation charged to administrative expenses (Note-23.00)

(c) Depreciation charged to selling & distribution expenses (Note-24.00)

Total



4(A) Tax Base Value of Property, Plant and Equipment

30 June, 2022

| Particulars | Amount in Taka | | | | | |
|----------------------------------|-----------------------------|--------------------------|----------|-----------------------------|------------------------|--|
| | Cost | | Rate (%) | Depreciation | | Written Down Value as at 30 June, 2022 |
| | Balance as on 01 July, 2021 | Addition during the year | | Balance as on 01 July, 2021 | Charge during the year | |
| Land & Land Development | 342,774,940 | - | 0% | - | - | 342,774,940 |
| Plant & Machinery | 603,894,564 | 28,037,958 | 20% | 21,433,440 | 546,198,762 | 85,733,760 |
| Generator | 12,396,170 | - | 20% | 151,089 | 11,791,812 | 604,358 |
| Building Decoration | 113,032,656 | 8,202,760 | 20% | 10,137,185 | 80,686,674 | 40,548,742 |
| Electrical Installation | 39,471,371 | - | 20% | 3,650,183 | 24,870,637 | 14,600,734 |
| Gas Installation | 389,890 | - | 20% | 3,876 | 374,385 | 15,505 |
| Office Equipment | 50,302,911 | 8,165,336 | 20% | 4,782,377 | 39,338,738 | 19,129,509 |
| Factory Equipment | 57,673,673 | 6,691,192 | 10% | 3,735,209 | 30,747,982 | 33,616,883 |
| Furniture and Fixture | 44,066,191 | 3,902,020 | 10% | 2,350,580 | 26,812,994 | 21,155,217 |
| Vehicle | 124,049,611 | 5,854,680 | 20% | 7,071,816 | 101,617,028 | 28,287,263 |
| Power House | 1,195,705 | - | 20% | 12,241 | 1,146,743 | 48,962 |
| Laboratory Equipment | 67,184,431 | 21,013,379 | 20% | 9,296,387 | 51,012,261 | 37,185,549 |
| Factory Building & Warehouse | 424,089,619 | - | 10% | 21,610,999 | 229,590,632 | 194,498,987 |
| Total as on 30 June, 2022 | 1,880,521,732 | 81,867,325 | | 84,235,382 | 1,144,188,648 | 818,200,409 |



30 June, 2021

| Particulars | Amount in Taka | | | | | |
|----------------------------------|-----------------------------|--------------------------|----------------------|-----------------------------|------------------------|--|
| | Cost | | Rate (%) | Depreciation | | Written Down Value as at 30 June, 2021 |
| | Balance as on 01 July, 2020 | Addition during the year | | Balance as on 30 June, 2021 | Charge during the year | |
| Land & Land Development | 340,779,915 | 1,995,025 | 342,774,940 | 0% | - | 342,774,940 |
| Plant & Machinery | 597,114,150 | 6,780,414 | 603,894,564 | 10% | 19,782,310 | 79,129,242 |
| Generator | 12,396,170 | - | 12,396,170 | 10% | 188,862 | 755,447 |
| Building Decoration | 113,032,656 | - | 113,032,656 | 10% | 10,620,792 | 42,483,167 |
| Electrical Installation | 39,471,371 | - | 39,471,371 | 10% | 4,562,729 | 18,250,917 |
| Gas Installation | 389,890 | - | 389,890 | 10% | 4,845 | 19,381 |
| Office Equipment | 48,265,301 | 2,037,610 | 50,302,911 | 10% | 3,936,638 | 15,746,550 |
| Factory Equipment | 56,611,813 | 1,061,860 | 57,673,673 | 10% | 3,406,767 | 30,660,900 |
| Furniture and Fixture | 43,363,641 | 702,550 | 44,066,191 | 10% | 2,178,197 | 19,603,777 |
| Vehicle | 124,049,611 | - | 124,049,611 | 20% | 7,376,100 | 29,504,399 |
| Power House | 1,195,705 | - | 1,195,705 | 10% | 15,301 | 61,203 |
| Laboratory Equipment | 59,260,702 | 7,923,729 | 67,184,431 | 10% | 6,367,139 | 25,468,557 |
| Factory Building & Warehouse | 424,089,619 | - | 424,089,619 | 2.5% | 24,012,221 | 216,109,986 |
| Total as on 30 June, 2021 | 1,860,020,544 | 20,501,188 | 1,880,521,732 | | 82,451,901 | 820,568,466 |



5.00 Intangible Assets 30 June, 2022

| Particulars | Cost | | Rate (%) | Amortization | | Amount in Taka | |
|----------------------------------|-----------------------------|--------------------------|----------|-----------------------------|------------------------|-----------------------------|--|
| | Balance as on 01 July, 2021 | Addition during the year | | Balance as on 30 June, 2022 | Charge during the year | Balance as on 30 June, 2022 | Written Down Value as at 30 June, 2022 |
| Software | 1,909,220 | - | 10% | 167,989 | 397,321 | 1,511,899 | |
| Total as on 30 June, 2022 | 1,909,220 | - | | 167,989 | 397,321 | 1,511,899 | |
| Total as on 30 June, 2021 | 1,245,720 | 663,500 | | 162,439 | 229,332 | 1,679,888 | |

| Allocation of Amortization | |
|-------------------------------|---------|
| 01 July 2021 to 30 June, 2022 | 167,989 |
| 01 July 2020 to 30 June, 2021 | 162,439 |

Charged during the year
Adjustment during the year

| | |
|----------------|----------------|
| 167,989 | 162,439 |
| 167,989 | 162,439 |
| 167,989 | 162,439 |

Amortization charged to administrative expenses (Note-23.00)

Total

6.00 Right of Use Assets (RoU)

Right-of-use assets (RoU) arise due to implementation of IFRS 16 from 1st July 2019. This is made up from use of building as lease of Corporate Office, Factory and Depot Offices.

| Particulars | Cost | | Balance as on 30 June, 2022 | Depreciation | | Written Down Value as at 30 June, 2022 |
|----------------------------------|-----------------------------|--------------------------|-----------------------------|-----------------------------|------------------------|--|
| | Balance as on 01 July, 2021 | Addition during the year | | Balance as on 01 July, 2021 | Charge during the year | |
| Right of Use Assets (RoU) | 26,266,197 | - | 26,266,197 | 9,991,080 | 5,545,572 | 10,729,545 |
| Total as on 30 June, 2022 | 26,266,197 | - | 26,266,197 | 9,991,080 | 5,545,572 | 10,729,545 |
| Total as on 30 June, 2021 | 26,266,197 | - | 26,266,197 | 4,553,717 | 5,437,363 | 16,275,117 |

| Allocation of Depreciation | |
|-------------------------------|-----------|
| 01 July 2021 to 30 June, 2022 | 5,545,572 |
| 01 July 2020 to 30 June, 2021 | 5,437,363 |

Charged during the year

| | |
|------------------|------------------|
| 5,545,572 | 5,437,363 |
| 5,545,572 | 5,437,363 |
| 5,545,572 | 5,437,363 |
| 5,545,572 | 5,437,363 |

Depreciation charged to administrative expenses (Note-23.00)

Total



7.00 Capital Work in Progress

A) Construction work-in-progress (Building)

| | Amount in Taka | |
|---|----------------|-------------|
| | 30-Jun-22 | 30-Jun-21 |
| Opening Balance | 160,709,883 | 96,743,610 |
| Addition during the year | 69,147,559 | 63,966,273 |
| Transfer to Property, Plant and equipment | - | - |
| Closing Balance | 229,857,442 | 160,709,883 |

B) Plant and Machinery in transit and installation

| | | |
|---|--------------|--------------|
| Opening Balance | 17,759,095 | 25,042,018 |
| Addition during the year | 54,384,325 | 5,356,924 |
| Transfer to Property, Plant and equipment | (27,755,064) | (12,639,847) |
| Closing Balance | 44,388,356 | 17,759,095 |

Total Closing Balance

| | |
|--------------------|--------------------|
| 274,245,798 | 178,468,978 |
|--------------------|--------------------|

i) A new building is being constructed in the factory premises located at Binodpur, Sadar, Noakhali to increase the overall production capacity of The Silva Pharmaceuticals Limited. The amount of machinery in transit represents the amount for opening the LC for the procurement of machineries for newly constructed factory building and increasing production capacity of existing factory which have not received yet.

8.00 Inventories

| | | |
|------------------------------------|--------------------|--------------------|
| Raw Materials | 281,668,145 | 255,138,087 |
| Packing Materials | 48,184,078 | 52,816,825 |
| Spares & Tools | 19,735,181 | 22,245,894 |
| Promotional Materials & Gift items | - | 24,375,642 |
| Finished goods | 103,528,010 | 102,122,727 |
| Work in Process-Closing | 6,837,452 | 7,482,655 |
| Total | 482,294,430 | 464,181,830 |

i) Physical verification of inventories was carried out by inventory team consisting management staffs and external auditors. Stock has been valued on the basis of valuation is stated in note-3.04.

ii) The inventory quantity can not be disclosed as some of material contain in liter, some are in pieces, some are in box and some are in kg, gram, milligram and ton as such quantity can not be inserted.

iii) Inventory for Raw materials and Finished goods increased during the period for ensuring smooth supply of products.

9.00 Trade and Other Receivable

Particulars

| | | | |
|------------------------|------------|--------------------|--------------------|
| Trade Receivables | Note- 9.01 | 255,048,274 | 269,911,936 |
| Accrued Interest | Note- 9.02 | 2,562,092 | 2,301,829 |
| Closing Balance | | 257,610,366 | 272,213,765 |

Trade receivables occurred in the ordinary course of business and are unsecured but considered good and recoverable within six months. The Accounts Receivables have no securities except their personal securities.

There was no amount due by the Directors (including Managing Director, Managing Agent, Manager and other Officers of the company) and any of them severally or jointly with any other person(s).

There was also no other amount due by associate undertakings.

Ageing of the above Trade Receivables is given below

| | | |
|----------------------------------|--------------------|--------------------|
| Receivables due over six months | - | - |
| Receivables due below six months | 255,048,274 | 269,911,936 |
| Total | 255,048,274 | 269,911,936 |

| | Amount in Taka | |
|---|------------------------|--------------------|
| | 30-Jun-22 | 30-Jun-21 |
| 9.01 Trade Receivable | | |
| Barisal DMO | 21,486,523 | 22,705,426 |
| Bogra DMO | 21,652,845 | 21,875,498 |
| Chittagong DMO | 24,683,214 | 24,828,154 |
| Cumilla DMO | 22,849,752 | 25,182,607 |
| Dhaka DMO | 21,476,958 | 22,057,648 |
| Faridpur DMO | 16,258,754 | 20,784,576 |
| Jessore DMO | 5,365,792 | - |
| Khulna DMO | 4,548,757 | - |
| Bhairab DMO | 15,329,788 | 19,808,080 |
| Mymensingh DMO | 19,738,561 | 20,692,425 |
| Noakhali DMO | 23,982,963 | 26,975,842 |
| Rajshahi DMO | 16,486,485 | 21,948,755 |
| Dinajpur DMO | 7,849,582 | - |
| Rangpur DMO | 13,362,474 | 21,453,168 |
| Sylhet DMO | 19,975,826 | 21,599,757 |
| Total | 255,048,274 | 269,911,936 |
| 9.02 Accrued Interest | | |
| Opening Balance | 2,301,829 | 3,429,344 |
| Addition during the year | 9,206,953 | 11,747,092 |
| Total | 11,508,782 | 15,176,436 |
| Re-investment During the year | (2,815,293) | (1,506,491) |
| Received During the year | (6,131,397) | (11,368,116) |
| Closing Balance | 2,562,092 | 2,301,829 |
| 10.00 Advances, Deposits and Prepayments | | |
| <u>Advances & Prepayments</u> | | |
| Advance Income Tax | Note- 10.01 23,582,123 | 27,975,924 |
| Advance against Purchase & Others | 10,729,351 | 14,989,227 |
| Advance against L/C | 8,319,343 | 3,575,000 |
| Advance against Travelling and Conveyance | 2,692,756 | 3,245,720 |
| Advance against Motor-cycle Expenses | 4,346,825 | 6,585,650 |
| Advance against Employee | 1,973,449 | 2,954,187 |
| Advance against Depot Rent | 165,000 | - |
| Prepayments of VAT | 9,603,127 | 8,509,945 |
| | 61,411,974 | 67,835,653 |
| <u>Deposits</u> | | |
| Security Deposit | | |
| Bakhrabad Gas System Ltd | 48,610 | 48,610 |
| Bangladesh T & T Board | 40,600 | 40,600 |
| Power Development Board | 288,000 | 288,000 |
| | 377,210 | 377,210 |
| Total | 61,789,184 | 68,212,863 |

Advances: These advances are un-secured but good and subsequently realized and/or adjusted.

Deposits: These balances represents security deposits made by the company for Gas connection, Telephone line connection & Electricity connection etc.

There is no claim against the company, which can be acknowledge as debt.

| Amount in Taka | |
|----------------|-----------|
| 30-Jun-22 | 30-Jun-21 |

There is no aggregate amount due from the Directors (including Managing Director) and managing agents of the company and any of them severally or jointly with any other person.

10.01 Advance Income Tax

| | | |
|---------------------------------|-------------------|--------------------|
| Opening Balance | 27,975,924 | 109,079,132 |
| Payment made during the year | 26,231,793 | 29,258,410 |
| Total | 54,207,717 | 138,337,542 |
| Adjustment made During the year | (30,625,594) | (110,361,618) |
| Closing Balance: | 23,582,123 | 27,975,924 |

11.00 Fixed Deposits Receipts (FDR)

| | | |
|---|--------------------|--------------------|
| Jamuna Bank Ltd. Foreign Exchange branch Dhaka | 49,727,919 | 41,587,919 |
| Union Bank Ltd. Panthapath Branch, Dhaka | 60,000,000 | 60,000,000 |
| Shahjalal Islami Bank Ltd. Satmosjid Road Branch, Dhaka (Short Term Investment) | 115,316,646 | 110,078,750 |
| Total | 225,044,565 | 211,666,669 |

12.00 Cash and Cash Equivalents

| | | |
|------------------------------|------------------------|-------------------|
| Cash in Hand at factory | 5,797 | 2,524,499 |
| Cash in Hand at Head Office | 28,585 | 70,602 |
| Cash in Hand at Depot Office | 10,983,402 | 13,155,718 |
| Postal Imprest | 3,065 | 3,065 |
| Cash at Bank | Note- 12.01 25,404,643 | 42,908,825 |
| Total | 36,425,492 | 58,662,709 |

12.01 Cash at Bank

| | | |
|--|-------------------|-------------------|
| Al-Arafah Islami Bank Ltd. 1311020011891 | 321,269 | 549,953 |
| Al-Arafah Islami Bank Ltd. 01311220001386 | 18,216 | 19,364 |
| Dutch Bangla Bank Ltd. 171.110.380 | 2,102,225 | 1,751,828 |
| Dutch Bangla Bank Ltd. 1711200002165 | 16,757 | 3,576 |
| Dutch Bangla Bank Ltd. 2501200000282 | 23,642 | 15,227 |
| Dutch Bangla Bank Ltd. 1711200002688 | 473,668 | 756,428 |
| Dutch Bangla Bank Ltd. 1711200003141 | 901,122 | 802,977 |
| Dutch Bangla Bank Ltd. 1715290000052 | 2,348,077 | 2,261,572 |
| Dutch Bangla Bank Ltd. 1715270000142 | 10,295,937 | 10,067,500 |
| Dutch Bangla Bank Ltd. 1715270000158 | 1,020,404 | 1,000,000 |
| Dutch Bangla Bank Ltd. 1715270000163 | 1,020,404 | 1,000,000 |
| Dutch Bangla Bank Ltd. 1715280000036 | 1,012,375 | - |
| National Bank Ltd. 1063000829560 | 202,864 | 238,916 |
| Jamuna Bank Ltd.1001000227878 | 100,104 | 103,381 |
| Union Bank Ltd. 31210000536 | 8,015 | 57,848 |
| Sonali Bank Ltd. 2000602 | 214,947 | 178,174 |
| Shahjalal Islami Bank Ltd. 401213100007640 | 5,013,740 | 62,258 |
| Shahjalal Islami Bank Ltd. 401213100009660 | 310,877 | 3,066,190 |
| Shahjalal Islami Bank Ltd. 401253100060509 | - | 5,893,873 |
| Shahjalal Islami Bank Ltd. 401253100060586 | - | 9,167,417 |
| Shahjalal Islami Bank Ltd. 401253100060587 | - | 5,912,343 |
| Total | 25,404,643 | 42,908,825 |

13.00 Share Capital

13.01 Authorized Share Capital

15,00,00,000 ordinary shares of Tk 10/= each

| Amount in Taka | |
|----------------|-----------|
| 30-Jun-22 | 30-Jun-21 |

1,500,000,000 **1,500,000,000**

13.02 Issued, subscribed and paid-up share capital

(a) By Cash:

13,00,00,000 Ordinary shares of Tk. 10/- each fully paid in cash

1,300,000,000 1,300,000,000

(b) By Issue of Bonus Share:

65,00,000 Ordinary shares of Tk. 10/- each fully paid-up as bonus shares

65,000,000 65,000,000

Total 13,65,00,000 ordinary shares of Taka 10/= each.

1,365,000,000 **1,365,000,000**

Composition of Shareholdings of Ordinary Shares:

| Category of Shareholders | 2021-2022 | | 2020-2021 | |
|----------------------------------|--------------------|----------------|--------------------|----------------|
| | No. of Shares | % | No. of Shares | % |
| Sponsors/Directors | 70,217,591 | 51.44% | 71,517,000 | 52.39% |
| Financial and other Institutions | 18,682,973 | 13.69% | 24,374,823 | 17.86% |
| Foreign | 11,856 | 0.01% | 11,825 | 0.01% |
| General Public | 47,587,580 | 34.86% | 40,596,352 | 29.74% |
| Total | 136,500,000 | 100.00% | 136,500,000 | 100.00% |

The Distribution Schedule showing the number of shareholders and their share holdings and percentage as on 30 June, 2022 are as follows:

| Range of Holdings | No. of Shareholders | No. Of Shares | Percentage (%) |
|-----------------------------------|---------------------|--------------------|----------------|
| Less than 500 Shares | 1,842 | 430,633 | 0.32% |
| From 501 to 5,000 Shares | 2,960 | 4,997,283 | 3.66% |
| From 5,001 to 10,000 Shares | 493 | 3,852,634 | 2.82% |
| From 10,001 to 20,000 Shares | 313 | 4,701,928 | 3.44% |
| From 20,001 to 30,000 Shares | 122 | 3,105,596 | 2.28% |
| From 30,001 to 40,000 Shares | 60 | 2,183,829 | 1.60% |
| From 40,001 to 50,000 Shares | 63 | 2,961,254 | 2.17% |
| From 50,001 to 1,00,000 Shares | 96 | 7,151,621 | 5.24% |
| From 1,00,001 to 10,00,000 Shares | 99 | 24,750,131 | 18.13% |
| From 10,00,001 and above Shares | 19 | 82,365,091 | 60.34% |
| Total | 6,067 | 136,500,000 | 100.00% |

The shares are listed with the Dhaka Stock Exchange Limited and Chittagong Stock exchange Limited. The shares were quoted at Tk. 24.10 in the Dhaka stock Exchange Limited and Tk. 24.10 in the Chittagong Stock Exchange Limited as on 30.06.2022 respectively.

14.00 Retained Earnings

| | | |
|---|--------------------|--------------------|
| Opening balance | 905,472,128 | 833,109,877 |
| Interest on Dividend Payable Account | (37,841) | - |
| Dividend for the year 2020-2021 (5% Cash) | (47,491,500) | (47,491,500) |
| Net profit after tax during the year | 102,255,594 | 119,853,751 |
| Closing Balance | 960,198,381 | 905,472,128 |

15.00 Deferred Tax Liabilities

| Amount in Taka | |
|----------------|-----------|
| 30-Jun-22 | 30-Jun-21 |

Deferred tax assets and liabilities have been recognised and measured in accordance with the provision of IAS 12 "Income Taxes". Related deferred tax expenses/income have been disclosed in note 27.02. The components of deferred tax assets and liabilities are given below:

| Particulars | Carrying Amount | Tax base value (*) | Taxable (deductible) Temporary | Applicable tax rate | Deferred tax Liability |
|--|----------------------|--------------------|--------------------------------|---------------------|------------------------|
| 30 June, 2022 | | | | | |
| Property, Plant and Equipment | 1,196,601,381 | 818,200,409 | 378,400,972 | 20.00% | 75,680,194 |
| Total deferred tax liabilities for the year 2021-2022 | 1,196,601,381 | 818,200,409 | 378,400,972 | | 75,680,194 |
| 30 June, 2021 | | | | | |
| Property, Plant and Equipment | 1,177,473,134 | 820,568,466 | 356,904,668 | 22.50% | 80,303,550 |
| Total deferred tax liabilities for the year 2020-2021 | 1,177,473,134 | 820,568,466 | 356,904,668 | | 80,303,550 |

(*) The schedule of Tax base value of Property Plant and equipment are shown in Note 04(A) in this financial statements.

16.00 Lease Liability

| | | |
|---------------------------------|------------------|-------------------|
| Opening Balance | 13,568,517 | 19,005,880 |
| Addition during the year | - | - |
| Finance Charge | 697,908 | 1,055,117 |
| Paid during the year | (6,178,480) | (6,492,480) |
| Closing Balance | 8,087,945 | 13,568,517 |
| Transferred to Current Maturity | (2,336,467) | (5,673,281) |
| Non-Current Portion | 5,751,478 | 7,895,236 |

17.00 Trade and Other Payables

Particulars

| | | |
|----------------------------------|---------|---------|
| Alvi Enterprise | 319,508 | 176,600 |
| Bhai Bhai Printing & Packaging | - | 32,460 |
| BIO Lab | - | 55,950 |
| Crystal Flexipack Ltd. | 79,507 | 63,770 |
| Metro Foils Ltd. | - | 33,956 |
| Sun Shine Traders | 387,661 | 649,355 |
| Rasayan Ghar | 287,563 | 211,863 |
| JMS Glass Industries | 394,601 | 148,052 |
| AGI Printing & Packaging Ltd. | 526,993 | 512,947 |
| Dhaka Foil Corporation | 127,269 | 482,074 |
| Poly web Printing & Packaging | - | 65,134 |
| Quality Can Industries | - | 48,983 |
| Reaz Enterprise | 694,396 | 655,396 |
| Tanim Plastic Industries | 244,358 | 167,424 |
| United Polymers Limited | 148,450 | 348,450 |
| Padma Cap Manufacturing Co. Ltd. | - | 57,793 |
| Index Chemi | 338,856 | 590,661 |
| Mohd. Manik Miah Plastic | 77,972 | 77,374 |
| M/S. Oshadi Industries Ltd. | - | 166,322 |
| Pharma Vintage | 256,010 | 32,000 |
| Eastern Trade Chems | 609,386 | 311,065 |
| Pharmacon Enterprise | 190,000 | 126,000 |
| Bright International | 297,160 | 123,240 |

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 Silva Pharmaceuticals Limited

| | Amount in Taka | |
|---------------------------------|------------------|------------------|
| | 30-Jun-22 | 30-Jun-21 |
| Shafin Trade Line | 300,000 | 58,000 |
| World Chemical Industry Limited | 135,000 | 162,000 |
| Padma Blowing Ltd. | 352,476 | 234,615 |
| Pay-Pall Trade International | - | 83,596 |
| Mehedi Printing & Packaging | 86,144 | 247,980 |
| CDM Accessories Ltd. | 321,718 | 330,428 |
| S. L. Corporation | 720,000 | - |
| Total | 6,895,028 | 6,253,488 |

This represents the amount payable to suppliers of raw materials, packing materials, Promotional materials etc. All suppliers were paid on a regular basis.

18.00 Dividend Payable / Unclaimed Dividend

Year-wise break-up of the above is as follows :

| | | |
|--------------------------------------|------------------|------------------|
| For the year 2020-2021 | 397,684 | - |
| For the year 2019-2020 | 397,465 | 745,266 |
| For the year 2018-2019 | 468,496 | 774,496 |
| Interest (net off AIT & Bank charge) | 33,287 | - |
| Total | 1,296,932 | 1,519,762 |

19.00 Short Term Finance

Outstanding position of Short Term Finance is shown below:

| | | |
|--|-------------------|-------------------|
| Jamuna Bank Limited SOD A/c. No. 6002000012105 | 18,011,535 | 17,915,629 |
| Jamuna Bank Limited UPAS A/C | 21,868,408 | 11,221,177 |
| SJIBL-BAI-MUAZZAL (FO) | 36,818,892 | - |
| DBBL, Account No. 1714050001188 | 14,307,999 | - |
| Total | 91,006,834 | 29,136,806 |

20.00 Provision for expenses

| | | |
|---|------------------------|-------------------|
| Directors Remuneration | 100,000 | 100,000 |
| Field Forces Expenses | 167,586 | 151,685 |
| Utilities | 423,255 | 413,647 |
| Salary & Wages | 6,191,272 | 5,641,178 |
| Audit & Professional Fees | 385,250 | 270,250 |
| Overtime | 37,740 | 40,841 |
| Printing & Stationery | 18,600 | 18,000 |
| Employees Provident Fund | 3,091,040 | 1,072,351 |
| TDS Payable | 1,293,410 | - |
| Worker's Profit Participation and Welfare Fund (WPP&WF) | Note- 20.01 5,833,311 | 7,567,268 |
| Provision for Income Tax | Note- 20.02 19,033,983 | 30,625,594 |
| Total | 36,575,447 | 45,900,814 |

20.01 Worker's Profit Participation and Welfare Fund (WPP&WF)

| | | |
|--------------------------------|------------------|------------------|
| Opening balance | 7,567,268 | 7,954,362 |
| Provision made during the year | 5,833,311 | 7,567,268 |
| Total | 13,400,579 | 15,521,630 |
| Paid during the year | (7,567,268) | (7,954,362) |
| Closing balance | 5,833,311 | 7,567,268 |

20.02 Provision for Income Tax

| | | |
|--------------------------------------|-------------------|-------------------|
| Opening balance | 30,625,594 | 104,821,756 |
| Provision made during the year | 19,033,983 | 36,165,456 |
| Total | 49,659,577 | 140,987,212 |
| Paid/Adjustment made during the year | (30,625,594) | (110,361,618) |
| Closing balance | 19,033,983 | 30,625,594 |

| | | Amount in Taka | |
|--|---------------------------------------|-------------------------------------|-------------------------------------|
| | | 01/07/2021 to 30/06/2022 | 01/07/2020 to 30/06/2021 |
| 21.00 Revenue | | | |
| | Local Sales (Net) | 778,669,854 | 799,249,592 |
| | Total | 778,669,854 | 799,249,592 |
| 22.00 Cost of goods sold | | | |
| | Raw materials consumed | 248,418,915 | 242,979,070 |
| | Packing materials consumed | 135,207,508 | 133,551,296 |
| | Consumable item consumed | 20,024,569 | 21,087,038 |
| | | 403,650,992 | 397,617,404 |
| | Work in process- Opening | 7,482,655 | 7,253,150 |
| | Work in process- Closing | (6,837,452) | (7,482,655) |
| | Change in work in process | 645,203 | (229,505) |
| | Manufacturing Overhead | 35,201,711 | 34,988,678 |
| | Depreciation | 58,191,113 | 60,723,738 |
| | Cost of production | 497,689,019 | 493,100,315 |
| | Finished goods - Opening | 102,122,727 | 99,524,588 |
| | Finished goods - Closing | (103,528,010) | (102,122,727) |
| | Change of finished goods stock | (1,405,283) | (2,598,139) |
| | Cost of Physician Sample | (4,987,960) | (6,056,299) |
| | Cost of Goods Sold | 491,295,776 | 484,445,877 |
| 22.01 Raw materials consumed | | | |
| | Opening Stock | 255,138,087 | 235,571,405 |
| | Purchase during the year | 274,948,973 | 262,545,752 |
| | Available for production | 530,087,060 | 498,117,157 |
| | Closing Stock | (281,668,145) | (255,138,087) |
| | Consumption during the year | 248,418,915 | 242,979,070 |
| 22.02 Packing materials consumed | | | |
| | Opening Stock | 52,816,825 | 52,492,486 |
| | Purchase during the year | 130,574,761 | 133,875,635 |
| | Available for Consumed | 183,391,586 | 186,368,121 |
| | Closing Stock | (48,184,078) | (52,816,825) |
| | Consumption during the year | 135,207,508 | 133,551,296 |
| 22.03 Consumable Spares & Tools | | | |
| | Opening Stock | 22,245,894 | 21,857,464 |
| | Purchase during the year | 17,513,856 | 21,475,468 |
| | Consumable Spares & Tools available | 39,759,750 | 43,332,932 |
| | Closing Stock | (19,735,181) | (22,245,894) |
| | Consumption during the year | 20,024,569 | 21,087,038 |

22.04 Manufacturing overhead

| | Amount in Taka | |
|--------------------------------------|-----------------------------|-----------------------------|
| | 01/07/2021 to 30/06/2022 | 01/07/2020 to 30/06/2021 |
| Salary, Wages & Allowances | 21,001,130 | 19,995,988 |
| Workers' benefit and welfare expense | 1,352,988 | 1,975,049 |
| Overtime | 633,607 | 641,243 |
| Company's contribution to RPF | 683,670 | 227,930 |
| Laboratory Expenses | 845,322 | 938,870 |
| Postage & Stamp | 197,630 | 140,852 |
| Indirect materials | 2,106,723 | 2,198,779 |
| Electricity Bill | 3,212,119 | 3,070,410 |
| Gas & Water bill | 124,196 | 214,425 |
| Uniform and liveries | 93,630 | 102,265 |
| Carriage Inward | 719,545 | 1,105,193 |
| Medical Expenses | 88,995 | 155,360 |
| Power & Fuel | 1,122,645 | 1,273,135 |
| Printing & Stationery | 468,563 | 582,990 |
| Traveling & Conveyance | 130,125 | 139,310 |
| Repairs & Maintenance | 1,803,684 | 1,536,175 |
| Sanitation & Cleaning | 350,018 | 350,940 |
| Entertainment | 267,121 | 339,764 |
| Total | 35,201,711 | 34,988,678 |

23.00 Administrative Expenses

| | | |
|---------------------------------------|-------------------|-------------------|
| Salary, Wages & Allowances | 21,137,474 | 20,017,605 |
| Company's contribution to RPF | 654,498 | 249,520 |
| Printing & Stationery | 205,035 | 380,296 |
| Phone, Fax and Mobile Bill | 365,709 | 275,331 |
| Postage & Stamps | 111,337 | 71,796 |
| Traveling & Conveyance | 191,987 | 268,025 |
| Utility Bill | 957,028 | 1,215,792 |
| Entertainment | 278,667 | 174,062 |
| Medical & Welfare Expenses | 15,006 | 20,215 |
| Licenses Renewal and Registration Fee | 425,521 | 442,571 |
| Audit Fees | 345,000 | 230,000 |
| Directors Remuneration | 1,200,000 | 1,200,000 |
| Board meeting attending fees | 379,500 | 327,750 |
| Amortization of Intangible Assets | 167,989 | 162,439 |
| Depreciation of Right-of-use Assets | 5,545,572 | 5,437,363 |
| Depreciation | 3,754,265 | 3,917,661 |
| Repairs & Maintenance | 417,525 | 426,172 |
| RJSC Exp. | 101,032 | 25,831 |
| AGM Expenses | 123,375 | 118,490 |
| Legal & Professional fees | 1,847,356 | 1,872,556 |
| Total | 38,223,876 | 36,833,475 |

| Amount in Taka | |
|-----------------------------|-----------------------------|
| 01/07/2021 to 30/06/2022 | 01/07/2020 to 30/06/2021 |

24.00 Selling & Distribution Expenses

| | | | |
|--------------------------------------|-------------|--------------------|--------------------|
| Salary, Wages & Allowances | | 94,970,926 | 84,810,679 |
| Field forces expenses | | 12,193,358 | 8,574,323 |
| Transportation & Handling Expenses | | 2,659,238 | 2,736,281 |
| Company's contribution to RPF | | 3,952,028 | 1,286,052 |
| Business Promotion Expenses | | 1,134,237 | 712,122 |
| Repair & Maintenance | | 262,265 | 445,654 |
| Traveling and conveyance Expenses | | 792,211 | 604,115 |
| Water, electricity and Gas | | 487,266 | - |
| Phone, Fax and Mobile Bill | | 349,889 | 199,097 |
| Sample Expenses | | 4,987,960 | 6,056,299 |
| Consumption of promotional materials | Note- 24.01 | 4,785,740 | 19,939,872 |
| Postage & Courier | | 864,391 | 406,158 |
| Entertainment | | 302,111 | 316,121 |
| Printing & Stationery | | 994,951 | 604,885 |
| Depot Rent | | 387,000 | - |
| Product Development Expenses | | 351,051 | - |
| Training Expenses | | 167,046 | 165,369 |
| Bank Charge | | 796,584 | 253,185 |
| Depreciation | | 625,711 | 652,943 |
| Vehicle Maintenance | | 914,285 | 938,428 |
| Loading & Unloading | | 481,071 | 367,664 |
| License fees & Renewals | | 145,829 | 185,671 |
| Total | | 132,605,148 | 129,254,918 |

24.01 Promotional materials & Gift Items

| | | | |
|------------------------------------|--|-------------------|-------------------|
| Opening Stock | | 24,375,642 | 27,679,685 |
| Purchase during the year | | 2,751,662 | 16,635,829 |
| Available | | 27,127,304 | 44,315,514 |
| Closing Stock | | (22,341,564) | (24,375,642) |
| Consumption during the year | | 4,785,740 | 19,939,872 |

25.00 Financial Expenses

| | | | |
|-----------------------------|--|------------------|------------------|
| Interest on Short Term Loan | | 4,013,360 | 1,720,988 |
| Bank Charge & Commission | | 48,710 | 15,990 |
| Finance Charges for lease | | 697,908 | 1,055,117 |
| Total | | 4,759,978 | 2,792,095 |



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 Silva Pharmaceuticals Limited

| | Amount in Taka | |
|--|-----------------------------|-----------------------------|
| | 01/07/2021 to 30/06/2022 | 01/07/2020 to 30/06/2021 |
| 26.00 Other Income | | |
| Interest on FDR | 9,206,953 | 11,747,092 |
| Interest on Bank STD Accounts | 459,348 | 302,704 |
| Sale of Wastage | 1,048,155 | 939,615 |
| Total | 10,714,456 | 12,989,411 |
| 27.00 Workers Profit Participation and Welfare Fund (WPPF&WF) | | |
| Net Profit before Contribution to WPPF&WF | 122,499,532 | 158,912,638 |
| Rate of contribution to WPPF&WF(%) | 5.00% | 5.00% |
| Workers Profit Participation and Welfare Fund (WPPF&WF) | 5,833,311 | 7,567,268 |

Note: Allocation for workers' profit participation and welfare fund has been made @ 5% of profit after charging such expenses as per provisions of the Bangladesh Labour Act, 2006 (Amendment 2013).

28.00 Income Tax expenses

28.01 Current Tax Expenses

| | | |
|---|-------------------|--------------------|
| Net Profit before Income Tax | 116,666,221 | 151,345,370 |
| Accounting Depreciation | 62,739,078 | 65,456,781 |
| Non-deductible Expenses | - | 1,763,502 |
| Tax Depreciation | (84,235,382) | (82,451,901) |
| Taxable Profit | 95,169,917 | 136,113,752 |
| Tax Rate | 20.00% | 22.50% |
| Current Tax Expenses during the year | 19,033,983 | 30,625,594 |
| Current Tax Expenses for the previous Assessment year | - | 5,539,862 |
| Total Current Tax Expenses | 19,033,983 | 36,165,456 |

Minimum Tax Calculation

Calculation of Gross Receipts

| | | |
|--|--------------------|--------------------|
| Revenue from net sales | 778,669,854 | 799,249,592 |
| Other Income | | |
| Interest on FDR | 9,206,953 | 11,747,092 |
| Interest on Bank deposit | 459,348 | 302,704 |
| Other Income | 1,048,155 | 939,615 |
| Total Gross Receipts | 789,384,310 | 812,239,003 |
| Minimum Tax (0.60% on total gross receipts) | 4,736,306 | 4,873,434 |
| Income Tax Provision whichever is higher | 19,033,983 | 36,165,456 |

Income tax provision is higher between tax at regular rate on income and minimum tax on gross receipts U/S 82C

2(b) of IT Ordinance 1984. Hence tax at regular rate is accounted for as it is higher than the minimum tax.

28.02 Deferred Tax Expenses/(Income)

| | | | |
|---|----------|--------------------|--------------------|
| Closing balance of deferred tax liability | Note- 15 | 75,680,194 | 80,303,550 |
| Opening balance of deferred tax liability | Note- 15 | (80,303,550) | (84,977,387) |
| Deferred Tax Expenses/(Income) | | (4,623,356) | (4,673,837) |



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 Silva Pharmaceuticals Limited

29.00 Earnings Per Share

| | Amount in Taka | |
|---|-----------------------------|-----------------------------|
| | 01/07/2021 to 30/06/2022 | 01/07/2020 to 30/06/2021 |
| Net Profit after taxes | 102,255,594 | 119,853,751 |
| Weighted average number of ordinary share | 136,500,000 | 136,500,000 |
| Earnings per share (Diluted) | 0.75 | 0.88 |

Earnings Per Share (EPS) has been computed by dividing the basic earning by the weighted average number of ordinary shares outstanding at the end of the year as per IAS 33 Earnings Per Share.

Weighted average number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by the weighted factor.

Diluted earnings per share

The objective of diluted earnings per share is consistent with that of basic earnings per share; that is, to provide a measure of the interest of each ordinary shares in the performance of an entity taking into account dilutive potential ordinary shares outstanding during the year.

30.00 Net Asset Value (NAV) Per Share

| | Amount in Taka | |
|--|----------------------|----------------------|
| | 30-Jun-22 | 30-Jun-21 |
| Total Assets | 2,544,740,761 | 2,447,155,065 |
| Less: Total Liabilities | 219,542,380 | 176,682,937 |
| Net Asset Value | 2,325,198,381 | 2,270,472,128 |
| Total Number of Shares outstanding | 136,500,000 | 136,500,000 |
| Net Asset Value (NAV) Per Share | 17.03 | 16.63 |

Net asset value per share (NAV) has been computed by dividing total assets by the number of ordinary shares outstanding as on 30 June 2022 as per Notification of Bangladesh Securities & Exchange Commission (BSEC).

31.00 Cash received from Customers

| | Amount in Taka | |
|---|-----------------------------|-----------------------------|
| | 01/07/2021 to 30/06/2022 | 01/07/2020 to 30/06/2021 |
| Sales during the year | 778,669,854 | 799,249,592 |
| Opening Trade Receivable | 269,911,936 | 259,997,499 |
| Closing Trade Receivable | (255,048,274) | (269,911,936) |
| Total Cash Received from Customers | 793,533,516 | 789,335,155 |

32.00 Cash received from non-operating income

| | | |
|--|-------------------|-------------------|
| Other income | 10,714,456 | 12,989,411 |
| Opening interest receivable | 2,301,829 | 3,429,344 |
| Closing interest receivable | (2,562,092) | (2,301,829) |
| Total Cash received from non-operating income | 10,454,193 | 14,116,926 |

33.00 Cash Paid to Suppliers

| | | |
|---|--------------------|--------------------|
| Purchase (Raw, Packing, Promotional, Indirect material and Spare parts) | 427,895,975 | 436,731,463 |
| Opening Accounts Payable | 6,253,488 | 6,542,477 |
| Closing Accounts Payable | (6,895,028) | (6,253,488) |
| Closing Advance against Purchase & L/C | 19,048,694 | 18,564,227 |
| Opening Advance against Purchase & L/C | (18,564,227) | (15,236,669) |
| Total Cash Paid to Suppliers | 427,738,902 | 440,348,010 |



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| | <i>Amount in Taka</i> | |
|---|-------------------------------------|-------------------------------------|
| | 01/07/2021 to 30/06/2022 | 01/07/2020 to 30/06/2021 |
| 34.00 Cash Paid to Employees | | |
| Salary, Wages & Allowances including contribution to PF | 142,399,726 | 126,587,774 |
| Workers' benefit and welfare expense | 1,352,988 | 1,975,049 |
| Overtime | 633,607 | 641,243 |
| Directors Remuneration | 1,200,000 | 1,200,000 |
| Board meeting attending fees | 379,500 | 327,750 |
| Field forces expenses | 12,193,358 | 8,574,323 |
| Worker's Profit Participation and Welfare Fund | 7,567,268 | 7,954,362 |
| Opening Payable | 7,006,055 | 5,990,411 |
| Closing Payable | (9,587,638) | (7,006,055) |
| Closing Advance to Employee | 1,973,449 | 2,954,187 |
| Opening Advance to Employee | (2,954,187) | (1,576,500) |
| Total Cash Paid to Employees | 162,164,126 | 147,622,544 |
| 35.00 Cash Paid for Others | | |
| Manufacturing Overhead (excluding pay to employee & Supplier) | 9,423,593 | 9,949,689 |
| Administrative Overhead (excluding Depreciation & pay to employee) | 5,384,578 | 5,521,137 |
| Selling and Distribution overhead (excluding sample, promotional, Depreciation & pay to employee) | 11,089,425 | 7,934,750 |
| Opening Liabilities for Expenses | 701,897 | 796,811 |
| Closing Liabilities for Expenses | (2,120,515) | (701,897) |
| Closing Advance deposit & prepayment | 17,184,918 | 18,718,525 |
| Opening Advance deposit & prepayment | (18,718,525) | (17,134,581) |
| Total Cash Paid for Others | 22,945,371 | 25,084,434 |
| 36.00 Income Tax paid | | |
| Advance Income Tax paid | 26,231,793 | 29,258,410 |
| Total Income Tax paid | 26,231,793 | 29,258,410 |
| 37.00 Cash payment for Acquisition of Property, Plant and Equipment (PPE) | | |
| Property, Plant and Equipment addition during the year | 81,867,325 | 20,501,188 |
| Addition from Capital Work-in-Progress | (27,755,064) | (12,639,847) |
| Total Cash payment for Acquisition PPE | 54,112,261 | 7,861,341 |



| Amount in Taka | |
|-----------------------------|-----------------------------|
| 01/07/2021 to 30/06/2022 | 01/07/2020 to 30/06/2021 |

38.00 Net Operating Cash Flow Per Share(NOCFPS)

Net Operating Cash Flow

Weighted Average Number of Shares Outstanding

Net Operating Cash Flows Per Share(NOCFPS)

| | |
|-------------|-------------|
| 160,845,447 | 159,401,705 |
| 136,500,000 | 136,500,000 |
| 1.18 | 1.17 |

Net operating cash flow per share (NOCFPS) has been computed by dividing net operating cash flow by the number of ordinary shares outstanding as on 30 June 2022 as per Notification of Bangladesh Securities & Exchange Commission (BSEC).

39.00 Revenue from contracts with customers

The Company has recognized the following amount in the statement of profit and loss and other comprehensive income.

Revenue from contract with customer (Note no-21.00)

Segregation of revenue from contracts with customer

Revenue from external customer

Timing of revenue recognition at a point in time

| | |
|-------------|-------------|
| 778,669,854 | 799,249,592 |
| 778,669,854 | 799,249,592 |
| 778,669,854 | 799,249,592 |

Contract assets and liabilities

The Company has recognized no contract assets and liabilities.



40.00 Financial instruments- fair value Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

30-Jun-22

| Particulars | Note | Carrying amount | | | | | Total |
|---|-------|--------------------------------|-------------------------|-----------------------|-------------------------------------|-----------------------------|--------------------|
| | | Fair value hedging instruments | Mandatory at fair value | FVOC-debt instruments | Financial assets at amortized value | Other financial liabilities | |
| Financial assets measured at fair value | | | | | | | - |
| Financial assets not measured at fair value | | | | | | | - |
| Trade receivables | 9.01 | - | - | - | 255,048,274 | - | 255,048,274 |
| Fixed Deposits Receipts (FDR) | 11.00 | - | - | - | 225,044,565 | - | 225,044,565 |
| Cash and cash equivalents | 12.00 | - | - | - | 36,425,492 | - | 36,425,492 |
| | | | | | 516,518,331 | | 516,518,331 |
| Financial liabilities measured at fair value | | | | | | | - |
| Financial liabilities not measured at fair value | | | | | | | - |
| Short term loans | 19.00 | - | - | - | - | 91,006,834 | 91,006,834 |
| Trade payable | 17.00 | - | - | - | - | 6,895,028 | 6,895,028 |
| Lease liabilities | 16.00 | - | - | - | - | 5,751,478 | 5,751,478 |
| Current portion of lease liabilities | 16.00 | - | - | - | - | 2,336,467 | 2,336,467 |
| | | | | | | 105,989,807 | 105,989,807 |



30-Jun-21

| Particulars | Note | Carrying amount | | | | | Total |
|---|-------|--------------------------------|-------------------------|-----------------------|-------------------------------------|-----------------------------|--------------------|
| | | Fair value hedging instruments | Mandatory at fair value | FVOC-debt instruments | Financial assets at amortized value | Other financial liabilities | |
| Financial assets measured at fair value | | | | | | | - |
| Financial assets not measured at fair value | | | | | | | - |
| Trade receivables | 9.01 | - | - | - | 269,911,936 | - | 269,911,936 |
| Fixed Deposits Receipts (FDR) | 11.00 | - | - | - | 211,666,669 | - | 211,666,669 |
| Cash and cash equivalents | 12.00 | - | - | - | 58,662,709 | - | 58,662,709 |
| | | | | | 540,241,314 | | 540,241,314 |
| Financial liabilities measured at fair value | | | | | | | - |
| Financial liabilities not measured at fair value | | | | | | | - |
| Short term loans | 19.00 | - | - | - | - | 29,136,806 | 29,136,806 |
| Trade payable | 17.00 | - | - | - | - | 6,253,488 | 6,253,488 |
| Lease liabilities | 16.00 | - | - | - | - | 7,895,236 | 7,895,236 |
| Current portion of lease liabilities | 16.00 | - | - | - | - | 5,673,281 | 5,673,281 |
| | | | | | | 48,958,811 | 48,958,811 |



41.00 Disclosure as per requirement of the Companies Act, 1994

41.01 Disclosure as per Schedule XI, part I, para 4 of the Companies Act, 1994 are given below:

| Sl. No. | Particulars | 30-Jun-22 | 30-Jun-21 |
|---------------|--|--------------------|--------------------|
| | | Amount in Taka | |
| I | Receivables considered good and in respect of which the company is fully secured. | - | - |
| II | Receivables considered good for which the company holds no security other than the debtor's personal security. | 255,048,274 | 269,911,936 |
| III | Receivables considered doubtful or bad. | - | - |
| IV | Receivables due by directors or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or a member. | - | - |
| V | Receivables due by companies under the same management. | - | - |
| VI | The maximum amount due by directors or other officers of the company at any time during the year. | - | - |
| Total: | | 255,048,274 | 269,911,936 |

41.02 Disclosure as per Schedule XI, part I, para 6 of the Companies Act, 1994 are given below:

| Sl. No. | Particulars | 30-Jun-22 | 30-Jun-21 |
|---------------|--|-------------------|-------------------|
| | | Amount in Taka | |
| I | Advances, Deposits and Prepayments considered good and in respect of which the company is fully secured. | - | - |
| II | Advances, Deposits and Prepayments considered good for which the company holds no security. | 52,776,154 | 55,427,306 |
| III | Advances, Deposits and Prepayments considered doubtful or bad. | - | - |
| IV | Advances, Deposits and Prepayments due by directors or other officers of the company or any of them either severally or jointly with any other person or Advance, Deposits and Prepayment due by firms or private companies respectively in which any director is a partner or a director or a member. | - | - |
| V | Advance, Deposits and Prepayment due by companies under the same management. | - | - |
| VI | The maximum amount due by directors or other officers of the company at any time during the year. | 9,013,030 | 12,785,557 |
| Total: | | 61,789,184 | 68,212,863 |

41.03 Disclosure of Schedule XI, Part II, Para 3, of the Companies Act, 1994 are given below:

i. a. Turnover:

| Particulars | 30-Jun-22 | | 30-Jun-21 | |
|--------------|--------------------|--------------------|--------------------|--------------------|
| | Quantity (Pcs/PHs) | Amount in Taka | Quantity (Pcs/PHs) | Amount in Taka |
| Tablet | 121,243,421 | 431,535,896 | 126,801,853 | 466,942,114 |
| Capsule | 38,517,480 | 219,827,638 | 35,548,504 | 244,787,002 |
| Liquid | 1,349,760 | 65,899,574 | 1,553,511 | 71,508,092 |
| Dry Syrup | 1,343,822 | 61,406,746 | 179,270 | 16,012,384 |
| Total | 162,454,483 | 778,669,854 | 164,083,137 | 799,249,592 |

b. No Commission paid to selling agents during the year.

c. No brokerage and discount paid on sales, other than the usual trade discount during the year.

An associate firm of D. N. Gupta & associates

 Silva Pharmaceuticals Limited

d. (i) Raw Materials consumed:

| Particulars | 30-Jun-2022 | | 30-Jun-2021 | |
|--|----------------|--------------------|----------------|--------------------|
| | R M (Kg) | Amount in Taka | R M (Kg) | Amount in Taka |
| Opening stock | 353,401 | 255,138,087 | 309,746 | 235,571,405 |
| Purchase | 278,754 | 274,948,973 | 363,410 | 262,545,752 |
| Raw material available for consumption | 632,155 | 530,087,060 | 673,156 | 498,117,157 |
| Closing stock | (326,586) | (281,668,145) | (353,401) | (255,138,087) |
| Raw material consumed | 305,569 | 248,418,915 | 319,755 | 242,979,070 |

(ii) Finished goods:

| Classes of Goods | 30-Jun-22 | | | 30-Jun-21 | | |
|------------------|-------------------|--------------------|-------------------|-------------------|--------------------|-------------------|
| | Opening Qty. | Production Qty. | Closing Qty. | Opening Qty. | Production Qty. | Closing Qty. |
| Tablet (Pcs.) | 20,186,696 | 120,135,000 | 19,078,274 | 20,128,548 | 126,860,000 | 20,186,696 |
| Capsule (Pcs.) | 12,731,992 | 34,817,460 | 9,031,972 | 12,195,496 | 36,085,000 | 12,731,992 |
| Liquid (PHs.) | 237,802 | 1,384,000 | 272,042 | 211,313 | 1,580,000 | 237,802 |
| Dry Syrup (PHs.) | 62,515 | 1,377,710 | 96,403 | 31,785 | 210,000 | 62,515 |
| Total | 33,219,004 | 157,714,170 | 28,478,691 | 32,567,141 | 164,735,000 | 33,219,004 |

II. Disclosure as per requirement of Schedule XI, Part II, Note-5 of Para 3, of the Companies Act, 1994 are given below:

Employee Position of SILVA PHARMACEUTICALS LTD. as at 30 June, 2022

| Salary Range (Monthly) | Total Employee | Officer & Staff | | Worker & Employee | |
|---|----------------|-----------------|-----------|-------------------|------------|
| | | Head Office | Factory | Field | Factory |
| Number of Employees whose salary below taka 3,000 or 5,500 p.m. | - | - | - | - | - |
| Number of Employees whose salary above taka 3,000 or 5,500 p.m. | 658 | 53 | 20 | 459 | 126 |
| Total for the year ended 30 June, 2022 | 658 | 53 | 20 | 459 | 126 |
| For the year ended 30 June, 2021 | 945 | 69 | 27 | 689 | 160 |

41.04 Disclosure as per requirement of schedule XI, part II, Para 4 of the Companies Act, 1994 are given below:

Payment to directors within the year ending 30 June, 2022 is as follows.:

| | 30-Jun-22 | 30-Jun-21 |
|--|-----------|-----------|
| (a) Managerial Remuneration paid or payable during the financial year to the directors, including managing directors, a managing agent or manager; | 1,200,000 | 1,200,000 |
| (b) Expenses reimbursed to the Managing Agent; | Nil | Nil |
| (c) Commission or Remuneration payable separately to a managing agent or his associate; | Nil | Nil |
| (d) Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company.; | Nil | Nil |
| (e) The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.; | Nil | Nil |

| | 30-Jun-22 | 30-Jun-21 |
|--|-----------|-----------|
| (f) Any other perquisite or benefits in cash or in kind stating, approximate money value where practicable; (Board meeting fees) | 379,500 | 327,750 |
| (g) Other allowances and commission including guarantee commission. | Nil | Nil |
| (h) Pensions etc. | | |
| (i) Pensions | Nil | Nil |
| (ii) Gratuities | Nil | Nil |
| (iii) Payments from a provident funds, in excess of own subscription and interest thereon | Nil | Nil |
| (iv) Compensation for loss of office | Nil | Nil |
| (v) Consideration in connection with retirement from office. | Nil | Nil |

41.05 Disclosure as per requirement of schedule XI, Part II, Para 7 of the Companies Act, 1994 are given below:

| Name of Item | Production Capacity | | Yearly Production | | Capacity Utilization (%) | |
|--------------|---------------------|---------------|-------------------|---------------|----------------------------|---------------|
| | Million Pcs/Ph. | | Million Pcs/Ph. | | 30-Jun-22 | 30-Jun-21 |
| | 30-Jun-22 | 30-Jun-21 | 30-Jun-22 | 30-Jun-21 | | |
| Tablet | 200.00 | 200.00 | 120.14 | 126.80 | 60.07% | 63.40% |
| Capsule | 58.00 | 58.00 | 34.82 | 35.55 | 60.03% | 61.29% |
| Liquid | 2.00 | 2.00 | 1.38 | 1.55 | 69.20% | 77.68% |
| Dry Syrup | 1.80 | 0.30 | 1.38 | 0.18 | 76.54% | 59.76% |
| Total | 261.80 | 260.30 | 157.71 | 164.08 | 60.24% | 63.04% |

41.06 Disclosure as per requirement of schedule XI, part II, Para 8 of the Companies Act, 1994 are given below:

- a) Value of imports calculated on C.I.F basis by the company during the year ended 30 June, 2022 in respect of Raw materials, Component and Spare parts and Capital Goods were as follows:

| S.L | Particulars | Import | | |
|--------------|---------------------------|---------|----------------|--------------------|
| | | Unit | Quantity | Amount in BDT |
| i | Raw Materials | Kg/Ltr. | 172,541 | 154,813,978 |
| ii | Packing Materials | Pcs/Kg | 37,232 | 18,331,149 |
| iii | Components of Spare parts | Set | 100 | 480,466 |
| iv | Capital Goods | Set | 8 | 19,727,515 |
| Total | | | 209,881 | 193,353,108 |

- b) The Company did not have any expenditure in foreign currency during the year on account of Royalty, Know-how, Professional consultancy fees, Interest and other matters.
- c) Value of all imported raw materials, spare parts and components consumed during the financial year and the value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption were as follows:

| Particulars | Imported Value (in BDT) | Imported in percentage (%) | Indigenous Value (in BDT) | Indigenous in percentage(%) | Total |
|----------------------------|-------------------------|----------------------------|---------------------------|-----------------------------|--------------------|
| Raw Materials | 120,674,366 | 48.58% | 127,744,549 | 51.42% | 248,418,915 |
| Packing Materials | 18,023,248 | 13.33% | 117,184,260 | 86.67% | 135,207,508 |
| Components and Spare parts | 480,466 | 2.40% | 19,544,103 | 97.60% | 20,024,569 |
| Total | 139,178,080 | 34.48% | 264,472,912 | 65.52% | 403,650,992 |

- d) No amount has been 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:
- No export made during the year;
 - No royalty, know-how, professional and consultation fees were received;
 - No Interest and Dividend received;
 - No Other income received

42.00 Reconciliation of Net income with Cash Flows from Operating Activities

AS per Clause No. 5 (2) (e) of Notification No. BSEC/CMRRCD/2006-158/208/Admin/81, Dated: 20 June 2018: the Reconciliation of Net operating cash flow under Indirect Method is as follows:

| Particulars | 01/07/2021 to 30/06/2022 | 01/07/2020 to 30/06/2021 |
|---|-----------------------------|-----------------------------|
| Net Profit before Income tax | 116,666,221 | 151,345,370 |
| Adjustment for: | | |
| Depreciation | 68,116,661 | 70,731,705 |
| Amortization | 167,989 | 162,439 |
| Finance Expense for lease | 697,908 | 1,055,117 |
| | 68,982,558 | 71,949,261 |
| Change in operating assets | | |
| Decrease (Increase) in Advances, deposits and Prepayments. | 2,029,878 | (6,289,189) |
| Decrease (Increase) in Trade & Other Receivable | 14,603,399 | (8,786,922) |
| Increase (Decrease) in Accounts and Other Payable | 641,540 | (288,989) |
| Increase (Decrease) in Provision and Accruals | 2,266,244 | 533,636 |
| Decrease (Increase) in Inventories | (18,112,600) | (19,803,052) |
| Income Tax Paid | (26,231,793) | (29,258,410) |
| Net Cash Generated From Operating activities (indirect method) | 160,845,447 | 159,401,705 |
| Net Cash Generated From Operating activities (Direct method) | 160,845,447 | 159,401,705 |

43.00 Disclosures as per IAS 24 Related Party disclosures are as follows:

The company carried out a number of transaction with related parties. The following are the related parties transactions of Silva pharmaceuticals Limited has been disclosed as required by IAS 24 Related Party Disclosures:

43.01 Disclosures as per paragraph 17 of IAS 24 are as follows:**(a) Short term employee benefits:**

| Name of the Related Parties | Nature of Relationship | Nature of Transaction | Value of goods / Services received during the year | Balance payable as on 30.06.2022 |
|--|--|-----------------------|--|----------------------------------|
| Dr. Saira Khan | Managing Director & Director | Remuneration | 1,200,000 | 100,000 |
| | | Board Meeting Fees | 34,500 | - |
| Mrs. Silvana Mirza | Chairman | Board Meeting Fees | 25,875 | - |
| Mrs. Samina Mirza | Director | Board Meeting Fees | 60,375 | - |
| Mrs. Farhana Mirza | Director | Board Meeting Fees | 34,500 | - |
| Md. Monsur Rahman (Representative of Adarsha Fisheries & Poultry Farms Ltd.) | Director | Board Meeting Fees | 77,625 | - |
| Mrs. Mahmuda Akhter (Representative of ICB) | Director | Board Meeting Fees | 34,500 | - |
| Md. Musfiqur Rahman, FCA | Independent Director | Board Meeting Fees | 69,000 | - |
| Muhammad Moniruzzaman, FCA | Independent Director | Board Meeting Fees | 43,125 | - |
| Mr. A. R. Hassan Mirza | Executive Director & Sponsor Shareholder | Salary & Allowances | 3,600,000 | 300,000 |
| | | Office Rent | 1,593,720 | 132,810 |
| Total | | | 6,773,220 | 532,810 |

30-Jun-22

| | |
|------------------------------|-----|
| (b) Post-employee benefits | Nil |
| (c) Other long term benefits | Nil |
| (d) Termination benefits and | Nil |
| (e) Share-based payment | Nil |

Key management personnel compensation includes benefits for employees of the rank of director and above. No remuneration is given to the board of director's apart from attendance fees in connection with Board and sub committee meeting during the year 2021-2022 attendance fees in connection with Board and Sub Board committee meeting are Tk.379,500 (2020-2021 Tk.327,750).

44.00 General:**44.01 Capital Expenditure Commitment:**

There was no capital expenditure contracted except contract for construction of new factory building using IPO fund as on 30.06.2022. and all material capital expenditure authorized by the board.

44.02 Claim not Acknowledged as Debts:

There is no claim against the company which have been acknowledged as debt as at 30 June, 2022

44.03 Commission, Brokerage or Discount:

No brokerage or discount other than usual trade discount against sales was paid during the year. As there was no sales agent, commission therefore was not paid.

44.04 Un-availed Credit Facilities:

There are no credit facilities available to the company under any contract but not availed as on 30.06.2022 other than bank credit facility and trade credit available in ordinary course of business.

44.05 Contingent Liabilities and Assets

There was no contingent liability other than letters of credit outstanding for importation of raw and packing materials, capital goods as on 30.06.2022.

Virtual Annual General Meeting (AGM) Logistics

Pursuant to the Bangladesh Securities and Exchange Commission's Directive No. BSEC/CMRRC-D/2009-193/08 dated March 10, 2021; a listed company can arrange virtual Annual General Meeting, which can be conducted via live webcast by using digital platform. Accordingly, the 21st AGM (Virtual Meeting) of the Silva Pharmaceuticals Limited is scheduled to be held on Thursday, 29 December 2022 at 11.00 AM by using digital platform and online shareholders' tools that enabling the shareholders to participate fully and equally from any location around the world.



DATE



THURSDAY
29th DECEMBER, 2022

TIME



11:00 AM

LIVE WEBCAST



**[http://silvaphlagm2022.
digitalagmbd.net](http://silvaphlagm2022.digitalagmbd.net)**

Proxy Form



SILVA PHARMACEUTICALS LIMITED

Registered Office: House # 65, Road # 8/A, Dhanmondi, Dhaka-1209.

I/We.....of.....
.....being a shareholder hold.....No. of
shares of Silva Pharmaceuticals Limited do hereby appoint Mr./Mrs./
Miss.....
.....of.....
.....as my/our proxy to attend and vote in my/our behalf at the 21st Annual General Meeting (AGM) of the company
to be held on 29th December, 2022 at 11.00 AM through Digital (Virtual) Platform and at any adjournment there of or any poll that may be
taken in consequence thereof and to vote on my/our behalf as he/she thinks appropriate on all resolutions.

As witness my / our hand thisDay of December, 2022.

Signature of the Shareholder

Affix
20 Taka
Revenue
Stamps

Signature of the proxy

Shareholders Folio No:

Shareholders BOID No:

No. of shares held:

Note:

- 1) The Proxy Form, duly filled and stamped must be deposited at the company's Registered Office not later than 72 hours before the time fixed for the meeting.
- 2) Signature of the shareholder should agree with the specimen signature registered with the company of BO Account/CDBL record.

(Authorized Signature)
Silva Pharmaceuticals Limited

(Signature Verified)



SILVA PHARMACEUTICALS LIMITED

Registered Office: House # 65, Road # 8/A, Dhanmondi, Dhaka-1209.

Shareholders' Attendance Slip

I / We do hereby record my/our attendance at the 21st Annual General Meeting (AGM) of Silva Pharmaceuticals Ltd. To be held on 29th Decem-
ber, 2022 at 11.00 AM through Digital (Virtual) Platform.

Name of shareholder / proxyNo. of Share.....

Shareholders Folio No:

Shareholders BOID No:

(Authorized Signature)
Silva Pharmaceuticals Limited

(Signature of shareholder)

Note:

- 1) Please present this attendance slip at registration desk on the AGM date.

Our Animal Health Products

Silvit-C

Ascorbic Acid



Silvit-ES[®]

Vitamin-E, Selenium & D-Biotin



Photo Gallery



Policy and Strategic Planning Meeting-2022



Corporate Picnic-2022
in Cox'sbazar



Policy and Strategic Planning Meeting-2021

Respi-D[®]

Dextromethorphan Hydrobromide BP,
Levomenthol BP and
Diphenhydramine Hydrochloride BP

Respi-M[®]

Guaifenesin BP, Levomenthol BP and
Diphenhydramine Hydrochloride BP



Sugar Free

Raspberry Flavored



- ✓ Effective for dry cough
- ✓ Provides soothing effect
- ✓ Aids restful sleep

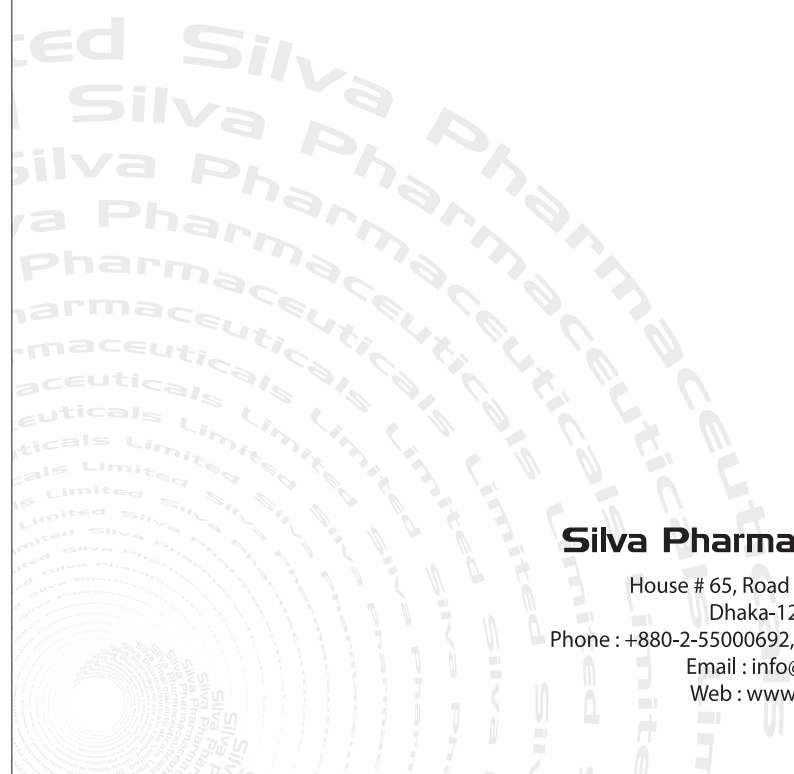
- ✓ Effective for mucus cough
- ✓ Reduces chest congestion
- ✓ Aids restful sleep

Duet[®]

Paracetamol 500 mg
& Caffeine 65mg

অতি দ্রুত জ্বর ও
মাথা ব্যাথা কমায়





Silva Pharmaceuticals Limited

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