

**Auditor's Report and
Audited Financial Statements**

Of

Silva Pharmaceuticals Limited

For the year ended June 30, 2024

Auditors



MZ Islam & Co.
Chartered Accountants



*An International Affiliated Member Firm of
MGM Accountants Pty Ltd. Australia*

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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 2024, 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 present fairly, in all material respects, the financial position of the Company as at June 30, 2024 and its financial performance and its cash flows for the year then ended in accordance with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional 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 | |
| <p>At the year end the company reported total revenue of Tk. 599,659,109. 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.</p> <p>There is also a risk that revenue may be overstated due to fraud through manipulation and management may feel to achieve performance targets.</p> | <p>We have tested the design and operative effectiveness of key controls focusing on the following:</p> <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. <p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> • Obtaining supporting documentation for sales transactions recorded either side of year end to determine whether revenue was recognized in the correct period; • Cross match sales order, sales invoice and dispatch carefully; • Cross checking with Mushak 9.1; 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 1,150,164,643. This represents a material amount in the company's statement of financial position as at 30 June 2024 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

At year end the company reported total inventories of BDT 493,201,611.

- 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.

Our audit procedure to access the amount of inventories including the following:

- Related staff of the company conducted physical inventories. We obtained the stated inventory report
- Checking of cost sheet of finished product, checking of purchased price of raw materials.

See note no. 8 to the financial statements

Trade Receivable

At year end the company reported total Receivable of **Tk. 255,718,828**. This represent material amount of company's working capital in the financial statement as at 30 June 2024 as there is risk of uncollectible;

- There is risk of untraceable of credit parties which resulting bad debts.

Our audit procedure to access the amount of trade receivable including the following:

- Checking of sales ledgers with DEPO wise sales statement.
- Checking of subsequent collection amount.
- Aging analysis.
- Checking balance confirmation depo-wise.

See note. 9.01 to the financial statements

Measurement and recognition of deferred tax

The balance of reported deferred tax liability of the company was **Tk. 80,678,988**.

Significant judgement is required in relation to deferred tax liability as their liability is dependent o forecast of future profitability over a number of years.

The risk for financial statements is that these provisions are not properly measured for all types of temporary differences as per IAS 12 income tax.

We obtained an understanding, evaluated the design and tested the operational effectiveness of the company's key control over the recognition and measurement of deferred tax assets and liabilities and assumptions used in estimating the future taxable expenses of the company.

We also assess the completeness and accuracy of the data used for the estimation of future taxable expenses. We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax laws carry forwards, recognition and measurement of deferred tax liability. We assessed the adequacy of company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved.

We also assisted in evaluating the tax implications, the reasonableness of estimates and calculations determined by the management.

See note. 15.00 to the financial statements





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.

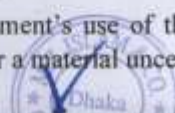
Those charged with governance are responsible for overseeing the Company's financial reporting process.

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 casts 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.

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.

Place: Dhaka

Dated: October,28,2024

Mohammad Fakhru Alam Patwary FCA
Enrollment No: 1249
Managing Partner
M.Z. Islam & Co.
Chartered Accountants
DVC: 2410291249AS137053



Silva Pharmaceuticals Limited
Statement of Financial Position
 As at 30 June, 2024

| Particulars | Notes | Amount in Taka | |
|--|-------|----------------------|----------------------|
| | | 30-Jun-24 | 30-Jun-23 |
| ASSETS: | | | |
| Non-Current Assets | | 1,474,712,706 | 1,502,305,667 |
| Property, Plant and Equipment | 4.00 | 1,150,164,643 | 1,150,169,426 |
| Intangible Assets | 5.00 | 1,224,638 | 1,360,709 |
| Right-of-use asset (ROU) | 6.00 | 5,651,962 | 7,310,395 |
| Capital work-in-Progress | 7.00 | 317,671,463 | 343,465,137 |
| Current Assets | | 939,515,718 | 1,000,426,186 |
| Inventories | 8.00 | 493,201,611 | 493,722,001 |
| Trade and Other Receivables | 9.00 | 256,130,421 | 259,319,385 |
| Advances, Deposits and Prepayments | 10.00 | 62,689,093 | 66,017,566 |
| Fixed Deposits Receipts (FDR) with Banks | 11.00 | 88,801,678 | 152,724,622 |
| Cash and Cash Equivalents | 12.00 | 38,692,915 | 28,642,612 |
| Total Assets | | 2,414,228,424 | 2,502,731,853 |
| SHAREHOLDERS EQUITY AND LIABILITIES: | | | |
| Equity attributable to the Shareholders | | 2,255,949,495 | 2,334,084,309 |
| Share Capital | 13.00 | 1,365,000,000 | 1,365,000,000 |
| Retained Earnings | 14.00 | 890,949,495 | 969,084,309 |
| Non-Current Liabilities | | 84,114,522 | 82,455,958 |
| Deferred Tax Liabilities | 15.00 | 80,678,988 | 77,855,263 |
| Lease liabilities | 16.00 | 3,435,534 | 4,600,695 |
| Current Liabilities | | 74,164,407 | 86,191,586 |
| Short Term Finance | 17.00 | 47,709,074 | 55,836,229 |
| Lease liabilities | 16.00 | 1,182,428 | 1,424,036 |
| Trade and Other Payables | 18.00 | 7,162,713 | 6,989,159 |
| Unclaimed Dividend Account | 19.00 | 176,686 | 461,163 |
| Provision for Expenses | 20.00 | 17,933,506 | 21,480,999 |
| Total Liabilities | | 158,278,929 | 168,647,544 |
| Total Equity & Liabilities: | | 2,414,228,424 | 2,502,731,853 |
| Net Assets Value (NAV) per share | 30.00 | 16.53 | 17.10 |
| 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

Signed as per our separate report of same date.

Place: Dhaka
 Dated: October, 28, 2024




Mohammad Fakhru Alam Patwary FCA
 Enrolment No. 1249
 Managing Partner
M. Z. Islam & Co.
 Chartered Accountants
 DVC : 2410291249AS137053

Silva Pharmaceuticals Limited
Statement of Profit or Loss and other Comprehensive Income
For the year ended 30 June, 2024

| Particulars | Notes | Amount in Taka | |
|---|-------|--------------------------|--------------------------|
| | | 01/07/2023 to 30/06/2024 | 01/07/2022 to 30/06/2023 |
| Revenue from Net Sales | 21.00 | 599,659,109 | 716,866,435 |
| Cost of goods sold | 22.00 | (436,758,103) | (485,502,033) |
| Gross Profit | | 162,901,006 | 231,364,402 |
| Operating expenses | | (211,149,096) | (185,168,222) |
| Administrative Expenses | 23.00 | (40,556,478) | (37,271,657) |
| Selling & Distribution Expenses | 24.00 | (170,592,618) | (147,896,565) |
| Operating Income | | (48,248,090) | 46,196,180 |
| Financial expenses | 25.00 | (4,467,057) | (3,866,297) |
| Interest and Other income | 26.00 | 6,218,502 | 10,552,917 |
| Profit before WPPF and Welfare Fund | | (46,496,645) | 52,882,800 |
| Workers' Profit Participation and Welfare Fund (WPPFAF) | 27.00 | - | (2,518,229) |
| Profit before Income Tax | | (46,496,645) | 50,364,571 |
| Income Tax Expenses | | (17,988,169) | (17,288,832) |
| Current Tax Expenses | 28.01 | (15,164,444) | (15,113,763) |
| Deferred Tax Income /(Expenses) | 28.02 | (2,823,725) | (2,175,069) |
| Net Profit after tax | | (64,484,814) | 33,075,739 |
| Other Comprehensive Income | | - | - |
| Total comprehensive income for the year | | (64,484,814) | 33,075,739 |
| Earnings per Share (EPS) | 29.00 | (0.47) | 0.24 |
| 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

Signed as per our separate report of same date.

Place: Dhaka
 Dated: October, 28, 2024




Mohammad Fakhru Alam Patwary FCA
 Enrolment No. 1249
 Managing Partner
M. Z. Islam & Co.
 Chartered Accountants
 DVC : 2410291249AS137053

Silva Pharmaceuticals Limited
Statement of Changes in Equity
For the year ended 30 June, 2024

| Particulars | Amount in Taka | | |
|--------------------------------------|----------------|-------------------|---------------|
| | Share Capital | Retained Earnings | Total |
| Balance as on 1st July, 2023 | 1,365,000,000 | 969,084,309 | 2,334,084,309 |
| Dividend for the year 2022-2023 | - | (13,650,000) | (13,650,000) |
| Net profit after tax during the year | - | (64,484,814) | (64,484,814) |
| Balance as at 30 June, 2024 | 1,365,000,000 | 890,949,495 | 2,255,949,495 |

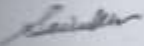
The Board of Directors of the Company has recommended 01.00% cash dividend for all shareholders excluding Sponsor & Directors in its 101st board meeting dated 28 October, 2024.

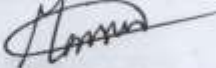
For the year ended 30 June, 2023

| Particulars | Amount in Taka | | |
|--------------------------------------|----------------|-------------------|---------------|
| | Share Capital | Retained Earnings | Total |
| Balance as on 1st July, 2022 | 1,365,000,000 | 960,198,381 | 2,325,198,381 |
| Dividend for the year 2021-2022 | - | (24,189,811) | (24,189,811) |
| Net profit after tax during the year | - | 33,075,739 | 33,075,739 |
| Balance as at 30 June, 2023 | 1,365,000,000 | 969,084,309 | 2,334,084,309 |

The Board of Directors of the Company has recommended 1% cash dividend for all shareholders in its 97th board meeting dated 28 October, 2023.

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


 Managing Director


 Director


 Chief Financial Officer


 Company Secretary

Signed as per our separate report of same date.



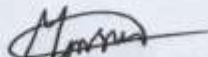
Silva Pharmaceuticals Limited
Statement of Cash Flows
 For the year ended 30 June, 2024

| Particulars | Notes | Amount in Taka | |
|---|--------------|-----------------------------|-----------------------------|
| | | 01/07/2023 to 30/06/2024 | 01/07/2022 to 30/06/2023 |
| Cash flows from Operating Activities | | | |
| Cash received from Customers | 31.00 | 601,286,901 | 714,568,089 |
| Cash received from non-operating income | 32.00 | 7,779,674 | 11,142,244 |
| Cash Paid to Suppliers | 33.00 | (359,323,211) | (424,924,917) |
| Cash Paid to Employees | 34.00 | (199,011,890) | (179,579,771) |
| Cash Paid for Others | 35.00 | (31,922,287) | (28,093,046) |
| Cash payment for Financial Expenses | | (3,633,726) | (2,726,967) |
| Income Tax Paid | 36.00 | (11,756,646) | (20,284,339) |
| Net cash generated from operating activities (A)* | 42.00 | 3,418,815 | 70,101,293 |
| Cash flows from Investing Activities | | | |
| Acquisition of Property, Plant and Equipment | 37.00 | (2,787,445) | (16,500,675) |
| Cash Payments for Capital Work-in-progress | | (30,202,279) | (70,304,712) |
| Cash received/Payments from/to FDR | | 63,922,944 | 72,319,943 |
| Net cash used in investing activities (B) | | 30,933,220 | (14,485,444) |
| Cash flows from Financing Activities | | | |
| Short Term Loan received/(Repaid) | | (8,127,155) | (35,170,335) |
| Cash payment towards lease liabilities | | (2,240,100) | (3,202,544) |
| Cash Dividend Paid | | (13,934,477) | (25,025,580) |
| Net cash used in financing activities (C) | | (24,301,732) | (63,398,729) |
| Net increase/(decrease) of Cash and Cash Equivalents (A+B+C) | | 10,050,303 | (7,782,880) |
| Cash and Cash Equivalents at the beginning of the year | | 28,642,612 | 36,425,492 |
| Cash and Cash Equivalents at the end of the year | 12.00 | 38,692,915 | 28,642,612 |
| Net Operating Cash Flow Per Share (NOCFPS) | 38.00 | 0.03 | 0.51 |
| 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

Signed as per our separate report of same date.



Silva Pharmaceuticals Limited

Notes to the Financial Statements

For the year ended 30 June, 2024

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, Majdee 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 and international 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, 2024;
- ii) The Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June, 2024;
- iii) The Statement of Changes in Equity for the year ended 30 June, 2024;
- iv) The Statement of Cash Flows for the year ended 30 June, 2024; 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 in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and subsequently adopted by the Financial Reporting Council (FRC), Bangladesh, 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 Chittagong Stock Exchange Limited (CSE) 2015 and other relevant laws as applicable.

The title and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirement of the Companies Act, 1994. However, such differences are not material and in the view of management, IFRS format gives a better presentation to the shareholders.

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 and Income Tax Act, 2023
- The Income Tax Rules, 1984 & 2023
- The Value Added Tax and Supplementary Duty Act, 2012
- The Value Added Tax and Supplementary Duty Rules, 2016



- The Drug and Cosmetics Act, 2023
- The Financial Reporting Act, 2015 and FRC Notifications
- The Customs Act, 1969
- The Stamp Act, 1899
- The Bangladesh Securities and Exchange Commission Act, 1993
- The Bangladesh Securities and Exchange Commission Rules, 1987
- DSE and CSE Rules
- DSE & CSE (Listing) Regulations, 2015
- Bangladesh Labour Act, 2006 (As amended to 2018)

2.04 Use of Estimates and Judgments

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) 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"

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values for financial assets and liabilities.

The company has established solid internal control with respect to the measurement of fair values. Significant valuation issues are reported to Audit Committee.

When measuring the fair values of an asset or a liability, the company uses market observable data as per as possible. When one is available, the company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the assets or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

2.05 Materiality, aggregation and off setting

Each material item as considered by management significant has been displayed separately in the financial statements. 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. No such incident existed during the year.

2.06 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.

2.07 Functional and Presentation Currency

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

2.08 Reporting Period

The financial statements of the Company consistently cover one financial year commencing from 01 July, 2023 to 30 June, 2024.



2.09 Responsibility for the preparation and presentation of the 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.

2.10 Authorization for issuing Financial Statements

The Financial Statements were authorized for issue by the Board of Directors in its meeting held on 28 October 2024 for publication.

2.11 Accrual Basis of Accounting

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.

2.12 Basis of Measurement

The Financial Statements have been prepared on going concern basis under the historical cost convention except for certain assets which are stated either at revalued amount or fair market value as explained in the accompanying notes.

2.13 Comparative and reclassification

Comparative information has been disclosed in respect of previous year in accordance with IAS-1 "Presentation of Financial Statements" for all numeric information of the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year financial statements. Prior year figure has been rearranged/reclassified wherever considered necessary to ensure comparability with the current year financial statements.

2.14 Application of Standards (IAS's)

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 Institute of Chartered Accountants of Bangladesh (ICAB) and subsequently adopted by the Financial Reporting Council (FRC) Bangladesh in preparing the financial statements.

| Sl. No. | IAS/IFRS No. | Title of IAS/IFRS |
|--|--------------|---|
| International Accounting Standards (IASs) | | |
| 1 | 1 | Presentation of Financial Statements |
| 2 | 2 | Inventories |
| 3 | 7 | Statement of Cash Flows |
| 4 | 8 | Accounting Policies, Changes in Accounting Estimates and Errors |
| 5 | 10 | Events after the Reporting period |
| 6 | 12 | Income Taxes |
| 7 | 16 | Property, Plant & Equipment |
| 8 | 19 | Employee Benefits |
| 9 | 21 | The Effects of Changes in Foreign Exchange Rates |
| 10 | 23 | Borrowing Costs |
| 11 | 24 | Related Party Disclosures |
| 12 | 32 | Financial Instruments: Presentation |
| 13 | 33 | Earnings Per Share |
| 14 | 34 | Interim Financial reporting |
| 15 | 36 | Impairment of assets |
| 16 | 37 | Provisions, Contingent Liabilities and Contingent Assets |
| 17 | 38 | Intangible Assets |



| International Financial Reporting Standards (IFRSs) | | |
|---|----|---------------------------------------|
| 18 | 7 | Financial Instruments: Disclosure |
| 19 | 8 | Operating Segments |
| 20 | 9 | Financial Instruments |
| 21 | 13 | Fair Value Measurement |
| 22 | 15 | Revenue from Contracts with Customers |
| 23 | 16 | Leases |

Significant Accounting Policies

Property, Plant and Equipment (PPE)

i) Recognition and Measurement

An item shall be recognized as Property, Plant and Equipment's (PPE) if, and only if 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 equipments 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% |

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, 2024.

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 and Gratuity

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.

1.13 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).

1.14 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.

1.15 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.

1.16 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 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 analyse 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 2024, 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.

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.

1.19 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 arised 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.

1.20 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 01.00% cash dividend only for all Shareholders excluding Sponsors and Directors for the year ended June 30, 2024 in its 101st board meeting held on 28 October, 2024.

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



| | Amount in Taka | |
|--|----------------------|----------------------|
| | 30-Jun-24 | 30-Jun-23 |
| 4.00 Property, Plant and Equipment | | |
| A) Cost | | |
| Opening Balance | 1,978,065,885 | 1,960,479,837 |
| Addition during the period | 58,783,398 | 17,586,048 |
| Disposal/Transfer during the Year | - | - |
| Closing Balance | 2,036,849,283 | 1,978,065,885 |
| B) Depreciation | | |
| Opening Balance | 827,896,459 | 765,390,355 |
| Charge during the period | 58,788,181 | 62,506,104 |
| Disposal/Transfer during the Year | - | - |
| Closing Balance | 886,684,640 | 827,896,459 |
| Written Down Value (A-B) | 1,150,164,643 | 1,150,169,426 |
| Details have been shown in Annexure-A | | |
| 5.00 Intangible Assets | | |
| A) Cost | | |
| Opening Balance | 1,909,220 | 1,909,220 |
| Addition during the period | - | - |
| Disposal/Transfer during the Year | - | - |
| Closing Balance | 1,909,220 | 1,909,220 |
| B) Amortization | | |
| Opening Balance | 548,511 | 397,321 |
| Charge during the period | 136,071 | 151,190 |
| Disposal/Transfer during the Year | - | - |
| Closing Balance | 684,582 | 548,511 |
| Written Down Value (A-B) | 1,224,638 | 1,360,709 |
| Details have been shown in Annexure-B | | |
| 6.00 Right of Use Assets (RoU) | | |
| Opening Balance | 26,266,197 | 26,266,197 |
| Less: Adjustment during the period | - | - |
| | 26,266,197 | 26,266,197 |
| Less: Accumulated depreciation | 20,614,235 | 18,955,802 |
| Closing Balance | 5,651,962 | 7,310,395 |
| Details have been shown in Annexure-C | | |



| Amount in Taka | |
|----------------|-----------|
| 30-Jun-24 | 30-Jun-23 |

2.00 Capital Work in Progress

A) Construction work-in-progress (Building)

| | | |
|---|--------------------|--------------------|
| Opening Balance | | |
| Addition during the period | 287,469,184 | 229,857,442 |
| Transfer to Property, Plant and equipment | 30,202,279 | 57,611,742 |
| Closing Balance | | |
| | <u>317,671,463</u> | <u>287,469,184</u> |

B) Plant and Machinery in transit and installation

| | | |
|---|--------------|-------------------|
| Opening Balance | 55,995,953 | 44,388,356 |
| Addition during the period | - | 12,692,970 |
| Transfer to Property, Plant and equipment | (55,995,953) | (1,085,373) |
| Closing Balance | | |
| | <u>-</u> | <u>55,995,953</u> |

Total Closing Balance

| | | |
|--|---------------------------|---------------------------|
| | <u>317,671,463</u> | <u>343,465,137</u> |
|--|---------------------------|---------------------------|

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. Capital Working-in-process expenditure include Tk. 6,05,32,650 out of Tk. 31,76,71,463 from use of IPO Fund under the head of construction of new factory building which have not start commercial production yet.

2.01 Inventories

| | | |
|------------------------------------|---------------------------|---------------------------|
| Raw Materials | 305,261,325 | 302,694,806 |
| Packing Materials | 37,463,562 | 41,635,982 |
| Spares & Tools | 15,328,457 | 17,342,850 |
| Promotional Materials & Gift items | 19,324,354 | 20,834,756 |
| Finished goods | 109,462,185 | 104,856,358 |
| Work in Process-Closing | 6,361,728 | 6,357,249 |
| Total | <u>493,201,611</u> | <u>493,722,001</u> |

2.01 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-3.05.



| Amount in Taka | |
|----------------|-----------|
| 30-Jun-24 | 30-Jun-23 |

3.20 Trade and Other Receivable

Particulars

| | | | |
|------------------------|------------|--------------------|--------------------|
| Trade Receivables | Note- 9.01 | 255,718,828 | 257,346,620 |
| Accrued Interest | Note- 9.02 | 411,593 | 1,972,765 |
| Closing Balance | | 256,130,421 | 259,319,385 |

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 | | 255,718,828 | 257,346,620 |
| Total | | 255,718,828 | 257,346,620 |

3.21 Trade Receivable

| | | |
|----------------|--------------------|--------------------|
| Barisal DMO | 19,234,657 | 18,820,208 |
| Bogra DMO | 19,924,658 | 19,710,851 |
| Chittagong DMO | 23,619,455 | 24,218,422 |
| Cumilla DMO | 19,685,493 | 18,705,278 |
| Dhaka DMO | 21,876,342 | 25,467,046 |
| Faridpur DMO | 14,695,729 | 14,758,172 |
| Jessore DMO | 9,699,594 | 9,887,780 |
| Khulna DMO | 3,649,752 | 3,394,325 |
| Bhairab DMO | 15,346,136 | 14,747,923 |
| Mymensingh DMO | 17,834,975 | 18,181,598 |
| Noakhali DMO | 26,218,457 | 26,969,437 |
| Rajshahi DMO | 16,327,458 | 17,535,236 |
| Dinajpur DMO | 11,061,443 | 11,806,131 |
| Rangpur DMO | 13,326,354 | 12,829,968 |
| Chandra DMO | 2,138,561 | - |
| Cox's Bazar | 3,725,486 | 2,790,411 |
| Sylhet DMO | 17,354,278 | 17,523,834 |
| Total | 255,718,828 | 257,346,620 |

| | Amount in Taka | | |
|--|------------------|-------------------|-------------------|
| | 30-Jun-24 | 30-Jun-23 | |
| 8.12 Accrued Interest | | | |
| Opening Balance | 1,972,765 | 2,562,092 | |
| Addition during the year | 4,748,325 | 9,015,949 | |
| Total | 6,721,090 | 11,578,041 | |
| Re-investment During the year | (3,295,953) | (2,742,676) | |
| Received During the year | (3,013,544) | (6,862,600) | |
| Closing Balance | 411,593 | 1,972,765 | |
| 8.13 Advances, Deposits and Prepayments | | | |
| Advances & Prepayments | | | |
| Advance Income Tax | Note- 10.01 | 11,756,646 | 17,616,562 |
| Advance against Purchase & Others | | 15,525,452 | 11,425,683 |
| Advance against L/C | | 17,849,625 | 17,233,865 |
| Advance against Travelling and Conveyance | | 2,887,756 | 2,892,875 |
| Advance against Motor-cycle Expenses | | 4,347,485 | 4,253,164 |
| Advance against Employee | | 1,973,449 | 1,872,652 |
| Advance against Depot Rent | | 1,902,600 | 1,272,600 |
| Prepayments of VAT | | 6,068,870 | 9,072,955 |
| Total Advances and Prepayments | | 62,311,883 | 65,640,356 |
| Deposits | | | |
| 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 |
| Total Security Deposits | | 377,210 | 377,210 |
| Total | | 62,689,093 | 66,017,566 |

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.

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.



| Amount in Taka | |
|----------------|-----------|
| 30-Jun-24 | 30-Jun-23 |

12.01 Advance Income Tax

| | | |
|---------------------------------|-------------------|-------------------|
| Opening Balance | 17,616,562 | 23,582,123 |
| Payment made during the year | 11,756,646 | 20,284,339 |
| Total | 29,373,208 | 43,866,462 |
| Adjustment made During the year | (17,616,562) | (26,249,900) |
| Closing Balance: | 11,756,646 | 17,616,562 |

12.02 Fixed Deposits Receipts (FDR)

| | | |
|---|-------------------|--------------------|
| Jamuna Bank Ltd. Foreign Exchange branch Dhaka | 21,272,390 | 27,686,773 |
| Union Bank Ltd. Panthapath Branch, Dhaka | - | 60,000,000 |
| Shahjalal Islami Bank Ltd. Satmosjid Road Branch, Dhaka (Short Term Investment) | 67,529,288 | 65,037,849 |
| Total | 88,801,678 | 152,724,622 |

12.03 Cash and Cash Equivalents

| | | |
|------------------------------|------------------------|-------------------|
| Cash in Hand at factory | 36,739 | 34,763 |
| Cash in Hand at Head Office | 33,286 | 61,862 |
| Cash in Hand at Depot Office | 17,112,951 | 11,301,733 |
| Postal Imprest | 3,065 | 3,065 |
| Cash at Bank | Note- 12.01 21,506,874 | 17,241,189 |
| Total | 38,692,915 | 28,642,612 |



| Amount in Taka | |
|----------------|-----------|
| 30-Jun-24 | 30-Jun-23 |

12.01 Cash at Bank

| | | |
|--|-------------------|-------------------|
| Al-Arafah Islami Bank Ltd. 1311020011891 | 117,093 | 22,291 |
| Al-Arafah Islami Bank Ltd. 01311220001386 | 16,219 | 17,199 |
| Dutch Bangla Bank Ltd. 171.110.380 | 3,927,561 | 56,435 |
| Dutch Bangla Bank Ltd. 1711200002165 | 5,608 | 4,872 |
| Dutch Bangla Bank Ltd. 2501200000282 | 62,515 | 17,964 |
| Dutch Bangla Bank Ltd. 7017700000272 | 498,152 | - |
| Dutch Bangla Bank Ltd. 1711200002688 | 64,137 | 222,315 |
| Dutch Bangla Bank Ltd. 1711200003141 | 127,251 | 243,254 |
| Dutch Bangla Bank Ltd. 1715290000052 | 2,479,594 | 2,416,758 |
| Dutch Bangla Bank Ltd. 1715270000142 | 10,728,386 | 10,516,473 |
| Dutch Bangla Bank Ltd. 1715270000158 | 1,058,908 | 1,040,060 |
| Dutch Bangla Bank Ltd. 1715270000163 | 1,058,908 | 1,040,060 |
| Dutch Bangla Bank Ltd. 1715280000036 | 1,060,539 | 1,037,586 |
| National Bank Ltd. 1063000829560 | 78,728 | 31,018 |
| Jamuna Bank Ltd. 1001000227878 | 59,711 | 45,376 |
| Union Bank Ltd. 31210000536 | 4,146 | 49,139 |
| Sonali Bank Ltd. 2000602 | 79,906 | 71,610 |
| Shahjalal Islami Bank Ltd. 401211100007640 | 74,233 | 2,779 |
| Shahjalal Islami Bank Ltd. 401213100009660 | 5,279 | - |
| Total | 21,506,874 | 17,241,189 |



| | | Amount in Taka | |
|--------------|--|----------------------|----------------------|
| | | 30-Jun-24 | 30-Jun-23 |
| 12.00 | Share Capital | | |
| 12.01 | Authorized Share Capital | | |
| | 15,00,00,000 ordinary shares of Tk 10/- each | 1,500,000,000 | 1,500,000,000 |
| 12.02 | 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 | 30-Jun-24 | | 30-Jun-23 | |
|----------------------------------|--------------------|----------------|--------------------|----------------|
| | No. of Shares | % | No. of Shares | % |
| Sponsors/Directors | 69,034,952 | 50.58% | 69,539,201 | 50.94% |
| Financial and other Institutions | 22,830,427 | 16.73% | 21,866,686 | 16.02% |
| Foreign | 11,025 | 0.01% | 12,850 | 0.01% |
| General Public | 44,623,596 | 32.69% | 45,081,263 | 33.03% |
| 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, 2024 are as follows:



| Range of Holdings | No. of Shareholders | Amount in Taka | |
|-----------------------------------|---------------------|--------------------|----------------|
| | | 30-Jun-24 | 30-Jun-23 |
| | | No. Of Shares | Percentage (%) |
| Less than 500 Shares | 2,013 | 466,848 | 0.34% |
| From 501 to 5,000 Shares | 3,402 | 6,090,421 | 4.46% |
| From 5,001 to 10,000 Shares | 573 | 4,429,292 | 3.24% |
| From 10,001 to 20,000 Shares | 307 | 4,589,375 | 3.36% |
| From 20,001 to 30,000 Shares | 132 | 3,352,181 | 2.46% |
| From 30,001 to 40,000 Shares | 71 | 2,486,028 | 1.82% |
| From 40,001 to 50,000 Shares | 57 | 2,651,367 | 1.94% |
| From 50,001 to 1,00,000 Shares | 88 | 6,567,404 | 4.81% |
| From 1,00,001 to 10,00,000 Shares | 71 | 19,881,339 | 14.57% |
| From 10,00,001 and above Shares | 22 | 85,985,745 | 62.99% |
| Total | 6,736 | 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. 14.30 in the Dhaka stock Exchange Limited and Tk. 14.30 in the Chittagong Stock Exchange Limited as on 30.06.2024.

14.00 Retained Earnings

| | | |
|---|--------------------|--------------------|
| Opening balance | 969,084,309 | 960,198,381 |
| Dividend for the year 2022-2023 (1% Cash) | (13,650,000) | (24,189,811) |
| Net profit after tax during the year | (64,484,814) | 33,075,739 |
| Closing Balance | 890,949,495 | 969,084,309 |



| Amount in Taka | |
|----------------|-----------|
| 30-Jun-24 | 30-Jun-23 |

15.00 Deferred Tax Liabilities

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 28.02. The components of deferred tax assets and liabilities are given below:

| Particulars | Carrying Amount | Tax base value (*) | Taxable (deductible) Temporary Difference | Applicable tax rate | Deferred tax Liability |
|--|----------------------|--------------------|---|---------------------|------------------------|
| As on 30 June, 2024 | | | | | |
| Property, Plant and Equipment | 1,151,389,281 | 747,994,342 | 403,394,939 | 20.00% | 80,678,988 |
| Total deferred tax liabilities for the year 2023-2024 | 1,151,389,281 | 747,994,342 | 403,394,939 | | 80,678,988 |
| 30 June, 2023 | | | | | |
| Property, Plant and Equipment | 1,151,530,135 | 762,253,822 | 389,276,313 | 20.00% | 77,855,263 |
| Total deferred tax liabilities for the year 2022-2023 | 1,151,530,135 | 762,253,822 | 389,276,313 | | 77,855,263 |

16.00 Lease Liability

| | | | |
|---------------------------------|--|------------------|------------------|
| Opening Balance | | 6,024,731 | 8,087,945 |
| Addition during the year | | - | - |
| Finance Charge | | 833,331 | 1,139,330 |
| Paid during the year | | (2,240,100) | (3,202,544) |
| Closing Balance | | 4,617,962 | 6,024,731 |
| Transferred to Current Maturity | | (1,182,428) | (1,424,036) |
| Non-Current Portion | | 3,435,534 | 4,600,695 |

17.00 Short Term Finance

Outstanding position of Short Term Finance is shown below:

| | | |
|--|-------------------|-------------------|
| Jamuna Bank Limited SOD A/c. No. 6002000012105 | 18,602,881 | 18,262,049 |
| Jamuna Bank Limited UPAS A/C | - | 6,408,324 |
| SJIBL-BAI-MUAZZAL (FO) | 14,390,343 | 16,680,473 |
| DBBL, Account No. 1714050001188 | 14,715,850 | 14,485,383 |
| Total | 47,709,074 | 55,836,229 |



| Amount in Taka | |
|----------------|-----------|
| 30-Jun-24 | 30-Jun-23 |

18.00 Trade and Other Payables
Particulars

| | | |
|---------------------------------|------------------|------------------|
| Alvi Enterprise | 287,643 | 308,993 |
| Crystal Flexipack Ltd. | 79,507 | 79,507 |
| Sun Shine Traders | 287,661 | 537,661 |
| Rasayan Ghar | 715,813 | 323,063 |
| JMS Glass Industries | 135,026 | 35,025 |
| AGI Printing & Packaging Ltd. | 652,534 | 632,544 |
| Dhaka Foil Corporation | 442,829 | 275,782 |
| Reaz Enterprise | 520,345 | 659,296 |
| Tanim Plastic Industries | 526,330 | 386,108 |
| United Polymers Limited | 348,450 | 148,450 |
| Index Chemi | 698,312 | 383,846 |
| Mohd. Manik Miah Plastic | 73,472 | 38,800 |
| Pharma Vintage | 416,135 | 244,635 |
| Eastern Trade Chems | - | 714,509 |
| Pharmacon Enterprise | 203,500 | 311,250 |
| Bright International | 311,000 | 334,000 |
| Shafin Trade Line | 200,000 | 300,000 |
| World Chemical Industry Limited | 78,000 | 135,000 |
| Padma Blowing Ltd. | 182,851 | 352,476 |
| Sonali Enterprise | 336,720 | 246,000 |
| Mehedi Printing & Packaging | 143,725 | 226,388 |
| CDM Accessories Ltd. | 43,795 | 313,826 |
| CSI Trading & Corporation | 479,065 | - |
| Total | 7,162,713 | 6,989,159 |

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

19.00 Dividend Payable / Unclaimed Dividend

| | | |
|--|----------------|----------------|
| Opening balance | 461,163 | 1,296,932 |
| Provision made during the Period | 13,650,000 | 24,189,811 |
| Interest (net off AIT & Bank charge) | (3,676) | (12,739) |
| Total | 14,107,487 | 25,474,004 |
| Paid during the year | (13,736,815) | (25,012,841) |
| Paid to Capital Market Stabilization Fund (CMSF) during the year | (193,986) | - |
| Closing balance | 176,686 | 461,163 |



| Amount in Taka | |
|----------------|-----------|
| 30-Jun-24 | 30-Jun-23 |

Year-wise break-up of Dividend payable is as follows:

| | | |
|--------------------------------------|----------------|----------------|
| For the year 2022-2023 | 49,203 | - |
| For the year 2021-2022 | 39,875 | 88,678 |
| For the year 2020-2021 | 69,601 | 115,722 |
| For the year 2019-2020 | - | 115,051 |
| For the year 2018-2019 | - | 121,164 |
| Interest (net off AIT & Bank charge) | 18,007 | 20,548 |
| Total | 176,686 | 461,163 |

NB: Unclaimed Cash Dividend for the year 2018-2019 Tk. 1,21,164.00 and for the year 2019-2020 Tk. 72,822.00 transferred to the Capital Market Stabilization Fund (CMSF).

00 Provision for expenses

| | | |
|---|-------------------|-------------------|
| Directors Remuneration | 100,000 | 100,000 |
| Field Forces Expenses | 168,457 | 171,454 |
| Utilities | 528,073 | 429,266 |
| Salary & Wages | 6,510,361 | 6,254,856 |
| Audit, Legal & Professional Fees | 2,889,460 | 1,557,035 |
| Overtime | 47,386 | 48,909 |
| Printing & Stationery | - | 15,982 |
| Staff Welfare expenses | 1,603,167 | 1,330,750 |
| TDS Payable | 640,874 | 1,156,672 |
| Worker's Profit Participation and Welfare Fund (WPP&WF) | Note- 20.01 | - |
| Provision for Income Tax | Note- 20.02 | 5,445,728 |
| Total | 17,933,506 | 21,480,999 |

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

| | | |
|--------------------------------|------------------|------------------|
| Opening balance | 2,518,229 | 5,833,311 |
| Provision made during the year | - | 2,518,229 |
| Total | 2,518,229 | 8,351,540 |
| Paid during the year | (2,518,229) | (5,833,311) |
| Closing balance | - | 2,518,229 |

02 Provision for Income Tax

| | | |
|--------------------------------------|-------------------|-------------------|
| Opening balance | 7,897,846 | 19,033,983 |
| Provision made during the year | 15,164,444 | 15,113,763 |
| Total | 23,062,290 | 34,147,746 |
| Paid/Adjustment made during the year | (17,616,562) | (26,249,900) |
| Closing balance | 5,445,728 | 7,897,846 |



| Amount in Taka | |
|-----------------------------|-----------------------------|
| 01/07/2023 to 30/06/2024 | 01/07/2022 to 30/06/2023 |

21.00 Revenue

| | | | |
|-------------------|--|--------------------|--------------------|
| Local Sales (Net) | | 599,659,109 | 716,866,435 |
| Total | | 599,659,109 | 716,866,435 |

The entity transferring products from central depot to regional depot through Mushok- 6.5 and Mushok 6.3 issued by Central Depot VAT and Excise Department after receiving the sales delivery report with chalan from regional depot. Sales delivery report is made specific interval and recognising revenue accordingly

22.00 Cost of goods sold

| | | | |
|---------------------------------------|-------------|--------------------|--------------------|
| Raw materials consumed | Note- 22.01 | 213,849,209 | 244,532,088 |
| Packing materials consumed | Note- 22.02 | 117,537,684 | 132,514,704 |
| Consumable item consumed | Note- 22.03 | 24,075,645 | 22,714,003 |
| | | 355,462,538 | 399,760,795 |
| Work in process- Opening | | 6,357,249 | 6,837,452 |
| Work in process- Closing | | (6,361,728) | (6,357,249) |
| Change in work in process | | (4,479) | 480,203 |
| Manufacturing Overhead | Note- 22.04 | 35,230,823 | 33,037,171 |
| Depreciation | | 54,673,008 | 58,130,677 |
| Cost of production | | 445,361,890 | 491,408,846 |
| Finished goods - Opening | | 104,856,358 | 103,528,010 |
| Finished goods - Closing | | (109,462,185) | (104,856,358) |
| Change of finished goods stock | | (4,605,827) | (1,328,348) |
| Cost of Physician Sample | | (3,997,960) | (4,578,465) |
| Cost of Goods Sold | | 436,758,103 | 485,502,033 |

22.01 Raw materials consumed

| | | | |
|------------------------------------|--|--------------------|--------------------|
| Opening Stock | | 302,694,806 | 281,668,145 |
| Purchase during the year | | 216,415,728 | 265,558,749 |
| Available for production | | 519,110,534 | 547,226,894 |
| Closing Stock | | (305,261,325) | (302,694,806) |
| Consumption during the year | | 213,849,209 | 244,532,088 |

22.02 Packing materials consumed

| | | | |
|------------------------------------|--|--------------------|--------------------|
| Opening Stock | | 41,635,982 | 48,184,078 |
| Purchase during the year | | 113,365,264 | 125,966,608 |
| Available for Consumed | | 155,001,246 | 174,150,686 |
| Closing Stock | | (37,463,562) | (41,635,982) |
| Consumption during the year | | 117,537,684 | 132,514,704 |

22.03 Consumable Spares & Tools

| | | | |
|-------------------------------------|--|-------------------|-------------------|
| Opening Stock | | 17,342,850 | 19,735,181 |
| Purchase during the year | | 22,061,252 | 20,321,672 |
| Consumable Spares & Tools available | | 39,404,102 | 40,056,853 |
| Closing Stock | | (15,328,457) | (17,342,850) |
| Consumption during the year | | 24,075,645 | 22,714,003 |



22.04 Manufacturing overhead

 Salary, Wages & Allowances
 Workers' benefit and welfare expense
 Overtime
 Staff Welfare expenses
 Laboratory Expenses
 Postage & Stamp
 Indirect materials
 Electricity Bill
 Gas & Water bill
 Uniform and liveries
 Carriage Inward
 Medical Expenses
 Power & Fuel
 Printing & Stationery
 Traveling & Conveyance
 Factory Rent
 Repairs & Maintenance
 Sanitation & Cleaning
 Entertainment
Total

| <i>Amount in Taka</i> | |
|-----------------------------|-----------------------------|
| 01/07/2023 to 30/06/2024 | 01/07/2022 to 30/06/2023 |
| 20,212,925 | 19,036,379 |
| 553,935 | 600,715 |
| 734,468 | 522,955 |
| 733,044 | 630,342 |
| 482,576 | 741,432 |
| 24,662 | 27,418 |
| 851,830 | 1,484,615 |
| 4,070,866 | 3,476,512 |
| 268,782 | 189,285 |
| 54,435 | 107,855 |
| 875,073 | 978,768 |
| 31,385 | 31,765 |
| 1,071,444 | 1,331,800 |
| 90,797 | 161,117 |
| 109,530 | 126,714 |
| 1,440,000 | - |
| 3,208,639 | 3,024,974 |
| 207,152 | 355,528 |
| 209,280 | 208,997 |
| 35,230,823 | 33,037,171 |

23.00 Administrative Expenses

 Salary, Wages & Allowances
 Staff Welfare expenses
 Printing & Stationery
 Phone, Fax and Mobile Bill
 Postage & Stamps
 Traveling & Conveyance
 Utility Bill
 Entertainment
 Medical & Welfare Expenses
 Licenses Renewal and Registration Fee
 Audit Fees
 Directors Remuneration
 Board meeting attending fees
 Amortization of Intangible Assets
 Depreciation of Right-of-use Assets
 Depreciation
 Repairs & Maintenance
 RJSC Exp.
 AGM Expenses
 Legal & Professional fees
Total

| | |
|-------------------|-------------------|
| 26,719,452 | 22,369,088 |
| 854,416 | 601,774 |
| 253,916 | 245,847 |
| 485,520 | 394,096 |
| 66,572 | 69,367 |
| 175,888 | 161,548 |
| 890,002 | 787,805 |
| 446,042 | 358,009 |
| - | 6,495 |
| 419,615 | 301,466 |
| 402,500 | 345,000 |
| 1,200,000 | 1,200,000 |
| 421,875 | 396,750 |
| 136,071 | 151,190 |
| 1,658,433 | 3,419,150 |
| 3,527,291 | 3,750,366 |
| 692,942 | 539,071 |
| 5,038 | 22,293 |
| 249,730 | 159,397 |
| 1,951,175 | 1,992,945 |
| 40,556,478 | 37,271,657 |



| Amount in Taka | |
|-----------------------------|-----------------------------|
| 01/07/2023 to 30/06/2024 | 01/07/2022 to 30/06/2023 |

24.00 Selling & Distribution Expenses

| | | |
|--------------------------------------|--------------------|--------------------|
| Salary, Wages & Allowances | 126,030,068 | 108,304,304 |
| Field forces expenses | 16,423,620 | 14,348,823 |
| Transportation & Handling Expenses | 2,228,718 | 1,974,830 |
| Staff Welfare expenses | 3,032,463 | 4,154,458 |
| Business Promotion Expenses | 224,258 | 226,751 |
| Repair & Maintenance | 394,485 | 472,819 |
| Traveling and conveyance Expenses | 1,565,807 | 1,069,594 |
| Water, electricity and Gas | 594,135 | 480,648 |
| Phone, Fax and Mobile Bill | 444,100 | 415,252 |
| Sample Expenses | 3,997,960 | 4,578,465 |
| Consumption of promotional materials | 3,597,564 | 3,583,358 |
| Postage & Courier | 1,179,349 | 788,080 |
| Entertainment | 362,236 | 367,948 |
| Printing & Stationery | 1,707,248 | 1,290,017 |
| Depot Rent | 3,786,950 | 2,498,000 |
| Product Development Expenses | 45,700 | 66,368 |
| Training Expenses | 884,888 | 330,694 |
| Bank Charge | 1,447,202 | 704,282 |
| Depreciation | 587,882 | 625,061 |
| Vehicle Maintenance | 1,508,347 | 1,064,736 |
| Loading & Unloading | 341,572 | 427,370 |
| License fees & Renewals | 208,066 | 124,707 |
| Total | 170,592,618 | 147,896,563 |

24.01 Promotional materials & Gift Items

| | | |
|------------------------------------|-------------------|-------------------|
| Opening Stock | 20,834,756 | 22,341,564 |
| Purchase during the year | 2,087,162 | 2,076,550 |
| Available | 22,921,918 | 24,418,114 |
| Closing Stock | (19,324,354) | (20,834,756) |
| Consumption during the year | 3,597,564 | 3,583,358 |

25.00 Financial Expenses

| | | |
|--|------------------|------------------|
| Interest on Short Term Loan | 3,550,015 | 2,468,532 |
| Bank Charge & Commission | 83,711 | 258,435 |
| Interest expenses on lease liabilities | 833,331 | 1,139,330 |
| Total | 4,467,057 | 3,866,297 |

26.00 Other Income

| | | |
|-------------------------------|------------------|-------------------|
| Interest on FDR | 4,748,325 | 9,015,949 |
| Interest on Bank STD Accounts | 422,044 | 434,923 |
| Sale of Wastage | 1,048,133 | 1,102,045 |
| Total | 6,218,502 | 10,552,917 |

27.00 Workers Profit Participation and Welfare Fund (WPPF&WF)

| | | |
|---|--------------|------------------|
| Net Profit before Contribution to WPPF&WF | (46,496,645) | 52,882,800 |
| Rate of contribution to WPPF&WF(%) | 5.00% | 5.00% |
| Workers Profit Participation and Welfare Fund (WPPF&WF) | - | 2,518,229 |

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).



| Amount in Taka | |
|-----------------------------|-----------------------------|
| 01/07/2023 to 30/06/2024 | 01/07/2022 to 30/06/2023 |

| | | | |
|-------|---|---------------------|-------------------|
| 28.00 | Income Tax expenses | | |
| 28.01 | Current Tax Expenses | | |
| | Net Profit before Income Tax | (46,496,645) | 50,364,571 |
| | Accounting Depreciation | 58,924,252 | 62,657,294 |
| | Excess Perquisites | 440,000 | |
| | Entertainment expenses | 1,017,558 | |
| | Tax Depreciation | (73,042,878) | (73,532,635) |
| | Taxable Profit | (59,157,713) | 39,489,230 |
| | Tax Rate | 20.00% | 20.00% |
| | Current Tax Expenses during the year | - | 7,897,846 |

Minimum Tax Calculation

Calculation of Gross Receipts

| | | |
|-----------------------------|--------------------|--------------------|
| Revenue from net sales | 599,659,109 | 716,866,435 |
| Other Income | | |
| Interest on FDR | 4,748,325 | 9,015,949 |
| Interest on Bank deposit | 422,044 | 434,923 |
| Other Income | 1,048,133 | 1,102,045 |
| Total Gross Receipts | 605,877,611 | 727,419,352 |

Minimum Tax

| | | |
|--|------------------|------------------|
| 0.60% on total gross receipts except Interest income | 3,604,243 | 4,307,811 |
| AIT paid on Interest income and Vehicle (U/S -163) | 1,841,485 | 1,890,174 |
| Minimum Tax | 5,445,728 | 6,197,985 |

Income Tax Provision whichever is higher

| | | |
|---|-------------------|-------------------|
| Current Tax Expenses for the previous Assessment year | 9,718,716 | 7,215,917 |
| Total Current Tax Expenses | 15,164,444 | 15,113,763 |

Income tax provision is higher between tax at regular rate on income and minimum tax on gross receipts U/S 163 (6) of Income Tax Act, 2023. Hence the minimum tax is accounted for as it is higher than the tax at regular rate.

| | | | | |
|-------|---|----------|------------------|------------------|
| 28.02 | Deferred Tax Expenses/(Income) | | | |
| | Closing balance of deferred tax liability | Note- 15 | 80,678,988 | 77,855,263 |
| | Opening balance of deferred tax liability | Note- 15 | (77,855,263) | (75,680,194) |
| | Deferred Tax Expenses/(Income) | | 2,823,725 | 2,175,069 |

| | | | |
|-------|---|---------------|-------------|
| 29.00 | Earnings Per Share(EPS) | | |
| | Net Profit after taxes | (64,484,814) | 33,075,739 |
| | Weighted average number of ordinary share | 136,500,000 | 136,500,000 |
| | Earnings per share (Diluted) | (0.47) | 0.24 |

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. 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 this reporting date.



| Amount in Taka | |
|-----------------------------|-----------------------------|
| 01/07/2023 to 30/06/2024 | 01/07/2022 to 30/06/2023 |

29.01 Weighted average number of Ordinary Shares Outstanding

| Particulars | No. of Shares | Days | Weight | Weighted Average No. of Shares | |
|------------------------------------|--------------------|------|--------|--------------------------------|--------------------|
| | | | | 30-Jun-24 | 30-Jun-23 |
| Opening balance | 130,000,000 | 365 | 1.0000 | 130,000,000 | 130,000,000 |
| Issued Bonus Share (06.11.2019) | 6,500,000 | 365 | 1.0000 | 6,500,000 | 6,500,000 |
| Total | 136,500,000 | | | 136,500,000 | 136,500,000 |

30.00 Net Asset Value (NAV) Per Share

| | Amount in Taka | |
|--|----------------------|----------------------|
| | 30-Jun-24 | 30-Jun-23 |
| Total Assets | 2,414,228,424 | 2,502,731,853 |
| Less: Total Liabilities | 158,278,929 | 168,647,544 |
| Net Asset Value | 2,255,949,495 | 2,334,084,309 |
| Total Number of Shares outstanding | 136,500,000 | 136,500,000 |
| Net Asset Value (NAV) Per Share | 16.53 | 17.10 |

Net asset value per share (NAV) has been computed by dividing total assets by the number of ordinary shares outstanding as on 30 June 2024 as per Notification of Bangladesh Securities & Exchange Commission (BSEC).

31.00 Cash received from Customers

| | Amount in Taka | |
|---|-----------------------------|-----------------------------|
| | 01/07/2023 to 30/06/2024 | 01/07/2022 to 30/06/2023 |
| Sales during the year | 599,659,109 | 716,866,435 |
| Opening Trade Receivable | 257,346,620 | 255,048,274 |
| Closing Trade Receivable | (255,718,828) | (257,346,620) |
| Total Cash Received from Customers | 601,286,901 | 714,568,089 |

32.00 Cash received from non-operating income

| | | |
|--|------------------|-------------------|
| Other income | 6,218,502 | 10,552,917 |
| Opening interest receivable | 1,972,765 | 2,562,092 |
| Closing interest receivable | (411,593) | (1,972,765) |
| Total Cash received from non-operating income | 7,779,674 | 11,142,244 |

33.00 Cash Paid to Suppliers

| | | |
|---|--------------------|--------------------|
| Purchase (Raw, Packing, Promotional, Indirect material and Spare parts) | 354,781,236 | 415,408,194 |
| Opening Accounts Payable | 6,989,159 | 6,895,028 |
| Closing Accounts Payable | (7,162,713) | (6,989,159) |
| Closing Advance against Purchase & L/C | 33,375,077 | 28,659,548 |
| Opening Advance against Purchase & L/C | (28,659,548) | (19,048,694) |
| Total Cash Paid to Suppliers | 359,323,211 | 424,924,917 |

34.00 Cash Paid to Employees

| | | |
|---|-------------|-------------|
| Salary, Wages & Allowances including Staff welfare expenses | 177,582,368 | 155,096,345 |
| Workers' benefit and welfare expense | 553,935 | 600,715 |
| Overtime | 734,468 | 522,955 |
| Directors Remuneration | 1,200,000 | 1,200,000 |
| Board meeting attending fees | 421,875 | 396,750 |
| Field forces expenses | 16,423,620 | 14,348,823 |
| Worker's Profit Participation and Welfare Fund | 2,518,229 | 5,833,311 |
| Opening Payable (Adjusted) | 7,905,969 | 9,587,638 |
| Closing Payable | (8,429,371) | (7,905,969) |
| Closing Advance to Employee | 1,973,449 | 1,872,652 |



| Amount in Taka | |
|-----------------------------|-----------------------------|
| 01/07/2023 to 30/06/2024 | 01/07/2022 to 30/06/2023 |
| (1,872,652) | (1,973,449) |
| 199,011,890 | 179,579,771 |

Opening Advance to Employee
Total Cash Paid to Employees

35.00 Cash Paid for Others

| | | |
|---|-------------------|-------------------|
| Manufacturing Overhead (excluding pay to employee & Supplier) | 12,144,621 | 10,762,165 |
| Administrative Overhead (excluding Depreciation & pay to employee) | 6,038,940 | 5,383,339 |
| Selling and Distribution overhead (excluding sample, promotional, Depreciation & pay to employee) | 16,923,061 | 12,302,096 |
| Opening Liabilities for Expenses | 3,158,955 | 2,120,515 |
| Closing Liabilities for Expenses | (4,058,407) | (3,158,955) |
| Closing Advance deposit & prepayment | 15,583,921 | 17,868,804 |
| Opening Advance deposit & prepayment | (17,868,804) | (17,184,918) |
| Total Cash Paid for Others | 31,922,287 | 28,093,046 |

36.00 Income Tax paid

| | | |
|------------------------------|-------------------|-------------------|
| Advance Income Tax paid | 11,756,646 | 20,284,339 |
| Total Income Tax paid | 11,756,646 | 20,284,339 |

37.00 Cash payment for Acquisition of Property, Plant and Equipment (PPE)

| | | |
|--|------------------|-------------------|
| Property, Plant and Equipment addition during the year | 58,783,398 | 17,586,048 |
| Addition from Capital Work-in-Progress | (55,995,953) | (1,085,373) |
| Total Cash payment for Acquisition PPE | 2,787,445 | 16,500,675 |

38.00 Net Operating Cash Flow Per Share(NOCFPS)

| | | |
|---|-------------|---------------|
| Net Operating Cash Flow | 3,418,815 | 70,101,293 |
| Weighted Average Number of Shares Outstanding | 136,500,000 | 136,500,000 |
| Net Operating Cash Flows Per Share(NOCFPS) | 0.03 | 0.513¢ |

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 2024 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) | 599,659,109 | 716,866,435 |
| Segregation of revenue from contracts with customer | | |
| Revenue from external customer | 599,659,109 | 716,866,435 |
| Timing of revenue recognition at a point in time | 599,659,109 | 716,866,435 |

Contract assets and liabilities

The Company has recognized no contract assets and liabilities.



4.28 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.

31-Jun-24

| 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 | - | - | - | 255,718,828 | - | 255,718,828 |
| Fixed Deposits Receipts (FDR) with Banks | 11.00 | - | - | - | 88,801,678 | - | 88,801,678 |
| Cash and cash equivalents | 12.00 | - | - | - | 38,692,915 | - | 38,692,915 |
| | | | | | 383,213,421 | | 383,213,421 |
| Financial liabilities measured at fair value | | | | | | | |
| | | - | - | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | |
| Short term loans | 17.00 | - | - | - | - | 47,709,074 | 47,709,074 |
| Trade payable | 18.00 | - | - | - | - | 7,162,713 | 7,162,713 |
| Lease liabilities | 16.00 | - | - | - | - | 4,617,962 | 4,617,962 |
| | | | | | | 59,489,749 | 59,489,749 |

31-Jun-23

| 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 | - | - | - | 257,346,620 | - | 257,346,620 |
| Fixed Deposits Receipts (FDR) with Banks | 11.00 | - | - | - | 152,724,622 | - | 152,724,622 |
| Cash and cash equivalents | 12.00 | - | - | - | 28,642,612 | - | 28,642,612 |
| | | | | | 438,713,854 | | 438,713,854 |
| Financial liabilities measured at fair value | | | | | | | |
| | | - | - | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | |
| Short term loans | 17.00 | - | - | - | - | 55,836,229 | 55,836,229 |
| Trade payable | 18.00 | - | - | - | - | 6,989,159 | 6,989,159 |
| Lease liabilities | 16.00 | - | - | - | - | 6,024,731 | 6,024,731 |
| | | | | | | 68,850,119 | 68,850,119 |



42.00 Disclosure as per requirement of the Companies Act, 1994
42.01 Disclosure as per Schedule XI, part I, para 4 of the Companies Act, 1994 are given below:

| Sl. No. | Particulars | 30-Jun-24 | 30-Jun-23 |
|---------------|--|--------------------|--------------------|
| | | 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. | 255,718,828 | 257,346,620 |
| 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: | | 255,718,828 | 257,346,620 |

42.02 Disclosure as per Schedule XI, part I, para 6 of the Companies Act, 1994 are given below:

| Sl. No. | Particulars | 30-Jun-24 | 30-Jun-23 |
|---------------|--|-------------------|-------------------|
| | | 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. | 53,480,403 | 56,998,875 |
| 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. | 9,208,690 | 9,018,691 |
| Total: | | 62,689,093 | 66,017,566 |



33 Disclosure of Schedule XI, Part II, Para 3, of the Companies Act, 1994 are given below:

a. Turnover:

| Particulars | 01/07/2023 to 30/06/2024 | | 01/07/2022 to 30/06/2023 | |
|--------------|--------------------------|--------------------|--------------------------|--------------------|
| | Quantity (Pcs/PHs) | Amount in Taka | Quantity (Pcs/PHs) | Amount in Taka |
| Tablet | 91,864,525 | 278,464,528 | 103,309,726 | 323,279,790 |
| Capsule | 24,919,458 | 108,275,846 | 33,590,892 | 147,150,552 |
| Liquid | 1,384,750 | 88,246,250 | 1,417,113 | 107,314,346 |
| Dry Syrup | 1,252,245 | 124,672,485 | 1,090,366 | 139,121,747 |
| Total | 119,420,978 | 599,659,109 | 139,408,097 | 716,866,435 |

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.

d. (i) Raw Materials consumed:

| Particulars | 01/07/2023 to 30/06/2024 | | 01/07/2022 to 30/06/2023 | |
|--|--------------------------|--------------------|--------------------------|--------------------|
| | R M (Kg) | Amount in Taka | R M (Kg) | Amount in Taka |
| Opening stock | 278,540 | 302,694,806 | 326,586 | 281,668,145 |
| Purchase | 176,441 | 216,415,728 | 242,860 | 265,558,749 |
| Raw material available for consumption | 454,981 | 519,110,534 | 569,446 | 547,226,894 |
| Closing stock | (210,168) | (305,261,325) | (278,540) | (302,694,806) |
| Raw material consumed | 244,813 | 213,849,209 | 290,906 | 244,532,088 |

(ii) Finished goods:

| Classes of Goods | 01/07/2023 to 30/06/2024 | | | 01/07/2022 to 30/06/2023 | | |
|------------------|--------------------------|--------------------|-------------------|--------------------------|--------------------|-------------------|
| | Opening Qty. | Production Qty. | Closing Qty. | Opening Qty. | Production Qty. | Closing Qty. |
| Tablet (Pcs.) | 18,027,802 | 90,358,200 | 16,521,477 | 19,078,274 | 102,259,254 | 18,027,802 |
| Capsule (Pcs.) | 5,712,396 | 25,625,500 | 6,418,438 | 9,031,972 | 30,271,316 | 5,712,396 |
| Liquid (PHs.) | 175,758 | 1,381,700 | 172,708 | 272,042 | 1,320,829 | 175,758 |
| Dry Syrup (PHs.) | 144,313 | 1,247,800 | 139,868 | 96,403 | 1,138,276 | 144,313 |
| Total | 24,060,269 | 118,613,200 | 23,252,491 | 28,478,691 | 134,989,675 | 24,060,269 |



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, 2024

| 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. | 596 | 51 | 26 | 418 | 101 |
| Total for the year ended 30 June, 2024 | 596 | 51 | 26 | 418 | 101 |
| For the year ended 30 June, 2023 | 587 | 54 | 19 | 412 | 102 |

1.04 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, 2024 is as follows:

| | 01/07/2023 to 30/06/2024 | 01/07/2022 to 30/06/2023 |
|--|--------------------------|--------------------------|
| (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 |
| (f) Any other perquisite or benefits in cash or in kind stating, approximate money value where practicable; (Board meeting fees) | 421,875 | 396,750 |
| (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 |



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. | | 0-Jan-00 | 0-Jan-00 |
| | 0-Jan-00 | 0-Jan-00 | 0-Jan-00 | 0-Jan-00 | | |
| Tablet | 200.00 | 200.00 | 90.36 | 102.26 | 45.18% | 51.13% |
| Capsule | 58.00 | 58.00 | 25.63 | 30.27 | 44.19% | 52.19% |
| Liquid | 2.00 | 2.00 | 1.38 | 1.32 | 69.00% | 66.04% |
| Dry Syrup | 1.80 | 1.80 | 1.25 | 1.14 | 69.44% | 63.24% |
| Total | 261.80 | 261.80 | 118.62 | 134.99 | 45.31% | 51.56% |

Disclosure as per requirement of schedule XI, part II, Para 8 of the Companies Act, 1994 are given below:

Value of imports calculated on C.I.F basis by the company during the year ended 30 June, 2024 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. | 8,090 | 17,713,326 |
| ii | Packing Materials | Pcs/Kg | 31,488 | 13,056,040 |
| iii | Components of Spare parts | Set | - | - |
| iv | Capital Goods | Set | 1 | 1,859,380 |
| Total | | | 39,579 | 32,628,746 |

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.

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 | 77,151,456 | 36.08% | 136,697,753 | 63.92% | 213,849,209 |
| Packing Materials | 13,175,773 | 11.21% | 104,361,911 | 88.79% | 117,537,684 |
| Components and Spare parts | - | 0.00% | 24,075,645 | 100.00% | 24,075,645 |
| Total | 90,327,229 | 25.41% | 265,135,309 | 74.59% | 355,462,538 |

- 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

3.00 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 | 01/07/2023 to 30/06/2024 | 01/07/2022 to 30/06/2023 |
|---|-----------------------------|-----------------------------|
| Net Profit before Income tax | (46,496,645) | 50,364,571 |
| Adjustment for: | | |
| Depreciation | 60,446,614 | 65,925,254 |
| Amortization | 136,071 | 151,190 |
| Finance Expense for lease | 833,331 | 1,139,330 |
| | 61,416,016 | 67,215,774 |
| Change in operating assets | | |
| Decrease (Increase) in Advances, deposits and Prepayments. | (2,531,443) | (10,193,943) |
| Decrease (Increase) in Trade & Other Receivable | 3,188,964 | (1,709,019) |
| Increase (Decrease) in Accounts and Other Payable | 173,554 | 94,131 |
| Increase (Decrease) in Provision and Accruals | (1,095,375) | (3,958,311) |
| Decrease (Increase) in Inventories | 520,390 | (11,427,571) |
| Income Tax Paid | (11,756,646) | (20,284,339) |
| Net Cash Generated From Operating activities (indirect method) | 3,418,815 | 70,101,293 |
| Net Cash Generated From Operating activities (Direct method) | 3,418,815 | 70,101,293 |

3.00 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 30.06.2024 |
|--|--|-----------------------|--|----------------------------------|
| Dr. Saira Khan | Managing Director & Director | Remuneration | 1,200,000 | 100,000 |
| | | Board Meeting Fees | 37,500 | - |
| Mrs. Silvana Mirza | Chairman | Board Meeting Fees | 37,500 | - |
| Mrs. Samina Mirza | Director | Board Meeting Fees | 75,000 | - |
| Mrs. Farhana Mirza | Director | Board Meeting Fees | 28,125 | - |
| Md. Monsur Rahman (Representative of Adarsha Fisheries & Poultry Farms Ltd.) | Director | Board Meeting Fees | 84,375 | - |
| Mrs. Mahmuda Akhter (Representative of ICB) | Director | Board Meeting Fees | 37,500 | - |
| A.T.M. Sarrowar Kamal Chowdhury | Independent Director | Board Meeting Fees | 75,000 | - |
| Muhammad Moniruzzaman, FCA | Independent Director | Board Meeting Fees | 46,875 | - |
| Mr. A. R. Hassan Mirza | Executive Director & Sponsor Shareholder | Salary & Allowances | 3,600,000 | 300,000 |
| | | Office Rent | 1,593,720 | 132,810 |
| Total | | | 6,815,595 | 532,810 |

| 0-Jan-00 |
|----------|
| Nil |
| Nil |
| Nil |
| Nil |

- (b) Post-employee benefits
- (c) Other long term benefits
- (d) Termination benefits and
- (e) Share-based payment

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 30.06.2024. 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, 2024.

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 30.06.2024 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 30.06.2024.



Silva Pharmaceuticals Limited
Schedule of Property, Plant and Equipment
 As on 30 June, 2024

| Particulars | Cost | | | Rate (%) | Depreciation | | | Amount in Taka | |
|----------------------------------|-----------------------------|--------------------------|-----------------------------|----------|-----------------------------|------------------------|-----------------------------|--|--|
| | Balance as on 01 July, 2023 | Addition during the year | Balance as on 30 June, 2024 | | Balance as on 01 July, 2023 | Charge during the year | Balance as on 30 June, 2024 | Written Down Value as at 30 June, 2024 | |
| | | | | | | | | | |
| Land & Land Development | 342,774,940 | - | 342,774,940 | 0% | - | - | 342,774,940 | | |
| Plant & Machinery | 636,753,992 | 55,995,953 | 692,749,945 | 10% | 433,490,672 | 21,262,155 | 454,752,827 | | |
| Generator | 12,396,170 | - | 12,396,170 | 10% | 9,802,967 | 259,320 | 10,062,287 | | |
| Building Decoration | 121,235,416 | - | 121,235,416 | 10% | 55,672,911 | 6,556,251 | 62,229,162 | | |
| Electrical Installation | 39,471,371 | - | 39,471,371 | 10% | 15,576,554 | 2,389,482 | 17,966,036 | | |
| Gas Installation | 389,890 | - | 389,890 | 10% | 314,068 | 7,582 | 321,650 | | |
| Office Equipment | 58,230,177 | 459,320 | 58,689,497 | 10% | 28,028,885 | 3,039,968 | 31,068,853 | | |
| Factory Equipment | 64,364,865 | 376,258 | 64,741,123 | 10% | 32,294,236 | 3,232,009 | 35,526,245 | | |
| Furniture and Fixture | 49,393,811 | 92,487 | 49,486,298 | 10% | 28,035,108 | 2,142,002 | 30,177,110 | | |
| Vehicle | 129,904,291 | - | 129,904,291 | 20% | 104,156,073 | 5,149,644 | 109,305,717 | | |
| Power House | 1,195,705 | - | 1,195,705 | 10% | 974,804 | 22,090 | 996,894 | | |
| Laboratory Equipment | 97,865,638 | 1,859,380 | 99,725,018 | 10% | 36,867,825 | 6,192,496 | 43,060,321.0 | | |
| Factory Building & Warehouse | 424,089,619 | - | 424,089,619 | 2.5% | 82,682,356 | 8,535,182 | 91,217,538 | | |
| Total as on 30 June, 2024 | 1,978,065,885 | 58,783,398 | 2,036,849,283 | | 827,896,459 | 58,788,181 | 886,684,640 | 1,150,164,643 | |

01 July 2023 to 30 June 2024
 58,788,181

Allocation of Depreciation

| | |
|--|-------------------|
| Charged during the year | 58,788,181 |
| Adjustment during the year | 54,673,008 |
| (a) Depreciation charged to cost of sales (Note-22.00) | 3,527,291 |
| (b) Depreciation charged to administrative expenses (Note-23.00) | 587,882 |
| (c) Depreciation charged to selling & distribution expenses (Note-24.00) | 58,788,181 |
| Total | 58,788,181 |



Schedule of Property, Plant and Equipment

As on 30 June, 2023

| Particulars | Cost | | | Rate (%) | Depreciation | | Amount in Taka | |
|----------------------------------|-----------------------------|--------------------------|-----------------------------|----------|-----------------------------|------------------------|-----------------------------|--|
| | Balance as on 01 July, 2022 | Addition during the year | Balance as on 30 June, 2023 | | Balance as on 01 July, 2022 | Charge during the year | Balance as on 30 June, 2023 | Written Down Value as at 30 June, 2023 |
| Land & Land Development | 342,774,940 | - | 342,774,940 | 0% | - | - | 342,774,940 | |
| Plant & Machinery | 631,932,522 | 4,821,470 | 636,753,992 | 10% | 411,309,482 | 22,181,190 | 433,490,672 | |
| Generator | 12,396,170 | - | 12,396,170 | 10% | 9,514,833 | 288,134 | 9,802,967 | |
| Building Decoration | 121,235,416 | - | 121,235,416 | 10% | 48,388,188 | 7,284,723 | 55,672,911 | |
| Electrical Installation | 39,471,371 | - | 39,471,371 | 10% | 12,921,574 | 2,654,980 | 15,576,554 | |
| Gas Installation | 389,890 | - | 389,890 | 10% | 305,643 | 8,425 | 314,068 | |
| Office Equipment | 56,559,027 | 1,671,150 | 58,230,177 | 10% | 24,820,184 | 3,208,701 | 28,028,885 | |
| Factory Equipment | 64,364,865 | - | 64,364,865 | 10% | 28,730,833 | 3,563,403 | 32,294,236 | |
| Furniture and Fixture | 47,968,211 | 1,425,600 | 49,393,811 | 10% | 25,794,280 | 2,240,828 | 28,035,108 | |
| Vehicle | 129,904,291 | - | 129,904,291 | 20% | 97,719,019 | 6,437,054 | 104,156,073 | |
| Power House | 1,195,705 | - | 1,195,705 | 10% | 950,259 | 24,545 | 974,804 | |
| Laboratory Equipment | 88,197,810 | 9,667,828 | 97,865,638 | 10% | 31,007,736 | 5,860,089 | 36,867,825 | |
| Factory Building & Warehouse | 424,089,619 | - | 424,089,619 | 2.5% | 73,928,324 | 8,754,032 | 82,682,356 | |
| Total as on 30 June, 2023 | 1,960,479,837 | 17,586,048 | 1,978,065,885 | | 765,390,355 | 62,506,104 | 827,896,459 | |

01 July 2022 to 30 June 2023

62,506,104

62,506,104

58,130,677

3,750,366

625,061

62,506,104

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



Silva Pharmaceuticals Limited
Schedule of Property, Plant and Equipment (Tax Base)
As on 30 June, 2024

| Particulars | Cost | | | | Rate (%) | Depreciation | | Amount in Taka | |
|----------------------------------|-----------------------------|--------------------------|-----------------------------|------------------------|----------------------|-----------------------------|-----------------------------|--|--|
| | Balance as on 01 July, 2023 | Addition during the year | Balance as on 30 June, 2024 | Charge during the year | | Balance as on 01 July, 2023 | Balance as on 30 June, 2024 | Written Down Value as at 30 June, 2024 | |
| | | | | | | | | | |
| Land & Land Development | 342,774,940 | - | 342,774,940 | 0% | - | - | 342,774,940 | | |
| Plant & Machinery | 636,753,992 | 55,995,953 | 692,749,945 | 20% | 564,309,808 | 25,688,027 | 102,752,110 | | |
| Generator | 12,396,170 | - | 12,396,170 | 20% | 11,912,684 | 96,697 | 386,789 | | |
| Building Decoration | 121,235,416 | - | 121,235,416 | 20% | 88,796,422 | 6,487,799 | 25,951,195 | | |
| Electrical Installation | 39,471,371 | - | 39,471,371 | 20% | 27,790,784 | 2,336,117 | 9,344,470 | | |
| Gas Installation | 389,890 | - | 389,890 | 20% | 377,486 | 2,481 | 9,923 | | |
| Office Equipment | 60,139,397 | 459,320 | 60,598,717 | 20% | 43,498,870 | 3,419,969 | 13,679,878 | | |
| Factory Equipment | 64,364,865 | 376,258 | 64,741,123 | 10% | 34,109,670 | 3,063,145 | 27,568,308 | | |
| Furniture and Fixture | 49,393,811 | 92,487 | 49,486,298 | 10% | 29,071,076 | 2,041,522 | 18,373,700 | | |
| Vehicle | 129,904,291 | - | 129,904,291 | 20% | 107,274,481 | 4,525,962 | 18,103,848 | | |
| Power House | 1,195,705 | - | 1,195,705 | 20% | 1,156,535 | 7,834 | 31,336 | | |
| Laboratory Equipment | 97,865,638 | 1,859,380 | 99,725,018 | 20% | 60,382,936 | 7,868,416 | 31,473,666 | | |
| Factory Building & Warehouse | 424,089,619 | - | 424,089,619 | 10% | 249,040,531 | 17,504,909 | 157,544,179 | | |
| Total as on 30 June, 2024 | 1,979,975,105 | 58,783,398 | 2,038,758,503 | | 1,217,721,283 | 73,042,878 | 747,994,342 | | |



Schedule of Property, Plant and Equipment (Tax Base)
As on 30 June, 2023

| Particulars | Amount in Taka | | | | | | |
|----------------------------------|-----------------------------|--------------------------|-----------------------------|----------|-----------------------------|------------------------|--|
| | Cost | | | Rate (%) | Depreciation | | Written Down Value as at 30 June, 2023 |
| | Balance as on 01 July, 2022 | Addition during the year | Balance as on 30 June, 2023 | | Balance as on 01 July, 2022 | Charge during the year | |
| Land & Land Development | 342,774,940 | - | 342,774,940 | 0% | - | - | 342,774,940 |
| Plant & Machinery | 631,932,522 | 4,821,470 | 636,753,992 | 20% | 18,111,046 | 564,309,808 | 72,444,184 |
| Generator | 12,396,170 | - | 12,396,170 | 20% | 120,872 | 11,912,684 | 483,486 |
| Building Decoration | 121,235,416 | - | 121,235,416 | 20% | 80,686,674 | 88,796,422 | 32,438,994 |
| Electrical Installation | 39,471,371 | - | 39,471,371 | 20% | 24,870,637 | 27,790,784 | 11,680,587 |
| Gas Installation | 389,890 | - | 389,890 | 20% | 374,385 | 377,486 | 12,404 |
| Office Equipment | 58,468,247 | 1,671,150 | 60,139,397 | 20% | 39,338,738 | 43,498,870 | 16,640,527 |
| Factory Equipment | 64,364,865 | - | 64,364,865 | 10% | 30,747,982 | 34,109,670 | 30,255,195 |
| Furniture and Fixture | 47,968,211 | 1,425,600 | 49,393,811 | 10% | 26,812,994 | 29,071,076 | 20,322,735 |
| Vehicle | 129,904,291 | - | 129,904,291 | 20% | 101,617,028 | 107,274,481 | 22,629,810 |
| Power House | 1,195,705 | - | 1,195,705 | 20% | 1,146,743 | 1,156,535 | 39,170 |
| Laboratory Equipment | 88,197,810 | 9,667,828 | 97,865,638 | 20% | 51,012,261 | 60,382,936 | 37,482,702 |
| Factory Building & Warehouse | 424,089,619 | - | 424,089,619 | 10% | 229,590,632 | 249,040,531 | 175,049,088 |
| Total as on 30 June, 2023 | 1,962,389,057 | 17,586,048 | 1,979,975,105 | | 1,144,188,648 | 1,217,721,283 | 762,253,822 |



Silva Pharmaceuticals Limited
Schedule of Intangible Assets
 As on 30 June, 2024

| Particulars | Cost | | Rate (%) | Amortization | | Amount in Taka | |
|----------------------------------|-----------------------------|--------------------------|----------|-----------------------------|-----------------------------|------------------------|-----------------------------|
| | Balance as on 01 July, 2023 | Addition during the year | | Balance as on 30 June, 2024 | Balance as on 01 July, 2023 | Charge during the year | Balance as on 30 June, 2024 |
| Software | 1,909,220 | - | 10% | 1,909,220 | 548,511 | 684,582 | 1,224,638 |
| Total as on 30 June, 2024 | 1,909,220 | - | | 1,909,220 | 548,511 | 684,582 | 1,224,638 |
| Total as on 30 June, 2023 | 1,909,220 | - | | 397,321 | 151,190 | 548,511 | 1,360,709 |

| Allocation of Amortization | |
|----------------------------|------------------------------|
| Charged during the year | 01 July 2022 to 30 June 2023 |
| Adjustment during the year | 01 July 2023 to 30 June 2024 |

| | | |
|--------------|----------------|----------------|
| | 136,071 | 151,190 |
| | 136,071 | 151,190 |
| | 136,071 | 151,190 |
| Total | 136,071 | 151,190 |

Amortization charged to administrative expenses (Note-23.00)

Total



Schedule of Right of Use Assets (RoU)

As on 30 June, 2024

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 | | Depreciation | | Written Down Value as at 30 June, 2024 |
|----------------------------------|-----------------------------|--------------------------|-----------------------------|------------------------|--|
| | Balance as on 01 July, 2023 | Addition during the year | Balance as on 01 July, 2023 | Charge during the year | |
| Right of Use Assets (RoU) | 26,266,197 | - | 18,955,802 | 1,658,433 | 5,651,962 |
| Total as on 30 June, 2024 | 26,266,197 | - | 18,955,802 | 1,658,433 | 5,651,962 |
| Total as on 30 June, 2023 | 26,266,197 | - | 15,536,652 | 3,419,150 | 7,310,395 |

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.

| | |
|------------------------------|------------------------------|
| 01 July 2023 to 30 June 2024 | 01 July 2023 to 30 June 2023 |
| 1,658,433 | 3,419,150 |

| | |
|-----------------------------------|--|
| Allocation of Depreciation | |
|-----------------------------------|--|

Charged during the year

Adjustment during the year

| | |
|------------------|------------------|
| 1,658,433 | 3,419,150 |
| 1,658,433 | 3,419,150 |
| 1,658,433 | 3,419,150 |
| 1,658,433 | 3,419,150 |

Depreciation charged to administrative expenses (Note-23.00)

Total

