

**AUDITORS' REPORT
AND
THE FINANCIAL STATEMENTS
OF
KEMIKO PHARMACEUTICALS
LIMITED**

For the year ended 30th June, 2024

Independent Auditors' Report
To the Shareholders of KEMIKO PHARMACEUTICALS LIMITED
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **KEMIKO PHARMACEUTICALS LIMITED** (the company), 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 give a true and fair view of the financial position of the Company as at 30 June, 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the Financial Statements section of our report. We are Independent of the company in accordance with the ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter:

The users of the report are requested to see the note number #10.00 of the report, where it has been mentioned that how the share money deposit has been executed. But share money should be collected/ deposited from any body through Banking channel.

Our opinion is not modified in these matters.

Key Audit Matters

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



Risk	Our response to the risk
Revenue Recognition	
<p>At the year end the reported total revenue of Tk. 713,334,168 /-The company generates revenue from sale of goods to local market.</p> <p>We identified revenue recognition as key audit matter as it is one of the key performance indicators of the Company, which give rise to an inherent risk of the existence and the accuracy of the revenue.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following</p> <ul style="list-style-type: none">➤ Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure that revenue is recognized in the appropriate accounting period.➤ Segregation of duties in invoice creation and modification and timing of revenue recognition.➤ Assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards.➤ Obtain supporting documents for sale transaction to determine whether revenue was recognized in the current period.➤ Comparing a sample of revenue transactions recognized during the year with the sale invoices and other relevant underlying documentation.➤ Critically assessing manual journals posted to revenue to identify unusual or irregular items, and finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.
Note no 26.00 to the statement of comprehensive income.	
Property Plant & Equipment	
<p>The Company's Property, Plant and Equipment (PPE) balance as at 30th June, 2024 was BDT 729,636,443 /. This is estimation performed by management in regards to asset useful life. Based on the requirement of estimates and the fact that is a major asset category, this was determined to be a key audit matter.</p>	<p>We additionally carried out the following substantive testing for this item:</p> <ul style="list-style-type: none">➤ We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent.➤ We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured based on internal purchase order that had been





	<p>properly approved by the responsible individuals.</p> <p>➤ We inspected a sample of invoices and L/C documents to determine whether the classification between capital and operating expenditure was appropriate.</p> <p>Finally, we checked whether the depreciation of PPE items was commenced namely, by comparing the date of the reclassification from capital in progress to ready for use, with the date of the act of completion of the work.</p>
Note no 4.00 to the financial statements	
Measurement of deferred tax liability	
<p>Company reported net deferred tax liability totaling BDT 22,353,757 /- in the financial statements as at 30 June, 2024.</p> <p>Significant judgment is required in relation to deferred tax liability as their recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax liability and the assumptions used in estimating the Company's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We also assessed the appropriateness of presentation and disclosures in relation to deferred tax.</p>
Note no. 14.00 to the financial statements	

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

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

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



When we read the Annual Report, if we conclude that there is a material misstatement therein of this other information, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.


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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

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

Place: Dhaka
Date: March 20, 2025


Md. Abdur Rashid, FCA
Partner
FAMES & R
Chartered Accountants
DVC: 2503200474AS902542



KEMIKO PHARMACEUTICALS LIMITED
Statement of Financial Position
As at 30 June, 2024

Particulars	Notes	Amount in Taka	
		30-Jun-2024	30-Jun-2023
ASSETS:			
Non-Current Assets		729,636,443	832,054,404
Property, Plant and Equipment	4.00	729,636,443	832,054,404
Current Asset		1,336,631,542	1,530,885,194
Inventories	5.00	457,625,679	475,762,257
Trade Receivables	6.00	742,411,197	973,483,193
Advance, Deposit and Prepayments	7.00	25,786,794	28,872,983
Cash & Cash Equivalents	8.00	110,807,872	52,766,761
TOTAL ASSET:		2,066,267,985	2,362,939,598
EQUITY & LIABILITIES:			
Share Holders' Equity		1,291,460,936	1,612,020,466
Share Capital	9.00	989,258,000	989,258,000
Share Money Deposit	10.00	32,674,835	-
Revaluation Surplus	11.00	214,752,982	222,047,655
Retained Earnings	12.00	54,775,120	400,714,812
Non Current Liabilities		397,239,930	42,514,509
Long Term Loan	13.00	374,886,173	17,961,179
Deferred Tax Liability/(Asset)	14.00	22,353,757	24,553,330
Current Liabilities		377,567,119	708,404,623
Current Portion of Long Term Loan	15.00	50,557,474	59,357,885
Current Portion of Leasehold Obligations	16.00	5,835,300	5,777,744
Short Term Loan	17.00	77,339,249	400,673,330
Liability for Gratuity Fund	18.00	39,156,729	38,934,595
Liability for Expenses	19.00	15,464,043	20,935,146
Accounts & Other Payable	20.00	23,570,744	20,691,290
Liability for WPPF & Welfare Fund	21.00	29,568,209	29,568,209
Advance Received Against Export	22.00	-	2,055,350
Income Tax Payable	23.00	136,075,370	130,411,075
TOTAL EQUITY & LIABILITIES		2,066,267,985	2,362,939,598
Net Asset Value per share with Revaluation	24.00	13.05	16.30
Net Asset Value per share without Revaluation	25.00	10.88	14.05

The annexed notes form an integral part of these financial statements.






Company Secretary CFO Director Managing Director

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


 Md. Abdur Rashid, FCA
 Partner





Place : Dhaka
Date : March 20, 2025

FAMES & R
Chartered Accountants
DVC: 2503200474AS902542

KEMIKO PHARMACEUTICALS LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2024

Particulars	Notes	Amount in Taka	
		30-Jun-2024	30-Jun-2023
Net Sales	26.00	713,334,168	971,142,640
Less: Cost of Goods Sold	27.00	399,232,452	648,410,747
Gross Profit:		314,101,715	322,731,893
Less: Operating Expenses:			
Administrative Expenses	28.00	408,632,516	66,151,064
Marketing, Selling and Distribution Expenses	29.00	178,041,044	226,246,022
		586,673,560	292,397,086
Profit before interest & Taxes		(272,571,844)	30,334,806
Less: Financial Expenses	30.00	76,840,884	17,035,532
Operating Profit		(349,412,728)	13,299,274
Add: Other Income	31.00	(356,915)	(78,651)
Profit before taxes and Contribution to WPPF & WF		(349,769,642)	13,220,623
Less: Contribution to WPPF	32.00	-	629,553
Profit Before Taxes		(349,769,642)	12,591,069
Less: Income Tax Expenses	33.00	3,464,722	2,152,515
Current Tax Expenses		5,664,295	3,777,321
Deferred Tax Expense (Income)	14.00	(2,199,573)	(1,624,805)
Net Profit After Tax		(353,234,365)	10,438,554
Earnings Per Share (EPS)	34.00	(3.57)	0.11


The annexed notes form an integral part of these financial statements.

Company Secretary **Chief Financial Officer** **Director** **Managing Director**

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

Place : Dhaka
Date : March 20, 2025


 Md. Abdur Rashid, FCA
 Partner
FAMES & R
 Chartered Accountants
 DVC: 2503200474AS902542




KEMIKO PHARMACEUTICALS LIMITED
Statement of Changes in Equity
For the year ended 30 June 2024

Particulars	Share Capital	Share Money Deposit	Revaluation Surplus	Retained Earnings	Total Amount in BDT
Balance as at July 01, 2023	989,258,000	-	222,047,655	400,714,812	1,612,020,466
Adjustment of revaluation surplus with RE	-	-	(7,294,673)	7,294,673	-
Share Money Deposit	-	32,674,835	-	-	32,674,835
Add(Less): Net Profit/Loss for the year	-	-	-	(353,234,365)	(353,234,365)
Balance as at June 30, 2024	989,258,000	32,674,835	214,752,982	54,775,120	1,291,460,936

Statement of Changes in Equity
For the year ended 30 June 2023

Particulars	Share Capital	Share Money Deposit	Revaluation Surplus	Retained Earnings	Total Amount in BDT
Balance as at July 01, 2022	989,258,000	-	228,118,168	359,646,639	1,577,022,807
Add: Prior year adjustment for overstatement of Deferred Tax Liabilities (Tk. 50,737,240 - Tk. 26,178,135) [See note-13]	-	-	-	24,559,105	24,559,105
Prior year adjustment -Excess of revaluation surplus Transferred to Retained Earnings in from FY 2018-19 to FY 2021-22. Calculation in Annexure -B	-	-	2,034,678	(2,034,678)	-
Adjusted Balance as at July 01, 2022	989,258,000	-	230,152,846	382,171,066	1,601,581,912
Adjustment of revaluation surplus with RE	-	-	(8,105,192)	8,105,192	-
Net Profit for the year	-	-	-	10,438,554	10,438,554
Balance as at June 30, 2023	989,258,000	-	222,047,655	400,714,812	1,612,020,466


Company Secretary


Chief Financial Officer


Director


Managing Director


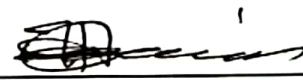
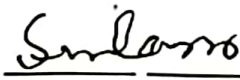


Place : Dhaka
Date : March 20, 2025

KEMIKO PHARMACEUTICALS LIMITED
Statement of Cash Flows
For the year ended 30 June 2024

Particulars	Notes	Amount in Taka	
		30-Jun-2024	30-Jun-2023
Cash Flow from Operating Activities:			
Cash receipts from customers and others		944,049,249	849,967,312
Cash payment to suppliers and employees		(866,565,582)	(821,474,256)
Cash generated from operations		77,483,667	28,493,055
Income tax paid during the period		(124,567)	(696,848)
Net Cash flow from Operating Activities: (A)	41.00	77,359,100	27,796,208
Cash Flow from Investing Activities:			
Purchase of property, plant and equipment		-	(240,000)
Net Cash flow from Investing Activities: (B)		-	(240,000)
Cash Flow from Financing Activities:			
Long term bank loan (paid)/received		348,124,583	9,652,433
Share Money Deposit		32,674,835	-
Leasehold obligation (paid)/received		57,556	(51,445)
Short term loan (paid)/received		(323,334,080)	4,570,458
Financial expenses		(76,840,884)	(17,035,532)
Net Cash flow from Financing Activities: (C)		(19,317,989)	(2,864,085)
Net Cash Inflow/ Outflow(A+B+C)		58,041,111	24,692,122
year		52,766,762	28,074,639
Closing Cash & Cash Equivalents at the period end		110,807,872	52,766,762
Net Operating Cash Flows Per Share (NOCFPS)		0.78	0.03

The annexed notes form an integral part of these financial statements.

			
_____ Company Secretary	_____ Chief Financial Officer	_____ Director	_____ Managing Director

Place : Dhaka
Date : March 20, 2025



KEMIKO PHARMACEUTICALS LIMITED
Notes to the Financial Statements
For the year ended 30 June 2024

1.00 Reporting entity

1.01 The Company

Kemiko Pharmaceuticals Limited was incorporated as a Private Limited Company with the Registrar of Joint Stock Companies on 28th April, 1986, and later it was converted as a Public Limited Company and also its name was changed as Grand Pharmaceuticals Limited on 19th April, 2010. Again its name was changed as Kemiko Pharmaceuticals Limited on 13 June, 2010. The registration number of the company is C-15516

1.02 Nature of Business

Kemiko Pharmaceuticals Limited (KPL) is one of the leading and fastest growing Pharmaceuticals Companies in Bangladesh. The Company is manufacturing wide range of high quality allopathic, herbal and animal health care products and operating its marketing activities in every corner of the country for more than 40 years.

2.00 Basis of preparation of financial statements

2.01 Statements on compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) , The Companies Act 1994, and other Relevant laws as applicable.

2.02 Other regulatory Compliances

The company is also required to comply with the following major legal provision in addition to the Company Act 1994 and other applicable law and regulations.

The Income Tax Act-2023;

The Value Added Tax and Supplementary Duty Act, 2012;

The Value Added Tax and Supplementary Duty Rules, 2016;

The Drug Act 1940 and The Drug Rules, 1946

The Drug (Control) Ordinance, 1982

The Customs Act, 1969;

The Stamp Act, 1899;

The Bangladesh Security and Exchange Commission Act, 1993;

The Bangladesh Security and Exchange Commission Rules 2020;

Bangladesh Labour Act, 2006 (as amended to 2013)

2.03 Authorization for Issue

The financial statements were authorized for issue by the Board of Directors in its meeting held on 27 February 2025.

2.04 Basis of measurement

The financial statements have been prepared on historical cost basis except for certain assets which are stated either at revaluated amount or fair market value in the accompanied notes.

2.05 Accrual basis of Accounting

The Kemiko Pharmaceuticals Limited prepares its financial statement, except for cash flow statement, using the accrual basis of accounting. Since the accrual basis of accounting is used, the company recognized items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the framework.

2.06 Presentations of financial statements

The presentations of financial statements is in accordance with the guidance provided by IAS 1: Presentations of Financial Statements. The financial statements complies of:

- (a) Statement of Financial Position as at June 30, 2024;
- (b) Statement of Profit or Loss and Other Comprehensive Income for the period ended on June 30, 2024;
- (c) Statement of Changes in Equity for the period ended on June 30, 2024;
- (d) Statement of Cash Flow for the period ended on June 30, 2024;
- (e) Notes, comprising summary of significant accounting policies and other explanatory information.

2.07 Functional and presentation currency

Functional and presentation of currency items included in the financial statements are measured using the currency of the primary economic environment in which the company operates ("The Functional Currency"). This financial statements are prepared in Bangladesh Taka ("BDT") which is also the functional currency of the company. The amount in these financial Statements have been rounded off to the nearest BDT except otherwise indicated.

2.08 Use of Estimates and Judgments

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

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

2.09 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 expenditures are presented on a net basis only when permitted by the relevant accounting standards. The values of assets and liabilities as shown in the statement of financial position are not off-set by way of deduction for another liability or asset value there exist a legal right therefore. No such incident existed during the year.



2.10 Going concern assumption

The financial statements are prepared on the basis of going concern assumption. As per management assessment there is no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

2.11 Reporting Period

The Reporting period of the Company covers 12 (twelve) months from July 01, 2023 to June 30, 2024.

2.12 Comparative Information

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

3.00 Significant accounting policies

3.01 Property, plant and equipment

3.01.1 Recognition and measurement

An item shall be recognized as property, plant and equipment's 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.

Items of property, plant and equipment's are measured at cost less accumulated depreciation as per IAS 16: Property, Plant and Equipment.

The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner. The cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-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 costs directly attributable to bringing the assets to a working condition. The cost of material and direct labour and other costs directly attributable to bringing the assets to a working condition inward freight, duties and non-refundable taxes for their intended use.

3.01.2 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 probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The cost of day to day servicing of property, plant and equipments are recognized in the Statement of Profit or loss and other comprehensive income as 'Repair and maintenance' when it is incurred.



3.01.3 Depreciation on Non-Current Assets

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provision of IAS 16 "Property, Plant and Equipment". Depreciation is charged on additions made during the year from the month in which those assets are put into ready for use. Depreciation is charged on all the fixed assets except land and land development on reducing balance method at the following rates:

Particular of Assets	Rate of Depreciation (%)	
	30-Jun-24	30-Jun-23
Building & Others Construction	10%	10%
Plant And Machinery	20%	20%
Electrical Installation	20%	20%
Laboratory Equipments	20%	20%
Tools & Equipments	20%	20%
Water Tank	10%	10%
Air Conditioner	20%	20%
HVAC	20%	20%
Furniture & Fixture (Factory)	10%	10%
Furniture & Fixture (HO)	10%	10%
Office Equipment	10%	10%
Factory Building Decoration	10%	0%
Motor Vehicles	20%	20%
Crockery's & Cutleries	10%	10%
Brief Case	10%	10%

3.01.4 Disposal of Property, Plant and Equipment

No item of Property, Plant & Equipment is removed from the statement of financial position.

3.02 Capital Work In Progress

Property, plant and equipment under construction/acquisition have been accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

3.03 Intangible assets and research and development expenditures

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

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

3.04 Borrowing costs

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

3.05 Revenue

As per IFRS-15: "Revenue from Contracts form Customers", Revenue is recognised only when all of the following criteria are met:

- (a) The parties to the contract have approved the contract (in writing , orally or in accordance with other customary business practices) and are committed to perform their respective obligations ;
- (b) The entity can identify each party `s rights regarding the goods or services to be transferred ;
- (c) The entity can identify the payment terms for the goods or services to be transferred
- (d) The contract has commercial substance (i.e. the risk , timing or amount of the entity `s future cash flows is expected to change as a result of the contract) ; and
- (e) It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

3.06 Profit on bank deposit

Profit on bank deposits have been accounted on accrual basis.

3.07 Financial Instrument

A financial instrument is a contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measures at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

3.08 Financial assets

The company classifies non-derivative financial assets into financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' financial assets, 'loans and receivables' or 'available for sale' financial assets.

The company derecognises a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the company is recognized as a separate financial asset or liability.

Financial assets and liabilities are offset and the amount is presented in the statement of financial position when, and only when, the company has a legal right to offset the amounts and intends either to settle them on net basis or to realize the asset and settle the liability simultaneously.

I. Financial assets at fair value through profit or loss

A financial asset is classified a fair value through profit or loss if it is classified as held-for-trading or designated as such on initial recognition. A financial asset is designated as fair value through profit or loss if the company manages such investments and make purchase and sale decisions based on their fair value in accordance with company's documented risk management or investment strategy. Financial assets at fair value through profit or loss are measured at fair value and changes there in, which takes into account any dividend income, are recognized in the profit or loss.

ii. Held to maturity financial assets

If the company has positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held to-maturity financial assets. Subsequent to initial recognition, held-to-maturity financial assets are matured at amortized cost using the effective interest method, less any impairment losses.

As at the date of the statement of financial position the company had no held-to-maturity financial assets.

iii. Loans and Receivables

Loans and receivables are financial assets with fixed and determinable payments that are not quoted in the active market.

Subsequent to initial recognition, loans and receivables are matured at amortized cost using the effective interest method, less any impairment losses. This is the most relevant category of financial asset to the company and includes trade and other receivables. The receivables with no stated interest rate are recognized at the original invoice amount when the impact of discounting is not material.

iv. Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets are designated as available –for-sale or are classified in any of the above categories of financial assets.

Subsequent to initial recognition, they are measured at fair value and changes there in, other than impairment losses and foreign currency differences on available-for-sale debt instruments are recognized in other comprehensive income and presented in fair value reserve in equity. When an investment is derecognized, the gain or loss accumulated in equity is reclassified to profit or loss.

3.09 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities.' Company's financial liabilities mainly include trade and other payables, loans and borrowings.



I. Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by IAS-39:Financial Instruments: Recognition and Measurement . Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IAS-39 are satisfied.

Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value with gains or losses arising on re-measurement are recognized in profit or loss. The company has not designated any financial liabilities as at fair value through profit or loss.

II. Other financial liabilities

Other financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method . Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Other financial liabilities include loans and borrowings, trade and other payables.

3.10 Equity instruments

An equity instrument is any contract that gives rise to a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognized at the proceeds received, net of direct issue costs.

3.11 Impairment

(a) Financial assets

A financial asset, not classified as fair value through profit or loss, is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the assets, and the loss event(s) had an impact on the estimated future cash flows of that assets that can be estimated reliably.

I. Financial assets measured at amortized cost

The company considers evidence of impairment for financial assets (loans and receivables held-to-maturity investment securities at both a specific asset and collective asset level. All individually significant receivables and held-to-maturity investment securities are assessed for specific impairment. All individually significant loans and receivables and held-to-maturity investment securities found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables and held-to-maturity investment securities that are not individually significant are collectively assessed for impairment by grouping together loans and receivables held-to-maturity investment securities with similar risk characteristics.

In assessing collective impairment the company uses historical trend of probability of default, timing of recoveries and amount of loss incurred. Adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in the profit or loss and reflected in the allowance account against loan and receivables or held-to-maturity investment securities. Interest on the impaired assets continues to be recognized. When an event occurring after the impairment was recognized causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

ii. Available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognized by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization and the current fair value, less any impairment loss recognized previously in profit or loss. Changes in cumulative impairment losses attributable to application of the effective interest method are reflected as a component of interest income. If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognized, then the impairment loss is reversed, with the amount of reversal recognized in profit or loss.

(b) Non-financial assets

The carrying amounts of the company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of impairment loss (if any). Where it is not possible to determine the recoverable amount of an individual asset, the company estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU".

Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.12 Inventories

Inventories consisting of raw materials, work in progress, finished goods are valued at lower of cost and net realizable value. Cost of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying amount of inventories to the lower of cost and net realizable value. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.13 Cash and Cash Equivalents

Cash and cash equivalents consists of cash in 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.

3.14 Earnings Per Shares (EPS)

Earnings Per Share (EPS) are calculated in accordance with the International Accounting Standard IAS- 33 "Earnings Per Share".

Diluted Earnings per shares

For the purpose of calculating diluted earnings per shares, 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 company at reporting date.

3.15 Foreign Currency Transaction

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates.

- a) Foreign currency monetary items are transaction using the closing rate.
- b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
- c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

Amount in Export Retention Quota (ERQ) Account and any other foreign currency balance have been translated into taka at the reporting date at the exchange rate prevailing on that date and gain/(loss) have been accounted for as other income/(loss) in statement of profit or loss and comprehensive income.

3.16 Employee benefits

The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective trust deeds and rules. Both of the plans are funded and are yet to be recognized /approved under Income Tax Ordinance 1984.

(a) Defined benefit plan (gratuity)

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The employee gratuity plan is considered as defined benefit plan as it meets the recognition criteria. The company's obligations are to provide the agreed benefits to current and former employees. The net defined benefit liability asset in respect of a defined benefit plan is recognized in the statement of financial position.

As per policy of the Company each permanent employee, who is serving the Company for a period of at least 5 (five) years or more is entitled to an amount equivalent to 1 (one) basic multiplied by number of years served by the employee.

Current service also past service cost and gain/loss on settlement and net interest on the net defined benefit liability (asset) are recognized in profit or loss.

Service cost and gain/loss on settlement are classified as personnel expense and net interest on the net defined benefit liability (asset) is classified as financial expense.

The gratuity is calculated for all the employees prescribed by the rates as per Bangladesh Labour Act -2006 (as amended to 2013) for their service with the company.

(b) Workers' Profit Participation Fund (WPPF)

The company constitutes its Workers' Profit Participation Fund (WPPF). The registered address of the Trust is 338, Segun Bagicha, Dhaka-1000. The Company provides 5% of its profit before Tax after charging contribution to WPPF in accordance with Bangladesh Labour Act- 2006 (as amended to 2013).

Worker's Welfare Fund as mandated by Section 234 (1) (b) of the Act, 2006. The Company may contribute more than the share specified above to either or both of the Funds it desires so.

(c) Short Term Employee Benefit

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

3.17 Accruals, Provisions and Contingencies

a) Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. Accruals are reported as part of trade and other payables.

b) Provisions

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The

expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. During the reporting year the company has made sufficient provisions where applicable".

c) Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. At the reporting date the company does not have any contingent asset.

Contingent liabilities and assets are not recognized in the statement of financial position of the company.

3.18 Operating Segment

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

3.19 Statement of cash flows

The Statement of Cash Flows has been prepared in accordance with the requirements of 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 where by major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.20 Related party disclosures

As per International Accounting Standards IAS-24: 'Related Party Disclosures', parties are considered to be related if one of the parties 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. Related party disclosures have been given in Note 36.

3.21 Office Rent

As per International Accounting Standards IFRS -16: 'Office Rent' is considered as operating lease due to our deed of contract period is only one year with the land lord and have no advances. A lease that, at the commencement date, has a lease term of 12 months or less and has no purchase option recognizes as short term leases. Considering the para -5 (a) and para -6 of IFRS 16, Office rent has been charged in the profit & loss as an expense.

3.22 Income tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity in accordance with IAS 12: Income Tax.

(a) Current tax

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. The tax rate used for the reporting period was 27.50% on net profit or 0.60% on gross receipts which is higher.

(b) Deferred tax

Deferred tax is recognized as income or an expense amount within the tax charge, and included in the net profit or loss for the period. Deferred tax relating to items dealt with as other comprehensive income (such as a revaluation) is recognized as tax relating to other comprehensive income within the statement of profit or loss and other comprehensive income.

(C) Deferred Tax Liability

A deferred tax liability is recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill; or the initial recognition of an asset or liability in a transaction which is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

3.23 Events After The Reporting Period

Events after the reporting period that provide additional information about the company's position at the statement of financial position date are reflected in the financial statements as per International Accounting Standards IAS-10: 'Even after the Reporting Period'.

All material events occurring after the balance sheet date have been considered and where necessary, adjusted for or disclosed.

3.24 Risk Exposure

Interest rate risk is the risk that Company faces due to unfavorable movements in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

Management Perception

The Company maintains low debt/equity Ratio; and accordingly, adverse impact of interest rate fluctuation is insignificant.

Exchange rate risk

Exchange rate risk occurs due to changes in exchange rates. As the Company imports materials and equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuations may effects the profitability of the Company. If exchange rate increases against local currency, opportunities arises from generating more profit.

Management Perception

The products of the company are sold mostly in local currency. Therefore, volatility of exchange rate will have no impact on profitability of the Company.

Industry Risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business financial condition and results of operation.

Management Perception

Management is optimistic about growth opportunity in pharmaceutical sector in Bangladesh. Furthermore, there is untapped international market.

Market Risks

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.

Operational Risks

Non-availabilities of materials/equipment/services may affect the smooth operational activities of The Company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

Management Perception

The company perceives that allocation of its resources property can reduce this risk factor to a great extent. The Company hedges such risks in costs and prices and also takes preventive measures therefore.

Liquidity Risks

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 to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. 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.



3.25 Compliance with Financial Reporting standards as applicable in Bangladesh:

The Company, as per Para-12 of Securities & Exchange Rule 1987, complies with the following International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

IAS & IFRS No.	IAS /IFRS Title	Compliance Status
IAS 1	Presentation of Financial Statements	Complied
IAS 2	Inventories	Complied
IAS 7	Statement of Cash Flows	Complied
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
IAS 10	Events after the Reporting Period	Complied
IAS 12	Income Taxes	Complied
IAS 16	Property, Plant & Equipment	Complied
IAS19	Employee Benefits	Complied
IAS21	The Effects of Changes in Foreign Exchange Rates	Complied
IAS 23	Borrowing Cost	Complied
IAS 24	Related Party Disclosures	Complied
IAS 32	Financial instruments: Presentation	Complied
IAS 33	Earnings per Share	Complied
IAS 34	Interim Financial Reporting	Complied
IAS 36	Impairment of Assets	Complied
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Complied
IAS 38	Intangible Assets	Complied
IAS 39	Financial Instrument: Recognition and Measurement	Complied
IFRS 7	Financial instruments: Disclosures	Complied
IFRS 8	Operating Segments	Complied
IFRS 9	Financial Instrument	Complied
IFRS 13	Fair Value Measurement	Complied
IFRS 15	Revenue from Contracts with Customers	Complied
IFRS 16	Leases	Complied

3.26 Rounding off

Amounts appearing in these financial statements have been rounding off to the nearest Taka and wherever considered necessary.



KEMIKO PHARMACEUTICALS LIMITED
Notes to the Financial Statements
For the year ended 30 June 2024

Amounts in Taka	
30-Jun-2024	30-Jun-2023

4.00 Property, Plant and Equipment: Tk. 729,636,443

This is made up as follows:

At cost /revaluation	Note: 4.01	1,770,532,788	1,770,532,788
Less : Accumulated depreciation	Note: 4.02	1,040,896,345	938,478,384
Closing Written Down Value:		729,636,443	832,054,404

Movement in the balances of Property, Plant and Equipment is made up as follows:

4.01 Cost/Revalued Price: Tk. 1,77,05,32,788

This is made up as follows:

Opening balance	1,770,532,788	1,770,292,788
Add:		
Purchase during the year	-	240,000
	-	240,000
	1,770,532,788	1,770,532,788
Less: Disposal during the year	-	-
Closing balance	1,770,532,788	1,770,532,788

4.02 Accumulated Depreciation: Tk. 1,040,896,345

This is made up as follows:

Opening balance	938,478,384	813,778,984
Less: Prior year adjustment for over charge of depreciation on plant & machineries in the FY 2017-18 (Tk. 23,189,857 - Tk. 15,854,274)	-	-
Adjusted opening balance	938,478,384	813,778,984
Add: Charged during the year	102,417,961	124,699,400
Closing balance	1,040,896,345	938,478,384

Details of Property, Plant and Equipment is given in **Annexure-A**

5.00 Inventories: Tk. 45,76,25,679

This is made up as follows:

Finished goods	238,825,625	244,766,210
Work in process	11,245,873	10,832,622
Raw materials	179,562,132	185,853,162
Packaging materials	23,122,462	29,138,490
Laboratory chemicals & accessories	192,104	292,104
Material in transit	3,976,027	3,976,027
Physician sample	701,456	903,642
Total:	457,625,679	475,762,257

Note: In material in transit, No adjustment has been made subsequently.

6.00 Trade Receivables: Tk. 742,411,197

This is made up as follows:

Trade Receivables	Note: 6.01	1,114,452,766	985,306,876
Account Receivables- Export		374,809	-
Less: Provision for doubtful debt	Note: 6.02	372,416,378	11,823,683
		742,411,197	973,483,193

Amounts in Taka	
30-Jun-2024	30-Jun-2023

6.01 Trade Receivables: Tk. 1,11,44,52,766

This is made up as follows:

A/R-Barisal Depot
A/R-Bogra Depot
A/R-Chittagong Depot
A/R-Cornilla Depot
A/R-Cox's Bazar Depot
A/R-Dhaka Depot
A/R-Dinajpur Depot
A/R-Faridpur Depot
A/R-Jessore Depot
A/R-Mymensingh Depot
A/R-Noakhali Depot
A/R-Norsinghdi Depot
A/R-Pabna Depot
A/R-Rajshai Depot
A/R-Rangpur Depot
A/R-Sylhet Depot
Closing balance:

71,311,855	61,935,422
63,834,102	52,345,689
71,633,598	68,534,621
59,751,420	57,421,405
59,540,367	57,702,688
103,179,926	99,282,265
67,925,535	52,962,877
68,592,141	57,720,499
65,649,993	50,871,255
81,372,007	74,624,811
72,080,047	68,242,302
74,416,231	67,565,382
61,800,124	56,288,927
63,984,663	50,299,655
58,820,746	47,658,544
70,560,011	61,850,533
1,114,452,766	985,306,876

In the Year 2023-2024, Net Receivable are shown after adjusted write off amounts, this calculations are in the Annexure -F.

Amount is receivable from above mentioned depot. The transaction of the depot is managed by head office. No amount was due by directors, managers and other officers of the company or any of them either severally or jointly with any other person.

The entire receivables can be further segregated as per ageing as given below:

Below 30 days
Within 30-60 days
Within 60-90 days
Within 90-180 days
Within 180-270 days
Above 270 days
Total:

Ageing Receivables in Taka	
33,433,583	128,089,894
55,722,638	197,061,375
44,578,111	266,032,856
100,300,749	-
133,734,332	-
746,683,353	394,122,750
1,114,452,766	985,306,876

The classification of receivables as required by the Schedule- XI of the Companies Act, 1994 are given below:

6.02 Provision for doubtful debt: Tk. 372,416,378

This is made up as follows:

Provision made @ 3% aged above 90 days Yr 2022-23
Provision made @ 7% aged within 90-180 days
Provision made @ 25% aged within 180-270 days
Provision made @ 46% aged above 270 days

-	11,823,683
7,021,052	-
33,433,583	-
343,474,342	-
383,928,978	11,823,683

Provision for doubtful debt as per ageing

Movement in the balances of provision for bad debt is made up as follows:

Particulars

Opening balance
Provision Charged to P/L Account
Less: Adjusted Write off this year
Closing Balance of Total Provision for doubtful debt

11,823,683	7,462,808
372,105,295	4,360,875
(11,512,600)	-
372,416,378	11,823,683

As per policy of the Company provision for bad debt has been maintained @ 7% aged within 90-180 days, @

25% aged within 180-270 days, and @ 46% aged above 270 days on the trade receivables outstandings.

7.00 Advance, Deposit & Prepayments: Tk. 2,57,86,794

This is made up as follows:

Advances

Security deposit

Pre-payments

Closing balance:

Note: 7.01

Note: 7.02

Note: 7.03

Amounts in Taka	
30-Jun-2024	30-Jun-2023

25,682,637	28,805,599
104,140	104,140
17	(36,755)
25,786,794	28,872,983

7.01 Advances: Tk. 2,56,82,637

This is made up as follows:

Advance against expenses

Advance income tax

Advance for land purchases (Broker)

Advance for flat purchases (office)

Advance to PBL (Sundry Deposit)

Advance to Multibrand Workshops Ltd.

Advance to Asia Foils

Advance to Luna Plastics Industries

Advance to Technokit Distribution Limited

Advance to Nice Pack Ltd

Advance to Khan Plastic

Advance to Multibrand Infotech Ltd.

Advance Against Import LC

Closing balance:

Note: 7.01.1

114,500	331,668
7,194,780	7,070,213
3,108,885	3,108,885
14,500,000	14,500,000
-	2,994,600
24,991	24,991
-	-
-	-
-	-
-	-
285,790	321,550
100,000	100,000
353,691	353,691
25,682,637	28,805,599

7.01.1 Advance Income Tax: Tk. 71,94,780

This is made up as follows:

Opening Balance

Add: AIT paid during the year

AIT on import

AIT on car registration

AIT on Bank Interest

AIT on export

Less: Adjusted Tax Liability during the year

Closing balance:

7,070,213

6,873,366

-	-
49,500	83,000
-	-
75,067	113,848
124,567	196,848
7,194,780	7,070,213
-	-
7,194,780	7,070,213

7.02 Security Deposit: Tk. 1,04,140

This is made up as follows:

T & T- against telephone line

PDB- against electricity Line

BOC (BD) Ltd.

Closing balance:

21,340	21,340
78,000	78,000
4,800	4,800
104,140	104,140

7.03 Pre-payments: Tk. 17

This is made up as follows:

VAT current account

Closing balance:

17	(36,755)
17	(36,755)

8.00 Cash & Cash Equivalents: Tk. 110,807,872

This is made up as follows:

Cash in hand

Cash at bank

Closing balance:

Note: 8.01

Note: 8.02

110,341,219	52,082,412
466,653	684,349
110,807,872	52,766,761

Amounts in Taka	
30-Jun-2024	30-Jun-2023

8.01 Cash in Hand: Tk. 11,03,41,219

This is made up as follows:

Dhaka (HO), Factory & Depot office : cash & coins
Closing balance:

110,341,219	52,082,412
110,341,219	52,082,412

8.02 Cash at Bank: Tk. 4,66,653

This is made up as follows:

Cash at Bank
Total

Annexure-G

466,653	684,349
466,653	684,349

9.00 Share Capital: Tk. 98,92,58,000

This is made up as follows:

Authorized Capital

20,000,000 Ordinary Share of tk. 10 each

2,000,000,000	2,000,000,000
2,000,000,000	2,000,000,000

Issued, Subscribed and Paid Up Capital

98925800 Ordinary Share of Tk. 10 each.

Total:

989,258,000	989,258,000
989,258,000	989,258,000

10.00 Share Money Deposit: Tk. 32,674,835

This is made up as follows:

Share money deposit

Total Balance

32,674,835	-
32,674,835	-

The Company received Taka 3,26,74,835.00 Share Money Deposit from Mr. Mohammed Nurul Kalam Aswad in the following manner:

1) Received Taka 2.25 Crore against payment of Loan settlement with IDLC Finance Limited. The amount was received through Pharma aids Limited to whom Mr. Mohammed Nurul Kalam Aswad sold his Land properties under a Tripartite agreement among Mohammed Nurul Kalam Aswad, Pharma Aids Ltd., and IDLC Finance Ltd.

2) Received Taka 1,01,74,835.00 in our Bank account from Mr. Mohammed Nurul Kalam Aswad on difference occasion in the previous financial year and accounted as loan from him. The amount was required to meet up the operational cost of the company.

11.00 Revaluation Surplus: Tk. 214,752,982

This is made up as follows:

Revaluation surplus on land & land development

Revaluation surplus on building & other construction

Note: 11.01

Opening Balance, July 01, 2023

110,238,542	110,238,542
111,809,112	119,914,304
222,047,655	230,152,846

Less: Transfer to retained earnings (after tax excess depreciation of current year) (Annexure-B)

Closing balance:

(7,294,673)	(8,105,192)
214,752,982	222,047,655

11.01 Revaluation Surplus on Building & Other Construction: Tk. 104,514,439

This is made up as follows:

Opening balance

Add: prior year adjustment, calculation in Annexure -B

Opening Balance, July 01, 2023

111,809,112	117,879,626
-	2,034,678
111,809,112	119,914,304

Details of Revaluation Surplus schedule is given in Annexure-B

Amounts in Taka	
30-Jun-2024	30-Jun-2023

12.00 Retained Earnings: Tk. 54,775,120

This is made up as follows:

Opening balance	400,714,812	359,646,639
Add: Prior year adjustment for overstatement of Deferred Tax Liabilities (Tk. 50,737,240 - Tk. 26,178,135) [See note-14]	-	24,559,105
Less: Prior year adjustment for excess transfer of revaluation surplus to RE in the FY 2018-19 to FY 2021-22, Annexure -B	-	(2,034,678)
Opening Balance after adjustment	400,714,812	382,171,066
Less: Prior year adjustment for excess transfer of revaluation surplus to RE in the FY 2018-19 to FY 2021-22, Annexure -B	-	(2,034,678)
Add:		
Current year profit/(loss)	(353,234,365)	10,438,554
Transfer from revaluation surplus (after tax excess depreciation of current year), Annexure-B	7,294,673	8,105,192
	(345,939,692)	18,543,746
Closing balance:	54,775,120	400,714,812

13.00 Long Term Loan: Tk. 374,886,173

This is made up as follows:

IDLC Finance Ltd	-	20,422,819
Pubali Bank Ltd, Nayapolton Br. Dhaka (CC Portion)	287,538,837	-
Pubali Bank Ltd, Nayapolton Br. Dhaka (LATR Portion)	73,933,945	-
International Leasing & Finance Services Ltd.	63,970,866	56,896,245
Total Loan Amount	425,443,647	77,319,064
Less: Current Portion (Note-15)	50,557,474	59,357,885
Closing Balance	374,886,173	17,961,179

14.00 Deferred Tax Liability/(Asset): Tk. 22,353,757

This is made up as follows:

Opening Balance	24,553,330	50,737,240
Add/Less: Adjustment for Prior year error		
Overstatement of deferred tax liabilities due to understatement of tax base of Building & Other Structures (Tk. 163,727,366 X 15%)	-	24,559,105
Restated Opening Balance, July 01, 2023	24,553,330	26,178,135
Add/Less: Charge during the year	(2,199,573)	(1,624,805)
Deferred tax liability	22,353,757	24,553,330

Details are summarised table in the below as on June 30, 2024

Particulars	Carrying Value	Tax Base	Temporary Differences	Applicable Tax Rate	Amounts
As on 30-06-2024					
Building & Other Construction	235,620,204	158,382,493	77,237,711	15%	11,585,657
Provision for Gratuity	39,156,729	-	39,156,729	27.50%	10,768,100
Sub Total-A					22,353,757
As on 30-06-2023					
Building & Other Construction	261,800,227	175,980,548	85,819,679	15%	12,872,952
Provision for Gratuity	38,934,595	-	38,934,595	30%	11,680,378
Sub Total-B					24,553,330
Charged during the year (A-B):					(2,199,573)

The Above deferred tax is on the revaluation of assets and provision for gratuity.

Amounts in Taka	
30-Jun-2024	30-Jun-2023

15.00 Current portion of Long Term Loan: Tk. 50,557,474

This is made up as follows:

IDLC Finance Ltd
International Leasing & Finance Services Ltd.
Closing Balance

-	20,422,819
50,557,474	38,935,066
50,557,474	59,357,885

16.00 Current Portion of Leashold Obligations: Tk. 58,35,300

This is made up as follows:

Car Loan from BRAC Bank Ltd. (Director)
Car Loan from BRAC Bank Ltd. (DM)
Car Loan from Nitol Motors Ltd.

4,203,590	3,838,318
1,365,966	1,314,023
265,745	625,403
5,835,300	5,777,744

Note: In the above lease obligation, there is none of long term portion, only current portion shown here due to overdue of installment of remaining loan.

17.00 Short Term Loan: Tk. 7,73,39,249

This is made up as follows:

CC Account, Pubali Bank Ltd, Nayapolton Br., Trans. to Long Term
Bi-Moazzal (Commercial), SIBL, Kawran Bazar Br.
LATRA, Pubali Bank Ltd. Nayapolton Branch, Trans. to Long Term
Bi-Moazzal (TR), SIBL, Kawran Bazar Br.
MPI-SIBSL
Loan from individual (Annexure-C)
Closing balance

-	252,503,955
26,553,199	23,727,141
-	66,054,018
35,972,263	33,366,456
3,313,787	3,346,924
11,500,000	21,674,835
77,339,249	400,673,330

18.00 Liability for Gratuity Fund: Tk. 3,91,56,729

This is made up as follows:

Opening balance
Add: Provision for current year

38,934,595	39,582,853
2,265,400	2,625,800
41,199,995	42,208,653

Less: Fund Transfer to Gratuity A/c (SND A/C-0100245410306, Janata B
L-Kakrail Br.)

- 5,000

Less: Payment to outgoing employees during the year
Closing balance:

2,043,266	3,269,058
39,156,729	38,934,595

As per policy of the Company each permanent employee, who is serving the Company for a period of at least 5 (five) years or more is entitled to gratuity benenefits.

19.00 Liability for Expenses: Tk. 15,464,043

This is made up as follows:

Salary & wages
Audit fees
Issue Management Fees to ICB
Telephone & Mobile bill
Electricity charges - Head Office
Electricity charges - Factory
Office Rent Payable
WASA bill
GAS bill
Travelling & conveyance-Admin
TDS payable
TA/DA-Selling & Dist. Payable
Closing balance:

10,637,240	14,049,706
345,000	172,500
500,000	500,000
56,916	30,687
101,837	168,203
520,397	459,506
898,500	1,654,500
46,754	159,873
4,320	2,160
-	56,650
1,081,589	1,152,183
1,271,490	2,529,178
15,464,043	20,935,146

Amounts in Taka	
30-Jun-2024	30-Jun-2023

20.00 Accounts & Other Payable: Tk. 2,35,70,744

This is made up as follows:

Various parties (Annexure-'D')

Closing balance

23,570,744	20,691,290
23,570,744	20,691,290

21.00 Liability for WPPF: Tk. 29,568,209

This is made up as follows:

Opening Balance

Add: Addition during the year (Note: 32.00)

Less: Fund Transfer to WPPF Account (SND A/C-0100245403326, Janata B L. Kakrail Br.)

Less: Adjustment during the year

Closing Balance

29,568,209	28,943,655
-	629,553
29,568,209	29,573,209
-	5,000
-	-
29,568,209	29,568,209

22.00 Advance Against Export: Tk. 0.00

Sar Beland Ba Ba Ltd.

NAV per share (A/B)

-	2,055,350
-	-
-	2,055,349.62

23.00 Income Tax Payable: Tk. 136,075,370

This is made up as follows:

Opening balance

Add: Provision for current year (Note: 33.00)

Less: Adjustment of excess provision of tax (Annexure-E)

Less: Adjustment of Tax Paid during the year

Less: Adjustment of Advance Income Tax

Closing balance:

130,411,075	127,133,754
5,664,295	3,777,321
136,075,370	130,911,075
-	-
136,075,370	130,911,075
-	500,000
136,075,370	130,411,075
-	-
136,075,370	130,411,075

24.00 Net Asset Value per share with Revaluation: Tk. 13.05

This is made up as follows:

Total Equity with revaluation surplus for the year (A) (Restated-Y21-22)

Number of shares for calculating basic EPS (B)

NAV per share (A/B)

1,291,460,936	1,612,020,466
98,925,800	98,925,800
13.05	16.30

25.00 Net Asset Value per share without revaluation surplus: Tk. 10.88

This is made up as follows:

Total Equity without revaluation surplus for the year (A)

Number of shares for calculating basic EPS (B)

NAV per share (A/B)

1,076,707,955	1,389,972,812
98,925,800	98,925,800
10.88	14.05



26.00 Sales Revenue: Tk. 71,33,34,168

This is made up as follows:

Pharmaceuticals & Veterinary Product Sales
Herbal & Food Supplement Product Sales
Export sales
Total gross sales
Less : VAT
Total:

Amount in Taka	
30-Jun-2024	30-Jun-2023

19,459,385	19,452,691
686,105,308	944,805,569
10,307,656	9,421,686
715,872,348	973,679,947
2,538,181	2,537,308
713,334,168	971,142,640

In the financial year 2023-2024, sales decreased for following reasons: 1) Suddenly a group of our sales personnel (senior, mid level & others) migrated to others company which created a vacant in the market to make sales. 2) High raw materials cost due to increase of dollar rate, but we could not increase product prices from the drug regulatory authority. Therefore, we decided to reduce the production to lessen the loss from sales at lower price

27.00 Cost of Goods Sold: Tk. 39,92,32,452

This is made up as follows:

Materials consumption (Note- 27.01)
Add: Factory overhead (Note- 27.02)

Add: Opening stock of WIP

Less: Closing stock of WIP

Add: Opening Stock of finished goods

Less: Closing stock of finished goods

Less: Cost of Free Sample

Total:

297,803,028	488,355,090
98,615,590	140,566,858
396,418,618	628,921,947
10,832,622	19,904,982
407,251,240	648,826,929
11,245,873	10,832,622
396,005,367	637,994,307
244,766,210	259,141,086
640,771,577	897,135,393
238,825,625	244,766,210
401,945,952	652,369,183
2,713,500	3,958,436
399,232,452	648,410,747

27.01 Materials Consumption: Tk. 29,78,03,028

This is made up as follows:

Raw materials consumption-Note- 27.01(A)
Packing materials consumption -Note- 27.01(B)
Lab. Chemicals & accessories consumption Note- 27.01(C)
Total:

273,436,266	445,291,020
24,067,852	42,422,617
298,910	641,453
297,803,028	488,355,090

27.01(A) Raw Materials Consumption: Tk. 27,34,36,266

This is made up as follows:

Opening stock
Add: Purchases less VAT

Less: Closing stock

Total:

185,853,162	198,929,123
267,145,236	432,215,058
452,998,398	631,144,181
179,562,132	185,853,162
273,436,266	445,291,020

27.01(B) Packing Materials Consumption: Tk. 2,40,67,852

This is made up as follows:

Opening stock
Add: Purchases less VAT

Less : Closing stock

Total:

29,138,490	32,641,044
18,051,824	38,920,063
47,190,314	71,561,107
23,122,462	29,138,490
24,067,852	42,422,617

Amount in Taka	
30-Jun-2024	30-Jun-2023

27.01 (C) Lab. Chemicals & Accessories Consumption: Tk. 2,98,910

This is made up as follows:

Opening stock
Add: Purchases

Less : Closing stock
Total:

292,104	586,220
198,910	347,337
491,014	933,557
192,104	292,104
298,910	641,453

27.02 Factory Overhead: Tk. 9,86,15,590

This is made up as follows:

Salary & Allowances-Production
Wages & salary
Carriage inwards
Repairs & maintenance
Factory electricity
Gas (LP)
Travelling & Conveyance
Power & fuel consumption
Entertainment
Depreciation
Overtime
Printing & Stationery
Mobile & Telephone
Total:

7,630,524	5,558,976
5,748,012	31,128,859
7,880	46,810
188,831	721,425
2,680,990	1,840,431
15,986	23,480
40,000	131,501
80,650	207,907
144,784	283,716
81,934,369	99,759,521
-	559,232
114,427	255,973
29,137	49,027
98,615,590	140,566,858

28.00 Administrative Expenses: Tk. 408,632,516

This is made up as follows:

Managing director's remuneration Note: 35.00
Salary & allowances
Office rent
Travelling & conveyance
Printing & Stationeries
Postage & courier
Telephone & Mobile
Entertainment
Repairs & maintenance
Electricity expenses
WASA bill
Gas bill
Audit fees
Legal & Professional Expenses
News paper & periodicals
Renewal & registration fees
Bank charge
Bad debt expenses
Gratuity Expenses
Miscellaneous Expenses
Depreciation
Total:

1,800,000	1,800,000
19,537,664	39,559,786
1,680,000	1,932,000
444,735	1,565,325
161,965	770,778
79,599	29,913
335,277	373,660
289,386	734,340
293,419	1,172,097
956,882	835,470
300,298	530,186
25,920	25,920
172,500	172,500
-	53,750
10,604	10,586
486,906	426,673
196,176	210,250
372,105,295	4,360,875
2,265,400	2,625,800
321,233	232,197
7,169,257	8,728,958
408,632,516	66,151,064



29.00 Marketing, Selling & Distribution Expenses: Tk. 178,041,044

This is made up as follows:

Distribution expenses
Market promotion expenses
Salary & Allowances-Selling & Distribution
Business promotion expenses (Free Sample Expenses)
Advertisement expenses (Newspaper & others)
Mobile bill
Office Rent Depot
TA/DA- Selling & Distribution
Depreciation
Total:

Amount in Taka	
30-Jun-2024	30-Jun-2023

19,453,210	26,130,836
20,997,631	40,282,325
94,055,394	103,169,921
2,915,686	3,913,482
106,195	4,000
2,019,600	2,710,908
2,508,000	2,508,000
22,670,993	31,315,628
13,314,335	16,210,922
178,041,044	226,246,022

30.00 Financial Expenses: Tk. 7,68,40,884

This is made up as follows:

Interest on Bank Loan :

Social Islami Bank PLC-Murabaha Post Import(MPI)-Force Loan
IDLC Finance Loan
Car Loan from Brac Bank PLC-Director
Car Loan from Brac Bank PLC-DM
Nitol Motors Ltd
International Leasing and Financial Service Limited
Pubali Bank PLC-Cash Credit(C.C-580)
Pubali Bank PLC-Loan against Trust Receipt(LATR)
Social Islami Bank PLC-Bai-Muzzal Commercial Trading
Social Islami Bank PLC-Bai-Muzzal Trust Receipt
Total:

426,862	182,056
5,074,962	-
365,272	329,075
51,943	124,984
-	323,449
7,074,621	9,652,434
47,034,882	-
11,474,527	1,863,353
2,781,608	2,195,392
2,556,207	2,364,789
76,840,884	17,035,532

31.00 Other Income: Tk. -3,56,915

This is made up as follows:

Bank Interest
Insurance Claim
Exchange Gain (Loss) on Foreign Exchange Transaction
Total:

44	-
-	-
(356,959)	(78,651)
(356,915)	(78,651)

32.00 Provision for WPPF & Welfare Fund: Tk. 0

This is made up as follows:

Provision for WPPF & WF
Total:

-	629,553
-	629,553

This represents 5% of net profit before tax but after charging such contribution as per provision of the Bangladesh

Labour Act -2006 (as amended up to 2018) and is payable to workers as defined in the said act.

33.00 Income Tax Expenses: Tk. 3,464,722

This is made up as follows:

Profit Before Taxes
Tax on current year, Minimum Tax in case of loss is @ 0.60% of Gross Receipts
SubTotal -Current Tax
Deferred tax expense/(income) (Note-14)
Less: Adjustment of Deferred Tax
Sub Total
Total:

(349,769,642)	12,591,069
5,664,295	3,777,321
5,664,295	3,777,321
(2,199,573)	(1,624,805)
-	-
(2,199,573)	(1,624,805)
3,464,722	2,152,515

34.00 Basic Earning Per Share: Tk. -3.57

This is made up as follows:

Earning available to equity holder
Weighted average No. of ordinary share outstanding
Earning Per Share (EPS):

Amount in Taka	
30-Jun-2024	30-Jun-2023

(353,234,365)	10,438,554
98,925,800	98,925,800
-3.570700108	0.11
(3.57)	0.11

Earning Per Share (EPS) [Restated]:

34.01 Weighted average No. of ordinary share outstanding

Weighted No. of ordinary share in issue

98,925,800	98,925,800
98,925,800	98,925,800

35.00 Payment to Managing Director

This is made up as follows:

Managing Director

Basic
House Rent
Conveyance
Medical Allowances
Other Allowances

900,000	900,000
450,000	450,000
30,000	30,000
110,000	110,000
310,000	310,000
1,800,000	1,800,000

36.00 Related Party Transaction:

The company carried out a number of transactions with related parties. The following are the related parties transactions of the Kemiko Pharmaceuticals Ltd. has been disclosed as required by IAS- 24 Related Party Disclosures.

(a) The Details of related party transactions during the year along with the relationship is illustrated below in accordance of IAS-24

Name	Designation	Nature of Transaction	Amount in Taka	
			30/Jun/24	30/Jun/23
Mr. Mohammed Nurul Kalam Aswad	Chairman & M.D	Remuneration	1,800,000	1,800,000

(b) Short Term Loan

Name	Designation	Nature of Transaction	Amount in Taka	
			30/Jun/24	30/Jun/23
Mr. Mohammed Nurul Kalam Aswad	M.D	Temporary Loan	-	10,174,835

(b) Share money Deposit

Name	Designation	Nature of Transaction	Amount in Taka	
			30/Jun/24	30/Jun/23
Mr. Mohammed Nurul Kalam Aswad	M.D	Temporary Loan & Tripartite Agreement	32,674,835	-

37.00 Employee Details:

This is made up as follows:

Employees above equivalent to support staff

Employees equivalent to support staff

Total:

598	826
60	198
658	1,024

Amount In Taka	
30-Jun-2024	30-Jun-2023

38.00 Production Capacity & Utilization:

This is made up as follows:

Production capacity and utilization of the Company is summarized in the table below:

Products	Installed Production Capacity p.a. In Lac	Unit	Actual Production		Capacity Utilization	
			30-Jun-2024	30-Jun-2023	30-Jun-2024	30-Jun-2023
			In Lac		%	
Tablet	18,865	Pcs	9,432	11,225	50%	60%
Capsule	3,772	Pcs	1,509	2,030	40%	54%
Liquid	125	Phials	50	57	40%	46%
Cream/Ointment	112	Tubes	47	56	42%	50%
Powder for Susp.	97	Phials	49	57	50%	59%
ORS	106	Sachets	42	48	40%	46%
Injection (SVP) Sterile	180	Amps	68	77	38%	43%
Eye/Ear Drops	115	Phials	49	57	43%	49%

In the financial year 2023-2024, Production decreases as sales decreased in the market.

39.00 Directors' Responsibility Statements

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

40.00 Events After The Reporting Period

There is no material events after the reporting date that are not adjusting events came to management attention which may be needful for the stakeholders.

41.00 Reconciliation of Net Cash flow from Operating Activities:

Sales	713,334,168	971,142,640
Other Income	(356,915)	(78,651)
Increase/Decrease accounts receivable	231,071,996	(123,152,026)
Cost of Sales	(399,232,452)	(648,410,747)
Office & Administrative Expenses	(408,632,516)	(66,151,064)
Marketing, Selling and Distribution Expenses	(178,041,044)	(226,246,022)
Depreciation	102,417,961	124,699,400
(Increase)/Decrease in Inventories	18,136,578	36,298,886
(Increase)/Decrease in Advances, Deposits & Pre-Payments	3,210,756	(1,862,917)
Increase/(Decrease) in Accounts Payable	2,879,454	(28,062,875)
Increase/(Decrease) in Accrued Expenses	(5,471,103)	(11,085,659)
Increase/(Decrease) in Liability for Gratuity Fund	222,134	(648,258)
Advance Received against Export	(2,055,350)	2,055,350
Transfer to Janata BL, Karail Br. -WPPF A/C, SND A/C-0100245403326	-	(5,000)
Income Tax paid during the year	(124,567)	(696,848)
Net Cash flow from Operating Activities:	77,359,100	27,796,208



KEMIKO PHARMACEUTICALS LIMITED
Schedule of Property, Plant & Equipment
As at 30 June, 2024

Particulars	COST				Rate of Dep. (%)	DEPRECIATION					Written down Value as at 30.06.2024
	Balance as at 01.07.2023	Addition during the year	Disposal during the year	Total as at 30.06.2024		Accumulated Dep. Balance as at 01.07.2023	Charge during the year	Adjustment during the year	Prior year adjustment over charge of depreciation	Accumulated Dep. Total as at 30.06.2024 (Roundup)	
Land and Land Development	170,269,348	-	-	170,269,348	0%	-	-	-	-	-	170,269,348
Building & Others Construction	549,667,729	-	-	549,667,729	10%	287,867,502	26,180,023	-	-	314,047,525	235,620,204
Plant And Machinery	360,405,908	-	-	360,405,908	20%	244,307,633	23,219,655	-	-	267,527,288	92,878,620
Electrical Installation	10,867,017	-	-	10,867,017	20%	8,566,800	460,043	-	-	9,026,843	1,840,174
Laboratory Equipments	7,297,641	-	-	7,297,641	20%	5,691,403	321,248	-	-	6,012,651	1,284,990
Tools & Equipments	6,432,501	-	-	6,432,501	20%	5,486,430	189,214	-	-	5,675,644	756,857
Water Tank	33,700	-	-	33,700	10%	23,044	1,066	-	-	24,110	9,590
Air Conditioner	19,919,080	-	-	19,919,080	20%	16,203,012	743,214	-	-	16,946,226	2,972,854
HVAC (Heating Ventilation and Air Conditioning)	479,500,500	-	-	479,500,500	20%	256,511,225	44,597,855	-	-	301,109,080	178,391,420
Furniture & Fixture (at Factory)	7,971,285	-	-	7,971,285	10%	3,852,527	411,876	-	-	4,264,403	3,706,882
Furniture & Fixture (at HO)	14,015,038	-	-	14,015,038	10%	10,118,215	389,682	-	-	10,507,897	3,507,141
Office Equipment	13,665,200	-	-	13,665,200	10%	9,425,187	424,001	-	-	9,849,188	3,816,012
Factory Building Decoration	32,240,850	-	-	32,240,850	10%	8,290,474	2,395,038	-	-	10,685,512	21,555,338
Motor Vehicles	90,947,557	-	-	90,947,557	20%	76,209,158	2,947,680	-	-	79,156,838	11,790,719
Crockery's & Cutleries	232,602	-	-	232,602	10%	188,642	4,396	-	-	193,038	39,564
Brief Case	7,066,832	-	-	7,066,832	10%	5,737,133	132,970	-	-	5,870,103	1,196,729
As at June 30, 2024	1,770,532,788	-	-	1,770,532,788	-	938,478,384	102,417,961	-	-	1,040,896,346	729,636,442
As at June 30, 2023	1,770,292,788	240,000	-	1,770,532,788	-	813,778,984	124,699,400	-	-	938,478,385	832,054,404

Allocation of Depreciation

Particulars	Amount	Percentage (%)
Manufacturing	81,934,369	80%
Administration	7,169,257	7%
Selling & Marketing	13,314,335	13%
Total:	102,417,961	100%



KEMIKO PHARMACEUTICALS LIMITED
Schedule of Property, Plant & Equipment
As at 30 June, 2023

Particulars	COST			Rate of Dep. (%)	DEPRECIATION					Written down Value as at 30.06.2023
	Balance as at 01.07.2022	Addition during the year	Disposal during the year		Total as at 30.06.2023	Charge during the year	Adjustment during the year	Prior year adjustment for over charge of depreciation	Total as at 30.06.2023	
Land and Land Development	170,269,348	-	-	170,269,348	-	-	-	-	-	170,269,348
Building & Others Construction	549,667,729	-	-	549,667,729	10%	29,088,914	-	-	287,867,502	261,800,227
Plant And Machinery	360,405,908	-	-	360,405,908	20%	30,781,256	-	-	244,307,633	116,098,275
Electrical Installation	10,867,017	-	-	10,867,017	20%	7,991,746	-	-	8,566,800	2,300,217
Laboratory Equipments	7,057,641	240,000	-	7,297,641	20%	5,164,994	-	-	5,691,403	1,606,238
Tools & Equipments	6,432,501	-	-	6,432,501	20%	5,249,912	-	-	5,486,430	946,071
Water Tank	33,700	-	-	33,700	10%	21,860	-	-	23,044	10,656
Air Conditioner	19,919,080	-	-	19,919,080	20%	15,258,470	-	-	16,203,012	3,716,068
HVAC (Heating Ventilation and Air Conditioning)	479,500,500	-	-	479,500,500	20%	200,763,907	-	-	256,511,225	222,989,275
Furniture & Fixture (at Factory)	7,971,285	-	-	7,971,285	10%	3,397,637	-	-	3,852,527	4,118,758
Furniture & Fixture (at HO)	14,015,038	-	-	14,015,038	10%	9,676,929	-	-	10,118,215	3,896,823
Office Equipment	13,665,200	-	-	13,665,200	10%	8,957,234	-	-	9,425,187	4,240,013
Factory Building Decoration	32,240,850	-	-	32,240,850	10%	6,693,627	-	-	8,290,474	23,950,376
Motor Vehicles	90,947,557	-	-	90,947,557	20%	72,524,558	-	-	76,209,158	14,738,399
Crockery's & Culleries	232,602	-	-	232,602	10%	183,758	-	-	188,642	43,960
Brief Case	7,066,832	-	-	7,066,832	10%	5,589,389	-	-	5,737,133	1,329,699
As at June 30, 2023	1,770,292,788	240,000	-	1,770,532,788	-	813,778,984	124,699,400	-	938,478,385	832,054,404
As at June 30, 2022	1,769,974,368	318,420	-	1,770,292,788	-	669,754,900	151,359,668	-	7,335,583	956,513,804

Allocation of Depreciation		
Particulars	Amount	Percentage (%)
Manufacturing	99,759,520	80%
Administration	8,728,958	7%
Selling & Marketing	16,210,922	13%
Total:	124,699,400	100%



KEMIKO PHARMACEUTICALS LIMITED
Schedule of Revaluation Surplus
As at 30 June, 2024

Particulars	Revaluation Price			Rate of Dep. (%)	Excess Depreciation charge during the year	After tax Excess Depreciation charge during the year	Net Closing Value as at 30.06.2024
	Balance as at 01.07.2023	Prior year Adjustment on Balance	Revalue Added				
Land and Land Development	110,238,542	-	-	0%	-	-	110,238,542
Building & Others Construction	111,809,112	-	-	10%	8,581,968	7,294,673	104,514,439
As at June 30, 2024	222,047,655				8,581,968	7,294,673	214,752,982

Schedule of Revaluation Surplus
As at 30 June, 2023

Particulars	Revaluation Price			Rate of Dep. (%)	Excess Depreciation charge during the year	After tax Excess Depreciation charge during the year	Net Closing Value as at 30.06.2023
	Balance as at 01.07.2022	Prior year Adjustment on Balance	Revalue Added				
Land and Land Development	110,238,542	-	-	0%	-	-	110,238,542
Building & Others Construction	117,879,626	2,034,678	-	10%	9,535,520	8,105,192	111,809,112
As at June 30, 2023	228,118,169				9,535,520	8,105,192	222,047,655





Annexure-C

KEMIKO PHARMACEUTICALS LIMITED
Loan from Individual

Sl.	Name	Amount in Taka	
		30-Jun-24	30-Jun-23
1	Subvalley Securities Limited	11,000,000	11,000,000
2	Md. Rifatul Haque & Abdul Kader Roni	500,000	500,000
3	Mr. Mohammed Nurul Kalam Aswad	-	10,174,835
		11,500,000	21,674,835





KEMIKO PHARMACEUTICALS LIMITED
Statement of Trade Creditors (Accounts Payable)
As at June 30, 2024

Annexure- D

Sl.	Name of Trade Creditors	Amounts in Taka	
		30/Jun/24	30/Jun/23
01	ACI LTD.	475,034	475,034
02	Alunmina (PVT) Ltd.	-	294,685
03	Aamra Networks Ltd	-	3,750
04	AR Plastic Industries.	-	103,352
05	Asma Enterprise.	-	35,670
06	AR Computer. Services	-	5,800
07	Aj Overseas Company Ltd	-	28,008
08	AL Amin Enterprise	-	1,092,000
09	Asia Foils	-	11,500
10	Beximco Pharmaceuticals Ltd.	577,250	577,250
11	Bismillah Plastics.	125,320	163,691
12	Banga Building Materials Ltd	-	74,400
13	Bangla Shanghai Plate Making Ltd	-	6,583
14	Bright International	1,995,125	94,775
15	The Bengal Glass Works Ltd.	-	220,706
16	City Communication System	-	17,680
17	Chempark	-	174,030
18	Eastern Trading Associates	5,522,569	2,601,652
19	Exotic Foils	-	159,731
20	Fortune Freight Ltd	-	6,411
21	Fortune Biz Solution	-	5,000
22	Global Capsual Ltd.	455,000	883,735
23	Gonoshasto Basic Chemicals Ltd	-	10,000
24	Godrej House Hold Products (BD) pvt ltd	-	523,250
25	Green label Solutions Ltd	-	115,000
26	Zhaofeng Gelatin Ltd	-	-
27	Ispahani Tea Ltd.	-	186,550
28	Isabah Plastic Industries Ltd	-	72,732
29	Italian Plastic Ltd	-	500
30	JMI Syringes & Medical Devices	125,000	499,723
31	Jamuna Corporation	3,703,335	539,950
32	Jonaki Scientific store	-	50,050
33	Khan Enterprise	-	16,500
34	Link -3 Technologies Ltd	-	2,500
35	Luna Polymer/Plastic Industries Ltd.	172,362	15,686
36	Maritime Enterpermues Pvt. Ltd	-	74,874
37	M.N.Traders	-	65,000
38	Moon Printers	46,958	11,277
39	Marson Engineering Ltd	-	200,000
40	Matador Ball Pen Industries	-	19,200
41	Microdot Printers	-	13,928
42	Mithu Carpets	-	7,508
43	Mohammadia Trading	-	5,255



Statement of Trade Creditors (Accounts Payable)
As at June 30, 2024

Annexure- D

Sl.	Name of Trade Creditors	Amounts in Taka	
		30/Jun/24	30/Jun/23
44	Nandini Printing & Publications	-	31,419
45	Nice Pack Limited	-	2,803
46	Nobel Link Corporation	2,505,250	900,572
47	New Nasir & Brothers	-	609,000
48	Pharmatex Trading	2,190,630	952,380
49	Packstone Ltd.	375,225	80,565
50	Padma Crown Ltd.	-	28,028
51	Padma Blowing Ltd	-	194,451
52	Padma Cans & Closures Ltd	355,000	68,579
53	Palash Associates	55,500	128,243
54	Pharma Aids Ltd.	1,782,836	1,782,836
55	Pharma Asia	-	55,418
56	Pul Industries Ltd	-	476,793
57	PNR Associates	-	1,114,000
58	Pharma Plast	-	11,040
59	Popular Pharmaceuticals Ltd.	393,365	393,365
60	Purbasha Printers	-	80,033
61	Pragati Insurance Ltd	236,500	236,500
62	Quality Can Industries Ltd.	26,000	79,856
63	Ocean Trading Corporation	-	57,611
64	Rephco Pharmaceuticals Ltd.	-	223,615
65	Rayhan Advertising	-	145,200
66	Ridom Printing & Packaging Industries Ltd	-	18,548
67	Rayhan Enterprise.	65,000	135,403
68	Rifat Alluminium Packaging	-	20,816
69	Runner Automobiles Ltd.	450,480	450,480
70	Rose Casfe bangladesh Ltd	-	210,750
71	Square Pharmaceuticals Ltd.	903,750	903,750
72	S. M Rahman & Company.	-	107,928
73	Salman Enterprise	-	65,000
74	Tae il Aluminium (BD) Ltd	-	19,959
75	Technokit Distribution Limited	-	8,750
76	Tory Enterprise	-	5,764
77	Total Can & Closures	-	5,228
78	Tuhin Chemicals	-	52,316
79	The pirojpur Printing & Packaging	-	12,275
80	Unique Coding Solution Ltd.	-	9,600
81	W & W Company Ltd	285,000	403,738
82	ZK Foils Ltd	565,255	932,811
83	ZK Plastic Ltd.	183,000	210,945
	Total	23,570,744	20,691,290

Kemiko Pharmaceuticals Limited
Calculation of Tax Base of Building & Other Construction

Annexure -E1

SL	Particulars	As of 30.06.24	As of 30.06.23	As of 30.06.22
		Amount (in Taka)	Amount (in Taka)	Amount (in Taka)
	Revalued Price as of 30.06.23	549,667,729	549,667,729	549,667,729
	Less: Accumulated Accounting Depreciation up to 30.06.2023	314,047,525	287,867,502	258,778,587
	Carrying Amount as of 30.06.23	235,620,204	261,800,227	290,889,142
	Less: Revaluation Surplus on building & structure	259,082,565	259,082,565	259,082,565
		(23,462,361)	2,717,662	31,806,577
	Add: Depreciation Charged on revaluation surplus up to 30.06.2024	181,844,854	173,262,886	163,727,366
	Tax Base as of 30.06.2024	158,382,493	175,980,548	195,533,942
Understatement of Tax Base		-	173,262,886	163,727,366
Overstatement of Deferred Tax Liabilities		-	25,989,433	24,559,104.85

Calculation of Excess Depreciation Charged on Revaluation Surplus:

SL	Year	Revaluation Surplus	Rate of Dep.	Amount Charged (in Taka) [Revaluation surplus - Opening Acc Bal.] [(b-e) x 10%]	Cumulative Balance of Acc Dep.	Remarks
	a	b	b	d	e	
1	2013	259,082,565	10	25,908,257	25,908,257	
2	2014	233,174,309	10	23,317,431	49,225,687	
3	2014-15	209,856,878	10	10,492,844	59,718,531	Charged for 06 months since the FS was for a period of 06 months.
4	2015-16	199,364,034	10	19,936,403	79,654,935	
5	2016-17	179,427,630	10	17,942,763	97,597,698	
6	2017-18	161,484,867	10	16,148,487	113,746,184	
7	2018-19	145,336,381	10	14,533,638	128,279,822	
8	2019-20	130,802,743	10	13,080,274	141,360,097	
9	2020-21	117,722,468	10	11,772,247	153,132,344	
	Depreciation Charged on revaluation surplus up to 30.06.2021			153,132,344		
10	2021-22	105,950,221	10	10,595,022	163,727,366	
	Depreciation Charged on revaluation surplus up to 30.06.2022			163,727,366		
11	2022-23	95,355,199	10	9,535,520	173,262,886	
	Depreciation Charged on revaluation surplus up to 30.06.2023			173,262,886		
12	2023-24		10	8,581,968	181,844,854	
	Excess Depreciation Charged on revaluation surplus up to 30.06.2024			181,844,854		

Kemiko Pharmaceuticals Limited
Building & Other Construction

Annexure -E2

Calculation of Depreciation Charged on Revaluation Surplus on Building & Other Construction:

SL	Year	Revaluation Surplus balance on reducing method	Rate of Dep. (10%)	Amount Charged (in Taka) [Revaluation surplus - Opening Acc Bal.] [(b-e) x 10%]	Cumulative Balance of Acc Dep.	Remarks
	a	b	c	d	e = d+e	
1	2013	259,082,565	10	25,908,257	25,908,257	
2	2014	233,174,309	10	23,317,431	49,225,687	
3	2014-15	209,856,878	10	10,492,844	59,718,531	Charged for 06 months since the FS was for a period of 06 months.
4	2015-16	199,364,034	10	19,936,403	79,654,935	
5	2016-17	179,427,630	10	17,942,763	97,597,698	
6	2017-18	161,484,867	10	16,148,487	113,746,184	
7	2018-19	145,336,381	10	14,533,638	128,279,822	
8	2019-20	130,802,743	10	13,080,274	141,360,097	
9	2020-21	117,722,468	10	11,772,247	153,132,344	
10	2021-22	105,950,221	10	10,595,022	163,727,366	
11	2022-23	95,355,199	10	9,535,520	173,262,886	
11	2023-24	85,819,679	10	8,581,968	181,844,854	



Kemiko Pharmaceuticals Limited
Write off Amounts

Annexure-F

Particulars	Trade Receivables In Taka	Write off Amounts in Taka	Net Receivables in Taka
A/R-Barisal Depot	72,035,526	723,671	71,311,855
A/R-Bogra Depot	64,445,724	611,622	63,834,102
A/R-Chittagong Depot	72,434,376	800,778	71,633,598
A/R-Comilla Depot	60,422,348	670,928	59,751,420
A/R-Cox's Bazar Depot	60,214,581	674,214	59,540,367
A/R-Dhaka Depot	104,339,968	1,160,042	103,179,926
A/R-Dinajpur Depot	68,544,368	618,833	67,925,535
A/R-Faridpur Depot	69,266,563	674,422	68,592,141
A/R-Jessore Depot	66,244,387	594,394	65,649,993
A/R-Mymensingh Depot	82,243,944	871,937	81,372,007
A/R-Noakhali Depot	72,877,409	797,362	72,080,047
A/R-Narsinghdi Depot	75,205,684	789,453	74,416,231
A/R-Pabna Depot	62,457,820	657,696	61,800,124
A/R-Rajshai Depot	64,572,378	587,715	63,984,663
A/R-Rangpur Depot	59,377,602	556,856	58,820,746
A/R-Sylhet Depot	71,282,688	722,677	70,560,011
	1,125,965,366	11,512,600	1,114,452,766





Annexure-G

KEMIKO PHARMACEUTICALS LIMITED

Cash at Bank: Tk. 466,653

This is made up as follows:

	Amount In Taka	
	30-Jun-2024	30-Jun-2023
Janata Bank Ltd. Kakrail. Br. [CD A/C # 9853(/3750)]	2,776	2,959
Pubali Bank Ltd. Nayapolton Br. AC # CD-38768	27,492	5
Sonali Bank Limited. Karkail Br. A/C # CD-2064	22,440	1,580
National Bank Ltd. Foreign Exchange Br. CD A/C # 7139	-	476
Janata Bank Ltd. Rajshahi Cor. Br. CD # 5145/27222	90	1,700
Social Islami Bank Limited, Kawran Bazar Branch, A/C # 554	3,225	1,164
Prime Bank Ltd. Rajshahi Br. CD # 5499/99994	517	517
The City Bank Ltd., VIP Road Br. (AC # 1402430417001)	13,649	11,764
UCBL, Bijaynagar Br. (A/c-1072101000007988)	5,085	433,303
Pubali Bank Ltd., Rajshahi Main Br. (AC # 0419901045094)	104	104
Pubali Bank Ltd., Nayapaltan Br. AC # 2438901039251, V.D	1,039	2,154
Pubali Bank Ltd., Nayapaltan Br. SND AC # 2438102001350	828	-
BRAC Bank Ltd., Shantinagar Br. (1545203606845001)	11,225	10,880
Pubali Bank Ltd., Nayapaltan Br., ERQ A/C 2438162000027)	-	-
Midland Bank- SND Account-A/C# 1257	-	262
UCBL, Bijoy Nagar Br., ERQ A/C-107218100000025	337,758	9,859
Janata Bank Ltd. Motijheel Corp. Br. CD-0100226747936	2,574	75,007
Agrani Bank Ltd., Hotel Intercon. Corp. Br. CD-0200018538713	29,638	51,360
Dutch Bangla Bank Ltd., Bijoy Nagar Br-CD-A/C-191110025589	5,557	70,082
Sonali Bank Limited. Segun Bagicha, Br. A/C # CD-2000715 (V.D)	2,656	11,173
Closing balance:	466,653	684,349

