

PROSPECTUS



SQUARE

PHARMACEUTICALS LTD.

SQUARE PHARMACEUTICALS LIMITED

A Public Company Limited by shares

PROSPECTUS

FOR

PUBLIC ISSUE OF 1,000,000 ORDINARY SHARES OF TK. 900 EACH
(Including a Premium of Tk. 800 Each)

SUBSCRIPTION OPENS : DECEMBER 12, 1994
SUBSCRIPTION CLOSURES : DECEMBER 18, 1994

UNDERWRITTEN BY :

RELIANCE INSURANCE LIMITED,
GREEN DELTA INSURANCE COMPANY LIMITED,
PRAGATI INSURANCE LIMITED,
BANGLADESH GENERAL INSURANCE CO. LIMITED

AND

THE FOLLOWING 110 MEMBERS OF DHAKA STOCK EXCHANGE LTD.

Mr. Md. Shahiq Khan, Lead Manager	Mr. Kamal Edbar	Mr. M. Shamsul Huq
Mr. Md. Rakibur Rahman,	Mr. Dewan Suhel Afzal	Mr. Md. Shahjahan Thakur
Co-Lead Manager	Mr. Qazi Kamal	Mr. Md. Shahidullah (Shyamol)
Mr. Khurshid Alam	Mr. Md. Shahjahan Ali Khan	M/s. Adarsha Securities (Pvt.) Ltd.
Mr. Intiyaz Husain	Mr. Taufiq Uddin Ahmed	Mr. Md. Feroz Khan
Mr. Khwaja Abdul Quddus	Mr. Md. Salimullah	Mr. Md. Mostofa Zubair
Mr. Hemayet Uddin Ahmed	Mr. AKM Shamsuddoha	Mr. Syed Tareque Md. Ali
Mr. A.B.S. Safdar	Mr. Md. Talha	Mr. Syed Tawfiq Hossain Ali
Mr. Mian Abdur Rashid	M/s. Litmond Limited	M/s. Aninda Associates
Mr. M. Akbar Ali	Mr. Kazi Enayetur Rahman	Mr. Shamsul Huda
M/s. AKM Abdur Razzak & Sons	Mr. Syed Mahbub Murshed	Mr. Sohel Pervez
Mr. Hajee Mohammad Ali	Mr. Abdur Rahman	Mr. S. Shafique Ahmed
Mr. M. Abdur Rashid	Mr. Khwaja Ghulam Rasul	Mr. Syed Shalehdul Alam
Mr. Ata ul Hoq	Mr. Md. Shafiqul Islam	Mr. Shahed Abdul Khaleque
Mrs. Jahanara Begum	M/s. NIFCO Ltd.	Mr. Khwaja Tipu Sultan
Mr. Saiful Islam	Mr. Abdul Hamid Bhuiyan	M/s. Securities Promotion &
Mr. M. Shamsur Rahman	Mr. Mohammad Yusuf	Management Ltd.
Mr. Jamal Ahmed	Mr. Md. Jobair Hossain	M/s. Mohammadullah & Shabbir Ahmed
Mr. Moazzem Hussain Chowdhury	Mr. A.S. Shahudul Huque Bulbul	Mr. Md. Shafiqur Rahman
Mr. M.A. Quayum	Mr. Ahmed Iqbal Hasan	M/s. United Securities Consultants Ltd.
Mr. M.A. Huq Howlader	Mr. Md. Rezaul Karim	Mr. A.F.M. Shamsuddin
Mr. Mostaque Ahmed Sadeque	Mr. Md. Atiqul Haque	Mr. Md. Shakil Rizvi
Mr. Md. Sahidullah	Mr. Sharif Ataur Rahman	Mr. Mahbubur Rahman
Mr. Giasuddin Ahmed	Mr. Chowdhury M.A.Q. Sarwar	Mr. Mohammad Harun Bhuiyan
Mr. Monzurur Rahman	Mr. Harunur Rashid	Mr. Md. Shahjahan
Mrs. Hosne Ara Begum	Mr. Biswa Nath Saha	Mr. Md. Nabiul Karim
Mr. Nasir-ur-Rahman Sinha	Mr. Mubarak Hussain	Mr. Mohd. Jamilur Rahman
Mr. Mohd. Shahid Ullah	Mr. Dastagir Md. Adil	Mr. Md. Abdullah Bokhari
Mr. Abdul Haque	Mr. Amin Ullah	Mr. Md. Abdul Mannan
Mr. Saiful Islam Chowdhury	Mr. Hasan Farooque Khan	Mr. AMM Iqbal Ali
Mr. Monirul Islam	Mr. Hamed Ali Chowdhury	Mr. Khurshid Azam
Mr. Asoke Das Gupta	M/s. Shetu Corporation Ltd.	Prof. Md. Amjad Hossain
Mrs. Rakhi Das Gupta	Mr. Md. Fayezer Rahim	Mr. M. Ashraf ul Haque
Mrs. Shafiraz Begum	Mr. Md. Azizul Haque	Mr. Hajee Md. Shoukat Ali
Mr. Azizur Rahman	M/s. Capital Roots	M/s. Hashem Uddin Ahmed
Mr. Kazi Firoz Rashid	Mr. Jahangir Kabir Chowdhury	Mr. M.M. Afzal Hossain Chowdhury
Mr. Enayetur Rahman	Mr. Khalilur Rahman Chowdhury	Mr. Nur-e-Alam Siddique
		M/s. Sunrise Agencies

PROSPECTUS

SQUARE PHARMACEUTICALS LIMITED (A public company with limited liability of share holders incorporated on 10th November 1964 under Companies Act 1913)

PUBLIC ISSUE OF 1,000,000 SHARES OF TK. 100 EACH

Registered Office

SQUARE CENTRE
48, Mohakhali C/A
Dhaka-1212

Authorised Capital

Tk. 1,000,000,000.00
divided into 10,000,000 shares
of Tk. 100.00 each

"Consent of the Commission has been obtained to the issue of capital under the Securities & Exchange Ordinance, 1969, as amended in 1993 by an order of which a complete copy is open to public inspection at the registered office of the Company. It must be distinctly understood that in giving this consent the Commission does not take any responsibility for the financial soundness of any scheme or for the correctness of any of the statements made or opinion expressed with regard to them."

A dated and signed copy of this Prospectus has been filed for registration with the Registrar of Joint Stock Companies, Bangladesh as required by section 92(2) of the Companies Act 1913.

Application has been made to the Dhaka Stock Exchange Limited for admission of the shares of the company for dealing on the stock market and for their quotation on the Dhaka Stock Exchange. If for any reason, the application for listing is not accepted by the Dhaka Stock Exchange Limited, the company undertakes to publish in the press a notice to that effect within 7 (seven) days of such rejection and thereafter to refund the subscription money to any applicant who may apply in writing for such refund within 30 (thirty) days of the date of publication of the notice of refusal.

THE SUBSCRIPTION LIST OF 1,000,000 ORDINARY SHARES OF TK.100 EACH AT 800% PREMIUM BEING HEREBY OFFERED WILL OPEN AT THE COMMENCEMENT OF BANKING HOURS ON 12 DECEMBER 1994 AND WILL CLOSE ON 18 DECEMBER 1994 AT THE CLOSE OF BANKING HOURS.

HIGHLIGHTS AND RISK FACTORS

HIGHLIGHTS

1. Largest Pharmaceutical Company in the country.
2. Profitable operation for last 36 years.
3. Enjoys strong brand image in the business for more than three decades.
4. Square's size and stature make it a long term core holding in the market.
5. Sales growth of 23% until end-1996 will be driven by volume expansion and new product launches.
6. A steady climb in margins is expected as prices of imported raw materials continue to decline, operating profit margin will climb to 19% by 1996 from 15.2% in 1993.
7. Margin expansion in FY 1994 and capacity increases from mid-1995 will underpin profit growth of 37% annually to end-1996.
8. Low per capita health care expenditure and a huge population underline the pharmaceutical market's enormous potential.
9. Strong financial position.

RISKS AS PERCEIVED BY MANAGEMENT :

1. Any adverse change in Government Drug Policy and Import Policy may have adverse affect on the profitability of the company.
2. Any weak GATT negotiations by Bangladesh may also affect adversely.
3. Technological obsolescence may present marketing problem.
4. Failure of any suitable arrangement of environmental and pollution control facilities as required by the department of Environment which is under way, may result further delay in commercial production of the chemical plant.
5. Any adverse change in Government Tax Holiday policy would reduce the profitability of the company.
6. In case of new investment in textile, the profitability may also be adversely affected by weak GATT negotiations, international competition in fabrics as well as RMG industries resulting in loss of market in favour of competing countries.

PART - I

1. ISSUE OF SHARES :

ISSUE OF 2,000,000 ORDINARY
SHARES OF TK. 100 each

Tk. 200,000,000

2. OUT OF THE ISSUE :

	PAR VALUE	PREMIUM
A) 1,000,000 ordinary shares of Tk. 100 (Par value) each have already been issued to and subscribed by the sponsors for cash/kind and bonus	Tk. 100,000,000	--
B) 1,000,000 ordinary shares of Tk. 100 each are now offered at Tk. 900 each including a premium of Tk. 800 per share of which;	Tk. 100,000,000	800,000,000
I) 800,000 Ordinary Shares have already been placed by UBS Securities (East Asia) Ltd, Hong Kong, a wholly owned subsidiary of Union Bank of Switzerland, which has been subscribed by the following foreign investors:	Tk. 80,000,000	640,000,000
i) 140,000 Ordinary Shares have been subscribed and paid in cash in full by UBS Securities (East Asia) Ltd. Hong Kong	Tk. 14,000,000	112,000,000
ii) 133,000 Ordinary Shares have been subscribed and paid in cash in full by Fledging Nominees International Ltd. British West Indies	Tk. 13,300,000	106,400,000
iii) 55,000 Ordinary Shares have been subscribed and paid in cash in full by Pictet & Cie Geneva, Switzerland	Tk. 5,500,000	44,000,000
iv) 64,000 Ordinary Shares have been subscribed and paid in cash in full by Somers Nominess (F.E.) Ltd. Caymen Islands	TK. 6,400,000	51,200,000

v)	22,000 Ordinary Shares have been subscribed and paid in cash in full by The Bank of Nova Scotia Canada	<i>Tk. 2,200,000</i>	<i>17,600,000</i>
vi)	13,000 Ordinary Shares have been subscribed and paid in cash in full by The Northern Trust Company AVFC U.S.A.	<i>Tk. 1,300,000</i>	<i>10,400,000</i>
vii)	11,000 Ordinary Shares have been subscribed and paid in cash in full by Baring Brothers (Guernsey) Ltd. Channel Islands	<i>TK. 1,100,000</i>	<i>8,800,000</i>
viii)	9,000 Ordinary Shares have been subscribed and paid in cash in full by Bankers Trust N.Y. Corporation U.S.A.	<i>Tk. 900,000</i>	<i>7,200,000</i>
ix)	16,000 Ordinary Shares have been subscribed and paid in cash in full by Investors Bank & Trust Company U.S.A.	<i>Tk. 1,600,000</i>	<i>12,800,000</i>
x)	42,000 Ordinary Shares have been subscribed and paid in cash in full by Norbax Inc. U.S.A.	<i>Tk. 4,200,000</i>	<i>33,600,000</i>
xi)	89,000 Ordinary Shares have been subscribed and paid in cash in full by Somers Nominees (Far East) Ltd. C/O, Banque Indosuez, Dhaka	<i>Tk. 8,900,000</i>	<i>71,200,000</i>
xii)	89,000 Ordinary Shares have been subscribed and paid in cash in full by IS Himalayan Fund NV The Netherlands	<i>Tk. 8,900,000</i>	<i>71,200,000</i>
xiii)	84,000 Ordinary Shares have been subscribed and paid in cash in full by HONGKONGBANK International Trustee Ltd. Hong Kong	<i>Tk. 8,400,000</i>	<i>67,200,000</i>
xiv)	33,000 Ordinary Shares have been subscribed and paid in cash in full by Andrews & Co. U.S.A.	<i>Tk. 3,300,000</i>	<i>26,400,000</i>

II) 200,000 Ordinary Shares Tk. 20,000,000 160,000,000
 are being offered hereby to the
 general public for
 subscription in cash as follows :

- i) ICB shall have the option for preferential allotment upto 20% of shares i.e. 40,000 Ordinary shares Tk. 4,000,000 32,000,000
- ii) Employees of Square shall have option for preferential allotment upto 5% of shares i.e. 10,000 Ordinary shares Tk. 1,000,000 8,000,000

Balance shares are being offered as follows :

- iii) 50% shares i.e. 75,000 Ordinary shares are being offered to the applicants for 20 shares. Tk. 7,500,000 60,000,000
- iv) 10% of shares i.e. 15,000 Ordinary shares are being offered to the applicants for 40 / 60 shares. Tk. 1,500,000 12,000,000
- v) 10% of shares i.e. 15,000 Ordinary shares are being offered to the applicants for 80 / 100 / 120 shares. Tk. 1,500,000 12,000,000
- vi) 10% of shares i.e. 15,000 Ordinary shares are being offered to the applicants for 140 / 160 / 180 / 200 / 220 / 240 / 260 / 280 / 300 / 320 / 340 / 360 / 380 / 400 / 420 / 440 / 460 / 480 / 500 / 520 / 540 / 560 shares. Tk. 1,500,000 12,000,000
- vii) 20% of shares i.e. 30,000 Ordinary shares are being offered to the applicants for above 560 shares (for financial & other institutional investors only). Tk. 3,000,000 24,000,000

3. CONDITIONS OF OFFER AND ALLOTMENT OF SHARES :

- a) Investment Corporation of Bangladesh and employees of Square Pharmaceuticals Ltd. shall have the right of preferential allotment of 20% and 5% of shares offered to the general public respectively. No employee shall however be allotted more than 100 ordinary shares. Any part of such allotment not taken up by them shall be allotted to the general public in the manner as determined by SEC. And if over subscribed then the basis of allotment will be determined by SEC.
- b) After deducting shares subscribed by ICB, employees of Square Pharmaceuticals Ltd., the basis of allotment of shares to the general public shall be as :
 - i) The applicants of minimum lot of 20 shares shall be accommodated fully if the subscription is within Tk. 6.75 crores. In case of over subscription the allotment shall be made by lottery among such applicants.
 - ii) Allotment amongst applicants for lots other than minimum lot shall be made proportionately in case of over subscription.
- c) In case any difficulty arises with respect to implementation of 3 (a) & (b) above the allotment of shares to applicants shall be made in such manner as may be determined by Commission.
- d) Application below 20 shares or multiple thereof shall not be entertained.
- e) There are no founders, management or deferred shares. It is also not presently intended to issue any preference shares.
- f) No payment has been or is intended to be made to Promoters / Directors or other persons for promotion of the company.
- g) The minimum subscription on which the Directors will proceed for allotment is the full amount of the present issue.

4. PURPOSE OF THE ISSUE :

The purpose of the issue is to raise funds for BMR&E of the pharmaceutical project as well as setting up of a modern export oriented composite textile mills.

PART II
UNDERWRITING, COMMISSION,
BROKERAGES, TAXES ETC

1. **UNDERWRITING:**

The public issue of shares have been underwritten by Reliance Insurance Ltd., Green Delta Insurance Company Ltd., Bangladesh General Insurance Co. Ltd., Pragati Insurance Ltd. and 110 members of Dhaka Stock Exchange Ltd. under the leadership of Mr. Shahiq Khan, details of which are as follows :

Name of the underwriters	No. of shares underwritten	Amount of Taka including priminium underwritten
1. Pragati insurance Ltd. 90-91 Motijheel C.A. Uttara Bank Bhaban (9th & 10th floor) Dhaka-1000	25,000	22,500,000
2. Bangladesh General Insurance Co. Ltd. 42 Dilkusha C.A. Dhaka-1000	25,000	22,500,000
3. Green Delta Insurance Co. Ltd. 2 Dildusha C.A Dhaka-1000	35,000	31,500,000
4. Reliance Insurance Ltd. BSB Building 8 Rajuk Avenue Dhaka-1000	75,000	67,500,000
5. 110 Members of Dhaka Stock Exchange Ltd. 9/E Motijheel C.A. Dhaka-1000	40,000	36,000,000
Total : 200,000		Taka 180,000,000

Underwriting Commission :

Each underwriter will be paid an underwriting commission @ 2.5% of the offered value of shares underwritten. Simultaneously, with the calling upon an underwriter to subscribe or procure subscriber to subscribe and pay for any number of shares, the company will pay to that underwriter an additional commission @ 2.5% of the offered value of the shares required to be taken up.

If and to the extent the shares offered to the public by a prospectus shall not have been subscribed and paid for in cash in full by the closing date the underwriters will, within 15 days of being duly called upon by the company to do so, subscribe and pay for or procure subscription and pay for in cash in full the shares not so subscribed.

2. **COMMISSION TO BANKERS TO THE ISSUE:**

Commission at the rate of 1/4 th of 1% will be paid to the Bankers to the issue for the services rendered by them.

3. **BROKERAGE:**

The company shall pay brokerage at the rate of 1% of the face value of shares to the members of the Dhaka Stock Exchange Ltd. on application bearing their rubber stamp. Neither the brokerage to the brokers nor the commission to the bankers shall be payable in respect of the shares taken by the underwriters in discharge of their underwriting obligation.

4. **PRELIMINARY EXPENSES:**

The preliminary expenses of the company in connection with the issue of shares are not expected to exceed Tk. 25 million.

5. **TAXATION:**

The company's suspension unit, ophthalmic preparations unit and chemical division would enjoy a tax holiday up to 1997, 2002, 2004 respectively. The new proposed export oriented composite textile project will enjoy tax holiday for 7 years as per the government policy.

6. **EXEMPTION FROM INCOME TAX:**

Application has been made to the National Board of Revenue for declaration under section 44 of Income Tax Ordinance 1984 whereby such income of an assessee as may be invested in the shares of the company will remain exempted from tax as provided in the said section.

7. **INSURANCE ACT APPROVAL :**

Application has been made to the controller of Insurance for the purposes of "Approved Investment " under clause (3A) of section 2 of the Insurance Act 1938 for Insurance Companies registered in Bangladesh.

8. **REGISTRAR OF JOINT STOCK COMPANIES & FIRMS:**

A copy of the Prospectus has been duly filed with the Registrar of joint Stock Companies & Firms, Dhaka as provided for in the Companies Act 1913.

PART - III

1. APPLICATION FOR SUBSCRIPTION:

- a) Application may be made for a minimum of 20 (Twenty) shares or multiple thereof shares on the company's printed forms. Application Forms and the Prospectus will be available in the Registered Office of the company, Dhaka Stock Exchange Ltd., or from any of the bankers to the issue. If adequate forms are not available, intending investors may have the same printed / photocopied / typed / cyclostyled.
- b) All completed application forms together with remittance for the amount payable on application should be lodged with any of the following bankers to the issue :

1. Janata Bank Local Office, Dhaka Foreign Exchange Corporate Branch, Dhaka Motijheel Corporate Branch, Dhaka Ramna Corporate Branch, Dhaka Farm Gate Corporate Branch, Dhaka Topkhana Road, Corporate Branch, Dhaka Bangabandhu Road Corporate Branch, Narayanganj Laldighi East Corporate Branch, Ctg. Sk. Mujib Rd. Corporate Branch, Ctg. K D Gosh Road, Corporate Branch, Khulna Mymensingh Main Branch Tangail Main Branch Faridpur Main Branch Sylhet Corporate Branch Comilla Main Branch Maizlee Court Branch, Noakhali H M M Road Branch, Jessore Kushtia Main Branch Barisal Main Branch Patuakhali Main Branch	2. Investment Corporation of Bangladesh Head Office, Dhaka Chittagong Branch Rajshahi Branch Khulna Branch Sylhet Branch Barisal Branch	5. Arab Bangladesh Bank Ltd. Principal Branch, Dhaka Kawran Bazar Branch, Dhaka Motijheel Branch, Dhaka Agrabad Branch, Chittagong Khulna Branch, Khulna Rajshahi Branch, Rajshahi Barisal Branch, Barisal Modhu-ban Branch, Sylhet
	3. National Bank Ltd. Dilkusha Branch Foreign Exchange, DIT Road Branch Foreign Exchange, Imamgonj Branch Mohakhali Branch Kawranbazar Branch Khatunganj Branch, Chittagong Jubilee Road Branch, Chittagong	6. ANZ Grindlays Bank Principal Branch, Dhaka Dhanmondi Branch, Dhaka Korbanijang Branch, Chittagong
	4. Rupali Bank Foreign Exchange Branch	7. Banque Indosuez Motijheel Branch, Dhaka Agrabad Branch, Chittagong
		8. Standard Chartered Dhaka Branch Chittagong Branch
		9. American Express Bank Dhaka Branch Chittagong Branch

- c) The subscription money collected by the bankers to the issue will be remitted to the company's authorised account with Janata Bank, Local Office, 1 Dilkusha C/A, Dhaka 1000 for the purpose.
- d) Payment may be made to the said branches / offices of one of the above mentioned Bankers to the issue in cash or by cheque or by draft. The cheque or draft shall be made payable to the Bank to which it is sent and be marked "A/C Square Pharmaceuticals Ltd." and shall bear the crossing "Account Payee Only".

- e) A separate pay order or bank draft must accompany each application and a provisional acknowledgment should be obtained from the receiving bank immediately.
- f) Joint applications from more than two persons will not be accepted. In the case of joint application each party must sign the application form.
- g) Application must be in full name of individuals or limited companies and not in the name firms, minors or persons of unsound mind.
- h) An applicant can submit not more than two application one in his own name and another jointly with another person. In case an applicant makes more than two applications, those in excess of two applications shall not be considered for allotment purposes.

APPLICATION NOT IN CONFORMITY WITH THE ABOVE REQUIREMENTS AND THE INSTRUCTIONS PRINTED ON THE APPLICATION FORM ARE LIABLE TO BE REJECTED.

2. ALLOTMENT:

The company reserves the right to accept any application in whole or in part. Successful applicants will be informed of allotment by dispatching a Letter of Allotment within 45 (forty five) days of closing of subscription. Where application is not accepted in full or in part, the money received on application will be refunded to the applicant within 45 (forty five) days of closing of subscription by cheque without interest. Interest at 1.5% per month and 2% per month will be paid to the unsuccessful applicants where application money is refunded after 45 (forty five) days but within 120 days and after 120 days of the date of closing of subscription, respectively.

Bangladeshi nationals including Non-resident Bangladeshi nationals residing / working abroad and foreign nationals shall also be entitled to apply for the shares.

PART - IV

RIGHTS OF SHAREHOLDERS

1. VOTING RIGHTS:

In terms of the relevant provisions of the companies Act 1913 and the Articles of Association of the company, the shareholders shall have the usual voting right in person or proxy in connection with, among others election of Directors and Auditors and other usual agenda of General Meeting, ordinary or extra ordinary.

2. TRANSFER OF SHARES:

In terms of the provisions of the Companies Act 1913 and the Articles of Association of the company and other relevant rules in force shares of the company are freely transferable. No transfer shall be made to a person of unsound mind or minor or to a firm or trust. The company shall not charge any fees for registering transfer of shares.

3. DIVIDEND POLICY:

The company will follow a dividend policy which will allow it to provide a fair return on its shareholders investment and simultaneously allow for building up retained earnings and reserves as a rule that would sustain projected growth of the company.

4. PERIODICAL INFORMATION :

The Directors shall present the Financial Statements as required under the law and International Accounting Standard. Financial Statements will be prepared in accordance with International Accounting Standard consistently applied throughout the subsequent periods and presented with the objectives of providing maximum disclosures as per law to the shareholders regarding the financial and operational position of the company.

PART - V

THE PROJECT OUTLINES

1. HISTORICAL BACKGROUND:

SQUARE Pharmaceuticals Ltd., the largest pharmaceutical company in the country, is a trusted name in the pharmaceutical field of Bangladesh. Like most indigenous concern it made its debut in a humble way in 1958 as a partnership firm. The first proprietary medicine was introduced in the following year under the name of 'EASTON'S Syrup', when the number of working people was 12, turn over Tk. 55,000/- and occupied floor space 3,000 sq.ft. The first compressed tablet was introduced in 1962 under the generic name, 'Santonin'. In the next year, the introduction of Pethidine injection accelerated the growth of the firm with a rapid expansion of business turnover rising to nearly Tk. 1.0 million in 1964 and number of employee rose to 50. And in the same year the firm was converted into a Private Limited Company with an Authorized Capital of Tk. 500,000 & Paid up Capital of Tk.400,000 only.

The company continued to engage itself in manufacturing of both official preparations and a range of proprietary items. In the meantime, the company had been on the lookout for acquiring know-how & expertise from outside for manufacturing and marketing of more sophisticated products.

The turning point came in 1975 when the company entered into a technical collaboration agreement with Janssen Pharmaceutica of Belgium, a subsidiary of Johnson & Johnson Intl. USA. With the implementation of this agreement the image regarding the technical capability of the company changed radically not only in marketing of new products under licence but also in modernizing the manufacturing process and adoption of Good Manufacturing Practices (GMP), covering all the products of Square. A similar technical collaboration agreement with 'F Hoffmann-La Roche & Co. Ltd., Switzerland' was signed in 1984 authorizing SQUARE to manufacture & to market ROCHE specialties under licence. But because of 1982 Drug Ordinance this was not materialized.

SQUARE was the first national company to market Metronidazole, Ampicillin and Cotrimoxazole soon after the expiry of their patents. The company took necessary steps in adopting a strategic plan to expand its manufacturing facilities to manufacture wide range of essential items within the parameter of the WHO recommendations. This enabled the company to market a wide range of products to fill the gap created by the 1982 Drug Policy, when turnover reached over Tk. 240 million and number of people employed to nearly 400 in 1984. A new factory with all modern facilities and machineries was completed in 1987.

As a pioneer in the pharmaceutical sector, SPL has been exporting its antibiotics and other ethical products to the United Kingdom, Singapore and other countries for the last couple of years.

From 1985 on, the company has started growing with a tremendous pace, and by 1988 the number of employees reached about 750 and annual turnover Tk. 560 million. In this stage of growth, company decided to increase its product-line length by enhancing both depth and width of the existing product-mix.

To keep track with the pace of growth and to increase the authorized & paid-up capital for new investment, SQUARE was converted into a public limited company in 1991.

From mid 1990 SQUARE Pharmaceuticals has started working on opening of its another new division, SQUARE Chemical Division for producing pharmaceutical raw materials and it is expected to start its commercial operation from the next year with bulk Trimethoprim, Sulphamethoxazole and some other fine chemicals.

In 1992, SQUARE became the first pharmaceutical company in the country to cross the billion taka mark. By the end of 1993, the total number of employees reached about 975. Out of 975 employees, factory itself employed about 600 and 125 in the corporate head office. The total field staff was about 250.

SQUARE has a principal to let each employee, from manager in the Corporate Head Quarters to a line worker in the factory, feel like an active family member and participate openly in the overall management activities. **QUALITY and PROFESSIONALISM- OUR DUTY and PRIDE** is the motto of each and every member of the SQUARE family which has been the driving force in achieving and maintaining the leading position in the pharmaceutical industry since 1987 (source IMS-Geneva).

2. COST OF THE PROJECT:

The fixed cost of the project after separation of toiletries division and balancing modernisation & expansion of pharmaceutical product division and investment in Composite Textile Mill would be as follows -

(In Taka)

Particulars	WDV Unit # 1 as on 30.6.94	WDV Unit# 3 as on 30.6.94	WDV Unit # 2 as on 30.06.94	Chem. Div as on 30.6.94	Head Office (Dhaka)	Pharma Expansion	Diveersification	Total
Land	8,700,738	-	-	-	1,654,019	-	-	10,354,757
Building	32,922,490	260,385	484,389	-	46,774,874	62,500,000	-	142,942,138
Plant & Machinery	86,428,661	377,212	-	105,376,572	-	280,000,000	-	472,182,445
Lab. Equipment	7,225,793	-	2,884	-	-	20,000,000	-	27,228,677
Furnitures /Fixtures	1,606,221	-	72,169	-	1,744,274	15,000,000	-	18,422,664
Office Equipments	7,028,611	-	-	-	1,207,754	-	-	8,236,365
Motor Vehicles	13,751,546	-	-	72,100	3,903,385	22,500,000	-	40,227,031
Total	157,664,060	637,597	559,442	105,448,672	55,284,306	400,000,000	-	719,594,077
Investment								
a) existing					5,532,725			5,532,725
b) composite textile							500,000,000	500,000,000
Net working Capital					79,499,946		-	79,499,946
Total	157,664,060	637,597	559,442	105,448,672	140,316,977	400,000,000	500,000,000	1304,626,748

3. MEANS OF FINANCING:

The means of finance of the existing as well as the expanding unit would stand as follows -

a) Paid-up capital :	Tk.	100,000,000
b) Addl-Issue (proposed)		100,000,000
c) Share premium		800,000,000
d) General Reserve		268,101,188
e) Tax Holiday Reserve		20,931,833
f) Long term Loan		15,593,727
Total :	Tk.	1304,626,748
		=====

4. EXISTING PRODUCTION CAPACITY:

The company has over the years developed a wide range of products. The category wise installed production capacity is given below, which is going to be doubled by 1996 (approx.) after the completion of the proposed BMR&E.

- i) **Capsule** 6,000,000 / shift / day
- ii) **Tablet** 3,000,000 / shift / day
- iii) **Liquid**
 - a) Syrup 32,000 bottles (60-200 ml) / shift / day
 - b) Suspension 18,000 bottles (100-200 ml) / shift / day
- iv) **Injectable**
 - a) Vial 34,000 / shift / day
 - b) Ampoule 100,000 / shift / day
- v) **ENT Preparations**
 - a) Ophthalmic tube 20,000 / shift / day
 - b) Ophthalmic drop 10,000 / shift / day
- vi) **Dry Powder Filling**
 - a) Sachets (ORS) 40,000 / shift / day
 - b) Dry syrup 12,000 bottle / shift / day
 - c) Non-Oral powder 8,000 / shift / day

5. PRODUCTS:

Over the decades the company has developed, formulated and obtained licence from the Drugs Authority for marketing the products belonging to the therapeutic classes of Antibacterial, Cardiovascular, Haematinics, Antiviral, CNS, Gastrointestinal, Antidiabetic, Antiprotozoal, Vitamins, Antimalarial, Antifungal, Anthelmintic, Respiratory System and some other.

6. LAND /DEVELOPMENT:

- a) Factory : The company's factory is located in the vicinity of Pabna, a city about 150 km west of the capital city Dhaka, on 10 acres land at two sites. The total cost of factory land and development stand at Tk. 8,700,738. The land is well connected with the national highways and facilitates the distribution network.
- b) Corporate / Distribution : The company also owns land at prime commercial centre of Dhaka city at Mohakhali about 7 Kathas (11.5 decimals). The Square Centre (Corporate Head Quarters) is situated on the Mohakhali land.

7. BUILDINGS AND OTHER CIVIL WORKS:

- a) Factory : The factory buildings have a total covered area of 63,734 sft. including production 24,420 sft. and service 9,768 sft. The total written down value of all factory buildings and other civil works including roads, drainage / sewerage, boundary walls, guard rooms, etc. as on 30.6.1994 stands at Tk. 42,368,602. In addition, factory building & other civil works for BMR&E covering about 75,000 sft. will be built at an estimated cost of Tk. 62.50 million.
- b) Corporate / Distribution buildings : The corporate Head Office, Square Centre, a 15-storied modern architectural feat, has a covered area of 52,475 sft, built at a cost of Tk. 46,774,874. The warehouse distribution buildings have covered space of 16,500 sft. The total building & all civil works including BMR&E would finally cost about Tk. 142,375,049.

8. PLANT AND MACHINERY:

A wide range of production / service machineries have been acquired by the company with the progress of gradual expansion. The total WDV of the machinery as on 30.6.1994 stand at Tk.192,182,445. The expansion in hand would require new machinery of about Tk 280 million. For attaining quality production the company has been consistently following the policy of procuring superior brand machinery at bargain prices from its own resources.

9. POWER & WATER:

The present industrial power requirement is about 1.8 MW which is estimated to rise to 2.0 MW by year 2000. The supply by BPDB transformer is 0.85 MW and the balance requirement is met by the company's own generators (three) having capacity of 1130 KVA. The Electrical substations (two) have a combined capacity of 1000 KVA. With the implementation of Jamalganj coal mine project and privatisation of generation of electricity the supply will improve reducing the requirement of own generation. The water requirement of the factory is about 10,000 gallons /day which is met by the deep tube well sunk by the company.

There are two water softeners with a capacity of 2000 kg/hour for water treatment which is adequate for the company's requirement. The Boiler (three) capacity of 2099 kg/hour is also sufficient for the present operation.

10. TECHNOLOGY & TECHNICAL STAFF:

Since inception, the company has given stress on the requirement of technology and training for attainments of qualitative and quantitative results. This have been proved by the securing of the leading position in the industry since 1987. The company's technical professional strength has now reached 50. Some of them have foreign degrees including post graduations / doctorals and operational experience in multinational Pharmaceuticals.

Apart from technical / training development the company has been in search of securing technical collaboration for advanced technology for hi-tech / life saving drugs. In this regard the turning point came in 1975 when the company entered into a technical collaboration agreement with Janssen Pharmaceutica of Belgium, a subsidiary of Johnson & Johnson International of USA. With the implementation of this agreement the image and technical capability of the company changed radically not only in the form of marketing new products under licence but also modernising the manufacturing process and adoption of Good Manufacturing Practices covering all the products of the company. A similar technical collaboration agreement with F. Hoffman-L a Roche & Co. Ltd, Switzerland was signed in 1984 giving the right to SQUARE to manufacture and to market ROCHE specialities under licence. However, though the introduction of the Drug Policy of 1982 by the then Government had revoked all the licencing agreements, the company succeeded in acquiring most of the technical know-how which it could utilise for local product technology.

As a result SQUARE was the first national company to produce and to market Metronidazole, Ampicillin, Cotrimoxazole and adopted a strategic plan to expand its manufacturing facilities to manufacture wide range of essential items within the parameter of WHO recommendations, thus filling the void created by the 1982 Drug Policy.

11. RAW MATERIALS:

The company imports most of the raw materials from Japan, India, & European sources. However, the company has already set up a chemical plant for production of certain basic raw materials, from where, in due course of time, it would meet a substantial portion of its requirement.

The company however procures about 80% of the packaging and supply materials locally which has about 15-20% contribution to the pricing of the products.

12. PRICING:

As per the present Drug Policy the Ministry of Health controls pricing of the products licensed by them on the basis of recipes supplied by the respective companies. Due to various constraints the pricing policy of the Government has been hindering competitiveness. The Government has reviewed the policy and is now controlling pricing of 117 essential products allowing privatisation of some class of drugs for greater competitiveness for consumers benefit.

13. THE MARKET & MARKETING STRATEGY:

Soon after liberation, there was a great vacuum in the supply of essential medicines as most of supply came from the then West Pakistan. The gap was being met by imports. But due to foreign exchange constraints imports were lean.

New Drug Policy 1982 also created a vacuum. As a result the local manufacturers including SQUARE seized the opportunity by expansion. A part of the market was also occupied by newly sanctioned units during late 1970s and early 1980s.

The estimated market size of the Pharmaceutical products was Tk. 225 crores in 1982 and Tk. 850 crores in 1993; while the gross sales of Square was Tk. 9 crores and Tk. 117 crores in 1982 and 1993 respectively. Square's market share was slightly over 4% in 1982 and almost 14% in the year 1993.

The above indicates that while the pharma market size increased about 4 times, the SQUARE's sales increased about 13 times over last 12 years (1982-93). This is spectacular since 1987 the company's sales gained the highest position and is holding till now. It may be mentioned that in addition to the local market the company has already exported to UK, Singapore and some other countries. Arrangements are under way for exporting to CIS countries & Vietnam soon. The spectacular success has been possible due to aggressive marketing policy, a strong field force, coordinated delivery system, uncompromising quality control ethics, cordial labour relations and efficient operations leading to cost control and higher profitability enabling the company reinvesting in expansion schemes without burdensome institutional borrowing. Above all an alert and progressive Management team led by the dynamic Managing Director is to be fully credited for the applauding success story of SQUARE.

14. DISTRIBUTION:

Unlike other pharmaceutical companies in the country, the distribution of SPL is based upon the concept of "Warehouse on the Wheels". It does not have sales depots throughout the country or distributorship either; but it has the most efficient system of distribution in the industry.

The products have been distributed through two sales centres, one in Dhaka & another in Pabna. To ensure smooth distribution, the country is divided into two territories, east and west zone of the river Jamuna. East zone is furnished from Dhaka while west zone is supplied from Pabna. Almost 15,000 chemist & druggist shops are being served from these sales centres.

Medical Promotion Officers (MPO) have been receiving orders from the chemists and druggists and sending these to the invoice section. Square has a fully computerized invoice system in the said sales centres through which the orders are being processed. The goods are packed as per the invoice (party-wise) in the Godowns and then the consignment goes directly to the respective chemist & druggist shops through Collection Persons (CP) of the market concerned for delivery.

About 125 Collection Persons, 15 Distribution Assistants have been working under the supervision of an Asst. Manager and a Senior Executive in Pabna & in Dhaka respectively.

The transport pool is headed by an In-Charge, who is supervising 100 drivers & helpers, involved in the delivery system of the products. Besides, there are about 70 persons working in the two warehouses cum sales centres.

About 20 trained persons are working in the invoice section, which is fully equipped with computers and is capable of processing more than 2000 invoices per day.

SPL have different types of delivery vans and trucks in Dhaka and Pabna. There are also some spot delivery vans in various FS base market. However, the present capacity of the fleet is around 172 Metric Tons which is planned to be uplifted to 200 Metric Tons by the end of this year.

15. FINANCIAL PERFORMANCE:

A review of the company's financial statements of Income Statement and Balance Sheet for the last completed five years ending 31 December 1993 reveal an outstanding performance.

Summarised positions of the Income Statements for 1989-1994 and Balance Sheets as on 31 December 1989 - 1993 along with relevant analyses are given below / following pages -

Profitability Analyses

(Taka in thousands)

Particulars	1989	1990	1991	1992	1993
Sales (Gross)	552,528	669,538	834,841	1,100,652	1,308,331
Gross profit	140,529	165,512	212,231	282,529	347,852
Operating profit	49,717	60,370	80,859	128,449	148,919
Net profit (BT)	49,717	60,370	77,008	122,026	141,602
Net profit (AT)	24,717	34,869	44,008	74,826	86,602
Gross margin	25.61%	26.11%	25.42%	25.67%	26.58%
Operating margin	9.06%	9.52%	9.69%	11.67%	11.41%
Net margin (BT)	9.06%	9.52%	9.22%	11.08%	10.82%
Net margin (AT)	4.50%	5.50%	5.27%	6.80%	6.62%
Earning per share	249.09	351.4	88.7	150.82	174.55
Price Earning Ratio	0.4	0.28	1.12	0.6	0.57
Dividend per share	30	30	35	15	20
Dividend Payout Ratio	12.04%	8.53%	39.45%	9.95%	11.46%

Balance Sheet (1989-93)

(Taka in thousand)

Particulars	1989	1990	1991	1992	1993
Fixed Assets (Net)	125,078	209,679	231,561	280,838	303,035
Investments			2,156	24,782	5,533
Current Assets	173,269	181,585	240,060	284,738	323,093
Total Assets	298,347	391,264	473,777	590,358	631,661
Paid-up capital	9,922	9,922	49,614	49,614	49,614
Retained Earnings	123,066	153,097	151,634	219,018	290,855
Total Equity	132,988	163,019	201,248	268,632	340,469
Long Term Loan			33,480	43,503	32,553
Current Liabilities	165,359	228,245	239,049	278,223	258,639
Total Equity & Liabilities	298,347	391,264	472,777	590,358	631,661
Debt Equity Ratio			14:86	14:86	9:91
Current Ratio	1:1.05	1:0.80	1:1.01	1:1.02	1:1.25
Asset Turnover	4.42	3.02	3.61	3.92	4.31
Inventory Turnover	6.17	5.51	5.13	6.75	7.38
A/c Receivable Turnover	163.47	161.5	73.1	51.3	35.17
Free Reserves	123,066	153,097	151,634	219,018	290,855
Paid-up Capital	9,922	9,922	49,614	49,614	49,614
No. of shares outstanding	99228	99228	496140	496140	496140
Book value per share	1340.33	1642.87	405.62	541.44	686.24

An analysis of the Income Statements reveals that while sales recorded an average growth of 27.6% pa from 1989 to 1993, the Net Profit After Tax attained an average growth of over 50% pa during the same period. Gross margin, operating margin, net margins reveal growth at progressive rates. However, due to capitalization of reserves by issue of bonus shares, the Earning Per Share (EPS) has diluted, but increased with progressive rates. The average earning per share during 1989-93 stood at Tk. 202.91 which yielded a price earning ratio of 0.49 indicating the highly attractiveness of the shares. Since issuance of the bonus shares have diluted the Earnings Per Share without injecting fresh cash into the company it would rather more correctly reveal the Price Earning Ratio if bonus shares are not considered for the analysis. In that case the average earning per share would stand at TK. 534.17 reflecting a Price Earning Ratio (PER) of 0.187 which is exceptionally tempting for investors. The operations for 6 months ending 30 June 1994 reveal still better results.

The dividend per shares has declined though dividend pay out has increased. This has been due to increase in share capital by issue of bonus shares. An examination of the Balance Sheets for the period 1989-93 reflect growing financial strength. Fixed assets investment shows an average growth of 35.6% while current asset has increased by 21.67% and current liabilities increased by 14.1% thus improving the current ratio marginally. Since the company has financed its capital expenditures mostly from internal generation of funds and partly by short term borrowing the company had very low level of debt / equity ratio (14:86 to 9:91) and it did not face any liquidity problem.

16. FUND FLOW:

The fund flow position for the period ended 31st December, 1989-93 also reveals unhindered liquidity situation as analysed below -

PARTICULARS	YEARS				
	1989	1990	1991	1992	1993
SOURCES OF FUND :					
Net profit before provision of I.T	49,717,498	60,369,611	77,008,425	122,026,430	141,602,755
Provision for Depreciation	14,688,641	14,923,204	20,191,011	21,810,636	17,043,834
Decrease in Current Assets :		17,714,900	5,588,870	1,758,143	45,337,508
Increase in Current Liabilities :	53,857,689	74,924,959	40,300,188	51,117,389	43,523,639
Long Term Bank Loan	-	18,535,916	13,894,385	11,072,711	-
Prior Years Adjustments	-	-	-	-	7,561,012
Total Source of Fund	118,263,828	186,468,590	156,982,879	207,845,359	255,068,768
APPLICATION OF FUND :					
Acquisition of Fixed Assets (Net)	36,472,408	99,523,807	42,072,799	71,087,696	39,240,915
Purchase of Treasury Bond	-	-	2,156,175	1,536,550	1,840,000
Increase in Current Assets :	48,210,812	26,031,977	64,063,143	67,526,294	48,037,230
Decrease in Current Liabilities :	30,603,768	57,935,966	45,217,782	60,252,719	145,078,020
Payment of Long Term Loan	-	-	-	-	10,949,803
Dividend	2,976,840	2,976,840	3,472,980	7,442,100	9,922,800
Total Application of Fund	118,263,828	186,486,590	156,982,879	207,845,359	255,068,768

17. EARNING FORECAST:

(a) Assumptions on projected earnings :

(1) Though the company's past five (5) years performance indicates over 25% growth in Sales Revenue for the projection up to year 1995 a growth rate of only 23% (approx.) has been assumed. Since the chemical plant (for manufacturing of raw materials) and the BMR&E project will be fully commercially operative by end 1995, a growth of 31% in sales has been assumed in 1996 and 20% thereafter.

(2) The company's plan for investment in a subsidiary modern composite textile project has been assumed to be implemented during 1995-96 and be fully operative from 1997. It is assumed that the subsidiary textile project will declare dividend from 1997 onwards.

(3) The company's toiletries division have already been sold on 30 June 1994 to a sister concern at an agreed price.

(b) Projected Earning Position:

The projected income and growth from the company's operations for the years 1994 to 2000 is given below:

	PROJECTED EARNING FORECAST (In '000 Tk.)		PROJECTED EARNING FORECAST AFTER B.M.R&E (In '000 Tk.)				
	Year 1994	Year 1995	Year 1996	Year 1997	Year 1998	Year 1999	Year 2000
Net sales Revenue	1,300,000	1,600,000	2,100,000	2,520,000	3,020,000	3,600,000	4,340,000
Less Cost of Goods sold	877,500	1,072,000	1,396,500	1,663,200	1,993,200	2,376,000	2,864,400
Gross Profit	422,500	528,000	703,500	856,800	1,026,800	1,224,000	1,475,600
Less Selling & Admin. Expense	195,000	240,000	304,500	365,400	430,350	513,000	618,450
Operating Profit	227,500	288,000	399,000	491,400	596,450	711,000	857,150
Less Financial Expense	35,750	44,000	57,750	69,300	83,050	99,000	119,350
Profit Before Cont. to WPP & WF	191,750	244,000	341,250	422,100	513,400	612,000	737,800
Contribution to WPP & WF	9,131	11,619	16,250	20,100	24,448	29,143	35,134
Net Operating Profit	182,619	232,381	325,000	402,000	488,952	582,857	702,666
Income From Other Sources	0	21,000	0	25,000	50,000	75,000	75,000
Net Profit Before Tax	182,619	253,381	325,000	427,000	538,952	657,857	777,666
Income Tax	65,058	88,046	97,500	140,527	176,437	216,096	254,735
Net Profit After Tax	117,561	165,334	227,500	286,472	362,515	441,760	522,931
APPROPRIATION							
A) Dividend	50,000	56,000	60,000	66,000	70,000	76,000	80,000
b) General Reserve	67,561	109,334	167,500	220,472	292,515	365,760	442,931
c) Tax Holiday Reserve	2,739	5,577	19,500	20,502	23,470	27,977	33,728
d) Accumulated Surplus	310,769	425,681	612,680	853,655	1169,639	1563,377	2040,036
FINANCIAL RATIOS							
a) Gross Margin	32.50%	33.00%	33.50%	34.00%	34.00%	34.00%	34.00%
b) Operating Margin	17.50%	18.00%	19.00	19.50%	19.75%	19.75%	19.75%
c) Net Margin	9.04%	10.33%	10.83	11.37%	12.00%	12.27%	12.05%
d) Weighted Average EPS	94.05	82.67	113.75	143.24	181.26	220.88	261.47
e) Price Earning Ratio at Tk. 900/-	9.57	10.89	7.91	6.28	4.97	4.07	3.44
f) Dividend Payout Ratio	42.53%	33.87%	26.37%	23.04%	19.31%	17.20%	15.30%

Note : These are not actuals but forecasts only. Actuals may vary from forecasts.

18. PREMIUM JUSTIFICATION:

The following factors have been considered while arriving at the issue price :

- (a) **Past financial performance :** The company has been in profitable operation for the last 36 years and has grown as the mighty giant in the pharmaceutical sector among both local and multinationals. The "Image value" is tremendous which is manifest in its national market leadership. For the purpose of quantitative analysis, company's past five years operations, as given below, may be scanned through:

Particulars	1989	1990	1991	1992	1993
1. Total Revenue (Gross) (Tk. in '000)	552,528	669,538	834,841	1100,652	1308,331
2. Profit after Tax (Tk. in '000)	24,717	34,869	44,008	74,826	86,602
3. Paid-up Capital (Tk. in '000)	9,922	9,922	49,614	49,614	49,614
4. Reserves/Surplus (Tk. in '000)	123,066	153,097	151,634	219,018	290,855
5. Book value per share (Tk)	1340.23	1642.87	405.62	541.44	686.24
6. Face value per share (Tk)	100	100	100	100	100
7. Earning per share (Tk)	249.09	351.40	88.70	150.82	174.54
8. Dividend per share (Tk)	30	30	35	15	20
9. Price Earning Ratio (* without bonus share) @ Bonus share issued at 1:5	0.40	0.28	1.12 (0.22)*	0.60 (0.13)*	0.57 (0.115)*

The average EPS is Tk. 202.92 which gives a PER of 0.49. At an average standard PER of 12, the market price should be at Tk. 2435 per share. After dilution of EPS due to issue of bonus shares raising capital to Tk. 100 million, at PER of 12, the market price should be at **Tk. 1217 per share.**

- (b) **Issue of bonus shares :** The company has issued 503,860 bonus shares in June 1994 to the shareholders against their existing 496,140 shares at par value of Tk. 100.00 each. This has raised the paid up capital to Tk. 100,000,000.00 .
- (c) **Breakup value (Book value):** The breakup value per share based on the paid up capital and reserves stand at Tk. 686.24 as on 31 December 1993. This is the resultant of over three decades (36 years) profitable operations and don't reflect current value.

However, for the purpose of an analytical comparison, the present worth of the reserves may be revalued by giving an inflationary effect of 2.7 times considering an average annual inflation rate of 7.5% pa. This would result in the present worth of the break up value of Tk. 1853 per share. After issue of bonus shares in June 1994 raising capital to Tk. 100 million this would stand at **Tk. 926.**

- (d) **Projected Financial Position:** The projected income and growth of the company's operations for the years 1994-2000 would be as follows:

	1994	1995	1996	1997	1998	1999	2000
Net Sales (mln Tk.)	1300	1600	2100	2520	3020	3600	4340
Net Profit After Tax (mln Tk.)	117.6	165.3	227.5	286.5	362.5	441.8	522.9
Earning Per Share	94.05*	82.67	113.75	143.24	181.26	220.88	261.47
Price Earning Ratio (Tk.900/=Basis)	9.57*	10.89	7.91	6.28	4.97	4.07	3.44
Dividend Per Share	25	28	30	33	35	38	40
Dividend Payout Ratio	42.53%	33.87%	26.37%	23.04%	19.31%	17.20%	15.30%

* Annualised figure

The Price Earning Ratio on the average earning during 1994-2000 is 6.73. If 1994, by end of which the new investors will be required to invest, is excluded the Price Earning Ratio on the average PER during 1995-2000 would be 6.26 which is highly attractive in comparison to other neighbouring emerging markets in Asian countries and Bangladesh as well. At PER 12 the price would stand at **Tk. 1725**.

- (e) The average PER of all listed Pharmaceutical companies with DSE is 142.51 as on 30 June 1994 (Source: Review, June '94). The volume leader of this sector has a EPS of Tk. 75.21 and a PER of 18.81 as on 30 June 1994 (closing price Tk. 1489.93). As against this SPL would have an EPS of over Tk. 100 for 1994 (based on half year's result & projection) with a Paid up Capital of Tk.100 million.
- (f) The above analysis offers three prices based on past performances (Tk. 1217 at PER 12), revaluation of book/breakup value (Tk. 926) and projected earnings (Tk. 1725 at PER 12). **The average of these prices amounts to Tk. 1289.** However, considering that the company is issuing shares to the public for the first time, the sponsors have taken a lenient view and agreed to offer shares at **only Tk. 900 (including a premium of Tk. 800) per share.** This would surely be highly attractive to the small individual investors as well as institutional ones, especially, in view of the fact that foreign investors have already taken up 80% of the additional issue at the offered price almost instantly.
- (g) The company has a good and effective R & D department which has already succeeded in developing new hi-tech product lines with foreign collaboration and technical know how. Future R & D operations are expected to open new areas of product lines giving the company an edge over others.
- (h) At an extra-ordinary general meeting the members approved the issue of equity shares of Tk. 100 each at a premium of Tk. 800 each.
- (i) The underwriters and the company management have agreed to the level of premium per share and considered it appropriate.
- (j) The shares of the company are yet to be listed on the Stock Exchange and hence no quotation for the market price of the shares are available. However the foreign investors have already taken up 80% of the IPO at the proposed price including premium.

19. NETWORTH ON ASSET REVALUATION & IPO :

In order to reflect the current value to net worth of assets the assets were revalued by M/S. Asian Surveyors Ltd., a reputed survey firm in the country. Considering the revaluation of fixed assets of the Company, the book value of the shares before and after the Public Issue is shown below:

Before Issue:

1. Value of Assets on Revaluation	Tk. 585 million
2. Value of Assets as per book as on 30.09.1994	Tk. 319 million
3. Revaluation Reserve	Tk. 266 million
4. General Reserve & Surplus as on 30.09.1994	Tk. 300 million
5. Tax Holiday Reserve as on 30.09.1994	Tk. 22 million
6. Paid up Capital	Tk. 100 million
Total	Tk. 688 million

Book Value Per Share	Tk. 688
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After Issue:

1. Value of Assets on Revaluation	Tk. 585 million
2. Value of Assets as per book as on 30.09.1994	Tk. 319 million
3. Revaluation Reserve	Tk. 266 million
4. General Reserve & Surplus as on 30.09.1994	Tk. 300 million
5. Tax Holiday Reserve as on 30.09.1994	Tk. 22 million
6. Share Premium	Tk. 800 million
7. Paid up Capital	Tk. 200 million
Total	Tk. 1588 million

Book Value Per Share	Tk. 794
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Note : Tangible assets have been revalued but the value of intangible assets has not been quantified / considered.

20. COMPANIES UNDER THE SAME MANAGEMENT:

(a) The following companies are sister/associated concerns organised as proprietorship/private limited companies -

- (i) Astras Limited. : Trading business
- (ii) Square Toiletries Ltd. : Manufacturing toiletry products
- (iii) Health Products Ltd. : Sanitary Napkin manufacturing
- (iv) Pharma Packages (Pvt.) Ltd. : Plastic bottle/containers manufacturing
- (v) Barnali Printers Ltd. : Printing packaging
- (vi) Fair Trading House Ltd. : Indenting business
- (vii) Astras Chemical Ltd. : Chemicals business
- (viii) Sheltech (Pvt.) Ltd. : Realestate and construction
- (ix) Sheltech Consultants (Pvt) Ltd. : Engineering & Consulting firm

(b) The Square management is planning to set up a modern composite textile mills at Savar on a plot of 33 acres for exporting fabric to the Ready Made Garments (RMG) sector which imports nearly 180 million meters of fabrics annually. The salient features of the project, means of financing and projected financial positions are given below :

SALIENT FEATURES OF THE PROJECT (Composite Textile Mills)

1. Capacity :

a) Installed Capacity:

i) Spinning

Ring : 40,320 spindles
Rotor : 384 rotor units

ii) Weaving

Air-Jet	: 82 Nos
Projectile/Rapier	: 38 Nos
Total	: 120 Nos

iii) Dyeing & Finishing : Complete range of woven fabric and yarn dyeing, printing & finishing machinery.

b) Production Capacity:

i) Yarns :	(⁰⁰⁰ kg)Ne16	Ne20	Ne30	Ne30	Ne40	Ne45
	(OE)	(CDD)	(CDD)	(CBD)	(CBD)	(CBD)
Rated:	703	1226	2644	1484	460	1023
Achievable :	593	1042	2247	1262	391	870

ii) Grey Fabric (Lac metre) : 127.24 (Rated)

iii) Finished Fabric (Lac metre) : 304.00 (Rated)

2. Capacity Utilization :

	<u>1st yr.</u>	<u>2nd yr.</u>	<u>3rd yr.</u>	<u>4th yr.</u>
a) Spinning :	65%	75%	80%	85%
b) Weaving :	65%	75%	80%	85%
c) Dyg. & Fin:	60%	65%	70%	75%

3. Estimated Investment Cost : (⁰⁰⁰ Taka)

a) Local Currency	: 1,200,000
b) Foreign Currency	: 1,008,000
Total	: 2,208,000

4. Financing Programme of Investment Cost : (⁰⁰⁰ Taka)

a) Equity : (45%)

	<u>L. C.</u>	<u>F. C.</u>	<u>Total</u>
SPL/Sponsor:	500,000	0	500,000
Foreign/public participation	200,000	300,000	500,000
Sub-Total :	700,000	300,000	1,000,000

b) Long-term Loan : (55%)

	500,000	708,000	1,208,000
Total : (100%)	1,200,000	1,008,000	2,208,000

5. Product Mix :

a) Yarns : Ne16, Ne20, Ne30 Carded/combed, Ne40 combed, Ne45 (PC)

b) Finished Fabrics :

i) Project's Own Fabrics : 12,724 million metres (rated)
ii) Imported Fabrics : 17,276 " " "

Total : 30,000 million metres (rated)

FINANCIAL EVALUATION :

Cost of production and profitability :

Profitability potential of the project has been computed for five projected years of operation to assess the financial viability of the project. Statement showing the forecast of earning which inter-alia includes sales estimates, cost of goods sold, general administrative and selling expenses and financial expenses are presented in Annexure - 5.3, 5.4, 5.5, 5.6 and 5.7. The summarized results of the profitability projection for a period of initial 5 years of operation are given as follows :

Items	(Tk. in '000')				
	Year-1	Year-2	Year-3	Year-4	Year-5
Sales Revenue	1,199,989	1,474,699	1,607,977	1,722,358	1,740,533
Cost of goods sold	923,422	1,141,258	1,230,487	1,299,308	1,311,158
GROSS PROFIT	267,567	333,411	377,490	423,050	429,375
Administrative and Selling expenses	13,509	14,176	14,785	15,135	15,503
OPERATING PROFIT	254,058	319,234	362,706	407,915	413,873
Financial expenses	192,895	191,648	179,561	166,537	149,598
Profit before other income	61,163	127,586	183,145	241,378	264,275
Add : Other income	8,280	9,554	10,191	10,828	10,828
NET PROFIT BEFORE TAX	69,443	137,140	193,336	252,206	275,103
Income Tax	T A X H O L I D A Y				
NET PROFIT AFTER TAX	69,443	137,140	193,336	252,206	275,103
Purchase of Government Bond	10,416	20,571	29,000	37,831	41,265
(@15% of profit before tax)					
Net Profit after tax, of Government Bond	59,027	116,569	164,336	214,375	233,838
Interest on Government Bond (@7.5%)	0	781	2,324	4,499	7,336
Net Profit including interest on Government Bond	59,027	117,350	166,660	218,874	241,174
Dividend (1st year 0%, 2nd year 10% & onwards 15%)	50,000	100,000	150,000	150,000	150,000
Retained earnings	9,027	17,350	16,660	68,874	91,174
CUMULATIVE RETAINED EARNING	9,027	26,377	43,037	111,911	203,085
R A T I O S (in %)					
Gross profit to sales (%)	22	23	23	25	25
Operating profit to sales	21	22	23	24	24
Net profit to sales (%)	5	8	10	13	14
Return on paid-up-capital	6	12	17	22	24
Dividend payment (%)	5	10	15	15	15

21. RISKS AS PERCEIVED BY MANAGEMENT :

Any adverse change in Government Drug Policy and Import Policy may have adverse affect on the profitability of the company. In addition to this, any weak GATT negotiations by Bangladesh may also affect. Further technological obsolescence may present marketing problem.

The chemical project located at BSCIC Industrial Estate at Pabna requires environmental and pollution control facilities as required by the Department of Environment. Failure of any suitable arrangement which is under way, may result further delay in commercial production.

In case of new investment in composite textile, the profitability may also be adversely affected by weak GATT negotiations, international competition in fabrics as well as RMG industries resulting in loss of market in favour of competing countries. Any change in Govt. Tax Holiday policy may have an adverse affect on the profitability of the project.

22. REDRESSAL OF INVESTORS GRIEVANCES :

Any investor grievance may be addressed to the Company Secretary at the **Corporate Headquarters, SQUARE CENTRE, 48 Mohakhali Commercial Area, Dhaka-1212**, who will personally attend to the same. The company will endeavour to dispose the grievances within a month.

23. OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENT :

- (a) There is no outstanding litigation pertaining to-
 - (i) Matters likely to affect the operations & finance of the company.
 - (ii) Criminal prosecution launched against the company & Directors.
- (b) The company has not defaulted in meeting any statutory dues, institutional dues or dues to instrument holders. Also, the contingent liabilities position as on 30 June 1994 in respect of the following are as follows-
 - (i) Income tax disputed in appeal : – nil
 - (ii) Disputed VAT liability : – nil
 - (iii) Disputed custom Duty liability : – nil
- (c) No material developments have taken place since the date of last Balance Sheet which could affect the performance and projects of the company.

PART VI
MANAGEMENT OF THE COMPANY

1. The overall management & superintendence of the company is vested in the Board of Directors. The day to day affairs is managed by Mr. Samson H Chowdhury, Chairman & Managing Director of the SQUARE PHARMACEUTICALS LTD. He is assisted by a group of highly qualified team of professionals. The particulars of the Board of Directors of the company who have long experience and professional expertise and knowledge in management of industrial and commercial enterprises are given below :

Name	Particulars relating other Directorship / Membership
-----	-----
(1) MR. SAMSON H. CHOWDHURY	
Chairman & Managing Director	- Square Pharmaceuticals Limited
Managing Director	- Square Toiletries Limited
Chairman	- Health Products Limited
Chairman	- Astras Limited
Chairman & Managing Director	- Pharma Packages (Pvt) Limited
Chairman & Managing Director	- Astras Chemicals Limited
Chairman & Managing Director	- Square Textiles Limited
Chairman & Managing Director	- Square Chemicals Limited
Director	- Fair Trading House Limited
Proprietor	- M/s. Samanis Enterprise.
Director	- Barnali Printers Limited
Vice President	- Bangladesh Aushad Shilpa Samity (BASS).
Ex-Vice President	- Metropolitan Chamber of Commerce & Industries (MCCI).
Board Member	- Micro Industries Development Assistance & Services (MIDAS).
(2) MR. SAMUEL S CHOWDHURY	
Managing Director	- Health Products Limited
Director	- Pharma Packages (Pvt) Limited
Managing Director	- Barnali Printers Limited
Director	- Astras Limited
Director	- Astras Chemicals Limited
Director	- Sheltech (Pvt) Limited
Director	- Sheltech Consultants(Pvt) Limited
Director	- Square Pharmaceuticals Limited
Director	- Square Toiletries Limited
Director	- Square Textiles Limited
Director	- Square Chemicals Limited
Proprietor	- Modern Pharmacy
Proprietor	- SAS Enterprise

(3) MR. TAPAN CHOWDHURY

Chairman	- Sheltech (Pvt) Limited
Director	- Square Pharmaceuticals Limited
Director	- Square Toiletries Limited
Director	- Health Products Limited
Director	- Astras Limited
Director	- Pharma Packages (Pvt.) Limited
Director	- Sheltech Consultants (Pvt) Limited
Director	- Barnali Printers Limited
Director	- Astras Chemicals Limited
Director	- Square Textile Limited
Director	- Square Chemicals Limited
Member, Executive Committee	- Bangladesh Employers Association (BEA)
Director	- Bangladesh Advisory Services Centre (BASC)

(4) MR. ANJAN CHOWDHURY

Director	- Square Pharmaceuticals Limited
Director	- Square Toiletries Limited
Director	- Health Products Limited
Director	- Astras Limited
Director	- Barnali Printers Limited
Director	- Square Textile Limited
Director	- Square Chemicals Limited

(5) DR. KAZI HARUNUR RASHID

Director	- Square Chemicals Limited
Director	- Square Pharmaceuticals Limited
Director	- Square Toiletries Limited
Director	- Square Textile Limited

(6) MR. KAZI IQBAL HARUN

Director	- Square Chemicals Limited
Director	- Square Pharmaceuticals Limited
Director	- Square Toiletries Limited
Director	- Square Textile Limited

(7) MRS. JAHANARA CHOWDHURY

Director	- Square Pharmaceuticals Limited
Director	- Square Toiletries Limited
Director	- Square Chemicals Limited

PART - VII

**AUDITORS REPORTS
AND
STATEMENTS OF ACCOUNTS
FOR THE PERIOD ENDED 30 JUNE 1994**

এন্ড্রিউ গোমস্ এন্ড কোং
ANDREW GOMES & CO.
CHARTERED ACCOUNTANTS

“BAITUL HOSSAIN” (11th Floor)
27 DILKUSHA COM. AREA
DHAKA-1000
Telephone 252224

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the annexed Balance Sheet of **SQUARE PHARMACEUTICALS LIMITED** as at 30 June 1994 and Statement of Trading, Profit and Loss for the period from 01 January to 30 June 1994 (including separate balance sheets, statements of trading, profit and loss of Toiletries & Suspension Divisions (Tax Holiday Units 2 & 3) and report that:

- (a) We have obtained all the information and explanations we have required for the purpose of audit;
- (b) In our opinion, the Balance Sheet and the Statement of Trading and Profit & Loss are drawn up in conformity with the law;
- (c) Such Balance Sheet exhibits a true and correct view of the state of affairs of the Company according to the best of our information and explanations given to us and as shown by the books of accounts of the Company; and
- (d) In our opinion, books of accounts have been kept by the Company as required by Section 130 of the Companies Act, 1913.

Dhaka
01 August 1994

Sd / -
(Andrew Gomes & Co)
CHARTERED ACCOUNTANTS

SQUARE PHARMACEUTICALS LIMITED, DHAKA

Summary of significant accounting policies

(For the period from 01 January to 30 June 1994)

1. Basis of maintenance and preparation of Accounts

The accounts are generally prepared under the historical cost convention and in compliance with the related sections of the Companies Act 1913 as a going concern basis.

2. Fixed Asests

Fixed assets are stated at cost less accumulated depreciation except land which are stated at cost. Depreciation is computed by using reducing balance method on the assets during the period. The gains or losses on the disposal or retirement of an asset is credited or charged to the accounts. Rates of depreciation were estimated for the useful life of the asset considering the method of deprectiation.

3. Stocks

Stocks were valued at lower of cost or market price at the cut-off date

4. Taxation

Provision made against the tax liability of the company was estimated by the management based on the Government fiscal regulations as per Finance Act 1994.

5. Plant and Machinery of Toiletries Division (Unit 2) were sold out to M/S Square Toiletries Ltd at an agreed price of Tk. 4,050,000 as per deed of agreement.

6. General

Some of the previous year's figures have been rearranged whenever necessary to conform to current period's presentation and the figures of the financial statements were rounded off to the nearest Taka.

SQUARE PHARMACEUTICALS LIMITED, DHAKA
BALANCE SHEET as at 30 June 1994

ANDREW GOMES & CO
CHARTERED ACCOUNTANTS

	Notes	Pharmaceu- tical Division Unit No.1	Tax Holiday Units Units 2 & 3	TOTAL (Units 1,2 & 3)	1993 Total
Fixed Assets:					
At cost less depreciation	1	318,397,038	1,197,039	319,594,077	303,035,078
Investment in Treasury Bond		—	5,532,725	5,532,725	5,532,725
Current Assets:					
Stock and Stores	2	144,550,864	5,357,143	149,908,007	177,050,400
Trade Debtors		34,604,491	412,217	35,016,708	37,195,892
Advances, Deposits & Prepayments	3	105,969,898	—	105,969,898	52,453,569
Cash in hand and at banks	4	42,382,421	2,000,000	44,382,421	41,827,603
Square Toiletries Ltd		—	2,050,000	2,050,000	—
Square Toiletries Ltd-Current Account		—	43,569,142	43,569,142	—
Inter-unit balance	5	5,339,912	19,365,434	24,705,346	14,566,521
		332,847,586	72,753,936	405,601,522	323,093,985
Less : Current Liabilities:					
For Goods supplied		21,878,230	2,895,130	24,773,360	38,721,858
For Expenses		20,983,583	239,671	21,223,254	9,821,896
For Other Finance		1,097,684	561,296	1,658,980	1,841,595
Loan from Directors		—	—	—	831,570
W P P & W F	6	8,701,574	2,131,308	10,832,882	7,817,420
Short term bank loan	7	145,504,254	—	145,504,254	117,634,351
Provision for Taxation		85,000,000	—	85,000,000	55,000,000
Proposed Dividend (1993)		12,403,500	—	12,403,500	12,403,500
Inter-unit balance	8	19,365,434	5,339,912	24,705,346	14,566,521
		314,934,259	11,167,317	326,101,576	258,638,711
Net current Assets		17,913,327	61,586,619	79,499,946	64,455,274
NET ASSETS	Taka	336,310,365	68,316,383	404,626,748	373,023,077
FINANCED BY					
Share Capital	9	100,000,000	—	100,000,000	49,614,000
General Reserve and Surplus	10	220,716,638	47,384,550	268,101,188	273,217,171
Tax Holiday Reserve		—	20,931,833	20,931,833	17,638,697
Shareholders Equity		320,716,638	68,316,383	389,033,021	340,469,868
Long term bank loan	11	15,593,727	—	15,593,727	32,553,209
TOTAL Taka		336,310,365	68,316,383	404,626,748	373,023,077

As per our Report of date annexed.

Sd / -
Dhaka
01 August 1994
Director

Sd / -
Chairman and
Managing Director

Sd / -
(Andrew Gomes & Co)
CHARTERED ACCOUNTANTS

SQUARE PHARMACEUTICALS LIMITED, DHAKA

Notes to the Balance Sheet as at 30 June 1994

 ANDREW GOMES & CO
 CHARTERED ACCOUNTANTS

	Notes	Unit 1	Unit 2 & 3	TOTAL (Unit 1, 2 & 3)	1993 (Total)
1	Fixed Assets (at cost less depreciation)				
	Pharmaceutical Div. (Unit 1)	19 318,397,038	—	318,397,038	295,922,588
	Toiletries Division (Unit 2)	20 —	559,442	559,442	6,430,604
	Suspension Division (Unit 3)	20 —	637,597	637,597	681,886
	Tk	318,397,038	1,197,039	319,594,077	303,035,078
2	Stock and Stores (As taken, valued and certified by the management): Raw Materials, Packing Materials, Cartons, Board Boxes, Labels & Work-in-process Finished Products Hospital & Senora Products				
		115,085,747	4,648,602	119,734,349	158,117,317
		23,790,167	708,541	24,498,708	12,670,142
		5,674,950	—	5,674,950	6,262,941
	Tk	144,550,864	5,357,143	149,908,007	177,050,400
3	Advances, Deposits & Prepayments Advances recoverable in cash or value to be received Letter of Credit Margin Deposits Advance payment of Income Tax Security and Other Deposits VAT - Current Account				
		10,766,303	—	10,766,303	22,447,448
		41,587,740	—	41,587,740	4,121,888
		50,277,378	—	50,277,378	20,184,665
		1,183,014	—	1,183,014	901,689
		2,155,463	—	2,155,463	4,797,879
	Tk	105,969,898	—	105,969,898	52,453,569
4	Cash in hand and at banks Cash in Hand Cash at Banks in Curr. & STD A/Cs				
		550,259	2,000,000	2,550,259	377,094
		41,832,162	—	41,832,162	41,450,509
	Tk	42,382,421	2,000,000	44,382,421	41,827,603
5	Inter-unit balance Pharmaceuticals Division (Unit No.1) Toiletries Division (Unit No.2)				
		—	19,365,434	19,365,434	14,566,521
		5,339,912	—	5,339,912	—
	Tk	5,339,912	19,365,434	24,705,346	14,566,521
6	Workers' Profit Participation & Welfare Fund (W P P & W F) Balance from last year Amount transferred during the period Provision for the period				
		6,234,968	1,582,452	7,817,420	7,636,332
		912,696	—	912,696	7,264,877
		5,322,272	1,582,452	6,904,724	371,455
		3,379,302	548,856	3,928,158	7,445,965
	Tk	8,701,574	2,131,308	10,832,882	7,817,420

Contd.../2

Notes to the B/Sheet
As at 30.06.94 (contd.)

- 2 -

	Unit 1	Unit 2 & 3	TOTAL (Unit 1, 2 & 3)	1993 (Total)
7 Short term bank loan Janata Bank, Pabna, Cash Credit:				
A/c No. 2	49,195,845	—	49,195,845	46,987,281
A/c No. 154	87,681,545	—	87,681,545	58,084,063
A/c No. 109	218,349	—	218,349	10,327,459
A/c No. 110	8,408,515	—	8,408,515	2,235,548
Tk	<u>145,504,254</u>	<u>—</u>	<u>145,504,254</u>	<u>117,634,351</u>
8 Inter-unit balance				
Toiletries Division (Unit No - 2)	—	5,339,912	5,339,912	14,202,435
Suspension Division (Unit - 3)	19,365,434	—	19,365,434	364,086
Tk	<u>19,365,434</u>	<u>5,339,912</u>	<u>24,705,346</u>	<u>14,566,521</u>
9 Share Capital				
Authorised:				
2,000,000 Ord. Shares of Tk 100/- each	200,000,000	—	200,000,000	200,000,000
Issued, Subscribed and paid-up:				
9,230 Ord. Shares of Tk 100/- each fully paid-up in cash	923,000	—	923,000	923,000
986,768 Bonus Shares of Tk 100/- each	98,676,800	—	98,676,800	48,290,800
4,002 Ord. Shares of Tk 100/- each fully paid-up other than cash	400,200	—	400,200	400,200
Tk	<u>100,000,000</u>	<u>—</u>	<u>100,000,000</u>	<u>49,614,000</u>
10 Reserve and Surplus				
General Reserve:				
Balance brought forward	156,264,200	—	156,264,200	116,264,200
Add: Transfer during the period	—	—	—	40,000,000
Less: Bonus Shares issued	(50,386,000)	—	(50,386,000)	-
Balance b/d from P&L Statement	105,878,200	—	105,878,200	156,264,200
Tk	<u>220,716,638</u>	<u>47,384,550</u>	<u>268,101,188</u>	<u>273,217,171</u>
11 Long term bank loan Janata Bank, Pabna (Secured)	15,593,727	—	15,593,727	32,553,209
Tk	<u>15,593,727</u>	<u>—</u>	<u>15,593,727</u>	<u>32,553,209</u>

Sd / -
Dhaka
01 August 1994
Director

Sd / -
Chairman and
Managing Director

Sd / -
(Andrew Gomes & Co)
CHARTERED ACCOUNTANTS

SQUARE PHARMACEUTICALS LIMITED, DHAKA

Consolidated Statement of Trading, Profit & Loss

For the period from 01 January to 30 June 1994

ANDREW GOMES & CO

CHARTERED ACCOUNTANTS

	Unit-1	Units-2&3	TOTAL (Units-1,2&3)	1993 Total (Units-1,2&3)
Sales (Note 12A)	504,419,409	113,173,533	617,592,942	1,136,590,163
Less: Cost of Goods Sold:				
Purchase-raw materials	278,614,566	74,199,671	352,814,237	685,858,727
add- Opening stock-raw materials	133,964,130	24,153,187	158,117,317	134,459,745
less- Closing stock -raw materials	(115,085,747)	(27,656,565)	(142,742,312)	(158,117,317)
add- Other mfg. expenses	51,455,407	6,999,744	58,455,151	107,343,482
Cost of goods manufactured	348,948,356	77,696,037	426,644,393	769,544,637
add- Purchase- F.Goods	5,713,305	—	5,713,305	9,399,069
add- Opening stock- F.Goods	17,298,141	1,634,942	18,933,083	28,727,106
less- Closing stock- F.Goods	(29,465,117)	(2,782,926)	(32,248,043)	(18,933,083)
	342,494,685	76,548,053	419,042,738	788,737,729
Gross Profit	161,924,724	36,625,480	198,550,204	347,852,434
Less: Admn., Selling & Financial Exps.	90,984,364	25,188,859	116,173,223	198,933,123
	70,940,360	11,436,621	82,376,981	148,919,311
Add-Interest on Treasury bond	—	73,622	73,622	129,429
Add-Non-operating income	24,975	15,733	40,708	—
Profit before W.P.P. & W.F.	70,965,335	11,525,976	82,491,311	149,048,740
Less: W.P.P. & W.F.	3,379,302	548,856	3,928,158	7,445,965
Net Profit for the period	67,586,033	10,977,120	78,563,153	141,602,775
Less: Provision for Income Tax	30,000,000	—	30,000,000	55,000,000
Net Profit after Tax	37,586,033	10,977,120	48,563,153	86,602,775
Less: Tax Holiday Reserve	—	3,293,136	3,293,136	8,496,380
	37,586,033	7,683,984	45,270,017	78,106,395
Add: Balance b/f from Last year	77,252,405	39,700,566	116,952,971	96,362,181
Less: Appropriation for last year	—	—	—	29,922,800
	77,252,405	39,700,566	116,952,971	66,439,381
Add: Prior years' adjustments	—	—	—	4,810,695
	77,252,405	39,700,566	116,952,971	71,250,076
Less: Appropriation for current year	—	—	—	32,403,500
Balance carried forward	114,838,438	47,384,550	162,222,988	149,356,471
	—	—	—	32,403,500
Balance carried forward	114,838,438	47,384,550	162,222,988	116,952,971

As per our Report of date annexed.

Sd / -

Sd / -

Sd / -

Dhaka
01 August 1994

Director

Chairman and
Managing Director(Andrew Gomes & Co)
CHARTERED ACCOUNTANTS

SQUARE PHARMACEUTICALS LTD, DHAKA
SCHEDULE OF FIXED ASSETS AS AT 30 JUNE 1994
 Toiletries Division (Unit- 2)

ANDREW GOMES & CO.
 CHARTERED ACCOUNTANTS

PARTICULARS	COST				DEPRECIATION				W.D.V as at 30 June 1994	Rate of Dep
	At 31 Dec 1993	During the six months		At 30 June 1994	At 31 Dec 1993	During the six months		At 30 June 1994		
		Additions	Sales/ Transfer			Charged	Adjust ment			
Factory Building	810,932	—	—	810,932	301,049	25,494	—	326,543	484,389	10%
Plant & Machinery	9,659,666	1,328,948	(10,988,614)	—	3,774,972	541,023	(4,315,995)	—	—	15%
Furniture & Fixture	40,030	39,940	—	79,970	4,003	3,798	—	7,801	72,169	10%
Laboratory Equipment	—	3,036	—	3,036	—	152	—	152	2,884	10%
TOTAL TK.	10,510,628	1,371,924	(10,988,614)	893,938	4,080,024	570,467	(4,315,995)	334,496	559,442	
Total 1993	8,199,776	2,310,852	—	10,510,628	2,980,892	1,099,132	—	4,080,024	6,430,604	

Suspension Division (Unit-3)

PARTICULARS	COST				DEPRECIATION				W.D.V as at 30 June 1994	Rate of Dep
	At 31 Dec 1993	During the six months		At 30 June 1994	At 31 Dec 1993	During the six months		At 30 June 1994		
		Additions	Sales/ Transfer			Charged	Adjust ment			
PABNA FACTORY :										
Building	388,944	—	—	388,944	114,855	13,704	—	128,559	260,385	10%
Plant & Machinery	698,978	—	—	-698,978	291,181	30,585	—	321,766	377,212	15%
TOTAL TK.	1,087,922	—	—	1,087,922	406,036	44,289	—	450,325	637,597	
Total 1993	1,087,922	—	—	1,087,922	303,618	102,418	—	406,036	681,886	

Dhaka
 01 August 1994

Sd/-
 Director

Sd/-
 Chairman and
 Managing Director

SQUARE PHARMACEUTICALS LTD, DHAKA
SCHEDULE OF FIXED ASSETS AS AT 30 JUNE 1994
 Pharmaceuticals Division (Unit-1)

ANDREW GOMES & CO.
CHARTERED ACCOUNTANTS

PARTICULARS	C O S T				D E P R E C I A T I O N				W. D.V as at 30 June 1994	Rate of Dep
	At 31 Dec 1993	During the six months		At 30 June 1994	At 31 Dec 1993	During the six months		At 30 June 1994		
		Additions	Sales/ Transfer			Charged	Adjust ment			
PABNA OFFICE & FACTORY:										
Freehold Land	8,700,738	—	—	8,700,738	—	—	—	—	8,700,738	
Building	52,798,325	—	—	52,798,325	24,488,407	1,415,496	—	25,903,903	26,894,422	10%
Building under Construction	—	6,028,068	—	6,028,068	—	—	—	—	6,028,068	
Plant & Machinery	152,828,154	23,798,681	—	176,626,835	83,190,446	7,007,728	—	90,198,174	86,428,661	15%
Laboratory Equipment	10,420,961	317,050	—	10,738,011	3,131,913	380,305	—	3,512,218	7,225,793	10%
Furniture & Fixture	2,074,185	162,059	—	2,236,244	545,548	84,475	—	630,023	1,606,221	10%
Office Equipment	11,547,613	—	—	11,547,613	4,149,012	369,990	—	4,519,002	7,028,611	10%
Motor Vehicles	35,848,423	8,300	—	35,856,723	20,577,227	1,527,950	—	22,105,177	13,751,546	20%
Plant & Machinery in Transit	5,343,794	—	(5,343,794)	—	—	—	—	—	—	
Chemical Division:										
Machinery & Buildings	103,861,337	1,515,235	—	105,376,572	—	—	—	—	105,376,572	
Motor Vehicles	—	72,100	—	72,100	—	—	—	—	72,100	
TOTAL	383,423,530	31,901,493	(5,343,794)	409,981,229	136,082,553	10,785,944	—	146,868,497	263,112,732	
HEAD OFFICE:										
Land	1,654,019	—	—	1,654,019	—	—	—	—	1,654,019	
Building	45,444,477	3,792,233	—	49,236,710	—	2,461,836	—	2,461,836	46,774,874	10%
Furniture & Fixture	2,536,230	352,600	—	2,888,830	1,053,115	91,441	—	1,144,556	1,744,274	10%
Office Equipment	—	1,271,320	—	1,271,320	—	63,566	—	63,566	1,207,754	10%
Motor Vehicles	—	4,337,094	—	4,337,094	—	433,709	—	433,709	3,903,385	20%
TOTAL	49,634,726	9,753,247	—	59,387,973	1,053,115	3,050,552	—	4,103,667	55,284,306	
GRAND TOTAL TK.	433,058,256	41,654,740	(5,343,794)	469,369,202	137,135,668	13,836,496	—	150,972,164	318,397,038	
Total 1993	396,128,193	49,642,355	(12,712,292)	433,058,256	121,293,38	21,218,952	(5,376,668)	137,135,668	295,922,588	

NOTE: Depreciation has been charged in the statements as follows:

Manufacturing statement	10,785,944
Profit & Loss statement	3,050,552
Taka	<u>13,863,496</u>

PART-VIII

COMPANIES ACT OF 1913

PUBLIC COMPANY LIMITED BY SHARES

Memorandum of Association

OF

SQUARE PHARMACEUTICALS LIMITED

- i. The name of the Company is SQUARE PHARMACEUTICALS LIMITED.
- ii. The Registered office of the Company will be situated in the Province of East Pakistan.
- iii. The Objects for which the Company is established are (and it is hereby expressly declared that each sub-clause of this clause shall be construed independently of other sub-clauses hereof and that none of the objects mentioned in any sub-clause shall be deemed to be merely subsidiary to the objects mentioned in any other sub-clause).
 1. To acquire and take over as a running concern the business now carried on at Pabna, under the name and style of 'SQUARE PHARMACEUTICAL WORKS' and all the assets, properties and liabilities of the partners of that business in connection therewith and the Goodwill thereof and with a view thereto to enter into the agreement referred to in clause 3 of the Company's Articles of Association and to carry the same into effect with or without modification.
 2. To carry on all or any of the business of medicine, pharmaceuticals in any manner whatsoever.
 3. To carry on all or any of the business of as manufacturers, exporters and distributors of and dealers in either as principals or as agents of medical, biological, immunological, pharmaceutical preparations and substances, disinfectants, infants and invalids, food, dentifrices, antiseptic cotton and dressings.
 4. To carry on all or any of the business as manufacturers, importers, exporters, distributors and dealers either as principals or an agents of acids, alkalies, drugs, injectable, serum, vaccines, stains, reagents.

5. To carry on all or any of the business as manufacturers, importers, exporters, distributors, and dealers either as principals or as agents of medical, obstetrical, surgical, dental, optical, photographic, radio instruments, appliances, supplies, and machinery and all other scientific.
6. To carry on all or any of the business of chemical products used in industry, commerce, science, photography, agriculture, horticulture, forestry, natural and artificial manures and the like as manufacturers, importers, exporters, distributors and dealers, either as principals or as agents.
7. To carry on the business of manufacturers and suppliers of chemicals, physical, biological and agricultural apparatus, appliances and implements of scientific laboratories and materials of all descriptions and as general order suppliers and commission agents and for the purpose to erect work or manage suitable establishments, laboratory, factory or works.
8. To erect, establish or manage a standardisation laboratory for the manufacture or standardisation of serum, vaccines and injectable etc. and chemicals and compounds of all description and to carry on business in such products.
9. To work and operate a laboratory for the advancement of research work belonging upon medicine, surgery, chemistry, physiology, therapeutics, biology, materiamedica, pharmacy and allied subjects.
10. To start and maintain outdoor and indoor dispensaries, clinics, sanatoriums, nursing homes and the like for benefit of public health.
11. To start and equip and maintain a laboratory for the examination of blood, sputum, urine etc. and prepare auto-vaccines.
12. To publish journals, periodicals, books, catalogues, lists, advertising materials of any description relating to health, hygiene or otherwise and to start, equip and manage printing press and foundries etc.
13. To plant, cultivate, produce raise or purchase medical plants, herbs, drugs, ingredients, spices and other crops and trees for the purpose of manufacturing unani or ayurvedic medicines or for carrying on general trade in them.
14. To carry on all or any of the business of soaps, perfumery, essential oils, cosmetics, hair lotions, hair oils and various other toilet requisites, distributors and dealers, either as principals or as agents.
15. To carry on all or any of the business of preserved, dried and cooked fruits and vegetables jellies, jams, preserves, pickles, pastry and confectionery, vinegar,

sauces spices, syrups and other preparations for making beverages and manufacturers, exporters, importers, distributors and dealers, either as principals or as agents.

16. To act as Managing Agents, Underwriters, Brokers, Insurance Agents, Forwarding Agents, Contractors of Commercial, Industrial Trading or any other matter that may be calculated to benefit the Company.
17. To buy, sell, import, export, manufacture, manipulate, treat and deal in merchandise commodities and articles of all kinds and generally to carry on business as merchants, importers and exporters.
18. To start, maintain, equip, erect and run factory or factories and mills for the manufacture of the above named articles or any of the said articles or any of the said articles and to obtain by purchase any land or building and to construct, maintain or alter any building, electrical work or other work necessary or convenient for the purpose of the Company.
19. To carry on any other business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above objects or calculated directly or indirectly to enhance the value of or render more profitable any of the Company's property.
20. To purchase or by any other means acquire any freehold, leasehold, or other property or any estate or interest whatever and any rights, privileges, or easements over or in respect of any property and any buildings, offices, factories, mills works, wharves, roads, railways, machinery, engines rolling stock, vehicles, plant live and dead stock, barges, vessels or things and any real or personal property or rights whatsoever which may be necessary for, or may be conveniently used or may enhance the value of any other property of the Company.
21. To build, construct, maintain, alter, enlarge, pull down and remove or replace any buildings, offices, factories, mills works, wharves, roads, railway, tramway, machinery, engines, walls, fences, tanks, dams, sluices or watercourses and to clear sites for same, or to join with any person, firm, or Company in doing any of the things the aforesaid and to work manage and control the same or join with others in so doing.
22. To apply for, register, purchase or by other means acquire and protect, prolong and renew whether in Pakistan or elsewhere any patents, patent rights, brevets d' invention licenses, trade marks, designs, protection and concessions which may appear likely to be advantageous or useful to the Company and to use and turn to account and to manufacture under or grant licenses or privileges in respect of the

same and to expend money in experimenting upon and testing and in improving or seeking improve any patents, inventions or fights which the Company may acquire or propose to acquire.

23. To acquire and undertake the whole or any part of the business, good will and assets of any person, firm or Company carrying on or proposing to carry on any of the business which this Company is authorised to carry on, and as part of the consideration for such acquisition, to undertake all or any of the liabilities of such person, firm or Company or to acquire an interest in amalgamation with, or enter into partnership or into any arrangement for sharing profits or co-operation or for limiting competition or for mutual assistance with any such person, firm or company and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired any shares, debentures, stock or securities that may be agreed upon and to hold and retain or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.
24. To improve, manage, cultivate, develop, exchange, let on lease otherwise, mortgage, sell, dispose of, turn to account, grant, rights and privileges in respect of or otherwise deal with all or any part of the property and rights of the Company.
25. To invest and deal with the monies of the Company not immediately required in such shares or upon such securities and in such manner as may from time to time be determined.
26. To lend and advance money or give credit to such persons, firms or companies and on such terms as may seem expedient and in particular to customers and others having dealing with the company and to give guarantees or become sureties for any such persons, firms or Companies.
27. To borrow, make, accept, discount, execute and issue promissory notes, bills of exchange, bills of lading warrants, debentures and other negotiable or transferable instruments.
29. To apply for, promote and obtain any Act of the Central Legislature, Provincial Legislature or any Public body or other authority for enabling the Company to carry any of its objects into effects or for effecting any modification of the Company's constitution or for any other purpose which may seem calculated directly or indirectly to prejudice the Company interests.
30. To enter into any arrangements with any Governments or Authorities Supreme, Municipal, Local or otherwise or any companies, firms, persons that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such Government, authority, company, firm or person, any charters,

contracts, decrees, rights, privileges and concessions which the Company may think desirable and carry out, exercise and comply with any such charters, contracts, decrees, rights, privileges and concessions.

31. To subscribe for, take, purchase or otherwise acquire and hold shares or other interests in or securities of any other company having objects altogether or in part similar to those of this Company or carrying on any business capable of being carried on so as directly or indirectly benefit this Company.
32. To act as agents or trustees for any person, firm or Company and to undertake and perform sub-contracts and also to act in any of the business of the Company through or by means of agents, brokers, sub-contractors or others.
33. To remunerate any person, firm or company rendering services to this Company either by cash payment or by the allotment to him or them of shares or securities of the Company credited as paid up in full or in part or otherwise, as may be through expedient.
34. To pay all or any expenses incurred in connection with promotion formation and incorporation of the Company or to contract with any person, firm or company to pay the same and to pay commission to brokers and other for underwriting placing, selling or guaranteeing the subscription of any shares, debentures, debenture stock or securities of the Company.
35. To support and subscribe to any charitable or public object and any institution, society or club which may be connected with any town or place where the company carries on business, to give pensions, gratuities or charitable aid to any person who may have been Directors of or may have served the Company or to the children or other relatives or dependents of such persons, to make payments towards insurance and to form and contribute to provident and benefit funds for the benefit of any such persons or of their wives, children or other relatives or dependents.
36. To promote any other company for the purpose of acquiring the whole or any part of the business of property and undertaking any of the liabilities of this company or of undertaking any business or operations which may appear likely to assist or benefit this company or to enhance the value of any property or business of this Company and to place or guarantee the placing of underwrite, subscribe for or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.
37. To sell or otherwise dispose of the whole or any part of the business or property of the company, either together or in portions, for such consideration as the company may think fit, and in particular for shares, debentures, or securities of any Company purchasing the same.

38. To distribute among the members of the Company and in particular any shares, debentures or securities of other Companies belonging to this Company or of which this Company may have the power of disposing.
 39. To procure the Company to be registered or recognised in any Dominion and in any foreign Country or place.
 40. To do all such other acts and things as may be deemed incidental or conducive to the attainment of the above objects or any of them, provided that nothing herein contained shall empower the Company to carry on the business of banking.
- iv. The liability of the members is limited.
 - v. The share capital of the Company is Tk. 100,00,00,000/- (one hundred crore) divided into 100,00,000 (one crore) shares of Tk. 100/- (Taka one hundred) each, with power to increase or reduce the capital, to divide the shares in the Capital for the time being into several classes and to attach thereto respectively such qualified or special rights, privileges or conditions as may be determined by or in accordance with regulation of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manners as may from time to time be provided by the regulations of the Company and to consolidate or subdivide the shares and issue shares of higher and lower denomination.

We the several persons, whose names and address are described below, are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our names :

Name, address and description of the subscribers	Number of shares Subscribed	Name, address and description of the witness
---	--------------------------------	---

1.

2.

Date the day of 19

PART - IX
MISCELLANEOUS

1. AUDITORS : ANDREW GOMES & CO.
Chartered Accountants
BAITUL HOSSAIN (11th Fl.)
27, DILKUSHA C.A. DHAKA 1000
Tel. 252224
2. LEGAL ADVISER : MR. ROKANUDDIN MAHMUD,
BAR-AT-LAW
3. BANKER OF THE COMPANY: JANATA BANK
4. COMPANY SECRETARY : MR. A.M. NURUNNABI
5. BROKERS TO THE ISSUE : ALL MEMBERS OF THE DHAKA
STOCK EXCHANGE LTD.
6. MANAGER TO THE ISSUE : M/S. KHURSHID ALAM & CO.
7. REGISTERED HEAD OFFICE /
CORPORATE HEADQUARTERS
OF THE COMPANY : SQUARE CENTRE

48, MOHAKHALI C. A.
DHAKA - 1212
Tel. (880-2) 887729-38
Fax : (880-2) 888608, 888609
Tlx : 632496 SPL BJ,
675841 FTH BJ

A copy of the Memorandum and Articles of Association of the company and the Consent Order of the Securities & Exchange Commission may be inspected on any working day during office hours at Company's Registered Office / Corporate Headquarters.

Name of Directors**Signature**

Mr. Samson H Chowdhury

Sd/ _____

Mr. Tapan Chowdhury

Sd/ _____

Mr. Samuel S Chowdhury

Sd/ _____

Mr. Anjan Chowdhury

Sd/ _____

Mr. Kazi Harunar Rashid

Sd/ _____

Mr. Kazi Iqbal Harun

Sd/ _____

Mrs. Jahanara Chowdhury

Sd/ _____

NOVEMBER 03, 1994

Bankers Sl. No.

SQUARE PHARMACEUTICALS LIMITED
APPLICATION FORM FOR SHARES

Date :

Directors
Square Pharmaceuticals Limited
Square Centre
48, Mohakhali C/A
Dhaka-1212

Bank name & code
Branch name & code
Application number
DSE Member number

Dear Directors,

I/We apply for and request you to allot me/us the following number of shares and I/we agree to accept the same, or any smaller number that may be allotted to me/us upon the terms of the company's approved prospectus and subject to the Memorandum and Articles of Association of the company. Further, I/we authorise you to place my/our name(s) on the Register of member(s) of the company as the holder(s) of the () shares allotted to me/us pursuant to this application and to send allotment letter in respect thereof and/or a crossed (account payable only) cheque in respect of any application money returnable by post at my/our risk to the first applicant's address stated below :

1. No. of shares _____ of taka 900.00 (including premium of Tk. 800.00) each.
3. Amount of Tk. (in figures) _____ [Taka (in words) _____
only deposited vide cash/cheque/draft/pay order no. _____
dated _____ on _____ Bank _____ Branch _____
4. I/We agree to fully abide by the instructions printed overleap.
5. Name and address :

(a) Sole/first applicant

Mr./Ms. _____
Father/Mother/Husband's name _____
Postal address _____
Occupation _____
Nationality _____ Passport/ID No. (if any) _____

(b) Second applicant

Mr./Ms. _____
Father/Mother/Husband's name _____
Postal address _____
Occupation _____
Nationality _____ Passport/ID No. (if any) _____

6. Specimen signature(s)

Name (in block)	Signature
(a) _____	_____
(b) _____	_____

Banker's acknowledgement

Certificate that this bank has received Tk _____ (Taka _____)
_____ only in Cash/by Cheque/Draft/Pay Order from Mr./Ms. _____
_____ being application money for..... nos. of shares of Square Pharmaceuticals Limited.

Bankers Sl. No.

Authorised Signature _____
Name & Designation _____
Date: _____

SEAL

INSTRUCTIONS :

1. All information must be typed or written (in full in block letters) in English or in Bengali and should not be abbreviated.
2. Applications must be made on the company's printed form/photocopy/cyclostyled/hand written or typed forms thereof.
3. Application must not be less than for 20 shares or multiple thereof of Tk. 900.00 (including premium of Tk. 800.00) each.
4. Remittance for the full amount of the shares must accompany each application and must be forwarded to any one of the bankers to the issue. Remittance should be in the form of cash or cheque(s) or draft(s)/pay order(s), payable to one of the bankers to the issue "**A/c SQUARE PHARMACEUTICALS LIMITED**" and crossed "**A/c payee only**" and must be drawn on a bank in the same town as the bank to which the application form has been sent.
5. In the case of joint application form, the allotment letter will be dispatched to the person(s) whose name appears first on this application form and where any amount is refundable in full or in part, the same will be refunded by cheque and by post/courier service to the person named first on this application form in the manner prescribed in the prospectus.
6. An applicant can submit not more than two applications, one in his own name and another jointly with another person. In case an applicant makes more than two application those in excess of two application shall not be considered for allotment purpose.
7. No receipt will be issued for the payment made with willful application but a provisional acknowledgement will be issued by the bankers to the issue for application lodged with them.
8. Refund will be made through "Account payee" cheque(s) only.
9. Allotment shall be made solely in accordance with the instructions of the Securities & Exchange Commission (SEC).
10. Making of any false statement in the application or supplying of incorrect information therein or suppressing any information will make the relevant application liable to rejection and subject to forfeiture of application money. The said application money will be deposited in account specified by the SEC. This may be in addition to any other penalties as may be provided for by law.
11. Applications which do not meet with the above requirements or applications which are incomplete shall not be entertained.

Name of the bankers to the issue :

- | | | |
|---|---|--|
| 1. Janata Bank
Local Office, Dhaka
Foreign Exchange Corporate Branch, Dhaka
Motijheel Corporate Branch, Dhaka
Ramna Corporate Branch, Dhaka
Farm Gate Corporate Branch, Dhaka
Topkhana Road, Corporate Branch, Dhaka
Bangabandhu Road Corporate Branch, Narayanganj
Laldighi East Corporate Branch, Ctg.
Sk. Mujib Rd. Corporate Branch, Ctg.
K D Gosh Road, Corporate Branch, Khulna
Mymensingh Main Branch
Tangail Main Branch
Faridpur Main Branch
Sylhet Corporate Branch
Comilla Main Branch
Maizlee Court Branch, Noakhali
H M M Road Branch, Jessore
Kushtia Main Branch
Barisal Main Branch
Patuakhali Main Branch
Rajshahi Main Branch | Pabna Main Branch
Bogra Main Branch
Rangpur Main Branch
Dinajpur Main Branch

2. Investment Corporation of Bangladesh
Head Office, Dhaka
Chittagong Branch
Rajshahi Branch
Khulna Branch
Sylhet Branch
Barisal Branch

3. National Bank Ltd.
Dilkusha Branch
Foreign Exchange, DIT Road Branch
Foreign Exchange, Imamgonj Branch
Mohakhali Branch
Kawranbazar Branch
Khatunganj Branch, Chittagong
Jubilee Road Branch, Chittagong

4. Rupali Bank
Foreign Exchange Branch
5. Arab Bangladesh Bank Ltd. | Principal Branch, Dhaka
Kawran Bazar Branch, Dhaka
Motijheel Branch, Dhaka
Agrabad Branch, Chittagong
Khulna Branch, Khulna
Rajshahi Branch, Rajshahi
Barisal Branch, Barisal
Modhu-ban Branch, Sylhet

6. ANZ Grindlays Bank
Principal Branch, Dhaka
Dhanmondi Branch, Dhaka
Korbanijang Branch, Chittagong

7. Banque Indosuez
Motijheel Branch, Dhaka
Agrabad Branch, Chittagong

8. Standard Chartered
Dhaka Branch
Chittagong Branch

9. American Express Bank
Dhaka Branch
Chittagong Branch |
|---|---|--|

