



# ANNUAL REPORT 2015-2016

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**SQUARE**  
PHARMACEUTICALS LTD.  
BANGLADESH

## Key Highlights of the operations

Square Pharma  
2015-2016 (15 months)

↑ **15.16%**

Gross Turnover BDT 41,679 million

↑ **15.13%**

Net Turnover BDT 36,033 million

↑ **4.06%**

Export BDT 1,400 million

↑ **43.87%**

Contribution to National Exchequer BDT 9,085 million

↑ **25.89%**

Gross Profit BDT 17,407 million

↑ **41.43%**

Net Profit (AT) BDT 9,227 million

↑ **41.43%**

Earning Per Share (EPS) BDT 14.80

↑ **26.99%**

Net Asset Value (NAV) BDT 35,597 million

↑ **50.00%**

Dividend Payout (Cash) BDT 2,494 million

**Market leader** in pharmaceuticals industry

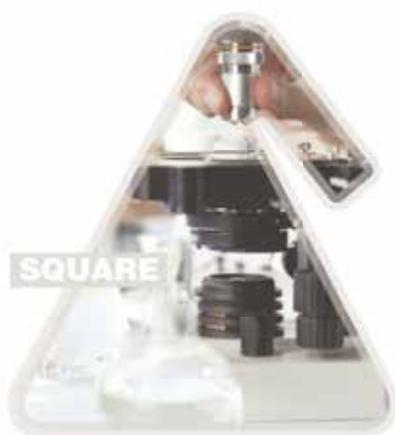
**Since 1985**

# The Founder



SAMSON H CHOWDHURY  
FOUNDER CHAIRMAN  
1926-2012

# In this year's Report



## Annual Report 2015-2016

For the 15 months period  
ended 30 June 2016

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**SQUARE**  
PHARMACEUTICALS LTD.  
BANGLADESH

## Transmittal Letter

To  
The Members  
Bangladesh Securities and Exchange Commission  
Registrar of Joint Stock Companies & Firms  
Dhaka Stock Exchange Ltd.  
Chittagong Stock Exchange Ltd.

Sub. : Annual Report for the 15 months period ended June 30, 2016

Dear Sir(s)

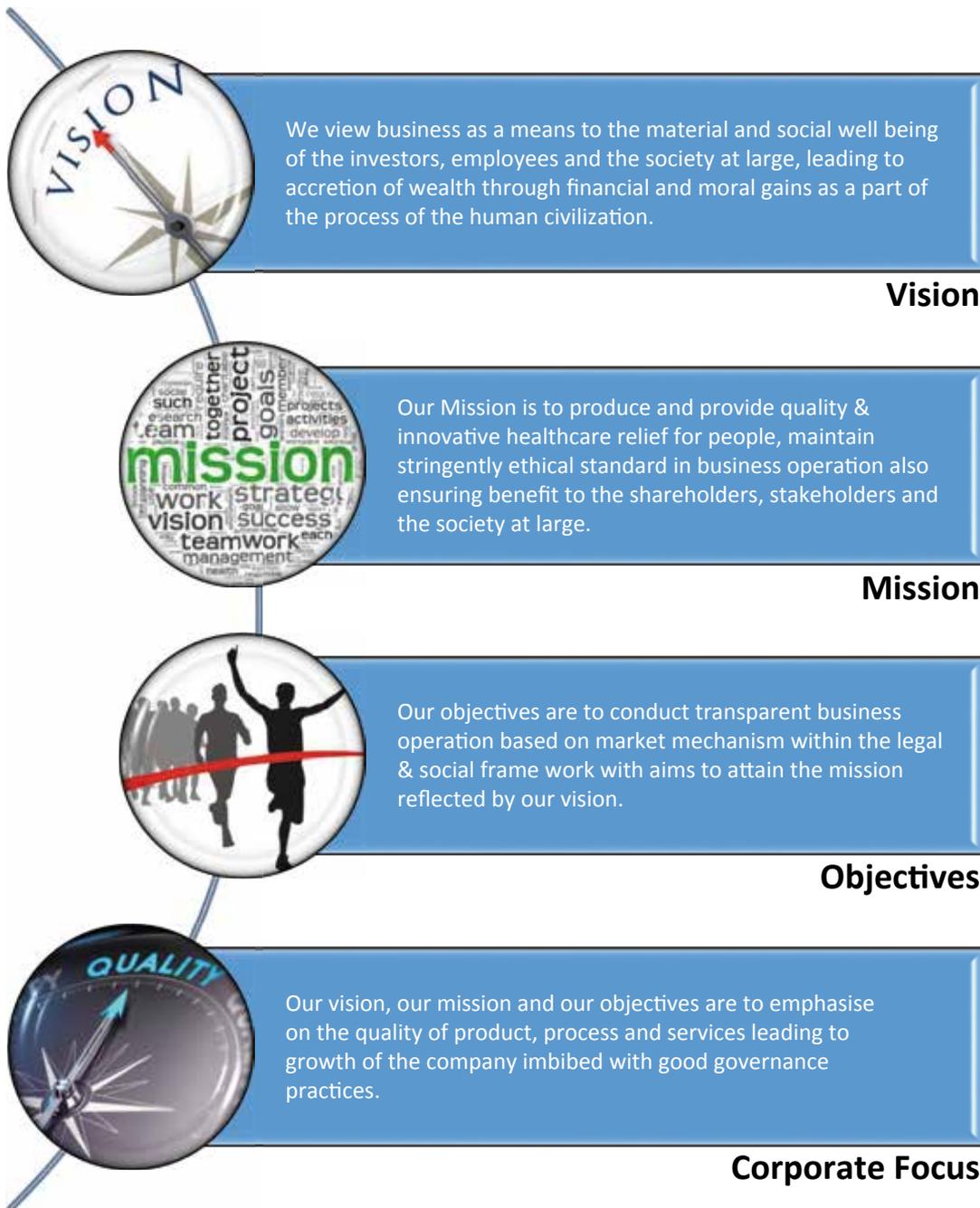
We are pleased to enclose a copy of the Annual Report containing Directors' Report, Auditors' Report alongwith Audited Financial Statements including Statement of Financial Position as at June 30, 2016, Statement of Comprehensive Income, Changes in Equity and Cash Flows for the 15 months period ended June 30, 2016 alongwith notes thereon and all related Consolidated and Subsidiary Financial Statements for your record and necessary measures.

Yours sincerely

Khandaker Habibuzzaman  
Company Secretary

Dated: 27<sup>th</sup> November, 2016

# Vision & Mission





## Notice

Notice is hereby given that the 50<sup>th</sup> ANNUAL GENERAL MEETING of the Members of Square Pharmaceuticals Ltd. will be held on Tuesday the 13<sup>th</sup> December, 2016 at 10:00 a.m. at RAOWA Convention Hall - 2, Mohakhali DOHS, Dhaka to transact the following business:

- Agenda -1: To receive, consider and adopt the Audited Financial Statements for the 15 months period ended June 30, 2016 together with the Report of the Directors' and the Auditors' thereon.
- Agenda -2: To declare dividend for the 15 months period ended June 30, 2016.
- Agenda -3: To elect Directors in terms of the relevant provision of Articles of Association.
- Agenda -4: To appoint Auditors for the year 2016-2017 and to fix their remuneration.
- Agenda -5: To re-appoint the Independent Director.

By order of the Board

A handwritten signature in black ink, appearing to read 'Khandaker Habibuzzaman'.

Khandaker Habibuzzaman  
Company Secretary

Dated: 27<sup>th</sup> November, 2016

### Notes:

- (i) The proxy form must be affixed with requisite revenue stamp and must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
- (ii) Members are requested to submit to the Company's Share Office on or before December 12, 2016 their written option to receive dividend. In case of non-submission of such option within the stipulated time, the dividend will be paid off as deemed appropriate by the Company.
- (iii) The Annual Report is available in the Company's website at [www.squarepharma.com.bd](http://www.squarepharma.com.bd)

# Corporate History & Growth

**39** Countries  
Export Market Covers

1958	Year of Establishment (Initially as Partnership).
1964	Incorporated as a Private Limited Company.
1974	Technical Collaboration with Janssen Pharmaceuticals of Belgium, a subsidiary of Johnson & Johnson International Ltd., USA
1985	Market leadership in the pharmaceuticals market of Bangladesh among all national and multinational companies.
1987	Pioneer in pharmaceuticals export from Bangladesh.
1991	Converted into Public Limited Company.
1994	Initial Public Offer (IPO) of Ordinary Shares.
1995	- Listing with Dhaka and Chittagong Stock Exchange. - Chemical Division starts production of pharmaceuticals bulk (API) products.
1997	Won the National Export Trophy for exporting pharmaceuticals.
2001	US FDA/UK MHRA standard pharmaceuticals factory goes into operation built under supervision of Bovis, UK.
2002	Enlisted as UNICEF's global suppliers.
2007	Dhaka Unit gets UK MHRA approval.
2009	Starts manufacturing of insulin, hormone & steroid products maintaining quality standards of US FDA & UK MHRA complying with the cGMP of WHO.
2012	Dhaka Unit gets the Therapeutic Goods Administration (TGA) of Australia approval.
2015	Awarded "AAA" rating in the long term and "ST-1" rating in short term by CRISL.
2015	PAI (Pre Approval Inspection) by US FDA was successful for Dhaka site's solid dosage unit.

# Corporate Profile



# 1 Since 1985

In Bangladesh Pharma Market

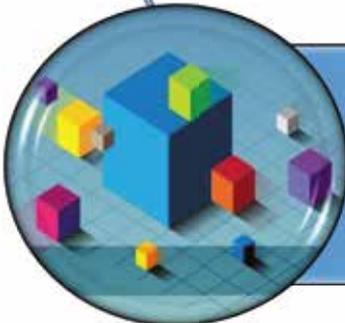
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# Management Apparatus



Mr. Samuel S Chowdhury	- Chairman
Mrs. Ratna Patra	- Vice Chairman
Mr. Tapan Chowdhury	- Managing Director
Mr. Anjan Chowdhury	- Director
Mr. Kazi Iqbal Harun	- Director
Mr. M Sekander Ali	- Independent Director
Mrs. Nihad Kabir	- Independent Director

## Board of Directors



Mr. Tapan Chowdhury	- Chairman
Mr. M Ashiqul Hoque Chowdhury	- Member
Mr. Muhammadul Haque	- Member
Mr. Md. Mizanur Rahman	- Member
Mr. Md. Kabir Reza	- Member

## Management Committee



Mr. M Sekander Ali	- Chairman
Mr. Anjan Chowdhury	- Member
Mr. Kazi Iqbal Harun	- Member

## Audit Committee



Mr. Khandaker Habibuzzaman

## Company Secretary

Mr. M Ashiqul Hoque Chawdhury	Head of Admin & Supply Chain
Mr. Muhammadul Haque	Head of Marketing
Mr. Md. Mizanur Rahman	Head of Operations
Mr. Md. Kabir Reza	Head of Accounts & Finance
Mr. M Nawabur Rahman	Head of Production (DU)
Mr. Anjan Kumar Paul	Head of Human Resources
Dr. Tarun Chugh	Head of Quality Operations
Mr. Md. Mizanur Rahman	Head of Production (PU)
Mr. Shakhawat Hussain	Head of Engineering
Mrs. Nasrin Akter	Head of Internal Audit



**Operational Management Team**

Mr. Rafique-ul Huq, Bar-at-Law  
 Mr. Rokanuddin Mahmud, Bar-at-Law  
 Ms. Nazia Kabir, Bar-at-Law



**Legal Advisors**

M/s. Ahmed Zaker & Co.  
 Chartered Accountants



**Statutory Auditors**

Janata Bank Ltd., Citibank N.A, Standard Chartered Bank  
 HSBC Ltd., Commercial Bank of Ceylon Ltd.  
 Eastern Bank Ltd., Prime Bank Ltd., Bank Alfalah Ltd.  
 Shahjalal Islami Bank Ltd., Trust Bank Ltd.  
 Bank Asia Ltd., BRAC Bank Ltd., Marcantile Bank Ltd.



**Bankers**

Pioneer Insurance Co. Ltd., Pragati Insurance Co. Ltd.



**Insurers**

## We strive for

We in SQUARE, strive, above all, for top quality health care products at the least cost reaching the lowest rungs of the economic class of people in the country. We value our social obligations.

We owe our shareholders and strive for protection of their capital as well as ensure highest return and growth of their assets.

We strive for best compensation to all the employees who constitute the back-bone of the management and operational strength of the company through a pay-package composing salary/wages, allowances, bonuses, profit participation, leave salary and superannuation & retirement benefits.

We strive for the best co-operation of the creditors & debtors the banks & financial Institutions who provide financial support when we need them, the suppliers of raw materials & suppliers who offer them at the best prices at the opportune moments, the providers of utilities-power, gas & water etc. and the customers who buy our products & services by redeeming their claim in time by making prompt payment and by distributing proper product on due dates to our customers.

We strive for fulfillment of our responsibility to the government through payment of entire range of due taxes, duties and claims by various

public agencies like municipalities etc.

We strive, as responsible citizen, for a social order devoid of malpractices, anti-environmental behaviours, unethical and immoral activities and corruptive dealings.

We strive for practicing good-governance in every sphere of activities covering inter alia not being limited to, disclosure & reporting to shareholders, holding AGM in time, distribution of dividends and other benefits to shareholders, reporting/dissemination of price sensitive information, acquisition of shares by insiders, recruitment & promotion of staff, procurement & supplies, sale of assets etc. all that directly and indirectly affect the interest of concerned groups - the shareholders, the creditors, suppliers, employees, government and the public in general.

We strive for equality between sexes, races, religions and regions in all spheres of our operation without any discriminatory treatment.

We strive for an environment free from pollution and poisoning.

We strive for the achievement of millennium development goals for the human civilization.



Mr. Samuel S Chowdhury

## Board of Directors



Mrs. Ratna Patra



Mr. Tapan Chowdhury



Mr. Anjan Chowdhury



Mr. Kazi Iqbal Harun



Mr. M. Sekander Ali



Mrs. Nihad Kabir

Mr. Samuel S Chowdhury  
Chairman

Mrs. Ratna Patra  
Vice Chairman

Mr. Tapan Chowdhury  
Managing Director

Mr. Anjan Chowdhury  
Director

Mr. Kazi Iqbal Harun  
Director

Mr. M. Sekander Ali  
Independent Director

Mrs. Nihad Kabir  
Independent Director



**Message from the  
Chairman**

Dear Shareholders, Colleagues, Ladies  
and Gentlemen,

I welcome you and congratulate you all at this memorable 50th Annual General Meeting of the Company after its incorporation as a Company with limited liability in 1964 under the then Companies Act 1913, though its constituent "Square Pharmaceuticals" had began its journey in 1958, 58 years ago, leaving its mark of success-story year by year under the outstanding leadership of the Founder Chairman, Late Samson H Chowdhury who left us about 5 (five) years ago. As we face various issues of Entrepreneurship and Management, we look back to his advices and guidelines and resolve crises with marvels. Thus he still continues to be present in our heads and hearts in holding on to the philosophy of business without losing socially as well as financially. We all pray to the salvation of his soul in eternity.

The philosophy of business operations that our company continues to uphold does not leave any scope of discrimination amongst genders, religion, race and regionalism. We give top priority to fairness, righteousness, equitable opportunity to all of our employees, stakeholders, regulators and other agencies of the Government on the basis of legal/social orders, professionalism, corporate social responsibility, humanism and business ethics combined with morality. We assure you that we shall leave no stone unturned to continue with our standards of these virtues without any compromise.

As you are all, perhaps, aware of, Bangladesh is inching ahead in doing business climate index and other socio-economic indices and had made remarkable progress in the growth rate of GDP reaching 7.11% during the financial year 2015-2016 and has already entered the

socio-economic classification of Lower Middle Income Group targeting to reach higher Middle Income Group by 2021 and Higher Income Group by 2041.

As the GDP growth continues, the per capita income would rise leading to higher health care expenditures by families as well as the government. This is expected to augment the demand for pharmaceuticals at a higher rate than the current level.

As you will observe, Company has been succeeding in increasing turnover over the several decades at the level of growth enjoyed by the Country. With the approval process by USFDA and others of EU/UK, the Company is now set in stepping up exports to these areas by leaps and bounds.

I would however like to emphasize here that should the government make necessary facilitating policy for investment abroad for export purpose only, the sector could possibly secure an export target of 20-25 billion USD by 2030 for raising the ranking to Higher Middle Income Group of Nations. I hope the policy makers would examine our suggestion in national interest.

Thanking you all with best wishes of health and heart.

  
Samuel S Chowdhury  
Chairman



**Statement from the  
Managing Director**

Dear Shareholders, Ladies  
& Gentlemen

I feel highly encouraged to submit a statement on the operations of the Company for the period of 15 months (01 April 2015 to 30 June 2016) for closing of Financial Year on 30 June every year as required by the Finance Act 2015 for uniform Accounting Year by all corporate enterprises in the Country along with the Report of the Board of Directors for the said period containing Audited Financial Statements as required under the Companies Act 1994 and Regulations of Bangladesh Securities and Exchange Commission for consideration and approval thereof by you at this 50th Annual General Meeting.

From the comparative operational results you will please note that the Company has continued to sustain a healthy growth holding on to its apex position in the industry. The turnover, gross profit, operating profits as well as net profit (BT/AT) for the period of 12-months (April 15-Mar-16) and 15 months (April 15-June16) have grown almost on a systematic trend. The Management has been able to achieve these results due to generally stable socio-economic policies as well as moderately successful law and order in the industrial working atmosphere in the Country.

In this regard I would like to mention that due to various constraints such as shortage of fuel/gas/power, limitation on cross-border investments, corporate/strategic joint-venture, higher corporate tax/VAT etc still stand on the

highway growth by Bangladeshi entrepreneurs for which especially exports operations is not expandable despite highly profitable stations in different countries of the World.

I, however, hope that the policy makers will consider this aspect especially for achievement of SDG targets by the Government.

While concluding, I acknowledge with gratitude the guidance and support given to me by the Board of Directors, allegiance and compliances by officers, employees and Workers and assistance by the financiers, insurers, suppliers and service providers, Government/ Government agencies & Regulators and thank them all with expectation of continuity in the future so that the company succeeds perpetually for the service to the Nation.

Thanking you all.

  
Tapan Chowdhury  
Managing Director

# Corporate Governance

Corporate Governance involves decision making processes for any corporate body as a going concern for the benefit of all concerned, present and future. These decisions may be categorised as policy & strategic, operational and executing, performance & evaluation and sharing of the accretional assets between present & future cohorts. The involvement of the entrepreneur in all these areas invokes decision making governance on a continuous basis, the degree of involvement being variable with the extent of delegation of authority top down and reporting for accountability bottom up of the Management echelon. These aspects of governance are shared by the Board of Directors, Executive Management, operational participants and workers and others in fulfillment of the common goals that converge in increasing the benefits of all stakeholders. To this end entire corporate governance efforts are blended with "good governance practices" as ethically and morally acceptable standards under a given socio politico environmental phenomenon of our society in which we work, live and exist.

The organisms through which the corporate governance functions are carried out are:

## Board of Directors:

### (a) Constitution:

The Board of Directors, the top Management echelon, consisting of the founding entrepreneurs/ successors and an Independent Director, provides the policy and strategic support and direction for the entire range of the corporate activities. The Board of Directors consist of seven (7) members including the Independent Directors with varied education

and experience which provides a balancing character in decision making process. The Board is re-constituted every year at each Annual General Meeting when one-third of the members retire and seek re-election. A director is liable to be removed if the conditions of the Articles of Association and the provisions of the Companies Act 1994 are not fulfilled.

### (b) Role & Responsibilities:

The main role of the Board of Directors, which is the highest level of authority, is to provide general superintendence, oversee the operations and control the affairs of the company through appropriate delegation and accountability processes via the lines of command. However the Board of Directors hold the ultimate responsibility & accountability with due diligence for conducting the activities of the company as per provisions of law in the interest of the shareholders, the stakeholders, the state and the society. The Board of Directors, in fulfillment of its responsibility hold periodic meetings, at least once a quarter and provide appropriate decisions/directions to the Executive Management. Such meetings usually consider operational performance, financial results, review of budgets, capital expenditure proposals for BMRE or new projects/divisions/product lines, procurement of funds by issue of shares or borrowing, procurement of raw materials, plant & machinery, pricing of products/discounts, recruitment, training and promotion of officers, approval of audited accounts and distribution of dividends and other interest of the stakeholders including the employees and workers. The Board of Directors take special care in designing and articulating productivity and compensation plans of employees and workers

and rewarding them appropriately on the basis of quality and quantity of performance as an incentive. Board also remains responsible for removal of operational hazards to life and health of workers, friendly environmental work condition and social relationship as demanded of good citizen in a country.

#### (c) Relationship with Shareholders & Public:

The shareholders as owners, are required to be provided with material information on the company's operation quarterly, half-yearly and annually, the latter at the AGM. They are also provided routine services by the Company Secretary in matters of transfer of shares, replacement in case of loss or damage of shares, payment of dividends etc. The Board is however responsible to the public for publication of any price sensitive information as per BSEC regulation. A qualified Chartered Secretary is in charge for all these responsibilities as Company Secretary.

#### (d) Relationship with Government:

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

#### (e) Relationship with Financers/Bankers:

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

#### (f) Relationship with Suppliers:

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

#### (g) Corporate Social Responsibilities (CSR):

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

#### Separate role of the Chairman and Managing Director

The positions of Chairman and Managing Director are held separate persons. The Chairman is responsible for the functions of the Board while the Managing Director serves as the Chief Executive of the Company.

#### Chief Financial Officer, Head of Internal Audit and Company Secretary

The Company has appointed Mr. Md. Kabir Reza, FCMA as Chief Financial Officer, Mr. Khandaker Habibuzzaman, FCS as Company Secretary and Mrs. Nasrin Akter, FCA, as Head of Internal Audit of the company as per

requirement of Bangladesh Securities and Exchange Commission.

### Audit Committee of Board

The Board of Directors has constituted an Audit Committee of the Board consisting of three Directors. The Audit Committee is headed by the Independent Director, Mr. M. Sekander Ali, an MBA and a Senior Development and Investment Banker of the country. Other members are Mr. Anjan Chowdhury, Director and Mr. Kazi Iqbal Harun, Director. The Audit Committee carries out its responsibilities as per the provisions of law and submits its report to the Board of Directors from time to time. The Audit Committee shall also co-ordinate with the Internal and external Auditors as and when required. The Audit Committee ensures that adequate internal checks & balances supported by adequate MIS are in place for detection of errors frauds and other deficiencies. The other responsibilities include inter alia, not being limited to, the prevention of conflict of interest between the company and its Directors officials, customers, suppliers, government and any other interest groups and detect or remove any scope of insider trading in the company's stock. The Audit Committee also ensures compliance of requirements of BSEC and other agencies.

### Executive Management

The Executive Management is led by the Managing Director (CEO) who is appointed by the Board of Directors for a term of 5 years (renewable) with the approval of shareholders in the Annual General Meeting. The Managing Director is supported by professional, well educated, trained and experienced team consisting of Executive Directors, Directors, General Managers and a host of Senior Executives in the hierarchy of management. The Board has approved an organogram with

modern features ensuring clear lines of delegation of authority and reporting for accountability for effective decision making evaluation of performance on merit for both rewarding and disciplinary action. The Executive Management is responsible for preparation of budgetary segment plans/sub-segment plans for every cost/profit centres and are held accountable for performance therefor. The Executive Management is aided by committee(s)/sub-committee(s) in carrying out its functions.

### Other Governance Apparatus

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

#### (a) Independent Director:

In compliance of the BSEC Regulations on Good Governance, the Board of Directors as empowered by the Regulations, appointed Mr. M Sekander Ali, one of the Senior Development/Investment Bankers of the country, former Managing Director of Bangladesh Shilpa Bank/Bangladesh Shilpa Rin Sangstha/Investment Corporation of Bangladesh and Senior Adviser, the Bangladesh Securities and Exchange Commission and Mrs. Nihad Kabir, Barrister-at-Law, an Advocate of Supreme Court of Bangladesh and the Senior Partner of Syed Ishtiaq Ahmed & Associates, a firm of legal consultants and practitioners in Bangladesh as the non-shareholder Independent Directors. It is expected that his

expertise would help contribute to the further disclosure and protect the interest of all investors in general and smaller investors in particular.

#### (b) Legal Advisers:

In order to avail the best legal services for Good Corporate Governance, the company has empanelled the following top ranking legal professionals:

Mr. Rafiqul-ul Huq, Bar-at-Law  
Mr. Rokonuddin Mahmud, Bar-at-Law  
Ms. Nazia Kabir, Bar-at-Law

The expertise of the above named professionals have had long term fundamental support to the company's Good Governance efforts.

#### (c) Bankers:

The degree of efficient business operation largely depends on the quality of efficiency of banking services received by the company. Efficient banking service brings down cost of operations. On the other hand, cost of financial services and interest on the lending by the banks are also required to be the minimum. With this end of view, the company has established long term business relationship with the banks namely Janata Bank Ltd., Citibank N. A, Standard Chartered Bank, Prime Bank Ltd. HSBC Ltd., Eastern Bank Ltd., Commercial Bank of Ceylon Ltd., Mercantile Bank Ltd., Bank Alfalah Ltd., Shahjalal Islami Bank Ltd., Trust Bank Ltd., Bank Asia Ltd. and BRAC Bank Ltd. who provide most efficient service at minimum cost/interest that benefit the shareholders.

The company has neither ever defaulted in any commitment with its Bankers nor did get entangled in legal dispute at any court premises.

#### (d) Insurer:

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

The company has not yet faced any dispute over any claims and the company enjoys special premium rates which protects the interest of the investors.

#### (e) Auditors:

The role of the auditors in certification of the financial statement is the most significant aspect of Corporate Governance and protection of interest of investors. As evident from the Annual Reports, the company rigidly follows the code of International Accounting Standards (IAS) and International Standard of Auditing (ISA) with legally required disclosures of Accounts and Financial Statements. This has been possible due to the high level capability and integrity of M/s. Ahmed Zaker & Co., Chartered Accountants whose unchallenging performance has played a very trustworthy role in the protection of interest of the investors.

#### Compliances

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

## Dividend Policy

Ethics is an ingredient of Good Governance and involves a determination of what is right and what is wrong and deals with things to be sought and things to be avoided with way of life and the end of life. Ethics invokes the management of the environment within which we function from a perspective broader than, but obviously inclusive of, the current cohort. Since the corporate environment is in theory an infinitely lived entity owned by finitely lived shareholders, a governance ethic must represent a system that serves the needs of the current ownership while preserving the ability of the corporation to sustain itself and benefit future cohorts. The corporate ethic must necessarily promote efficiency in co-existing with the environment to generate the quality of life for a current cohort and yet also provide an equity that does not disadvantage a future cohort by the decisions of a current cohort. As an environmental ethic analogy, those living today naturally believe in dividend payouts today with less regard for the consequence tomorrow and those living tomorrow would prefer dividend payouts tomorrow without regard for the sacrifices we make today to allow their greater consumption tomorrow.

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

## Shareholders' Relationship

Corporate Governance issues include how major policy decisions are made in business corporations, how various stakeholders can

influence the process, who is held accountable for performance and what performance standards are applied. In a nutshell power and influence are crucial in corporate governance.

As shareholders belong to the most important stakeholders, ownership structure has an impact on the balance of power among shareholders. Though sponsors usually hold majority shares required for ordinary resolutions, public shareholders have a definite role and influence in the passing of special resolutions required for changes in the business object, sale of business/productive assets, merger and amalgamation, winding up or dissolution and amendments to Memorandum and Articles of Association for protection of minority interest up to 49.9% of the shareholdings. The position of shareholders as on 30-06-2016 indicates that the sponsors of the company do not hold the required shareholdings (75%) for passing special resolutions. This allows the public shareholders (individuals & institutions) to play an effective role in protecting their legal corporate rights.

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

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

### Corporate Socialisation

In order to play a model role for Good Governance characteristics in the corporate sector, the company has become members of country's leading chamber - Metropolitan Chamber of Commerce & Industries (MCCI), Bangladesh Association of Publicly Listed Companies (BAPLC), Central Depository Bangladesh Limited (CDBL), Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE). These memberships have provided scope to the company for improvement of Corporate Governance Practices for the benefit of the shareholders /stakeholders.

### Research and New Products Development

As a part of Corporate Social Responsibility for Good Governance the company maintains a team of scientific pharmaceutical experts who continuously conduct research & development programs for improving quality of products, reduction of cost, adoption of products that are free of intellectual property rights and innovative products. These efforts have enabled the company to add new products to its product lines every year to the benefit of the common men of the country and the shareholders. The success in this field has secured the leading position for the company in the pharmaceutical sector.

### Beyond the Border

Corporate social responsibility, an element of Good Corporate Governance, extend to the society to the government and beyond the borders of the country for social good as well as for contribution of Foreign Exchange Resources to the National Exchequer. To this end, the company is making entry into foreign markets and making efforts in registering its products in USA/EU countries for which is has already set up a modern state-of-art production facilities at Kaliakoir, Gazipur. The company has already

secured permission for marketing its products in UK/EU countries.

### Segment Report

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

### Risk Perception

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



# The Ten Principles of Global Compact (UN):



The ten principles of Global Compact initiated by the UN Secretary General as have been adopted by Square Pharmaceuticals Ltd. are as follows:

## Human Rights:

- (1) Business should support and respect the protection of internationally proclaimed human rights within their sphere of influence; and
- (2) Make sure that they are not complicit in human rights abuses.

## Labour Standards:

- (3) Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- (4) The elimination of all forms of forced and compulsory labour;
- (5) The effective abolition of child labour and
- (6) Eliminate discrimination in respect of employment and occupation.

## Environment:

- (7) Business should support a precautionary approach to environmental challenges;
- (8) Undertake initiatives to promote greater environmental responsibility; and
- (9) Encourage the development and diffusion of environmentally friendly technologies.

## Ethical Standards:

- (10) Business should work against corruption in all its forms, including extortion and bribery.

# Corporate Operational Results

	2015-16	2014-15	2013-14	2012-13	2011-12
	(Figures in '000)				
Turnover (Gross)	41,678,780	36,191,595	24,193,357	20,742,746	18,592,856
Value Added Tax	5,645,728	4,892,907	3,282,583	2,783,257	2,538,431
Turnover (Net)	36,033,052	31,298,688	20,910,774	17,959,489	16,054,425
Gross Profit	17,407,356	13,827,274	9,182,781	7,825,814	6,887,172
Net Profit before Tax	12,213,965	8,597,457	5,504,460	4,584,376	3,978,939
Net Profit after Tax	9,226,615	6,523,933	4,031,811	3,419,785	2,897,711
Net Assets Value (NAV)	35,597,063	28,031,892	22,277,517	19,052,892	16,396,669
Total Assets	39,172,686	31,354,182	26,549,535	23,734,743	21,637,554
Total Bank Borrowings	-	121,599	418,654	1,937,619	3,002,471
Total Current Assets	17,053,295	9,739,782	7,768,068	5,996,698	6,745,908
Total Current Liabilities	2,581,822	2,390,848	3,416,620	3,792,438	4,252,935
Current Ratio	6.61	4.07	2.27	1.58	1.59
Shares Outstanding	623,586,546	554,299,152	481,999,263	370,768,664	264,834,760
Face Value per Share	10.00	10.00	10.00	10.00	10.00
Dividend (Cash)	40%	30%	30%	25%	25%
Dividend (Stock)	10%	12.50%	15%	30%	40%
Net Assets Value per Share (NAV)	57.08	44.95	35.72	30.55	26.29
Net Operating Cash Flow per Share	15.88	12.21	9.97	7.38	5.85
EPS-Earning per Share (SPL)	14.80	10.46	6.46	5.48	4.65
EPS-Earning per Share (Consolidated)	17.18	11.02	7.93	6.76	5.81
EPS at Original Capital at IPO	922.66	652.39	403.18	341.98	289.77
Quoted Price per Share - DSE	265.70	258.70	267.00	178.60	237.30
Quoted Price per Share - CSE	265.60	262.90	266.80	178.40	237.80
Price Earning Ratio-DSE (Time)	17.95	24.73	41.33	32.59	51.03
Price Earning Ratio-CSE (Time)	17.94	25.13	41.30	32.55	51.14
Number of Shareholders:	63,157	70,902	69,825	60,781	53,291
Sponsors/Promoters	6	17	18	18	20
Financial and other Institution	793	809	512	478	441
Foreign Investors	75	63	57	51	38
General Public	62,283	70,013	69,238	60,234	52,792
No. of Employees:	7,174	6,710	6,313	5,868	5,290
Executives	3,354	3,197	3,017	2,829	2,409
Non Executives	1,975	1,882	1,827	1,751	1,679
Workers	1,845	1,631	1,469	1,288	1,202

Number of months for the current year and comparative last year is 15 months, all other comparative period (year 2011-12 to 2013-14) is for 12 months.



# Directors' Report

to the Members for the 15th months period ended 30 June, 2016

In terms of provisions of Section 184 of the Companies Act 1994, Rule 12 (and the schedule there under) of the Bangladesh Securities and Exchange Rules 1987, BSEC Notification dated 7th August, 2012, IAS-1 (International Accounting Standards-1) codes as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and Finance Act 2015 it is the pleasure of the Board of Directors to submit its Report to the Members for the 15 months period ended 30 June, 2016 in the following paragraphs:

## PHARMACEUTICAL SECTOR

The pharmaceutical sector attained a growth of 15.18% during the year 2015 as against 11.36% during the previous year. The national pharma market growth and that of the company during the past few years are given below:

Year	National Market Growth Rate	Company's Growth Rate
2011	22.30%	19.17%
2012	11.91%	11.87%
2013	8.12%	16.43%
2014	11.36%	25.36%
2015	15.18%	15.13%

Source: IMS Report, 2015

The growth trend indicate positive outlook. The growth of the economy at 7.05% during FY 2015-16 and its alleviation to the lower-Middle Income Group of Nations from that of LDCs offers scope for further growth in investment for expansion in this sector.

## OPERATIONS REVIEW

### Pharma Plants

The production plants at Pabna and Kaliakoir had continued to improve their operational efficiency both qualitatively and quantitatively by upgrading technological process, research and training. The company made substantive investments at factory installations during the period as detailed below:

Taka in million

Assets Title	2015-2016	2014-2015
(a) Land	281.97	151.55
(b) Building	463.08	1,181.95
(c) Plant & Machinery	737.86	2,914.41
(d) Laboratory Equipments	100.24	285.16
(e) Other Equipment /Assets	299.28	273.48
Total Tk.	1,882.43	4,806.56

The major part of investments were made from internal generation of funds. The overall combined output (Tablets and Capsules) of Pabna and Dhaka plants increased during the period over the previous period as follows:

Figures in '000

	Tablets	Capsules
Units	Pcs	Pcs.
Capacity	11,278,820	2,211,313
Actual output:		
2015-2016	6,647,288	1,213,944
2014-2015	5,446,206	1,402,525
Capacity Utilization:		
2015-2016	59%	55%
2014-2015	52%	63%

## Chemical Plants

The operations of the chemical Plant (at Pabna) during the last three (3) years are presented hereunder:

	2015-16	2014-15	2013-14
No. of Products	22	22	22
Production (MT)	768	624	582
Own Use (MT)	471.01	461.23	495.64
Sales (MT)	346.99	165.01	61.63
Own Use (%)	61.33	73.92%	85.16%
Turnover (Million Tk.)	122.44	238.79	185.30

MT= Metric Ton

The change in own-use tonnage is due to variation in product mix according to marketing and value addition strategies.

### Product Development

The following table shows the position of existing, discarded and new products introduced during the year 2015-16:

Sl. No.	Products Categories	Position as on 30-03-15	Added during the period	Discarded	Total Net 30-06-16
1	Tablet	307	13	12	308
2	Capsule	63	1	1	63
3	Liquid Capsule	4	1	-	5
4	Liquid	78	3	4	77
5	Injectable (Vial & Ampoule)	64	2	3	63
6	Infusion (LVPO)	6	3	-	9
7	E N T Preparation & Others	66	4	8	62
8	Ophthal Preparation	14	1	-	15
9	Powder for Suspension	18	1	2	17
10	Tropical Powder	1	-	-	1
11	Suppository	10	-	1	9
12	Sachet	3	-	1	2
13	Inhaler & Nebulizer	16	-	-	16
14	Insulin	8	-	-	8
15	Basic Chemical	8	-	-	8
16	Pellet	14	-	-	14
17	Tablet, Powder, Liquid, Injectable -AgroVet	63	-	-	63
18	Pesticide	25	1	1	25
	<b>Total</b>	<b>768</b>	<b>30</b>	<b>33</b>	<b>765</b>

The new products have been well received by the medical profession and the market.

### Output/capacity Utilisation

The overall capacity utilization of the plant operation continued to improve during the year as shown hereunder:

Sl. No.	Product Categories	Units	Production in thousand		% Increase/ (Decrease)	Capacity Utilization	
			2015-16	2014-15		2015-16	2014-15
1	Tablets	Pcs	6,647,288	5,446,206	22.05	59%	52%
2	Capsules	Pcs	1,213,944	1,402,525	(13.45)	55%	63%
3	Liquid Capsules	Pcs	19,829	12,480	58.89	16%	12%
4	Liquids	Bottles	114,749	75,859	51.27	46%	38%
5	Injectables (Vials & Ampoules)	Pcs	57,295	44,646	28.33	46%	69%
6	Infusion (LVPO)	Bags	1,040	400	160.60	17%	100%
7	ENT Preparations-Drops, Spray, Gel & Others	Phials	15,353	11,963	28.34	41%	40%
8	Steroid- Cream, Ointment, Spray, Gel & Others	Phials	13,003	7,777	67.20	21%	16%
9	Non steroid- Cream, Ointment, Spray, Gel & Others	Phials	21,504	12,400	73.42	82%	73%
10	Ophthal Preparations	Phials	6,830	4,237	61.20	91%	71%
11	Nebuliser	Phials	2,900	1,493	94.24	77%	50%
12	Powder for Suspension	Bottles	21,539	17,735	21.45	49%	57%
13	Tropical Powder	Phials	5,087	3,082	65.06	57%	86%
14	Suppository	Pcs	49,906	31,945	56.22	50%	40%
15	Sachet	Pcs	2,169	70,874	(96.94)	41%	89%
16	Inhalers	Cans	4,520	3,210	40.81	67%	67%
17	Dry Powder Inhalers	Pcs	28,468	20,070	41.84	20%	18%
18	Insulin & Insulin Cartridge	Pcs	1,440	1,083	29.27	19%	74%
19	Basic Chemicals	Kg	496	406	22.17	79%	81%
20	Pellets	Kg	272	218	24.77	91%	95%
21	Tablet -AgroVet	Pcs	17,885	10,559	69.38	29%	21%
22	Powder- AgroVet	Kg	547	436	25.46	29%	29%
23	Injection-AgroVet	Pcs	1,154	671	71.98	27%	20%
24	Liquids -AgroVet	Bottles	941	837	12.43	4%	4%

Though there have been minor decreases in capacity utilization in case of 2 products line due to marketing strategies, the overall capacity utilization has increased during the year 2015-2016 over the previous year.

### Quality Control

The company places total emphasis on maintaining and improving of quality of its products as 'life-science' biology following GMP standards of WHO by following strictly laid down criteria at every levels of production and handling. The company also follows-up withdrawals from market of all expiry dated products through close inspection and surveillance. The quality control facilities include a high quality standard Laboratory Building, Computerized Equipments and Tools and a team of highly qualified/trained research personnel who are bent upon on unstinted attainment as ethical and moral objective. We are proud of them.

### Technology

The company is endeavoring to upgrade and adopt new technology in production, quality control, distribution and administration of its products to patients. During the year (2015-2016) the company invested an amount of Tk. 100,243,320 in improving its Laboratory facilities.

### Export

The company has given a thrust for increasing the export volume within the current capacity. During the year under review, the exports amounted to Tk. 1,400.26 million as against Tk. 1,345.69 million in previous year, a 4.06% increase. The exports are expected to rise in the coming years. Present export market covers over 39 Countries. In January, 2015 USFDA audited Square's facility as Pre Approval Inspection (PAI) for its submitted ANDA to USFDA. On June 2015, USFDA confirmed in writing that the PAI was closed without issuing any Form 483 (Negative Comments). The Company is now awaiting final approval from USFDA in not too a distant future which would open a new horizon of expansion

### Subsidiary Operation

#### Square Formulations Ltd.

SPL holds 995,000 shares of Tk. 100 each out of total issued 1,000,000 shares. SPL has also deposited Tk. 2,000,000,000 as share money deposit.

The Directors' Report for the 15 months period ended 30 June, 2016 of the Company together with Audited Accounts containing Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows and Auditors Report thereon are included therein.

### INVESTMENT PORTFOLIO

The investment portfolio of long term investment and marketable securities has been detailed in Notes (4 & 5) to Audited Accounts. The outlines of the portfolio with minority interest in shareholdings are described hereunder for general information of the shareholders:

#### Long Term Investment

Long term investment for an amount of total Tk. 4,779,953,688 both in majority and minority investments in ordinary shares/advance as Share Money Deposit in 10 (Ten) different companies are described as follows:

#### Majority Investment (Subsidiaries)

##### Square Formulations Ltd.

SPL holds 995,000 shares of Tk. 100 each out of 1,000,000 issued shares which is not listed. SPL has also deposited Tk. 2,000,000,000 as Share Money. The financial position and operational results are contained in the Director's Report of the Company as enclosed herewith.

## Minority Investments

### Square Textiles Ltd. (STXL)

As on 30-06-2016 investment in this company stands at Tk. 225,129,795 (at cost) for 75,396,150 Ordinary Shares of Tk. 10 each including bonus shares. The market value as on 30 June, 2016 stood at Tk. 5,338,047,420.00 (at Tk. 70.80 per share). The company is in full operation and declared cash dividend @25% and stock dividend @10% for the year 2015-16.

### Square Hospitals Ltd. (SHL)

SPL holds 199,750 Ordinary Shares of Tk. 1,000/- each. The project has been put to operation as a modern hospital with 300 beds and diversified medical services with special emphasis on cardio-vascular remedies. SPL hold 49.94% of SHL. SPL has also advanced a share money of Tk. 2.00 billion for 2,000,000 shares of Tk. 1,000 each. As the company is not listed, the market value cannot be easily ascertained.

The company earned a total revenue of Tk. 2,937,234,127 for the year ended 30 June, 2016. The net profit for the period amounted to Tk. 244,816,120 as against Tk. 216,173,839 net profit during the previous year.

### Square Fashions Ltd. (SFL)

SPL now holds 252,000 Shares of Tk. 100 each (48.46%) in the capital of SFL. The company earned a Net Profit of Tk. 1,506,760,265 during the period 2015-2016 as against Tk. 1,192,678,106 during the previous period. The company did not declare any dividend. Since the Company is not a public/listed one, the market value can not be assessed readily. However the NAV per share stands at Tk. 7,217.24 as on 30-06-2016.

### Square Informatix Ltd. (SIL)

An amount of Tk. 100,000,000 stand invested in SIL as advance against share money deposit for

1,000,000 ordinary shares of Tk. 100 each. Present paid-up capital of the company is Tk. 100,000,000 Market value can not be determined as it is not listed.

### United Hospital Ltd. (UHL)

The Company (SPL) holds 120,000 shares of Tk. 100 each amounting to Tk. 12,000,000. Since the company is not a listed one, it does not have any ready market value.

### Central Depository Bangladesh Ltd. (CDBL)

SPL holds 5,711,804 shares of Tk. 10 each in the Capital of CDBL which has been formed under the Central Depository Act 1999 for fungible and dematerialized share holding/trading which has done away with the physical possession of scripts and primarily prevent fraudulent/fake share trading. The shares are not listed and therefore the market value can not be assessed.

### Lanka Bangla Finance Ltd.

SPL holds 100,000 Zero Coupon Bonds amounting to Tk. 87,125,863.00 of Lanka Bangla Finance Ltd.

### IDLC

SPL holds 250,000 Zero Coupon Bonds amounting to Tk. 177,827,691.00 of IDLC.

### Bangladesh Steels Re-Rolling Mills Ltd.

SPL holds 200,000 Zero Coupon Bonds amounting to Tk. 163,225,909.00 of Bangladesh Steels Re-Rolling Mills Ltd.

### Investment in Marketable Securities

A statement of Marketable Securities (34 Securities) at a cost of Tk. 804,948,863 is given in Note No. 5. The portfolio shows a unrealized capital gain of Tk. 266,786,579 as on 30 June 2016.

## FINANCIAL RESULTS

The operating financial results of the Company for the 15 months period ended 30 June 2016 as compared to previous year are summarized hereunder:

Particular	2015-2016 (Taka)	2014-2015 (Taka)	% Increase
◆ Gross Turnover	41,678,779,532	36,191,594,981	15.16%
◆ Net Turnover	36,033,051,652	31,298,687,957	15.13%
◆ Gross Profit	17,407,365,173	13,827,274,064	25.89%
◆ Net Profit (BT)	12,213,964,722	8,597,457,052	42.06%
◆ Provision for Taxation	2,882,907,068	1,866,503,203	54.45%
◆ Net Profit (AT)	9,226,614,674	6,523,933,461	41.43%
◆ Gross Margin (Net Turnover)	48.31%	44.18%	9.35%
◆ Net Margin (BT)	33.90%	27.46%	23.45%
◆ Net Margin (AT)	25.61%	20.84%	22.89%
◆ Earning Per Share (EPS) (Tk.)	14.80	10.46	41.43%
◆ EPS on IPO Paidup Capital	922.66	652.39	41.43%
◆ Consolidated Earning Per Share (EPS) (Tk.)	17.18	11.02	55.90%

The Gross Profit, Operating Profit and Net Profit (BT) increased during FY 2015-16 at 25.89%, 34.06% and 42.06% respectively over the previous year. However, the Cost of Goods Sold increased at 6.60% over previous year which helped increase Gross Profit and Operating Profit. The Company, however, did not earn any extra-ordinary income during the year. The Net Profit (AT), however, increased by 41.43% over the previous year.

The Earning per Share of Tk. 14.80 is based on increased outstanding 623,586,546 shares of Tk. 10 each. However, if the original issued capital at the time of IPO is considered, the EPS would stand at Tk. 922.66 in 2015-2016 as against Tk. 652.39 in 2014-2015.

## CONSOLIDATION OF ACCOUNTS

In terms of BSEC Regulations, the company has consolidated the Accounts following the codes of International Accounting Standard - 28 & IFRS-10 reflecting shareholders gross benefits/value of investments.

## ENVIRONMENTAL ROLE

The company maintains a high standard of pollution free environment as per GMP Regulations/WHO standards/Government laws.

## CONTRIBUTION TO NATIONAL EXCHEQUER

The company contributed an amount of Tk. 9,084,720,519 (including Tk. 66,455,598 as contribution as duty/taxes towards machinery & spare parts imports) to National Exchequer as against Tk. 6,314,740,042 in the previous year. The contribution constitutes 25.21% of the sales revenue (net) in 2015-2016 as against 24.09% in the previous year (2014-2015).

## HUMAN RESOURCES DEVELOPMENT

In order to improve productivity of human input, the company continuously provides formal and informal training to the employees at every echelon of operation and management. During the year under review 5,012 persons received in-house/in operation/on the job training at home and abroad which will ultimately make great contribution to the company's profitability as well their own remuneration in due course.

### APPROPRIATION OF PROFIT

The Board of Directors recommended the appropriation of the net profit earned during the year 2015-2016 in the following manner:

(A) Net Profit for the Year (2015-2016)		9,226,614,674
(B) Appropriation proposed:		
(i) Cash Dividend @40% (Tk. 4.00 per share)	2,494,364,184	
(ii) Issuance of 62,358,654 Bonus Shares (Stock Dividend) @10% : Face Value of Bonus Share	623,586,540	3,117,950,724
(C) Net Un Appropriated Profit		<b>Tk. 6,108,663,950</b>

### ELECTION OF DIRECTORS

Mrs. Ratna Patra and Mr. Anjan Chowdhury retires as per Article-99 of the Articles of Association of the company and as per Article-100 of the Articles of Association of the company, being eligible, have offered themselves for re-election. Brief resume and other information of the above mentioned directors are depicted in Annexure-II.

### APPOINTMENT OF AUDITORS

The existing Auditors of the company M/s Ahmed Zaker & Co., Chartered Accountant retires at the Annual General Meeting and being eligible, have offered themselves for re appointment as auditors of the Company for the year 2016-2017.

### RE-APPOINTMENT OF INDEPENDENT DIRECTOR

The Board of Directors in its meeting held on 3rd May, 2016 decided to re-appoint Mrs. Nihad Kabir as Independent Director of the Company for a further period of 3 (three) years with effect from 9th May, 2016 as per BSEC Regulations and re-commended for approval by the shareholders in the ensuing Annual General Meeting. Brief resume and other information of the above mentioned director is depicted in ANNEXURE-II.

### CORPORATE GOVERNANCE

Corporate Governance is the practice of good citizenship, through which the Company is governed by the Board, keeping in view its accountability to the stakeholders and to the society. A statement in pursuance to clause 1.5, report of compliance, audit committee report as per clause 3.5, certificate from professional accountant as per clause 7(i) and a status of compliance as per clause 7(ii) of the BSEC Notification No. SEC/CMRRCD/ 2006-158/134/ Admin/44 dated 7th August, 2012 are depicted/ disclosed in the ANNEXURE-I, IV, V and VI respectively.

### MANAGEMENT APPRECIATION

The Board of Directors record with deep appreciation the contribution made and support & co-operation given by the Officers, Staff, Workers, Customers, Creditors, Banks, Insurance Companies, Utility Providers, BSEC, DSE, CSE, CDBL and the Government in particular and look forward to the global role of the Company.

  
Samuel S Chowdhury  
Chairman

\* In the event of conflict between English text and Bangla text of this report, English text shall be prevailed.

## ANNEXURE-I

The Directors also report that:

- ❖ Related Party Transactions are depicted in Note no. 41 (Page No. 101) in the Notes of Account.
- ❖ Remuneration of Directors including Independent Director have been shown in Note no. 31 (Page No. 99) in the Notes of Account.
- ❖ The Financial Statement of the Company present true and fair view of the Company's state of affairs, result of its operation, cash flows and changes in equity.
- ❖ Proper books of accounts as required by the prevailing law have been maintained.
- ❖ Appropriate accounting policies have been followed in formulating the financial statements and accounting estimates were reasonable and prudent.
- ❖ The financial statement was prepared in accordance with IAS/BAS/IFRS/BFRS.
- ❖ The internal control system is sound in design and is effectively implemented and monitored.
- ❖ There is no significant doubt about the company's ability to continue as a going concern.
- ❖ There is no significant deviation from the operating result of the last year.
- ❖ Key operating and financial data of last five years have been presented in summarized form in page no 23.
- ❖ The number of Board Meeting and the Attendance of Directors during the year 2015-2016 were as follows:

Name of Directors	Position	Meeting Held	Attended
Mr. Samuel S. Chowdhury	Chairman	14	14
Mrs. Ratna Patra	Vice Chairman	14	14
Mr. Tapan Chowdhury	Managing Director	14	14
Mr. Anjan Chowdhury	Director	14	13
Mr. Kazi Iqbal Harun	Director	14	13
Mr. M Sekander Ali	Independent Director	14	14
Mrs. Nihad Kabir	Independent Director	14	14

- ❖ The pattern of shareholding as required by clause 1.5(xxi) of the BSEC Notification dated 7<sup>th</sup> August, 2012, stated in Annexure III.

## ANNEXURE-II

### Directors Profile who seek re-appointment

#### Re-appointment of Directors

##### Mrs. Ratna Patra



Mrs. Ratna Patra is a Director of the Company since 2007 and was appointed as Vice Chairman in the year of 2012. She is the daughter of late Samson H Chowdhury, Founder Chairman of the Company. She graduated from Dhaka University and

has a business experience of more than 10 years in the pharmaceuticals and textiles sector. She is also Director in 19 other Private Limited Company namely Square Hospitals Limited, Square Toiletries Limited, Square Food & Beverage Ltd., Square Securities Management Ltd. and Maasranga Television under the Square Group.

##### Mr. Anjan Chowdhury



Mr. Anjan Chowdhury is a Director of the Company since 1991, son of late Samson H Chowdhury, Founder Chairman of the Company. He obtained Bachelor's degree in Business Administration from the University of South

Florida, USA and has a rich experience of more than 21 years in the pharmaceuticals, textiles, toiletries, media & communication sector including capital market operations. He has been awarded several times as a highest individual Taxpayer in the Country.

He has been instrumental in the execution of several projects of the Square Group namely Square Toiletries Ltd., Square Food & Beverage Ltd., including the Maasranga Television.

Beside holding directorship in Square Group, Mr. Anjan Chowdhury is the Chairman of Industry skill Council (ISC) a US Aid Funded Project, President of Bangladesh Agro Processors Association,

Vice-President of Bangladesh Cosmetics & Toiletries Manufacturers Association, EC Member of Metropolitan Chamber of Commerce & Industry and Director of Mutual Trust Bank Limited. He is also a member of the Audit Committee of the Company and Square Textiles Limited.

Mr. Chowdhury participated in a good number of professional trainings and workshops held in USA, Canada, Europe, Australia and Asia.

#### Re-appointment of Independent Director

##### Mrs. Nihad Kabir



Mrs. Nihad Kabir, Barrister-at-Law is an Advocate of Supreme Court of Bangladesh and the Senior Partner of Syed Ishtiaq Ahmed & Associates, a firm of legal consultants and practitioners in Bangladesh. She is the legal advisor of several leading national, multinational and

foreign organisations in various sectors in Bangladesh and is also involved in rendering services to different business, social and development organization.

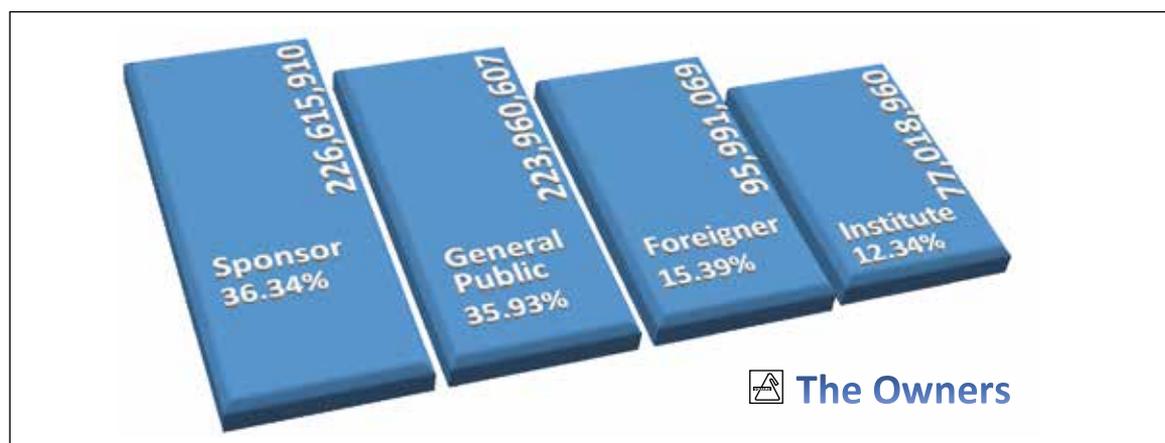
Mrs. Kabir is a member of the Company Law Reform Committee formed by the Government of Bangladesh and She also is a life member of the Bangladesh Institute of Law and International Affairs. She was also the first Legal Counsel to the Bangladesh Securities and Exchange Commission (BSEC) of Bangladesh from 1993-96.

She is a Director of Infrastructure Development Company Ltd. (IDCOL), Palli Karma-Sahayak Foundation, bKash, Kedarpur Tea Company Ltd. and Shaistagonj CNG Company Ltd. and a co-owner of Sathgao Tea Estate. She is an Independent Director of BRAC Bank Ltd. and Apex Adelchi Footwear Ltd.

## ANNEXURE-III

Pattern of Shareholding as on June 30, 2016

Name of the Shareholders	Status	Shares held	%
i. Parent/Subsidiary/Associated Companies and other related parties	-	-	-
ii. Directors:			
Mr. Samuel S Chowdhury	Chairman	44,043,907	7.06
Mrs. Ratna Patra	Vice Chairman	42,212,055	6.77
Mr. Tapan Chowdhury	Managing Director	45,002,850	7.22
Mr. Anjan Chowdhury	Director	45,572,670	7.31
Mr. Kazi Iqbal Harun	Director	25,923,184	4.16
Mr. M Sekendar Ali	Independent Director	-	-
Mrs. Nihad Kabir	Independent Director	-	-
iii. Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and their Spouses and Minor Childrens:			
Mr. Tapan Chowdhury	Chief Executive Officer	45,002,850	7.22
Mr. Md. Kabir Reza	Chief Financial Officer	7,918	0.0013
Mr. Khandaker Habibuzzaman	Company Secretary	325	-
Mrs. Nasrin Akter	Head of Internal Audit	-	-
iv. Executives:			
Mr. Muhammadul Haque	Executive Director, Marketing	25,000	0.0040
Mr. Md. Mizanur Rahman	Executive Director, Operations	-	-
Mr. M Nawabur Rahman	Director, Production (DU)	-	-
Mr. Muhammad Zahangir Alam	General Manager, A&F	5,600	0.0009
Mr. Ahmed Kamrul Alam	General Manager, Marketing	-	-
v. Shareholders Holding 10% or more voting interest in the company:	-	-	-



## ANNEXURE-IV

### AUDIT COMMITTEE REPORT

For the Year 2015-2016 (15 months)

#### The Audit Committee consists of the following persons:

Mr. M Sekander Ali, Independent Director	- Chairman
Mr. Anjan Chowdhury, Director	- Member
Mr. Kazi Iqbal Harun, Director	- Member
Mr. Khandaker Habibuzzaman, Company Secretary	- Secretary

#### The scope of Audit Committee was defined as under:

- (a) Review and recommend to the Board to approve the quarterly, half-yearly and annual financial statements prepared for statutory purpose;
- (b) Monitor and oversee choice of accounting policies and principles, internal control, risk management process, auditing matter, hiring and performance of external auditors;
- (c) Review statement of significant related party transactions submitted by the management.
- (d) Carry on a supervision role to safeguard the systems of governance and independence of statutory auditors; and
- (e) Review and consider the report of internal auditors and statutory auditors' observations on internal control.

Activities carried out during the year

The Committee reviewed the integrity of the quarterly and annual financial statement and recommended to the Board for consideration.

The Committee had overseen, reviewed and approved the procedure and task of the internal audit, financial report preparation and the external audit reports.

The Committee found adequate arrangement to present a true and fair view of the activities and the financial status of the company and didn't find any material deviation, discrepancies or any adverse finding/ observation in the areas of reporting.



M Sekander Ali  
Chairman  
Audit Committee

Date: 10<sup>th</sup> October, 2016

## ANNEXURE-V

### **CERTIFICATE TO THE BOARD OF DIRECTORS** on Compliance with the Condition No. 6 of the Corporate Governance Guidelines of BSEC.

1. We the undersigned have reviewed the Financial Statements for the 15 months period ended June 30, 2016 and that to the best of our knowledge and belief:
  - a) the Financial Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) the Financial Statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company for the 15 months period ended June 30, 2016 which are fraudulent, illegal or violation of the company's code of conduct.

  
Tapan Chowdhury  
Managing Director

  
Md. Kabir Reza  
Chief Financial Officer

## ANNEXURE-VI

### CERTIFICATE ON COMPLIANCE with the condition of Corporate Governance Guideline

**To the Members of Square Pharmaceuticals Ltd.**

This is to certify that Square Pharmaceuticals Ltd. has complied with the conditions of Corporate Governance Guidelines imposed by the Bangladesh Securities and Exchange Commission vide their Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7<sup>th</sup> August 2012 and subsequent amendment made their on.



B.K. Bhattacharjee, FCA  
Partner  
Chowdhury Bhattacharjee & Co.  
Chartered Accountants

Dated: 10<sup>th</sup> November, 2016  
Dhaka

## ANNEXURE-VII

### Corporate Governance Compliance Report

Status of compliance with the conditions imposed by the Securities and Exchange Commission's notification No. SEC/CMRRCD/2006-158/134/ Admin/44 dated 7th August, 2012.

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.1	<b>Board's Size: The number of the board members shall not be less than 5 (five) and more than 20 (twenty)</b>	✓		
<b>1.2</b>	<b>Independent Directors:</b>			
1.2 (i)	One fifth (1/5) of the total number of directors	✓		
1.2 (ii) a)	Does not hold any share or holds less than 1% shares of the total paid-up shares.	✓		
1.2 (ii) b)	Not connected with any sponsor/director/shareholder who holds 1% or more shares of the total paid-up shares on the basis of family relationship.	✓		
1.2 (ii) c)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	✓		
1.2 (ii) d)	Not a member, director or officer of any stock exchange	✓		
1.2 (ii) e)	Not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market	✓		
1.2 (ii) f)	Not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of any statutory audit firm.	✓		
1.2 (ii) g)	Not be an independent director in more than 3 (three) listed companies;	✓		
1.2 (ii) h)	Not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a NBF	✓		
1.2 (ii) i)	Not been convicted for a criminal offence involving moral turpitude	✓		
1.2 (iii)	Nominated by the board of directors and approved by the shareholders in the AGM	✓		
1.2 (iv)	Not remain vacant for more than 90 (ninety) days.	✓		
1.2 (v)	Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	✓		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.2 (vi)	Tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	✓		
<b>1.3</b>	<b>Qualification of Independent Director (ID)</b>			
1.3 (i)	Knowledge of Independent Directors	✓		
1.3 (ii)	Background of Independent Directors	✓		
1.3 (iii)	Special cases for qualifications			N/A
<b>1.4</b>	<b>Individual Chairman of the Board and CEO</b>	✓		
<b>1.5</b>	<b>The Directors' Report to Shareholders :</b>			
1.5 (i)	Industry outlook and possible future developments in the industry	✓		
1.5 (ii)	Segment-wise or product-wise performance	✓		
1.5 (iii)	Risks and concerns	✓		
1.5 (iv)	Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	✓		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss	✓		
1.5 (vi)	Basis for related party transactions	✓		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others			N/A
1.5 (viii)	Explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing.			N/A
1.5 (ix)	Explanation about significant variance occurs between Quarterly Financial performance and Annual Financial Statements			N/A
1.5 (x)	Remuneration to directors including independent directors	✓		
1.5 (xi)	Fairness of Financial Statement	✓		
1.5 (xii)	Maintenance of proper books of accounts	✓		
1.5 (xiii)	Adoption of appropriate accounting policies and estimates	✓		
1.5 (xiv)	Followed IAS, BAS, IFRS and BFRS in preparation of financial statements	✓		
1.5 (xv)	Soundness of internal control system	✓		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.5 (xvi)	Ability to continue as a going concern	✓		
1.5 (xvii)	Significant deviations from the last year's	✓		
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years	✓		
1.5 (xix)	Reasons for not declared dividend			N/A
1.5 (xx)	Number of board meetings held during the year and attendance	✓		
<b>1.5 (xxi)</b>	<b>Pattern of shareholding:</b>			
1.5 (xxi) a)	Parent/Subsidiary/Associated Companies and other related parties	✓		
1.5 (xxi) b)	Directors,CEO,CS,CFO,HIA and their spouses and minor children	✓		
1.5 (xxi) c)	Executives	✓		
1.5 (xxi) d)	10% or more voting interest	✓		
<b>1.5 (xxii)</b>	<b>Appointment/re-appointment of director:</b>			
1.5 (xxii) a)	Resume of the director	✓		
1.5 (xxii) b)	Expertise in specific functional areas	✓		
1.5 (xxii) c)	Holding of directorship and membership of committees of the board other than this company.	✓		
<b>2.1</b>	<b>Appointment of CFO, HIA and CS:</b>			
2.2	Attendance of CFO and CS at the meeting of the Board of Directors.	✓		
<b>3</b>	<b>Audit Committee :</b>			
3 (i)	Constitution of Audit Committee	✓		
3 (ii)	Assistance of the Audit Committee to Board of Directors	✓		
3 (iii)	Responsibility of the Audit Committee	✓		
<b>3.1</b>	<b>Constitution of the Audit Committee:</b>			
3.1 (i)	At least 3 (three) members	✓		
3.1 (ii)	Appointment of members of the Audit Committee	✓		
3.1 (iii)	Qualification of Audit Committee members	✓		
3.1 (iv)	Term of Service of Audit Committee members	✓		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
3.1 (v)	Secretary of the Audit Committee	✓		
3.1 (vi)	Quorum of the Audit Committee	✓		
<b>3.2</b>	<b>Chairman of the Audit Committee</b>			
3.2 (i)	Board of Directors shall select the Chairman	✓		
3.2 (ii)	Chairman of the audit committee shall remain present in the AGM.	✓		
<b>3.3</b>	<b>Role of Audit Committee</b>			
3.3 (i)	Oversee the financial reporting process	✓		
3.3 (ii)	Monitor choice of accounting policies and principles	✓		
3.3 (iii)	Monitor Internal Control Risk management process	✓		
3.3 (iv)	Oversee hiring and performance of external auditors	✓		
3.3 (v)	Review the annual financial statements before submission to the board for approval	✓		
3.3 (vi)	Review the quarterly and half yearly financial statements before submission to the board for approval	✓		
3.3 (vii)	Review the adequacy of internal audit function	✓		
3.3 (viii)	Review statement of significant related party transactions	✓		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors	✓		
3.3 (x)	Disclosure about the uses/applications of funds raised by IPO/RPO/Right issue	✓		
<b>3.4</b>	<b>Reporting of the Audit Committee:</b>			
3.4.1	Reporting to the Board of Directors:			
3.4.1 (i)	Activities of Audit Committee	✓		
3.4.1 (ii) a)	Conflicts of interests	✓		
3.4.1 (ii) b)	Material defect in the internal control system	✓		
3.4.1 (ii) c)	Infringement of laws, rules and regulations	✓		
3.4.1 (ii) d)	Any other matter	✓		
<b>3.4.2</b>	Reporting to the Authorities	✓		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
3.5	Reporting to the Shareholders and General Investors	✓		
<b>4</b>	<b>Engagement of External/Statutory Auditors:</b>			
4 (i)	Appraisal or valuation services or Fairness opinions	✓		
4 (ii)	Financial information systems design and implementation	✓		
4 (iii)	Book-keeping	✓		
4 (iv)	Broker-dealer services	✓		
4 (v)	Actuarial services	✓		
4 (vi)	Internal audit services	✓		
4 (vii)	Services that the Audit Committee determines	✓		
4 (viii)	Audit firms shall not hold any share of the company they audit.	✓		
4 (ix)	Audit/certification services on compliance of corporate governance.	✓		
<b>5</b>	<b>Subsidiary Company :</b>			
5 (i)	Composition of the Board of Directors	✓		
5 (ii)	At least 1 (one) independent director to the subsidiary company	✓		
5 (iii)	Submission of Minutes to the holding company	✓		
5 (iv)	Review of Minutes by the holding company	✓		
5 (v)	Review of Financial Statement by the audit committee of the holding company	✓		
<b>6.</b>	<b>Duties of Chief Executive Officer and Chief Financial Officer:</b>			
6 (i) a)	Reviewed the materially untrue of the financial statement	✓		
6 (i) b)	Reviewed about compliance of the accounting standard	✓		
6 (ii)	Reviewed about fraudulent, illegal or violation of the company's code of conduct	✓		
<b>7.</b>	<b>Reporting and Compliance of Corporate Governance:</b>			
7 (i)	Obtain certificate about compliance of conditions of Corporate Governance Guidelines	✓		
7 (ii)	Annexure attached in the directors' report	✓		

## পরিচালনা পর্ষদের প্রতিবেদন

২০১৫-২০১৬

পরিচালনা পর্ষদ আনন্দের সাথে কোম্পানী আইন ১৯৯৪ এর ১৮৪ নং পরিচ্ছেদ, সিকিউরিটিজ এন্ড এক্সচেঞ্জ রুলস্ ১৯৮৭ এর ১২নং বিধির (এবং তফসিল অনুযায়ী) শর্তানুসারে, ৭ই আগস্ট, ২০১২ তারিখে বি.এস.ই.সি এর নোটিফিকেশন, দি ইনস্টিটিউট অব চার্টার্ড একাউন্ট্যান্টস অব বাংলাদেশ কর্তৃক গৃহীত আইএএস-১ (আন্তর্জাতিক হিসাব মানদণ্ড-১) এবং অর্থআইন ২০১৬ অনুসারে ৩০ জুন ২০১৬ তারিখে সমাপ্ত ১৫ মাসের প্রতিবেদন সম্মানিত কোম্পানীর সদস্যবৃন্দের কাছে নিম্নোক্ত পরিচ্ছদগুলোতে পেশ করছেনঃ

### ফার্মাসিউটিক্যালস সেক্টর

ফার্মাসিউটিক্যাল সেক্টর অত্র ২০১৫ সালে শতকরা ১৫.১৮ ভাগ প্রবৃদ্ধি অর্জন করেছে যা বিগত সালে ছিল ১১.৩৬ ভাগ। বিগত কয়েক বছরের ঔষধ খাত ও কোম্পানীর প্রবৃদ্ধির তুলনামূলক চিত্র নিম্নে উপস্থাপন করা হলোঃ

বছর	জাতীয় প্রবৃদ্ধির হার	কোম্পানীর প্রবৃদ্ধির হার
২০১১	২২.৩০%	১৯.১৭%
২০১২	১১.৯১%	১১.৮৭%
২০১৩	৮.১২%	১৬.৪৩%
২০১৪	১১.৩৬%	২৫.৩৬%
২০১৫	১৫.১৮%	১৫.১৩%

সূত্র: আইএমএস রিপোর্ট ২০১৫

২০১৫-১৬ অর্থবছরে দেশের অর্থনীতি প্রবৃদ্ধি শতকরা ৭.০৫ ভাগ বৃদ্ধি পেয়েছে। উল্লেখিত বৃদ্ধি প্রবণতা এই সেক্টরে পুনরায় বিনিয়োগের সুযোগ সৃষ্টির মাধ্যমে বিস্তৃত করার ইতিবাচক ইঙ্গিত প্রদান করেছে।

### কার্যক্রম পর্যালোচনা

#### ফার্মা প্লান্টস

পাবনা এবং কালিয়াকৈর-এ অবস্থিত কারখানার উৎপাদন ক্ষমতা, দক্ষতা, পরিমাণগত এবং গুণগত মান বৃদ্ধির লক্ষ্যে উন্নত প্রযুক্তি, গবেষণা এবং প্রশিক্ষণ কার্যক্রম অব্যাহত আছে। আলোচ্য বছরে কোম্পানীর প্রকৃত বিনিয়োগের পরিমাণ কারখানা স্থাপনে প্রণীত হয়েছে। এ বিষয়ে বিবরণ নিম্নে প্রদত্ত হলোঃ

মিলিয়ন টাকায়

সম্পদের বিবরণ	২০১৫-২০১৬	২০১৪-২০১৫
(ক) জমি	২৮১.৯৭	১৫১.৫৫
(খ) ভবন	৪৬৩.০৮	১,১৮১.৯৫
(গ) প্ল্যান্ট এবং যন্ত্রপাতি	৭৩৭.৮৬	২,৯১৪.৪১
(ঘ) গবেষণার যন্ত্রপাতি	১০০.২৪	২৮৫.১৬
(ঙ) অন্যান্য যন্ত্রপাতি/সম্পদ	২৯৯.২৮	২৭৩.৪৮
মোট টাকা	১,৮৮২.৪৩	৪,৮০৬.৫৬

মূলধনী ব্যয়ের অধিকাংশ অর্থ আভ্যন্তরীণ উৎস হতে সংগৃহীত। পাবনা এবং ঢাকা প্ল্যান্টের মিলিত উৎপাদিত পণ্যের পরিমাণ (ট্যাবলেট ও ক্যাপসুল) গত বছরের তুলনায় বৃদ্ধি পেয়েছে যা নিম্নে প্রদত্ত হলোঃ

পরিমাণ- হাজার

	ট্যাবলেট	ক্যাপসুল
একক	প্রতিটি	প্রতিটি
উৎপাদন ক্ষমতা	১১,২৭৮,৮২০	২,২১১,৩১৩
প্রকৃত উৎপাদন:		
২০১৫-১৬	৬,৬৪৭,২৮৮	১,২১৩,৯৪৪
২০১৪-১৫	৫,৪৪৬,২০৬	১,৪০২,৫২৫
উৎপাদন ক্ষমতার ব্যবহার:		
২০১৫-১৬	৫৯%	৫৫%
২০১৪-১৫	৫২%	৬৩%

### কেমিক্যাল প্লান্ট

পাবনাস্থ কেমিক্যাল প্লান্ট এর বিগত তিন (৩) বছরের কার্যক্রম নীচে উপস্থাপন করা হলোঃ

	২০১৫-১৬	২০১৪-১৫	২০১৩-১৪
পণ্যের সংখ্যা	২২	২২	২২
উৎপাদনের পরিমাণ (মেঃ টন)	৭৬৮	৬২৪	৫৮২
নিজস্ব ব্যবহার (মেঃ টন)	৪৭১.০১	৪৬১.২৩	৪৯৫.৬৪
বিক্রয় (মেঃ টন)	৩৪৬.৯৯	১৬৫.০১	৬১.৬৩
নিজস্ব ব্যবহার (%)	৬১.৩৩%	৭৩.৯২%	৮৫.১৬%
বাৎসরিক বিক্রয় (মিলিয়ন টাকা)	১২২.৪৪	২৩৮.৭৯	১৮৫.৩০

বাজার এবং মূল্য সংযোজন নীতি অনুযায়ী পণ্য মিশ্রণের তারতম্যের দরুন নিজস্ব ব্যবহার পরিবর্তন হয়েছে।

### নতুন ঔষধ সম্প্রসারণ

আলোচ্য ২০১৫-২০১৬ সালে বিদ্যমান, নতুন সংযোজিত এবং বাতিলকৃত ঔষধের বিবরণ নিম্নের সারণীতে উপস্থাপন করা হলো:

ক্রমিক নং	পণ্যের শ্রেণীবিন্যাস	পণ্যের সংখ্যা ৩০-০৩-২০১৫	নতুন সংযোজন	বাতিলকৃত	মোট পণ্য ৩০-০৬-২০১৬
১	ট্যাবলেট	৩০৭	১৩	১২	৩০৮
২	ক্যাপসুল	৬৩	১	১	৬৩
৩	লিকুইড ক্যাপসুল	৪	১	-	৫
৪	লিকুইড	৭৮	৩	৪	৭৭
৫	ইনজেক্টেবল (ভায়াল ও অ্যাম্পুল)	৬৪	২	৩	৬৩
৬	ইনফিউশন (এলডিপিও)	৬	৩	-	৯
৭	ইএনটি প্রিপারেশন ও অন্যান্য	৬৬	৪	৪	৬২
৮	অপথাল প্রিপারেশন	১৪	১	-	১৫
৯	সাসপেনশন পাউডার	১৮	১	২	১৭
১০	ট্রিপিঅ্যাল পাউডার	১	-	-	১
১১	সাপোজিটরি	১০	-	১	৯
১২	স্যাশে	৩	-	১	২
১৩	ইনহেলার এবং নেবুলাইজার	১৬	-	-	১৬
১৪	ইনসুলিন	৮	-	-	৮
১৫	বেসিক ক্যামিকেল	৮	-	-	৮
১৬	পিলেট	১৪	-	-	১৪
১৭	ট্যাবলেট, পাউডার, লিকুইড, ইনজেক্টেবলস্-এগ্রোভেট	৬৩	-	-	৬৩
১৮	কীটনাশক	২৫	১	১	২৫
	মোট	৭৬৮	৩০	৩৩	৭৬৫

নতুন পণ্যসমূহ চিকিৎসা পেশায় নিয়োজিত ব্যক্তিবর্গের নিকট এবং বাজারে উত্তমরূপে গৃহীত হয়েছে

### উৎপাদন/উৎপাদন ক্ষমতার ব্যবহার

সার্বিকভাবে প্ল্যান্টের উৎপাদন ক্ষমতার উন্নয়ন এ বছরও ধারাবাহিক ভাবে অব্যাহত আছে যা নিম্নে প্রদত্ত হলো:

ক্রমিক নং	পণ্যের শ্রেণীবিন্যাস	একক	উৎপাদন (হাজার)		শতকরা বৃদ্ধি/হ্রাস	উৎপাদন ক্ষমতার ব্যবহার	
			২০১৫-১৬	২০১৪-১৫		২০১৫-১৬	২০১৪-১৫
১	ট্যাবলেট	প্রতিটি	৬,৬৪৭,২৮৮	৫,৪৪৬,২০৬	২২.০৫	৫৯%	৫২%
২	ক্যাপসুল	প্রতিটি	১,২১৩,৯৪৪	১,৪০২,৫২৫	(১৩.৪৫)	৫৫%	৬৩%
৩	লিকুইড ক্যাপসুল	প্রতিটি	১৯,৮২৯	১২,৪৮০	৫৮.৮৯	১৬%	১২%
৪	লিকুইড	বোতল	১১৪,৭৪৯	৭৫,৮৫৯	৫১.২৭	৪৬%	৩৮%
৫	ইনজেক্টেবল	প্রতিটি	৫৭,২৯৫	৪৪,৬৪৬	২৮.৩৩	৪৬%	৬৯%
৬	ইনফিউশন (এল ডি পিও)	ব্যাগ	১,০৪০	৪০০	১৬০.৬০	১৭%	১০০%
৭	ইএনটি প্রিপারেশন ও অন্যান্য	ফাইল	১৫,৩৫৩	১১,৯৬৩	২৮.৩৪	৪১%	৪০%
৮	স্টেরায়ড-ক্রিম, অয়েন্টমেন্ট, স্প্রে, জেল ও অন্যান্য	ফাইল	১৩,০০৩	৭,৭৭৭	৬৭.২০	২১%	১৬%
৯	নন স্টেরায়ড-ক্রিম, অয়েন্টমেন্ট, স্প্রে, জেল ও অন্যান্য	ফাইল	২১,৫০৪	১২,৪০০	৭৩.৪২	৮২%	৭৩%
১০	অপথাল প্রিপারেশন	ফাইল	৬,৮৩০	৪,২৩৭	৬১.২০	৯১%	৭১%
১১	নেবুলাইজার	প্রতিটি	২,৯০০	১,৪৯৩	৯৪.২৪	৭৭%	৮০%
১২	পাউডার সাসপেনশন	বোতল	২১,৫৩৯	১৭,৭৩৫	২১.৪৫	৪৯%	৫৭%
১৩	পাউডার	ফাইল	৫,০৮৭	৩,০৮২	৬৫.০৬	৫৭%	৮৬%
১৪	সাপোজিটরি	প্রতিটি	৪৯,৯০৬	৩১,৯৪৫	৫৬.২২	৫০%	৪০%
১৫	স্যাশে	প্রতিটি	২,১৬৯	৭০,৮৭৪	(৯৬.৯৪)	৪১%	৮৯%
১৬	ইনহেলার	ক্যান	৪,৫২০	৩,২১০	৪০.৮১	৬৭%	৬৭%
১৭	ড্রাই পাউডার ইনহেলার	প্রতিটি	২৮,৪৬৮	২০,০৭০	৪১.০৮	২০%	১৮%
১৮	ইনসুলিন	প্রতিটি	১,৪৪০	১,০৮৩	২৯.২৭	১৯%	৭৪%
১৯	বেসিক ক্যামিকেল	কেজি	৪৯৬	৪০৬	২২.১৭	৭৯%	৮১%
২০	পিলেট	কেজি	২৭২	২১৮	২৪.৭৭	৯১%	৯৫%
২১	ট্যাবলেট-এগ্রোভেট	প্রতিটি	১৭,৮৮৫	১০,৫৫৯	৬৯.৩৮	২৯%	২১%
২২	পাউডার-এগ্রোভেট	কেজি	৫৪৭	৪৩৬	২৫.৪৬	২৯%	২৯%
২৩	ইনজেকশন-এগ্রোভেট	প্রতিটি	১,১৫৪	৬৭১	৭১.৯৮	২৭%	২০%
২৪	লিকুইড-এগ্রোভেট	বোতল	৯৪১	৮৩৭	১২.৪৩	৪%	৪%

যদিও বাজারজাতকরণ কৌশলের কারণে ২টি পণ্যের ক্ষেত্রে উৎপাদন ক্ষমতার ব্যবহার সামান্য হ্রাস পেয়েছে তথাপি বিগত বছরের তুলনায় ২০১৫-১৬ সালে সার্বিক উৎপাদন ক্ষমতার ব্যবহার বৃদ্ধি পেয়েছে।

## মান নিয়ন্ত্রণ

ফার্মাসিউটিক্যালস্ পণ্যের অপর নাম জীবন রক্ষাকারী পণ্য। তাই এই পণ্যের সর্বোচ্চ মান নিশ্চিত করতে এবং উন্নয়ন সাধনে পণ্যের উৎপাদন সহ সকল স্তরে বিশ্ব স্বাস্থ্য সংস্থা প্রদত্ত গুড ম্যানুফ্যাকচারিং প্রাক্টিস এর নীতিমালা কঠোরভাবে অনুসরণে কোম্পানী সম্পূর্ণ গুরুত্ব আরোপ করেছে। পুংখানুপুংরূপে অনুসন্ধান এর মাধ্যমে মেয়াদোত্তীর্ণ ঔষধ মার্কেট হতে ফেরত নেয়ার ক্ষেত্রে কোম্পানী প্রতিনিয়ত যত্নশীল। কোম্পানীর মান নিয়ন্ত্রণ সুবিধাদীর মধ্যে রয়েছে অত্যাধুনিক মান সম্পন্ন ল্যাবরেটরী বিল্ডিং, কম্পিউটারাইজড যন্ত্রপাতি এবং সর্বোব্যাপী উচ্চশিক্ষিত এবং আধুনিক প্রশিক্ষণপ্রাপ্ত কর্মচারী ও কর্মকর্তা যারা পণ্যের সর্বোচ্চ মান নিয়ন্ত্রণকে তাদের নৈতিক দায়িত্ব হিসাবে গ্রহণ করে গবেষণা কার্যক্রমে ব্রতী হয়েছেন। আমরা তাঁদের জন্য গর্বিত।

## প্রযুক্তি

পণ্য উৎপাদন, মান নিয়ন্ত্রণ, বিতরণ এবং সর্বোপরি রোগীর কাছে এই পণ্য পৌঁছানো পর্যন্ত সকল স্তরে আধুনিক প্রযুক্তি প্রয়োগে কোম্পানী অগ্রণী ভূমিকা পালন করছে। এই লক্ষ্যে ২০১৫-২০১৬ অর্থ বছরে কোম্পানী ল্যাবরেটরী আধুনিকায়নে বিনিয়োগ করেছে ১০০,২৪৩,৩২০ টাকা।

## রপ্তানি

কোম্পানী প্রতিনিয়তই রপ্তানি বাজার সম্প্রসারণে সর্বাত্মক প্রচেষ্টা চালাচ্ছে। পর্যালোচিত বছরে কোম্পানীর মোট রপ্তানির পরিমাণ ১,৪০০.২৬ মিলিয়ন টাকা যেখানে গত বছর ছিল ১,৩৪৫.৬৯ মিলিয়ন টাকা যা বিগত বছরের তুলনায় ৪.০৬ শতাংশ বৃদ্ধি পেয়েছে। আমরা আশা করছি আগামী বছরগুলোতে রপ্তানির পরিমাণ উত্তরোত্তর বৃদ্ধি পাবে। বর্তমানে ৩৯টির অধিক দেশে কোম্পানীর পণ্য রপ্তানী হচ্ছে। USFDA' তে (যুক্তরাষ্ট্রের খাদ্য ও ঔষধ প্রশাসন) ANDA (যুক্তরাষ্ট্রে ঔষধ রপ্তানীর জন্য আবেদন পত্র) জমা প্রদানের প্রেক্ষিতে ২০১৫ সালের জানুয়ারি মাসে 'পূর্ব অনুমোদন পরিদর্শন এর আওতায় স্কার' এর উৎপাদন সুবিধা নিরীক্ষিত হয়েছে। জুন মাসে USFDA কোনো প্রকার নেতিবাচক মন্তব্য প্রদান ছাড়া পূর্ব অনুমোদন পরিদর্শন এর সাফল্য লিখিতভাবে নিশ্চিত করেছে। কোম্পানী এখন চূড়ান্ত অনুমোদনের অপেক্ষায় আছে। এই অনুমোদন রপ্তানী বাজার সম্প্রসারণ ক্ষেত্রে নতুন দিগন্তের সূচনা করবে।

## সাবসিডিয়ারি প্রতিষ্ঠানের কার্যক্রম:

### স্কার ফর্মুলেশনস্ লিঃ

প্রতিটি ১০০ টাকা মূল্যমানের ১,০০০,০০০টি শেয়ারের মধ্যে ৯৯৫,০০০টি শেয়ারের মালিক। এছাড়া স্কার ফার্মা ২,০০০,০০০,০০০ টাকা শেয়ার মানি ডিপোজিট হিসাবে অর্থ প্রদান করেছে। পরিচালনা পর্ষদের প্রতিবেদনের সাথে আর্থিক বিবরণী সংযুক্ত করা হলো। ৩০শে জুন ২০১৬ তারিখে সমান্ত ১৫ মাসের আর্থিক অবস্থার বিবরণী, সমন্বিত আয়ের বিবরণী মূলধনী পরিবর্তনের, নগদ তহবিল প্রবাহ এবং নিরীক্ষকের প্রতিবেদনসহ পরিচালনা পর্ষদের প্রতিবেদনের সাথে সন্নিবেশিত হলো।

### বিনিয়োগসমূহ

নিরীক্ষকের রিপোর্টের (৪ ও ৫) অংশে দীর্ঘমেয়াদী বিনিয়োগ পোর্টফোলিও এবং বিক্রয়যোগ্য শেয়ার সম্পর্কে বিস্তারিতভাবে উপস্থাপন করা হয়েছে। সম্মানিত শেয়ারহোল্ডারদের অবগতির জন্য নিম্নে এই পোর্টফোলিও সম্পর্কে সংক্ষেপে আলোকপাত করা হলো:

### দীর্ঘমেয়াদী বিনিয়োগ

উল্লিখিত ৪, ৭৭৯,৯৫৩,৬৮৮ টাকার ক্ষুদ্র ও বৃহৎ বিনিয়োগ ১০টি বিভিন্ন কোম্পানীর সাধারণ শেয়ার/শেয়ার মানি ডিপোজিট অগ্রিম হিসাবে বিনিয়োগ করা হয়েছে যার বিবরণ নিম্নে উপস্থাপন করা হলো:

### মেজোরিটি বিনিয়োগ (সাবসিডিয়ারিজ)

#### স্কার ফর্মুলেশনস্ লিঃ

প্রতিটি ১০০ টাকা মূল্যমানের ১,০০০,০০০টি শেয়ারের মধ্যে স্কার ফার্মা ৯৯৫,০০০টি শেয়ারের মালিক, যা তালিকাভুক্ত নয়। এছাড়া স্কার ফার্মা ২,০০০,০০০,০০০ টাকা শেয়ার মানি ডিপোজিট হিসাবে অর্থ প্রদান করেছে। পরিচালনা পর্ষদের প্রতিবেদনের সাথে আর্থিক বিবরণী সংযুক্ত করা হলো।

### মাইনরিটি বিনিয়োগ

#### স্কার টেক্সটাইলস্ লিঃ (এসটিএক্সএল)

৩০-০৬-২০১৬ তারিখে ১০ টাকা অবহিত মূল্যের ৭৫,৩৯৬,১৫০টি শেয়ারের বিপরীতে (ব্যয় হিসাব অনুযায়ী) ২২৫,১২৯,৭৯৫ টাকা বিনিয়োগ করা হয়েছে। ৩০ জুন ২০১৬ তারিখে উক্ত শেয়ারের বাজার মূল্য ছিল ৫,৩৩৮,০৪৭.৪২০ টাকা (প্রতিটি শেয়ার ৭০.৮০ হিসাবে)। কোম্পানীটি পুরোদমে উৎপাদন করছে এবং ২০১৫-১৬ সালে শতকরা ২৫ ভাগ নগদ লভ্যাংশ এবং শতকরা ১০ ভাগ বোনাস শেয়ার ঘোষণা করেছে।

#### স্কয়ার হসপিটালস্ লিঃ (এসএইচএল)

স্কয়ার ফার্মাসিউটিক্যালস্ লিঃ প্রতিটি ১,০০০ টাকা মূল্যমানের ১৯৯,৭৫০টি সাধারণ শেয়ারের মালিক। প্রকল্পটি বর্তমানে ৩০০ শয্যা বিশিষ্ট আধুনিক হাসপাতাল হিসাবে চালু আছে। মূলত: হার্টের রোগ নিরাময়ে গুরুত্ব দেয়া সহ এতে আরও থাকছে বহুমুখী চিকিৎসা সেবা। স্কয়ার ফার্মাসিউটিক্যালস্ লিঃ এই প্রতিষ্ঠানের ৪৯.৯৪% শেয়ারের মালিক। এসপিএল ১,০০০ টাকা মূল্যমানের ২,০০০,০০০ শেয়ারের জন্য ২.০০ বিলিয়ন টাকা শেয়ার মানি ডিপোজিট হিসাবে অগ্রিম প্রদান করেছে। যেহেতু কোম্পানীর শেয়ার তালিকাভুক্ত নয় সেহেতু এর বাজার দর মূল্যায়ন করা যায়নি।

২০১৬ সালের ৩০শে জুন সমাপ্ত বছরে কোম্পানীর মোট আয়ের পরিমাণ দাঁড়ায় ২,৯৩৭,২৩৪,১২৭ টাকা। অত্র আর্থিক বছরে নীট মুনাফার পরিমাণ হয় ২৪৪,৮১৬,১২০ টাকা যা পূর্ববর্তী বছরে নীট মুনাফার পরিমাণ ছিল ২১৬,১৭৩,৮৩৯ টাকা।

#### স্কয়ার ফ্যাশনস্ লিঃ (এসএফএল)

স্কয়ার ফার্মাসিউটিক্যালস্ লিঃ প্রতিটি ১০০ টাকা মূল্যমানের ২৫২,০০০ (৪৮.৪৬%) শেয়ারের মালিক। কোম্পানী মুনাফা অর্জন শুরু করেছে এবং ২০১৫-১৬ আর্থিক বছরে নীট মুনাফা অর্জিত হয়েছে ১,৫০৬,৭৬০,২৬৫ টাকা যা বিগত সময়ে ছিল ১,১৯২,৬৭৮,১০৬ টাকা। কোম্পানীটি কোন লভ্যাংশ ঘোষণা করেনি। যেহেতু কোম্পানীর শেয়ারগুলি তালিকাভুক্ত নয় সেহেতু শেয়ারগুলোর বাজার দর যাচাই করা সম্ভব নয়। তথাপি ৩০-০৬-২০১৬ তারিখে নীট সম্পদের মূল্য প্রতি শেয়ার দাঁড়ায় ৭,২১৭.২৪ টাকা।

#### স্কয়ার ইনফরমেটিক্স লিঃ (এসআইএল)

প্রতিটি ১০০ টাকা মূল্যমানের ১,০০০,০০০ সাধারণ শেয়ারের বিপরীতে শেয়ার মানি ডিপোজিট হিসাবে ১০.০০ কোটি টাকা অগ্রিম প্রদান করা হয়েছে। এই কোম্পানীর বর্তমান পরিশোধিত মূলধন হচ্ছে ১০০,০০০,০০০ টাকা। যেহেতু কোম্পানীর শেয়ারগুলি তালিকাভুক্ত নয় সেহেতু শেয়ারগুলোর বাজার দর যাচাই করা সম্ভব নয়।

#### ইউনাইটেড হসপিটাল লিঃ (ইউএইচএল)

স্কয়ার ফার্মাসিউটিক্যালস্ লিঃ প্রতিটি ১০০ টাকা মূল্যমানের ১২০,০০০টি শেয়ারের মালিক, যার মূল্য ১২,০০০,০০০ টাকা। যেহেতু এই কোম্পানীটি স্টক এক্সচেঞ্জে এ তালিকাভুক্ত নয় সেহেতু এর শেয়ারের কোন বাজার দর মূল্যায়ন করা যাচ্ছে না।

#### সেন্ট্রাল ডিপোজিটরী বাংলাদেশ লিঃ (সিডিবিএল)

সেন্ট্রাল ডিপোজিটরী ১৯৯৯ সালের বিধি অনুযায়ী গঠিত। এসপিএল প্রতিটি ১০ টাকা মূল্যমানের ৫,৭১১,৮০৪টি শেয়ারের মালিক। সিডিবিএল গঠন করা হয়েছে মূলতঃ জাল শেয়ারের ট্রেডিং বন্ধ, স্ক্রীপ ছাড়াই ট্রেডিং এবং শেয়ার ধারণের সমস্যা সমাধানের জন্য। যেহেতু এর শেয়ার তালিকাভুক্ত হয়নি সেহেতু সিডিবিএল এর শেয়ার বাজার দরে মূল্যায়ন করা যাচ্ছে না।

#### লংকাবাংলা ফাইন্যান্স লিঃ

এসপিএল মোট ৮৭,১২৫,৮৬৩ টাকা মূল্যমানের ১০০,০০০টি জিরো কুপন বন্ডের মালিক।

#### আইডিএলসি

এসপিএল মোট ১৭৭,৮২৭,৬৯১ টাকা মূল্যমানের ২৫০,০০০টি জিরো কুপন বন্ডের মালিক।

#### বাংলাদেশ স্টীলস রি-রোলিং মিলস লিঃ

এসপিএল মোট ১৬৩,২২৫,৯০৯ টাকা মূল্যমানের ২০০,০০০টি জিরো কুপন বন্ডের মালিক।

#### বিক্রয়যোগ্য শেয়ারে বিনিয়োগ

একটি বিবরণীতে ৩৪টি বিপণনযোগ্য শেয়ারসমূহ যা নোট-৫ এ বর্ণনা করা হয়েছে এবং কস্ট প্রাইজে বিনিয়োগের পরিমাণ ৮০৪,৯৪৮,৮৬৩ টাকা। ৩০ জুন ২০১৬ তারিখে বিনিয়োগের বিপরীতে মূলধনী লাভ দেখা যায় ২৬৬,৭৮৬,৫৭৯ টাকা।

(১০) আর্থিক ফলাফল

পূর্ববর্তী বছরের সাথে তুলনা করে ৩০শে জুন ২০১৬ সমাপ্ত ১৫ মাসের আর্থিক ফলাফল নিম্নে উপস্থাপন করা হলো:

বিবরণ	২০১৫-১৬ (টাকায়)	২০১৪-১৫ (টাকায়)	শতকরা + (-)
◆ মোট বিক্রয়	৪১,৬৭৮,৭৭৯,৫৩২	৩৬,১৯১,৫৯৪,৯৮১	১৫.১৬%
◆ নীট বিক্রয়	৩৬,০৩৩,০৫১,৬৫২	৩১,২৯৮,৬৮৭,৯৫৭	১৫.১৩%
◆ মোট মুনাফা	১৭,৪০৭,৩৬৫,১৭৩	১৩,৮২৭,২৭৪,০৬৪	২৫.৮৯%
◆ নীট মুনাফা (করপূর্ব)	১২,২১৩,৯৬৪,৭২২	৮,৫৯৭,৪৫৭,০৫২	৪২.০৬%
◆ আয়কর সঞ্চিতি	২,৮৮২,৯০৭,০৬৮	১,৮৬৬,৫০৩,২০৩	৫৪.৪৫%
◆ নীট মুনাফা (কর পরবর্তী)	৯,২২৬,৬১৪,৬৭৪	৬,৫২৩,৯৩৩,৮৬১	৪১.৪৩%
◆ মোট আয়ের হার	৪৮.৩১%	৪৪.১৮%	৯.৩৫%
◆ নীট আয়ের হার (কর পূর্ব)	৩৩.৯০%	২৭.৪৬%	২৩.৪৫%
◆ নীট আয়ের হার (কর পরবর্তী)	২৫.৬১%	২০.৮৪%	২২.৮৯%
◆ শেয়ার প্রতি আয় (টাকা)	১৪.৮০	১০.৪৬	৪১.৪৩%
◆ শেয়ার প্রতি আয় (আইপিও পরিশোধিত মূলধন অনুসারে)	৯২২.৬৬	৬৫২.৩৯	৪১.৪৩%
◆ একত্রীকৃত প্রতিটি শেয়ারের আয় (টাকা)	১৭.১৮	১১.০২	৫৫.৯০%

মোট মুনাফা, পরিচালন মুনাফা এবং নীট মুনাফা (আয়কর পূর্ববর্তী) পূর্ববর্তী বছরের তুলনায় ২০১৫-২০১৬ আর্থিক বছরে যথাক্রমে বৃদ্ধি পেয়েছে শতকরা ২৫.৮৯, ৩৪.০৬ এবং ৪২.০৬ ভাগ। যা হোক পূর্ববর্তী বছরের তুলনায় বিক্রিত পণ্যের ব্যয় বৃদ্ধি পেয়েছে ৬.৬০ ভাগ যা মোট মুনাফা এবং পরিচালন মুনাফা বৃদ্ধিতে সহায়ক ভূমিকা পালন করেছে। যদিও কোম্পানীর এই বছরের বিশেষায়িত কোনো আয় নেই তথাপি নীট মুনাফা পূর্ববর্তী বছরের তুলনায় বৃদ্ধি পেয়েছে শতকরা ৪১.৪৩ ভাগ।

প্রতিটি ১০ টাকা মূল্যমানের ৬২৩,৫৮৬,৫৪৬টি শেয়ারের উপর ভিত্তি করে শেয়ার প্রতি আয় হয়েছে ১৪.৮০ টাকা। তবে আইপিও সময় ইস্যুকৃত মূলধনের বিবেচনায় শেয়ার প্রতি আয় দাঁড়ায় ২০১৫-২০১৬ সালে ৯২২.৬৬ টাকা যা ২০১৪-২০১৫ সালে ছিল ৬৫২.৩৯ টাকা।

হিসাবের একত্রীকরণ

বিএসইসি এর বিধিমালা ও ইন্টারন্যাশনাল একাউন্টিং স্ট্যান্ডার্ড- ২৮ এবং আই এফ আর এস-১০ এর নিয়মাবলী অনুসরণ করে একাউন্টস একত্রীকৃত করেছে যাতে শেয়ারহোল্ডারবৃন্দের মোট সুবিধা/বিনিয়োগ মূল্য নির্ধারণ করা হয়েছে।

পরিবেশগত ভূমিকা

জিএমপি/ডব্লিউএইচও স্ট্যান্ডার্ডস ও সরকারী নিয়মাবলী অনুযায়ী কোম্পানী সর্বোচ্চ দূষণমুক্ত পরিবেশ বজায় রেখেছে।

জাতীয় কোষাগারে অবদান

জাতীয় কোষাগারে কোম্পানীর এ বছরের অবদান ৯,০৮৪,৭২০,৫১৯ টাকা (যন্ত্রপাতি ও খুচরা যন্ত্রাংশ আমদানী শুল্ক ৬৬,৪৫৫,৫৯৮ টাকা সহ) যা গত বছর ছিল ৬,৩১৪,৭৪০,০৪২ টাকা। এই অবদান ২০১৫-২০১৬ সালের বিক্রয়ের শতকরা ২৫.২১ ভাগ যা গত বছর ছিল শতকরা ২৪.০৯ ভাগ (২০১৪-২০১৫)।

মানব সম্পদ উন্নয়ন

মানব সম্পদ উন্নয়নের জন্য কোম্পানী প্রতিটি স্তরের নির্বাহী ও শ্রমিক কর্মচারীদের আনুষ্ঠানিক ও অনানুষ্ঠানিক প্রশিক্ষণ দিয়ে যাচ্ছে। এ বছর ৫,০১২ জন দেশে এবং বিদেশে প্রশিক্ষণ পেয়েছে। ফলে প্রশিক্ষণ প্রাপ্তরা কোম্পানীকে লাভজনক অবস্থায় রাখতে অবদান রেখেছে। সাথে সাথে তাদের পারিশ্রমিকও বৃদ্ধি পেয়েছে।

## মুনাফা বন্টন

পরিচালনা পর্ষদ নিম্নোক্ত উপায়ে চলতি ২০১৫-২০১৬ বছরের নীট মুনাফা বন্টনের সুপারিশ করেছেন:

(ক) চলতি বছরের মুনাফা (২০১৫-২০১৬)	৯,২২৬,৬১৪.৬৭৪	
(খ) প্রস্তাবিত বন্টনঃ		
(১) নগদ লভ্যাংশ ৪০% (টাকা ৪.০০ শেয়ার প্রতি)	২,৪৯৪,৩৬৪.১৮৪	
(২) বোনাস শেয়ার (স্টক ডিভিডেন্ট)ঃ ১০% বোনাস শেয়ারের লিখিত মূল্য	৬২৩,৫৮৬.৫৪০	৩,১১৭,৯৫০.৭২৪
(গ) নীট অববন্টনকৃত মুনাফাঃ	টাকা ৬,১০৮,৬৬৩.৯৫০	

## পরিচালক নির্বাচন

কোম্পানীর সংঘবিধির ৯৯ অনুচ্ছেদ অনুযায়ী জনাবা রত্না পাত্র এবং জনাব অঞ্জন চৌধুরী অবসর গ্রহণ করছেন এবং অনুচ্ছেদ ১০০ অনুসারে তাঁরা পুনঃ নির্বাচিত হওয়ার যোগ্য বিধায় পুনঃ নির্বাচিত হওয়ার ইচ্ছা পোষন করেছেন। উপরের উল্লেখিত পরিচালকবৃন্দের সংক্ষিপ্ত জীবন বৃত্তান্ত এবং অন্যান্য তথ্য সংযুক্তি-।। তে বর্ণিত হয়েছে।

## নিরীক্ষক নিয়োগ

বর্তমান কোম্পানীর নিরীক্ষক মেসার্স আহমদ জাকের এন্ড কোং, চার্টার্ড একাউন্টেন্টস্ এই বার্ষিক সাধারণ সভায় অবসর গ্রহণ করছেন এবং যোগ্য বিধায় ২০১৬-১৭ সালের জন্য নিরীক্ষক হিসেবে পুনরায় নিয়োগের ইচ্ছা প্রকাশ করেছেন।

## স্বতন্ত্র পরিচালক পুনঃ নিয়োগ

কোম্পানীর পরিচালনা পর্ষদ বিগত ৩রা মে, ২০১৬ইং তারিখের সভায় জনাবা নিহাদ কবির-কে, স্বতন্ত্র পরিচালক হিসেবে পুনরায় ৩ (তিন) বছরের জন্য নিয়োগ প্রদান করেছেন যা ৯ই মে ২০১৬ইং থেকে কার্যকর হবে।

## কর্পোরেট গভর্নেন্স

কর্পোরেট গভর্নেন্স হচ্ছে সূনাগরিকত্বের চর্চা যার মাধ্যমে পরিচালনা পর্ষদ কোম্পানীর পরিচালনা করেন, শেয়ার

হোল্ডার/স্বার্থ সংশ্লিষ্ট ব্যক্তিবর্গ এবং সমাজের প্রতি জবাবদিহিতার দৃষ্টিভঙ্গি নিয়ে। বাংলাদেশ সিকিউরিটিজ এ এক্সচেঞ্জ কমিশন এর নোটিশ নং এসইসি/সিএমআরআরসিডি/ ২০০৬-১৫৮/১৩৪/প্রশাসন/৪৪ ৭ই আগস্ট, ২০১২ এর নিরিখে একটি বিবরণ ১.৫ ধারা অনুসারে, প্রতিপালন প্রতিবেদন, অডিট কমিটি প্রতিবেদন ৩.৫ ধারা অনুসারে, ধারা ৭(১) অনুসারে প্রফেশনাল একাউন্টেন্ট কর্তৃক সার্টিফিকেট এবং কর্পোরেট গভর্নেন্স প্রতিপালন ৭(২) এর অবস্থা যথাক্রমে সংযুক্তি- I, IV, V এবং VI এর মধ্যে বর্ণনা/প্রকাশ করা হলো।

## ব্যবস্থাপনা কর্তৃপক্ষের স্বীকৃতি

পরিচালনা পর্ষদ ব্যবসায়িক কার্যক্রমে আন্তরিকভাবে অবদান রাখার জন্য ব্যবস্থাপনা কর্মকর্তা, কর্মচারী, শ্রমিক, ক্রেতা সবাইকে আন্তরিক ধন্যবাদ জ্ঞাপন করেছেন। তা ছাড়াও ব্যাংক, বিএসইসি, ডিএসই, সিএসই, সিডিবিএল এবং বিশেষ ভাবে সরকারকে কোম্পানীর প্রতিটি কার্যক্রমে সহযোগিতার জন্য আন্তরিক ধন্যবাদ জানাচ্ছেন। পরিচালনা পর্ষদ আশা করে যে, এই কোম্পানী দেশের সীমানা ছাড়িয়ে বিদেশের মাটিতেও কার্যকর ভূমিকা রাখবে।



স্যামুয়েল এস চৌধুরী  
চেয়ারম্যান

# Financial Statements



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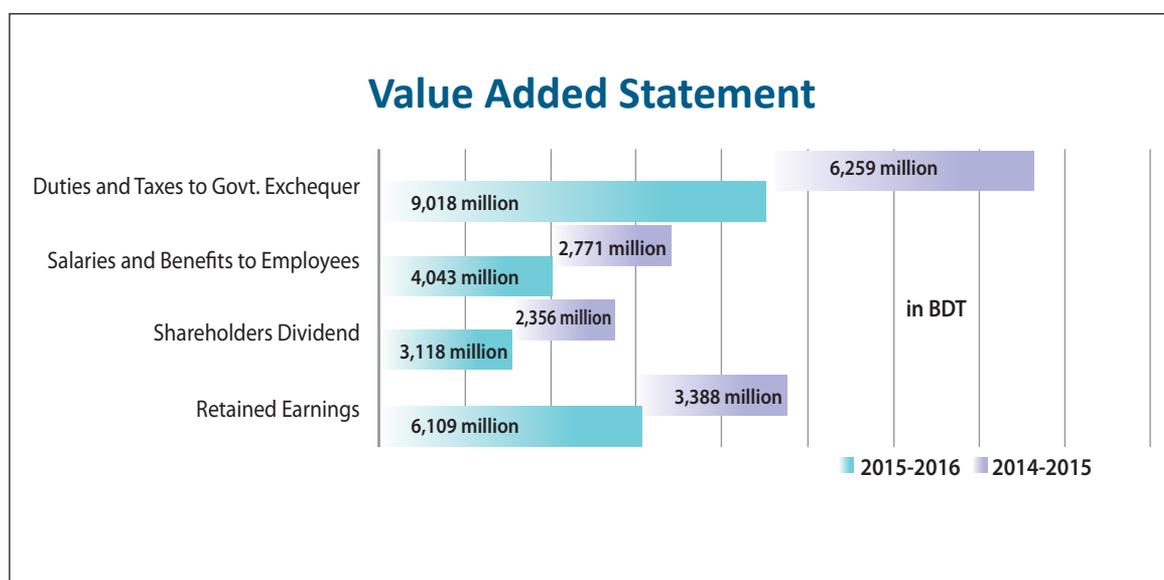
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# Value Added Statement

For the 15 Months Period Ended June 30, 2016

(Figures in '000 Taka)

	2015-2016 (April 2015-June 2016)		2014-2015 (April 2014-March 2015)	
	Amount	%	Amount	%
<b>Value Added:</b>				
Turnover & Other Income	43,573,647		30,952,641	
Less: Bought in Materials & Services	21,285,595		16,178,157	
	22,288,052	100.00	14,774,484	100.00
<b>Applications:</b>				
Duties and Taxes to Govt. Exchequer	9,018,265	40.46	6,259,457	42.37
Salaries and Benefits to Employees	4,043,172	18.14	2,771,403	18.76
Shareholders Dividend	3,117,933	13.99	2,355,771	15.94
Retained Earnings	6,108,682	27.41	3,387,853	22.93
	22,288,052	100.00	14,774,484	100.00



## AUDITORS' REPORT

### To the Shareholders of Square Pharmaceuticals Ltd.

We have audited the accompanying Consolidated Financial Statements of **Square Pharmaceuticals Ltd.** which comprises the Consolidated Statement of Financial Position as at **June 30, 2016** along with Consolidated Statement of Profit or Loss and other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows For the 15 Months Period Ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable rules and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing, those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the Auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the Consolidated financial statements give a true and fair view of the financial position of **Square Pharmaceuticals Ltd.** as at **June 30, 2016** and of its financial performance for the 15 Months Period Ended in accordance with Bangladesh Financial Reporting Standards and comply with the Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations.

#### We also report on other legal and regulatory requirements

We also report that;

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- c) the Company's Consolidated Statement of Financial Position, Consolidated Statement of Profit or Loss and other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows dealt with by the report are in agreement with the books of accounts;
- d) the expenditure incurred was for the purposes of the Company's business.

Dated, Dhaka  
October 26, 2016

  
Ahmed Zaker & Co.  
Chartered Accountants

**SQUARE PHARMACEUTICALS LTD.**  
and its subsidiary

Consolidated Statement of Financial Position  
As at 30 June 2016

Particulars	Notes	Amount in Taka		
		30-06-2016	31-03-2016	31-03-2015
<b>ASSETS:</b>				
<b>Non-Current Assets:</b>				
		<b>27,240,402,799</b>	<b>26,734,845,271</b>	<b>25,598,690,125</b>
Property, Plant and Equipment-Carrying Value	2	18,848,282,139	18,693,536,138	18,096,845,209
Deferred Tax Assets	-	-	-	106,919,399
Capital Work-in-Progress	3	-	-	119,985,162
Investment - Long Term (at Cost)	4	555,873,893	412,638,247	251,599,097
Investment - Associates Undertaking	5	6,764,511,325	6,704,341,212	6,144,091,774
Investment in Marketable Securities (Fair Value)	6	1,071,735,442	924,329,674	879,249,484
<b>Current Assets:</b>				
		<b>17,063,366,651</b>	<b>16,102,124,657</b>	<b>9,732,170,099</b>
Inventories	7	3,694,711,088	3,650,950,946	3,310,086,668
Trade Debtors	8	1,335,829,914	839,918,064	894,543,303
Advances, Deposits and Prepayments	9	1,131,340,560	859,167,805	750,169,066
Short Term Loan	10	2,378,929,958	2,079,576,386	885,185,428
Cash and Cash Equivalents	11	8,522,555,131	8,672,511,456	3,892,185,634
<b>TOTAL ASSETS</b>		<b>44,303,769,450</b>	<b>42,836,969,928</b>	<b>35,330,860,224</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES:</b>				
<b>Shareholders' Equity:</b>				
		<b>40,557,494,698</b>	<b>38,044,961,627</b>	<b>31,201,254,095</b>
Share Capital	12	6,235,865,460	6,235,865,460	5,542,991,520
Share Premium	13	2,035,465,000	2,035,465,000	2,035,465,000
General Reserve		105,878,200	105,878,200	105,878,200
Tax Exemption Reserve	14	301,826,665	174,714,346	-
Gain on Marketable Securities (Unrealized)		266,786,579	275,949,156	265,332,813
Retained Earnings		31,611,672,794	29,217,089,465	23,251,586,562
Non Controlling Interest	15	593,836	(359,506)	(1,669,864)
<b>Non-Current Liabilities:</b>				
		<b>1,054,498,262</b>	<b>1,021,485,039</b>	<b>1,582,257,927</b>
Long Term Loans - Secured	16	-	-	659,147,818
Deffered Tax Liability	17	1,054,498,262	1,021,485,039	923,110,109
<b>Current Liabilities:</b>				
		<b>2,691,182,654</b>	<b>3,770,882,768</b>	<b>2,549,018,066</b>
Long Term Loans-Current Portion	18	-	-	257,154,669
Short Term Loan	19	2,693,932	545,058,107	-
Trade Creditors	20	693,982,698	838,558,116	254,773,030
Liabilities for Expenses	21	42,871,218	42,509,793	43,002,246
Liabilities for Other Finance	22	1,951,634,806	2,344,756,752	1,994,088,121
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>44,303,769,450</b>	<b>42,836,969,928</b>	<b>35,330,860,224</b>

The annexed notes (1-33) form an integral part of these financial statements.  
Approved by the Board of Directors on October 16, 2016.

Signed as per our separate report on same date.

  
Samuel S Chowdhury  
Chairman

  
Tapan Chowdhury  
Managing Director

  
Khandaker Habibuzzaman  
Company Secretary

  
Ahmed Zaker & Co.  
Chartered Accountants

Dated, Dhaka: October 26, 2016

**SQUARE PHARMACEUTICALS LTD.**

and its subsidiary

## Consolidated Statement of Profit or Loss and other Comprehensive Income

For the 15 Months Period Ended June 30, 2016

Particulars	Notes	Amount in Taka			
		Apr'2016-Jun'2016	Apr'2015-Mar'2016	Apr'2015-Jun'2016	Jan'2014-Mar'2015
		(3 Months)	(12 Months)	(15 Months)	(15 Months)
GROSS REVENUE	23	10,366,718,270	36,465,575,361	46,832,293,631	36,743,452,483
Less: Value Added Tax		1,425,299,763	4,983,035,009	6,408,334,772	4,973,053,478
NET REVENUE		8,941,418,507	31,482,540,352	40,423,958,859	31,770,399,005
Cost of Goods Sold	24	(4,550,031,358)	(16,407,233,893)	(20,957,265,251)	(18,043,411,949)
GROSS PROFIT		4,391,387,149	15,075,306,459	19,466,693,608	13,726,987,056
OPERATING EXPENSES:		(1,456,857,038)	(5,094,204,626)	(6,551,061,664)	(5,829,423,953)
Selling & Distribution Expenses	25	(1,219,004,194)	(4,225,564,145)	(5,444,568,339)	(4,667,076,910)
Administrative Expenses	26	(237,766,662)	(849,273,134)	(1,087,039,796)	(971,651,302)
Finance Cost	27	(86,182)	(19,367,347)	(19,453,529)	(190,695,741)
PROFIT FROM OPERATIONS		2,934,530,111	9,981,101,833	12,915,631,944	7,897,563,103
Other Income	28	197,152,707	562,546,675	759,699,382	485,268,636
PROFIT BEFORE WPPF & WF		3,131,682,818	10,543,648,508	13,675,331,326	8,382,831,739
Allocation for WPPF & WF	29	(149,127,753)	(508,606,307)	(657,734,060)	(417,728,899)
PROFIT BEFORE TAX		2,982,555,065	10,035,042,201	13,017,597,266	7,965,102,840
Income Tax Expenses-Current	30	(662,062,965)	(2,273,129,323)	(2,935,192,288)	(1,866,503,203)
Income Tax Expenses-Deferred		(33,013,223)	(205,294,329)	(238,307,552)	(131,853,139)
Tax Exemption Reserve		(127,112,319)	(174,714,346)	(301,826,665)	-
PROFIT AFTER TAX		2,160,366,558	7,381,904,203	9,542,270,761	5,966,746,498
Profit/(Loss) from Associates Undertaking	31	235,170,113	940,680,454	1,175,850,567	903,151,279
PROFIT FOR THE PERIOD		2,395,536,671	8,322,584,657	10,718,121,328	6,869,897,777
Other Comprehensive Income:					
Gain/(Loss) on Marketable Securities (Unrealized)	32	(9,162,577)	10,616,343	1,453,766	(149,189,290)
Total Comprehensive Income for the Period		2,386,374,094	8,333,201,000	10,719,575,094	6,720,708,487
Profit Attributable to:					
Owners of the Company		2,394,583,329	8,321,274,299	10,715,857,628	6,872,067,641
Non Controlling Interest		953,342	1,310,358	2,263,700	(2,169,864)
		2,395,536,671	8,322,584,657	10,718,121,328	6,869,897,777
Total Comprehensive Income Attributable to:					
Owners of the Company		2,385,420,752	8,331,890,642	10,717,311,394	6,722,878,351
Non Controlling Interest		953,342	1,310,358	2,263,700	(2,169,864)
		2,386,374,094	8,333,201,000	10,719,575,094	6,720,708,487
Earnings Per Share (EPS)	33	3.84	13.34	17.18	11.02
Number of Shares used to compute EPS		623,586,546	623,586,546	623,586,546	623,586,546

The annexed notes (1-33) form an integral part of these financial statements.  
Approved by the Board of Directors on October 16, 2016.

Signed as per our separate report on same date.

  
Samuel S Chowdhury  
Chairman

  
Tapan Chowdhury  
Managing Director

  
Khandaker Habibuzzaman  
Company Secretary

  
Ahmed Zaker & Co.  
Chartered Accountants

Dated, Dhaka: October 26, 2016

**SQUARE PHARMACEUTICALS LTD.**  
and its subsidiary

Consolidated Statement of Changes in Equity  
For the 03 Months Period Ended June 30, 2016

Particulars	Share Capital Taka	Share Premium Taka	General Reserve Taka	Tax Exemption Reserve Taka	Gain on Marketable Securities (Unrealized) Taka	Retained Earnings Taka	Non Controlling Interest Taka	Total Taka
At 31 March 2016	6,235,865,460	2,035,465,000	105,878,200	174,714,346	275,949,156	29,217,089,465	(359,506)	38,044,602,121
Transfer to Tax Exemption Reserve	-	-	-	127,112,319	-	-	-	127,112,319
Total Comprehensive Income (Apr'16-Jun'16)	-	-	-	-	(9,162,577)	2,394,583,329	953,342	2,386,374,094
<b>At 30 June 2016</b>	<b>6,235,865,460</b>	<b>2,035,465,000</b>	<b>105,878,200</b>	<b>301,826,665</b>	<b>266,786,579</b>	<b>31,611,672,794</b>	<b>593,836</b>	<b>40,558,088,534</b>

**SQUARE PHARMACEUTICALS LTD.**  
and its subsidiary

Consolidated Statement of Changes in Equity  
For the year Ended March 31, 2016

Particulars	Share Capital Taka	Share Premium Taka	General Reserve Taka	Tax Exemption Reserve Taka	Gain on Marketable Securities (Unrealized) Taka	Retained Earnings Taka	Non Controlling Interest Taka	Total Taka
At 31 March 2015	5,542,991,520	2,035,465,000	105,878,200	-	265,332,813	23,251,586,562	(1,669,864)	31,199,584,231
Transfer to Tax Exemption Reserve	-	-	-	174,714,346	-	-	-	174,714,346
Total Comprehensive Income (Apr'2015-Mar'2016)	-	-	-	-	10,616,343	8,321,274,299	1,310,358	8,333,201,000
Cash Dividend (2014-2015)	-	-	-	-	-	(1,662,897,456)	-	(1,662,897,456)
Stock Dividend (2014-2015)	692,873,940	-	-	-	-	(692,873,940)	-	-
<b>At 31 March 2016</b>	<b>6,235,865,460</b>	<b>2,035,465,000</b>	<b>105,878,200</b>	<b>174,714,346</b>	<b>275,949,156</b>	<b>29,217,089,465</b>	<b>(359,506)</b>	<b>38,044,602,121</b>
<b>At 31 March 2015</b>	<b>5,542,991,520</b>	<b>2,035,465,000</b>	<b>105,878,200</b>	<b>-</b>	<b>265,332,813</b>	<b>23,251,586,562</b>	<b>(1,669,864)</b>	<b>31,199,584,231</b>

Approved by the Board of Directors on October 16, 2016.

Signed as per our separate report on same date.

  
Samuel S Chowdhury  
Chairman

  
Tapan Chowdhury  
Managing Director

  
Khandaker Habibuzzaman  
Company Secretary

  
Ahmed Zaker & Co.  
Chartered Accountants

Dated, Dhaka: October 26, 2016

## SQUARE PHARMACEUTICALS LTD.

and its subsidiary

### Consolidated Statement of Cash Flows

For the 15 Months Period Ended June 30, 2016

Particulars	Amount in Taka		
	2015-2016 (Apr'2016-Jun'2016)	2015-2016 (Apr'2015-Mar'2016)	2014-2015 (Jan'2014-Mar'2015)
<b>Cash Flows From Operating Activities:</b>			
<b>RECEIPTS:</b>			
Collection from Revenue	9,831,808,468	36,472,664,737	36,622,827,217
Others	28,391,648	120,830,096	331,988,208
	9,860,200,116	36,593,494,833	36,954,815,425
<b>PAYMENTS:</b>			
Purchase of Raw and Packing Materials	3,451,726,477	11,210,453,313	13,384,604,355
Manufacturing and Operating Expenses	2,704,647,463	7,885,896,479	9,254,065,212
Value Added Tax	1,425,299,763	4,983,035,009	4,892,907,024
Bank Interest	86,182	19,367,347	190,695,741
Income Tax	641,122,186	2,046,063,154	1,829,350,422
Workers Profit Participation Fund	227,323,976	425,106,536	401,253,099
Others	77,719,585	14,195,760	5,713,277
	8,527,925,632	26,584,117,598	29,958,589,130
Net cash provided by operating activities	1,332,274,484	10,009,377,235	6,996,226,295
<b>Cash Flows From Investing Activities:</b>			
Purchase of Fixed Assets	(645,522,565)	(2,499,720,671)	(3,130,692,164)
Disposal of Fixed Assets	17,052,325	49,736,480	36,389,291
Investment in Orascom Telecom Bangladesh Ltd.	-	-	20,000,000
Investment in Lanka Bangla Finance Ltd.	-	36,778,804	(123,904,667)
Investment in IDLC Finance Ltd.	19,990,263	(197,817,954)	-
Investment in Square Hospitals Ltd.	175,000,000	287,500,000	-
Investment in Bangladesh Steel Re-Rolling Mills Ltd.	(163,225,909)	-	-
Investment in Marketable Securities	(156,568,345)	(78,616,741)	(214,410,472)
Loan to Sister Concerns	(841,717,747)	(649,332,851)	355,492,564
Gain on Sale of Marketable Securities	2,586,955	9,294,027	6,863,121
Interest Received	97,589,905	206,918,173	341,769,899
Dividend Received	12,584,309	185,409,263	161,976,681
Net cash used in investing activities	(1,482,230,809)	(2,649,851,470)	(2,546,515,747)
<b>Cash Flows From Financing Activities:</b>			
Long Term Loan Repaid	-	(916,302,487)	(953,167,931)
Short Term Bank Loan Decrease	-	-	(374,423,119)
Dividend Paid	-	(1,662,897,456)	(1,445,997,789)
Net cash used in financing activities	-	(2,579,199,943)	(2,773,588,839)
Increase/(Decrease) in Cash and Cash Equivalents	(149,956,325)	4,780,325,822	1,676,121,709
Cash and Cash Equivalents at the Opening	8,672,511,456	3,892,185,634	2,216,063,925
Cash and Cash Equivalents at the Closing	8,522,555,131	8,672,511,456	3,892,185,634

Approved by the Board of Directors on October 16, 2016.

Signed as per our separate report on same date.

  
Samuel S Chowdhury  
Chairman

  
Tapan Chowdhury  
Managing Director

  
Khandaker Habibuazzaman  
Company Secretary

  
Ahmed Zaker & Co.  
Chartered Accountants

Dated, Dhaka: October 26, 2016

## **SQUARE PHARMACEUTICALS LTD.**

### Notes to the Consolidated Financial Statements

As at and for the 15 Months Period Ended June 30, 2016

#### 1. SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION

##### 1.1 Legal Form of the Company:

###### (a) Reporting Company

Square Pharmaceuticals Ltd. was incorporated on November 10, 1964 under the Companies Act 1913 as private ltd. Company and it was converted into a Public Limited Company in 1991 and offered its share to the public with the approval of the Bangladesh Securities and Exchange Commission in the month of December 1994. The shares of the company are listed in the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

###### (b) Subsidiary Company

###### (i) Square Formulations Ltd.:

The company was incorporated on 21 November 2011 under Companies Act 1994 as a private limited company.

###### 1.2 Address of Registered Office and Factories:

The registered office of the company is situated at "Square Centre" 48, Mohakhali Commercial Area, Dhaka-1212, Bangladesh. Factory address of the company and it's subsidiary are as follows:

Square Pharmaceuticals Ltd. : 1) Pabna Site : Square Road, Salgaria, Pabna, Bangladesh  
2) Dhaka Site : Kaliakoir, Gazipur, Bangladesh

Square Formulations Ltd. : Mirzapur, Tangail, Bangladesh

##### 1.3 Nature of Business Activities:

###### (a) Reporting Company:

The company is engaged in manufacturing and marketing of generic pharmaceuticals products, basic chemical products and animal health products. The company also engaged in marketing of pesticide products.

###### (b) Subsidiary Company:

###### Square Formulations Ltd.:

The company is engaged in manufacturing and marketing of generic pharmaceuticals products.

##### 1.4 Basis of Preparation and Presentation of Financial Statements:

The elements of financial statements have been measured on "Historical Cost" convention in a going concern concept and on accrual basis in accordance with generally accepted accounting principle and practice in Bangladesh in compliance with the Companies Act 1994, the Bangladesh Securities and Exchange Rules 1987, listing regulations of Dhaka Stock Exchange Ltd. (DSE) & Chittagong Stock Exchange Ltd. (CSE), International Accounting Standards (IAS), International Financial Reporting Standard (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB), as Bangladesh Accounting Standard (BAS) and Bangladesh Financial Reporting Standard (BFRS).

##### 1.5 Principal Accounting Policies:

Specific accounting policies were selected and applied by the company's management for significant transactions and events that have a material effect within the framework of BAS-1 "Presentation of Financial Statements" in preparation and presentation financial statements. The previous years' figures were presented according to the same accounting principles. Compared to the previous year, there were no significant changes in the accounting and valuation principles affecting the financial position and performance of the company. However, changes made to the presentation are explained in the note for each respective item.

Accounting and valuation methods are disclosed for the purpose of clarity. The company classified the expenses using the function of expenses method as per BAS-1

### 1.6 Application of Bangladesh Accounting Standards (BAS):

The following BASs are applicable for the financial statements for the year under review:

BAS - 1	Presentation of Financial Statements
BAS - 2	Inventories
BAS - 7	Statement of Cash Flows
BAS - 8	Accounting Policies, Changes in Accounting Estimates and Errors
BAS - 10	Events after the Reporting Period
BAS - 12	Income Taxes
BAS - 16	Property, Plant and Equipment
BAS - 17	Leases
BAS - 18	Revenue
BAS - 19	Employee Benefits
BAS - 21	The effects of Changes in Foreign Exchange Rates
BAS - 23	Borrowing Costs
BAS - 24	Related Party Disclosures
BAS - 26	Accounting and Reporting by Retirement Benefit Plans
BAS - 28	Investment in Associates and Joint Ventures
BAS - 32	Financial Instruments: Presentation
BAS - 33	Earnings Per Share
BAS - 37	Provisions, Contingent Liabilities and Contingent Assets
BAS - 38	Intangible Assets
BAS - 39	Financial Instruments: Recognition & Measurement
BFRS-7	Financial Instruments: Disclosure
BFRS-8	Operating Segment
BFRS-10	Consolidated Financial Statements
BFRS-12	Disclosure of Interest in Other Equities

### 1.7 Property, Plant and Equipment:

All property, plant and equipment is initially accounted for at cost and depreciated over their expected useful life in accordance with BAS-16. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes. In respect of major projects involving construction, related pre-operational expenses form part of the value of asset capitalised. Expenses capitalised also include applicable borrowing cost.

On retirement or otherwise disposal of fixed assets, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the income statement which is determined with reference to the net book value of the assets and the net sales proceeds.

### 1.8 Depreciation:

No depreciation is charged on freehold land and on Capital Work-in-Progress. Depreciation is charged on all other fixed assets on a reducing balance method for Square Pharmaceuticals Ltd. (SPL) and Square Formulations Ltd. (SFRL). Depreciation of an asset begins when it is available for use i. e when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with BFRS 5 and the date that the assets are derecognized.

The rates at which assets are depreciated per annum, depending on the nature and estimated useful life of assets are given below:

	SPL	SFrL
Factory Building and Other Construction	10%	10%
Plant & Machinery	15%	15%
Laboratory & Office Equipment	10%	10%
Furniture & Fixture	10%	10%
Motor Vehicle	20%	20%
Electrical Installation	15%	15%
Gas Line Installation	15%	15%
Books & Periodicals	30%	30%
Electro Mechanical Equipment	-	15%
Computer	10%	10%

#### 1.9 Financial Instruments:

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

#### Financial Assets:

Financial assets of the company include cash and cash equivalents, equity instrument of another entity, trade receivable and other receivables. The company initially recognizes receivable on the date they are originated. All other financial assets are recognized initially on the date at which the company become a party to the contractual provisions of the transaction. The company derecognizes a financial assets when and only when contractual rights or probabilities of receiving the cash flows from the assets expire or it transfer the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and reward of ownership of the financial assets are transferred.

#### Cash and Cash Equivalents:

Cash and cash equivalents comprises cash in hand, in transit and with banks on current and deposit accounts that are subject to an insignificant risk of changes in their fair value and are used by the company without any restriction.

#### Available for Sale of Financial Assets:

Available for sale of financial assets comprise equity security are non-derivative financial assets that are recognized initially at fair value plus any attributable transactions costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses are cognised in Other Comprehensive Income and presented gain on marketable securities (unrealized).

#### Trade Receivable:

Trade receivable are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amount at the period end.

#### Financial Liabilities:

The company initially recognises financial liabilities on the transaction date at which the company become a party to the contractual provisions of the liability. The company derecognises a financial liability when it's contractual obligations are discharged or cancelled or expired. Financial liabilities are recognised initially at fair value less any directly attributable transactions costs. Subsequently to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Financial liabilities include loan and borrowing, trade creditors, liabilities for expenses and liabilities for other finance.

### 1.10 Inventories:

Inventories are stated at the lower of cost or net realizable value as per BAS-2.

Types of Stock	Basis of Valuation
Raw Materials, Packing Materials and Work-in-Process	Weighted Average Cost
Finished Goods	At lower of cost or net estimated realizable value
Spare & Accessories	Weighted Average Cost
Goods-in-Transit	At Cost

The cost is determined on weighted average cost basis. Net realizable value is based on estimated selling price less any further costs anticipated to be incurred to make the sale. Any obsolete stock or abnormal losses are recognized as expenses.

### 1.11 Income Tax Expenses:

#### Current Income Tax

Current income tax is expected tax payable on the taxable income for the year. The company is a "Publicly Traded Company"; hence Tax Rate is applicable @25%.

#### Deferred Tax

Deferred tax expenses is considered for the taxable temporary differences may arise for the reporting period, adjustments for prior years accumulated differences and changed in tax rate.

### 1.12 Employees Separation Plans:

#### Provident Fund

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

#### Gratuity

The company has an unfunded gratuity scheme under which an employee is entitled to the benefits depending on the length of service. The costs for gratuity is accounted for cash basis.

#### Group Insurance

The company has also a group insurance scheme for its permanent employees, premium for which is being charged to income statement annually as per the insurance policy.

#### Workers Profit Participation Fund and Welfare Fund

The company makes a regular allocation of 5% on Net Profit before tax to these funds and payment is made to the workers as per provisions of Labour Law 2006 Chapter-15.

### 1.13 Revenue Recognition:

#### (a) Sales of Goods:

In compliance with the requirements of BAS-18 revenue is recognised for local sales of Pharmaceuticals Drugs and Medicines, AgroVet Products and Pesticide Products at the time of delivery from depot and Exports of Pharmaceuticals Drugs and Medicines at the time of delivery from Factory Godown. Local sales of Basic Chemical Products are recognised at the time of delivery from Factory Godown i. e when the significant risk and rewards of ownership is transferred to the buyer, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably.

(b) Dividend income is recognized when the right to received payment is established.

(c) Interest income is recognized when accrued on a time proportion basis.

#### 1.14 Revenue:

Revenue comprises the following:

##### Reporting Company:

- \* Sales of locally manufactured generic Pharmaceuticals Drugs and Medicines.
- \* Export of generic Pharmaceuticals Drugs and Medicines.
- \* Local Sales of Basic Chemicals Products.
- \* Sales of locally manufactured and imported Animal Health Products.
- \* Sales of imported pesticide products.

##### Subsidiary Company:

- \* Sales of locally manufactured generic Pharmaceuticals Drugs and Medicines.
- \* Export generic Pharmaceuticals Drugs and Medicines.

#### 1.15 Foreign Currency Transactions:

Foreign currencies are translated into taka at the exchange rates ruling on the date of transactions in accordance with BAS-21 "The Effects of Changes in Foreign Exchange Rates". Bank deposit in foreign currency for retention quota account has been translated into taka at the year end at the rate of exchange ruling on that date and gain/(loss) have been accounted for as other income/(loss) in the Income Statement. Conversion Rate USD 1 = BDT 77.80.

#### 1.16 Statement of Cash Flows:

Cash flow statement is prepared in accordance with BAS-7 under direct method and as outlined in the Securities and Exchange Rule 1987.

#### 1.17 Earnings per Share (EPS):

Earnings per Share (EPS) is calculated in accordance with the Bangladesh Accounting Standard BAS-33 "Earnings per Share".

##### Earnings per Share

"Earnings per Share has been calculated by dividing the earnings attributable to the number of shares (ordinary) held by the shareholders during the year.

##### Weighted Average Number of Ordinary Shares Outstanding during the year

The Bonus Shares issued during the year 2014-2015 were treated as if they had been in issue in previous years also. Hence, in computing the Earnings per Share (EPS) of 2015-2016, the total number of shares including the said bonus shares has been considered as the Weighted Average Number of Shares Outstanding during the year 2014-2015.

##### Diluted Earnings per Share

No diluted Earnings per Share was required to be calculated for the year under review as there is no scope for dilution of Earnings Per Share for the year.

#### 1.18 Basis of Consolidation:

Percentage of Holding Share on Subsidiaries Company:

Subsidiary Company	Holding of Share	Percentage of Holding
Square Formulations Ltd.	995,000	99.50%

Subsidiary entity is controlled by Square Pharmaceuticals Ltd. (SPL). Control exists when SPL has the power to govern the financial and operating policies of the entity. In assessing control potential voting rights that are presently exercisable are considered.

#### 1.19 Consolidation of Accounts:

As per Conformity of BFRS-10, Consolidated Financial Statements consolidated of accounts has been made as follows:

Subsidiary Company	Year Ending	Remarks
Square Formulations Ltd.	30, June 2016	Financial Statements

#### 1.20 Borrowing Cost:

The company capitalises borrowing cost for new projects such as interest on term loan and other related fees/charges for the period till to commencement of commercial operation and charges the cost to revenue account as financial cost after commencement of the commercial operation.

#### 1.21 Concentration of Counterparty Risk:

As of June 30, 2016, the company does not have any significant concentration of business transacted with a particular customer, supplier or lender that could, if suddenly eliminated, have severe impact the company's operations. The company also does not have any concentration of available source of labour, service or licenses or other rights that could, if suddenly eliminated, have severe impact of the operations of the company.

#### 1.22 Net Profit before Tax:

Net Profit before Tax for the year was not materially affected by:

- transaction of a nature not usually undertaken by the company;
- circumstances of an exceptional or non-recurring nature;
- charges or credits relating to prior years; and
- changes in accounting policies.

#### 1.23 Segment Reporting:

As there is a single business and geographic segment within which the company operates as such no segment reporting is felt necessary.

#### 1.24 Share Premium:

The balance in share premium account shall be utilized in accordance with provisions of the Companies Act 1994 and as directed by the Bangladesh Securities and Exchange Commission in this respect.

#### 1.25 Provisions, Contingent Liabilities and Contingent Assets:

Provisions were made considering risk and un-certainties at best estimate of the probable expenditure that would require to meet the current obligation at the date of statement of financial position.

Contingent liabilities and assets are current or possible obligations or on liabilities or assets, arising from past events and existence of which depends upon the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. In accordance with BAS 37.

#### 1.26 Research, Development and Experimental Costs:

In compliance with the requirements of BAS 38 "Intangible Assets" research, development and experimental costs are usually absorbed as revenue charges as and when incurred, as being not that much material in the company's and/local context.

#### 1.27 Comparative:

Comparative information have been disclosed in respect of the previous years for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

##### Re-arrangement

Previous year's figure has been re-arranged whenever considered necessary to ensure better comparability with the current year's presentation without causing any impact on the profit and value of assets and liability as reported in the Financial Statement.

##### Re-Statement

In finalizing the financial statements for the period ended June 30, 2016 some figures of previous year were restated to conform the provisions in accordance with **BAS-8: "Accounting Policies, Changes in Accounting Estimates and Errors"**. During the period an adjustment were made on Retained Earnings against profit of Associate Company for the year ended June 30, 2015 as per note 5.00.

#### 1.28 General:

Figures have been rounded off to the nearest Taka, as the currency represented in this Financial Statements.

Amount in Taka		
30-06-2016	31-03-2016	31-03-2015

## 2. PROPERTY, PLANT AND EQUIPMENT: Tk. 18,848,282,139

Details of property, plant and equipment and depreciation as at 30 June 2016 are shown in the annexed schedule - 01.

This is arrived at as follows:

### Fixed Assets at Cost:

Opening Balance	30,472,799,901	27,951,243,421	22,156,715,264
Addition during the Year/Period	1,125,491,980	3,969,206,038	6,106,349,041
	31,598,291,881	31,920,449,459	28,263,064,305
Sales/Transfer during the Year/Period	(512,959,115)	(1,447,649,558)	(311,820,884)
Closing Balance	<b>31,085,332,766</b>	<b>30,472,799,901</b>	<b>27,951,243,421</b>

### Accumulated Depreciation:

Opening Balance	11,779,263,763	9,854,398,212	8,544,931,543
Charged during the Year/Period	481,262,157	1,999,191,440	1,362,530,972
	12,260,525,920	11,853,589,652	9,907,462,515
Sales/Transfer during the Year/Period	(23,475,293)	(74,325,889)	(53,064,303)
	<b>12,237,050,627</b>	<b>11,779,263,763</b>	<b>9,854,398,212</b>
Carrying Value	<b>18,848,282,139</b>	<b>18,693,536,138</b>	<b>18,096,845,209</b>

## 3. CAPITAL WORK-IN-PROGRESS: Tk. Nil

This represents expenditure incurred for the projects of Square Pharmaceuticals Ltd. at Kaliakoir, Gazipur. The break-up of the above amount are given below:

Building/Civil Work	-	-	119,985,162
Total	-	-	<b>119,985,162</b>

## 4. INVESTMENT-Long Term (at Cost): Tk. 555,873,893

This consists of the following:

(a) 120,000 Ordinary Shares of Tk.100/- each in United Hospital Ltd.	12,000,000	12,000,000	12,000,000
(b) 5,711,804 Ordinary Shares of Tk. 10/- each including Bonus Shares in Central Depository Bangladesh Ltd.	15,694,430	15,694,430	15,694,430
(c) Advance against Share Money with Square InformatiX Ltd. for 1,000,000 Shares of Tk. 100/- each	100,000,000	100,000,000	100,000,000
(d) 100,000 Zero Coupon Bond in Lanka Bangla Finance Ltd.	87,125,863	87,125,863	123,904,667
(e) 250,000 Zero Coupon Bond in IDLC Finance Ltd.	177,827,691	197,817,954	-
(f) 200,000 Zero Coupon Bond in Bangladesh Steel Re-Rolling Mills Ltd.	163,225,909	-	-
Total	<b>555,873,893</b>	<b>412,638,247</b>	<b>251,599,097</b>

Amount in Taka		
30-06-2016	31-03-2016	31-03-2015

#### 5. INVESTMENT-Associate Undertakings: Tk. 6,764,511,325

This is arrived at as follows:

Opening Balance	6,704,341,212	6,144,091,774	5,364,154,708
Add: Investment made/(disposed off) during the Period	(175,000,000)	(243,347,106)	-
Add: Profit/(Loss) during the Year (Note-31)	235,170,113	940,680,454	795,199,468
Less: Dividend during the Period	-	(137,083,910)	(123,214,213)
Add: Prior Year's Adjustment (Profit of Square Hospitals Ltd. for Jul'2014-Jun'2015)	-	-	107,951,811
Closing Balance	6,764,511,325	6,704,341,212	6,144,091,774

#### List of Associate Undertakings (As per BAS-28):

Name of Company	Country of Incorporation	Proportion of Ownership Interest
Square Textiles Ltd.	Bangladesh	46.36%
Square Fashions Ltd.	Bangladesh	48.63%
Square Hospitals Ltd.	Bangladesh	49.94%

Voting power is not different with proportion of ownership interest. The company are using equity method of accounting in preparation of consolidated financial statements.

#### Summarised Financial Information for Associate Undertakings as per Paragraph B14 And B15 Of BFRS 12:

	Position as at	
	30-06-2016	31-12-2014
<b>Square Textiles Ltd. :</b>		
Current Assets	3,547,892,593	3,903,435,804
Non-Current Assets	3,147,296,521	2,361,701,330
Current Liabilities	965,543,991	993,109,727
Non-Current Liabilities	122,571,004	113,304,788
Revenue (Net)	7,581,715,607	7,701,031,798
Profit from Operations	903,237,188	997,554,197
Profit after Tax	744,076,096	818,352,389
Other Comprehensive Income	-	-
Total Comprehensive Income	744,076,096	818,352,389
<b>Square Fashions Ltd. :</b>		
Current Assets	5,136,443,633	4,841,966,896
Non-Current Assets	4,481,025,106	4,428,943,851
Current Liabilities	2,761,094,083	3,921,296,356
Non-Current Liabilities	-	-
Revenue (Net)	14,513,651,494	13,884,595,312
Profit from Operations	2,043,730,424	1,104,781,213
Profit after Tax	1,506,760,265	974,119,669
Other Comprehensive Income	-	-
Total Comprehensive Income	1,506,760,265	974,119,669
	<b>30-06-2016</b>	<b>30-06-2015</b>
<b>Square Hospitas Ltd. :</b>		
Current Assets	311,628,929	269,911,667
Non-Current Assets	2,759,426,926	2,654,879,718
Current Liabilities	1,145,651,155	781,699,805
Non-Current Liabilities	-	-
Revenue (Net)	2,937,234,127	2,678,797,011
Profit from Operations	394,138,612	351,513,985
Profit after Tax	244,816,120	216,173,839
Other Comprehensive Income	-	-
Total Comprehensive Income	244,816,120	216,173,839

6. INVESTMENT IN MARKETABLE SECURITIES (Fair Value): Tk. 1,071,735,442

This is arrived at as follows:

'Investment in Marketable Securities (Fair Value)

	30-06-2016	31-03-2016	31-03-2015
'Investment in Marketable Securities (Fair Value)	1,071,735,442	924,329,674	879,249,484
	<b>1,071,735,442</b>	<b>924,329,674</b>	<b>879,249,484</b>

Investment in Marketable Securities (Fair Value) as at 30.06.2016:

SL. No.	Name of Company	No. of Share Held	Face Value per Share	Cost Holding	Average Cost	Quoted Rate per Share as on 30-06-16	Total Market Value of Shares as on 30-06-16	Unrealized Gain/(Loss)
1	1 <sup>st</sup> ICB Mutual Fund	6,050	10	4,700,114	776.88	1,492.50	9,029,625	4,329,511
2	2 <sup>nd</sup> ICB Mutual Fund	10,000	10	2,683,646	268.36	298.60	2,986,000	302,354
3	3 <sup>rd</sup> ICB Mutual Fund	18,500	10	3,253,609	175.87	350.00	6,475,000	3,221,391
4	4 <sup>th</sup> ICB Mutual Fund	27,700	10	4,883,931	176.32	228.00	6,315,600	1,431,669
5	5 <sup>th</sup> ICB Mutual Fund	54,600	10	9,276,903	169.91	225.10	12,290,460	3,013,557
6	6 <sup>th</sup> ICB Mutual Fund	89,000	10	5,875,472	66.02	56.10	4,992,900	(882,572)
7	7 <sup>th</sup> ICB Mutual Fund	83,000	10	8,125,517	97.90	113.90	9,453,700	1,328,183
8	8 <sup>th</sup> ICB Mutual Fund	113,615	10	8,047,489	70.83	67.80	7,703,097	(344,392)
9	IBBL MP Bond	143,330	1,000	133,574,294	931.94	963.50	138,098,455	4,524,161
10	Islami Bank Bangladesh Ltd.	500,000	10	12,348,802	24.70	29.20	14,600,000	2,251,198
11	Padma Oil Co. Ltd.	1,116	10	76,079	68.17	185.80	207,353	131,274
12	Shahjalal Islami Bank Ltd.	700,000	10	9,742,229	13.92	11.50	8,050,000	(1,692,229)
13	Titas Gas TDCL	1,345,000	10	96,664,935	71.87	48.30	64,963,500	(31,701,435)
14	Uttara Bank Ltd.	5,090,086	10	101,284,826	19.90	20.20	102,819,737	1,534,911
15	Meghna Petroleum Ltd.	200,000	10	29,509,153	147.55	172.30	34,460,000	4,950,847
16	Usmania Glass Sheet Factory Ltd.	70,083	10	6,482,009	92.49	80.00	5,606,640	(875,369)
17	EXIM Bank of Bangladesh Ltd.	2,000,000	10	18,434,324	9.22	8.00	16,000,000	(2,434,324)
18	ACI Ltd.	53,983	10	6,390,313	118.38	455.10	24,567,663	18,177,350
19	First Security Islami Bank Ltd.	750,000	10	7,298,605	9.73	8.20	6,150,000	(1,148,605)
20	Social Islami Bank Ltd.	210,000	10	2,558,930	12.19	13.00	2,730,000	171,070
21	Pioneer Insurance Company Ltd.	6,361,875	10	35,250,000	5.54	30.70	195,309,563	160,059,563
22	National Housing Finance	5,023,450	10	39,362,480	7.84	30.00	150,703,500	111,341,020
23	Power Grid Company of Bangladesh Ltd.	100,000	10	4,450,357	44.50	58.10	5,810,000	1,359,643
24	Al-Arafah Islami Bank Ltd.	315,000	10	3,904,162	12.39	13.20	4,158,000	253,838
25	Argon Denims Ltd.	910,000	10	26,830,531	29.48	23.90	21,749,000	(5,081,531)
26	Bangladesh Building Systems Ltd.	6,000	10	243,649	40.61	40.90	245,400	1,751
27	Malek Spinning Mills Ltd.	4,800,000	10	84,482,660	17.60	16.90	81,120,000	(3,362,660)
28	Saiham Cotton Mills Ltd.	3,334,566	10	45,212,746	13.56	13.10	43,682,815	(1,529,931)
29	GPH ispat Ltd.	223,000	10	6,194,038	27.78	30.00	6,690,000	495,962
30	Jamuna Oil Company Ltd.	200,000	10	35,010,982	175.05	181.80	36,360,000	1,349,018
31	Maksons Spinning Mills Ltd.	2,650,000	10	25,802,691	9.74	7.30	19,345,000	(6,457,691)
32	Lafurge Surma Cement Ltd.	26,000	10	705,034	27.12	79.10	2,056,600	1,351,566
33	Pragati Insurance Ltd.	50,008	10	2,208,595	44.16	23.50	1,175,188	(1,033,407)
34	Prime Bank Ltd.	1,634,851	10	24,079,758	14.73	15.80	25,830,646	1,750,888
	<b>Total Tk.</b>			<b>804,948,863</b>			<b>1,071,735,442</b>	<b>266,786,579</b>

The above investment in marketable securities that are designated as available for sale by the management. These are measured at fair value and presented as non-current assets and unrealized gain/(loss) from the above investment are recognized as other comprehensive income.

## Investment in Marketable Securities (Fair Value) as at 31.03.2016:

SL. No.	Name of Company	No. of Share Held	Face Value per Share	Cost Holding	Average Cost	Quoted Rate per Share as on 31-03-16	Total Market Value of Shares as on 31-03-16	Unrealized Gain/(Loss)
1	1 <sup>st</sup> ICB Mutual Fund	6,050	10	4,700,114	776.88	1,492.50	9,029,625	4,329,511
2	2 <sup>nd</sup> ICB Mutual Fund	10,000	10	2,683,646	268.36	298.60	2,986,000	302,354
3	3 <sup>rd</sup> ICB Mutual Fund	18,500	10	3,253,609	175.87	350.00	6,475,000	3,221,391
4	4 <sup>th</sup> ICB Mutual Fund	27,700	10	4,883,931	176.32	228.00	6,315,600	1,431,669
5	5 <sup>th</sup> ICB Mutual Fund	54,600	10	9,276,903	169.91	225.10	12,290,460	3,013,557
6	6 <sup>th</sup> ICB Mutual Fund	89,000	10	5,875,472	66.02	62.20	5,535,800	(339,672)
7	7 <sup>th</sup> ICB Mutual Fund	83,000	10	8,125,517	97.90	111.90	9,287,700	1,162,183
8	8 <sup>th</sup> ICB Mutual Fund	113,615	10	8,047,489	70.83	71.20	8,089,388	41,899
9	IBBL MP Bond	143,330	1,000	133,574,294	931.94	996.50	142,828,345	9,254,051
10	Islami Bank Bangladesh Ltd.	500,000	10	12,348,802	24.70	23.00	11,500,000	(848,802)
11	Padma Oil Co. Ltd.	1,116	10	76,079	68.17	171.70	191,617	115,538
12	Shahjalal Islami Bank Ltd.	700,000	10	9,742,229	13.92	11.80	8,260,000	(1,482,229)
13	Titas Gas TDCL	1,340,000	10	96,844,350	72.27	43.80	58,692,000	(38,152,350)
14	Uttara Bank Ltd.	110,017	10	3,033,252	27.57	20.50	2,255,349	(777,904)
15	Meghna Petroleum Ltd.	220,000	10	32,460,153	147.55	139.90	30,778,000	(1,682,153)
16	Usmania Glass Sheet Factory Ltd.	70,083	10	6,482,009	92.49	84.80	5,943,038	(538,971)
17	EXIM Bank of Bangladesh Ltd.	1,200,000	10	11,239,203	9.37	8.40	10,080,000	(1,159,203)
18	ACI Ltd.	49,076	10	6,390,313	130.21	542.80	26,638,453	20,248,140
19	First Security Islami Bank Ltd.	750,000	10	7,298,605	9.73	9.00	6,750,000	(548,605)
20	Social Islami Bank Ltd.	200,000	10	2,558,930	12.79	13.60	2,720,000	161,070
21	Pioneer Insurance Company Ltd.	6,361,875	10	35,250,000	5.54	33.20	211,214,250	175,964,250
22	National Housing Finance	5,023,450	10	39,362,480	7.84	32.40	162,759,780	123,397,300
23	Power Grid Company of Bangladesh Ltd.	250,000	10	11,125,357	44.50	55.20	13,800,000	2,674,643
24	Al-Arafah Islami Bank Ltd.	300,000	10	3,904,162	13.01	14.00	4,200,000	295,838
25	Argon Denims Ltd.	910,000	10	26,830,531	29.48	24.90	22,659,000	(4,171,531)
26	Bangladesh Building Systems Ltd.	6,000	10	243,649	40.61	36.00	216,000	(27,649)
27	Malek Spinning Mills Ltd.	3,815,000	10	69,048,948	18.10	16.70	63,710,500	(5,338,448)
28	Saiham Cotton Mills Ltd.	1,527,726	10	22,018,647	14.41	14.00	21,388,164	(630,483)
29	GPH ispat Ltd.	100,000	10	4,472,038	44.72	29.70	2,970,000	(1,502,038)
30	Jamuna Oil Company Ltd.	220,000	10	38,513,486	175.06	153.30	33,726,000	(4,787,486)
31	Maksons Spinning Mills Ltd.	2,650,000	10	25,802,691	9.74	6.80	18,020,000	(7,782,691)
32	Lafurge Surma Cement Ltd.	26,000	10	705,034	27.12	66.90	1,739,400	1,034,366
33	Pragati Insurance Ltd.	50,008	10	2,208,595	44.16	25.60	1,280,205	(928,390)
	<b>Total Tk.</b>			<b>648,380,518</b>			<b>924,329,674</b>	<b>275,949,156</b>

The above investment in marketable securities that are designated as available for sale by the management. These are measured at fair value and presented as non-current assets and unrealized gain/(loss) from the above investment are recognized as other comprehensive income.

**7. INVENTORIES: Tk. 3,694,711,088**

The break-up is as under:

	30-06-2016	31-03-2016	31-03-2015
Raw Materials	1,370,045,188	1,395,688,239	1,259,076,254
Packing Materials	498,273,058	543,080,599	440,643,461
Work-in-Process	227,836,703	232,588,318	214,584,570
Finished Goods	985,672,758	1,162,794,620	1,054,144,797
Spares & Accessories	220,825,978	243,215,656	231,412,286
Goods- in-Transit	392,057,403	73,583,514	110,225,300
<b>Total</b>	<b>3,694,711,088</b>	<b>3,650,950,946</b>	<b>3,310,086,668</b>

The basis of valuation is stated in Note-1.10

**8. TRADE DEBTORS: Tk. 1,335,829,914**

This is arrived at as follows:

	1,335,829,914	839,918,064	894,543,303
Trade Debtors	1,335,829,914	839,918,064	894,543,303

**9. ADVANCES, DEPOSITS & PREPAYMENTS: Tk. 1,131,340,560**

This consists of as follows:

Advances:	438,104,950	326,415,676	433,003,689
Employees	158,572,221	26,459,488	34,475,522
Motor Cycle Loan – Employees	3,452,531	3,452,531	3,452,531
Suppliers	276,080,198	296,503,657	395,075,636
Deposits:	648,682,605	475,200,489	261,064,395
Value Added Tax	302,615,183	263,617,231	216,081,368
Earnest Money & Security Deposit	128,262,788	50,543,203	36,347,443
Interest on Fixed Deposit Receipts	199,727,982	151,266,010	-
Others	18,076,652	9,774,045	8,635,584
<b>Prepayments:</b>	<b>44,553,005</b>	<b>57,551,640</b>	<b>56,100,982</b>
Office Rent	8,254,004	9,149,603	8,345,064
Insurance Premium	36,299,001	48,402,037	47,755,918
<b>Total</b>	<b>1,131,340,560</b>	<b>859,167,805</b>	<b>750,169,066</b>

**10. SHORT TERM LOAN: Tk. 2,378,929,958**

This consists of as follows:

(a) Square Textiles Ltd.	42,781,579	164,608,774	8,431,956
(b) Square Fashions Ltd.	432,299,117	-	738,565,682
(c) Square Hospitals Ltd.	-	-	30,147,000
(d) Square InformatiX Ltd.	78,077,351	133,573,393	108,040,790
(E) Square Denims Ltd.	1,593,602,940	1,565,865,523	-
(F) Square Apparels Ltd.	232,168,971	215,528,696	-
<b>Total</b>	<b>2,378,929,958</b>	<b>2,079,576,386</b>	<b>885,185,428</b>

The above short term loan is unsecured but considered good and bears interest @1% above commercial bank's fixed deposit rate.

**11. CASH AND CASH EQUIVALENTS: Tk. 8,522,555,131**

This is made up as follows:

	30-06-2016	31-03-2016	31-03-2015
(a) Cash in Hand	9,542,848	8,003,242	6,528,823
(b) Cash at Bank:	8,513,012,283	8,664,508,214	3,885,656,811
* Current Account	642,311,087	2,451,088,295	1,558,943,204
* STD Account	34,080,641	22,580,671	22,976,390
* Fixed Deposit Account (BD Taka)	6,625,216,559	4,985,197,386	1,445,250,133
* Fixed Deposit Account (USD)	762,378,198	763,864,998	556,745,451
* Export Retention Quota Account (USD)	435,335,180	324,569,422	210,244,815
* Margin Held Account (USD)	13,690,618	117,207,442	91,496,818
<b>Total</b>	<b>8,522,555,131</b>	<b>8,672,511,456</b>	<b>3,892,185,634</b>

**12. SHARE CAPITAL: Tk. 6,235,865,460****Authorized Capital:**

1,000,000,000 Ordinary Shares of Tk.10/- each issued, subscribed and paid-up:	10,000,000,000	10,000,000,000	10,000,000,000
	<b>10,000,000,000</b>	<b>10,000,000,000</b>	<b>10,000,000,000</b>

**Issued & Paid up Capital:**

## a) By Cash:

10,092,300 Ordinary Shares of Tk.10/- each fully paid-up in cash	100,923,000	100,923,000	100,923,000
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## b) Other than Cash:

40,020 Ordinary Shares of Tk.10/- each fully paid-up for consideration other than cash	400,200	400,200	400,200
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## c) By issue of Bonus Share:

613,454,226 Ordinary Shares of Tk.10/- each fully paid-up as Bonus Shares	6,134,542,260	6,134,542,260	5,441,668,320
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<b>Total:</b>	<b>6,235,865,460</b>	<b>6,235,865,460</b>	<b>5,542,991,520</b>
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**13. SHARE PREMIUM: Tk. 2,035,465,000**

Share Premium	2,035,465,000	2,035,465,000	2,035,465,000
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**14. TAX EXEMPTION RESERVE: Tk. 301,826,665**

This has been provided as per provisions of section 46B (1) (a) and 46B (2)(a) (i) of the Income Tax Ordinance 1984 which is arrived as follows:

Opening Balance	174,714,346	-	-
Privision made during the Period	127,112,319	174,714,346	-
<b>Closing Balance</b>	<b>301,826,665</b>	<b>174,714,346</b>	<b>-</b>

30-06-2016

31-03-2016

31-03-2015

**15. NON CONTROLLING INTEREST: Tk. 593,836**

This represents non controlling interest of Square Formulations Ltd. is as follows:

	30-06-2016	31-03-2016	31-03-2015
Paid-up Capital (Investment)	500,000	500,000	500,000
Retained Earnings	93,836	(859,506)	(2,169,864)
<b>Total</b>	<b>593,836</b>	<b>(359,506)</b>	<b>(1,669,864)</b>

List of Subsidiary (As per BAS-27):

Name of Company	Country of Incorporation	Proportion of Ownership Interest
Square Formulations Ltd.	Bangladesh	99.50%

Voting power is not different with proportion of ownership interest. The company is using equity method of accounting in preparation of consolidated financial statements.

**16. LONG TERM LOANS (Secured): Tk. Nil**

This represents long term loans from financial institutions are as follows:

	30-06-2016	31-03-2016	31-03-2015
(a) Standard Chartered Bank, Dhaka	-	-	193,194,854
(b) HSBC Ltd., Dhaka	-	-	366,027,659
(c) Brac Bank Ltd., Dhaka	-	-	99,925,305
<b>Total</b>	<b>-</b>	<b>-</b>	<b>659,147,818</b>

**17. DEFERRED TAX LIABILITY: Tk. 1,054,498,262**

This represents provision is made for deferred income tax to pay future income tax liability for temporary differences which is arrived at as follows:

	30-06-2016	31-03-2016	31-03-2015
Opening Balance	1,021,485,039	923,110,109	684,337,571
Addition during the Year	33,013,223	205,294,329	238,772,538
Adjustment of Deferred Tax Assets	-	(106,919,399)	-
<b>Closing Balance</b>	<b>1,054,498,262</b>	<b>1,021,485,039</b>	<b>923,110,109</b>

**18. LONG TERM LOANS - Current Portion: Tk. Nil**

This represents current portion of long term loans from financial institutions which are repayable within next 12 months and consists of as follows:

	30-06-2016	31-03-2016	31-03-2015
(a) Standard Chartered Bank, Dhaka	-	-	71,631,465
(b) HSBC Ltd., Dhaka	-	-	135,588,509
(c) Brac Bank Ltd., Dhaka	-	-	49,934,695
<b>Total</b>	<b>-</b>	<b>-</b>	<b>257,154,669</b>

**19. SHORT TERM LOAN: Tk. 2,693,932**

This consists of as follows:

	30-06-2016	31-03-2016	31-03-2015
(a) Square Fashions Ltd.	-	542,894,717	-
(b) Square Hospitals Ltd.	2,693,932	2,163,390	-
<b>Total</b>	<b>2,693,932</b>	<b>545,058,107</b>	<b>-</b>

Short term loan is payable to the above associates undertakings and considered good.

	30-06-2016	31-03-2016	31-03-2015
<b>20. TRADE CREDITORS: Tk. 693,982,698</b>			
Trade Creditors	693,982,698	838,558,116	254,773,030

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

**21. LIABILITIES FOR EXPENSES: Tk. 42,871,219**

This consists of as follows:

Accrued Expenses	42,485,394	42,195,843	42,688,296
Audit Fees	385,825	313,950	313,950
<b>Total</b>	<b>42,871,219</b>	<b>42,509,793</b>	<b>43,002,246</b>

**22. LIABILITIES FOR OTHER FINANCE: Tk. 1,951,634,806**

This consists of as follows:

Sundry Creditors	346,347,410	802,795,034	777,028,142
Income Tax (Deduction at Source)	51,559,622	49,033,419	34,922,386
Retention Money	7,696,415	2,211,096	1,986,330
Workers' Profit Participation Fund	657,734,060	623,360,683	539,860,912
Income Tax Payable (Note-22.1)	888,297,299	867,356,520	640,290,351
<b>Total</b>	<b>1,951,634,806</b>	<b>2,344,756,752</b>	<b>1,994,088,121</b>

**22.1. INCOME TAX PAYABLE: Tk. 888,297,299**

This is arrived at as follows:

Opening balance	867,356,520	640,290,351	627,570,710
Provision made for the Period (Note-30)	662,062,965	2,273,129,323	1,866,503,203
Tax Paid (Including Advance Income Tax during the Period)	(641,122,186)	(2,046,063,154)	(1,853,783,562)
<b>Closing Balance</b>	<b>888,297,299</b>	<b>867,356,520</b>	<b>640,290,351</b>

2015-2016 (Apr'2016-Jun'2016)	2015-2016 (Apr'2015-Mar'2016)	2015-2016 (Apr'2015-Jun'2016)	2014-2015 (Jan'2014-Mar'2015)
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### 23. REVENUE: Tk. 10,366,718,270

This consists of as follows:

Square Pharmaceuticals Ltd.	8,545,724,840	33,133,054,692	41,678,779,532	36,191,594,981
Square Formulations Ltd.	1,820,993,430	3,332,520,669	5,153,514,099	551,857,502
<b>Total</b>	<b>10,366,718,270</b>	<b>36,465,575,361</b>	<b>46,832,293,631</b>	<b>36,743,452,483</b>

### 24. COST OF GOODS SOLD: Tk. 4,550,031,358

This is arrived at as follows: Notes

Raw Materials Consumed	24.01	2,049,373,487	7,455,632,765	9,505,006,252	8,869,342,863
Packing Materials Consumed	24.02	917,876,760	3,453,355,051	4,371,231,811	3,966,432,101
		2,967,250,247	10,908,987,816	13,876,238,063	12,835,774,964
Work-in-Process (Opening)		232,588,318	214,584,570	214,584,570	194,691,379
Work-in-Process (Closing)		(227,836,703)	(232,588,318)	(227,836,703)	(214,584,570)
<b>TOTAL CONSUMPTION</b>		<b>2,972,001,862</b>	<b>10,890,984,068</b>	<b>13,862,985,930</b>	<b>12,815,881,773</b>
Factory Overhead	24.03	1,317,332,726	4,943,194,863	6,260,527,589	5,316,718,549
<b>COST OF PRODUCTION</b>		<b>4,289,334,588</b>	<b>15,834,178,931</b>	<b>20,123,513,519</b>	<b>18,132,600,322</b>
Purchase of Finished Goods		120,237,449	795,572,188	915,809,637	273,235,806
Finished Goods (Opening)		1,162,794,620	1,054,144,797	1,054,144,797	816,602,849
Finished Goods (Closing)		(985,672,758)	(1,162,794,620)	(985,672,758)	(1,054,144,797)
		<b>4,586,693,899</b>	<b>16,521,101,296</b>	<b>21,107,795,195</b>	<b>18,168,294,180</b>
Cost of Physician Sample		(36,662,541)	(113,867,403)	(150,529,944)	(124,882,231)
<b>Total</b>		<b>4,550,031,358</b>	<b>16,407,233,893</b>	<b>20,957,265,251</b>	<b>18,043,411,949</b>

#### 24.01. RAW MATERIALS CONSUMED: Tk. 2,049,373,487

This is arrived at as follows:

Opening Stock	1,395,688,239	1,259,076,254	1,259,076,254	1,027,873,389
Purchase	2,023,730,436	7,592,244,750	9,615,975,186	9,100,545,728
Closing Stock	(1,370,045,188)	(1,395,688,239)	(1,370,045,188)	(1,259,076,254)
<b>Total</b>	<b>2,049,373,487</b>	<b>7,455,632,765</b>	<b>9,505,006,252</b>	<b>8,869,342,863</b>

#### 24.02. PACKING MATERIALS CONSUMED: Tk. 917,876,760

This is arrived at as follows:

Opening Stock	543,080,599	440,643,461	440,643,461	375,104,859
Purchase	873,069,219	3,555,792,189	4,428,861,408	4,031,970,703
Closing Stock	(498,273,058)	(543,080,599)	(498,273,058)	(440,643,461)
<b>Total</b>	<b>917,876,760</b>	<b>3,453,355,051</b>	<b>4,371,231,811</b>	<b>3,966,432,101</b>

	2015-2016 (Apr'2016-Jun'2016)	2015-2016 (Apr'2015-Mar'2016)	2015-2016 (Apr'2015-Jun'2016)	2014-2015 (Jan'2014-Mar'2015)
<b>24.03. FACTORY OVERHEAD: Tk. 1,317,332,726</b>				
This is made up as follows:				
Salaries, Allowances and Wages	320,478,668	1,091,309,706	1,411,788,374	1,116,161,161
Factory Employees Free Lunch	22,475,130	86,750,728	109,225,858	86,844,227
Factory Staff Uniform	12,129,905	37,431,769	49,561,674	43,812,688
Travelling & Conveyance	8,288,820	31,283,184	39,572,004	33,285,635
Printing & Stationery	11,599,937	40,337,776	51,937,713	41,441,231
Postage, Telephone & Fax	1,948,029	5,578,727	7,526,756	5,656,638
Repairs & Maintenance	237,748,233	878,508,858	1,116,257,091	914,885,939
Laboratory Consumable Stores	64,260,017	230,491,930	294,751,947	225,991,266
Fuel, Petrol, Light Diesel etc.	57,930,671	220,002,854	277,933,525	285,053,666
Electricity, Gas & Water	95,715,471	294,171,884	389,887,355	424,228,392
Rental Expense	208,225	716,425	924,650	784,275
Municipal & Other Tax	1,184,480	10,874,819	12,059,299	11,373,194
Insurance Premium	6,119,615	26,165,888	32,285,503	26,696,224
Factory Sanitation Expenses	15,368,485	42,763,487	58,131,972	44,120,125
Depreciation	429,675,065	1,796,319,217	2,225,994,282	1,829,028,208
Security Services	13,863,926	43,632,443	57,496,369	53,141,367
Research & Development	3,392,965	61,160,592	64,553,557	98,863,947
Software & Hardware Support Services	12,549,743	37,965,933	50,515,676	64,882,691
Toll Charges	1,855,002	5,073,872	6,928,874	9,107,440
Other Expenses	540,339	2,654,771	3,195,110	1,360,235
<b>Total</b>	<b>1,317,332,726</b>	<b>4,943,194,863</b>	<b>6,260,527,589</b>	<b>5,316,718,549</b>

**25. SELLING & DISTRIBUTION EXPENSES: Tk. 1,219,004,194**

This consists of as follows:

Salaries and Allowances	226,089,679	767,815,008	993,904,687	867,792,726
Travelling and Conveyance	20,942,067	76,641,540	97,583,607	81,248,447
Training Expenses	315,224	3,555,145	3,870,369	5,578,267
Printing and Stationery	12,036,356	45,880,054	57,916,410	63,144,377
Postage, Telephone, Fax & Telex	6,884,318	27,066,517	33,950,835	32,978,985
Electricity, Gas and Water	6,350,736	21,578,658	27,929,394	22,331,362
Tiffin and Refreshment	5,369,676	18,663,164	24,032,840	21,050,640
Office and Godown Rent	6,197,362	24,094,841	30,292,203	20,123,763
Lease Rent	343,350	1,487,850	1,831,200	1,373,400
Bank Charges	2,769,048	13,804,538	16,573,586	13,148,084
Repairs and Maintenance including car maintenance	77,488,543	262,552,057	340,040,600	292,197,002
Govt. Taxes and Licence Fees	2,128,584	20,693,989	22,822,573	22,871,402
Field Staff Salaries, Allowances, TA and DA	306,985,545	1,145,846,026	1,452,831,571	1,249,532,241
Marketing and Promotional Expenses	232,706,598	706,967,344	939,673,942	803,115,192
Advertisement	324,000	1,307,264	1,631,264	2,293,360
Delivery and Packing Expenses	22,836,320	75,520,778	98,357,098	90,774,324
Export Expenses	24,398,913	98,254,162	122,653,075	106,413,403
Special Discount	151,432,262	520,723,001	672,155,263	539,540,783
Sample Expenses	49,344,205	153,944,768	203,288,973	162,123,746
Security Services	14,936,145	53,936,515	68,872,660	57,173,341
Depreciation	34,650,929	140,417,179	175,068,108	158,692,752
Software, Hardware Support & VSAT Services	10,702,658	30,808,939	41,511,597	39,028,349
Insurance Premium	2,984,594	10,448,219	13,432,813	11,903,562
Other Expenses	787,082	3,556,589	4,343,671	2,647,402
<b>Total</b>	<b>1,219,004,194</b>	<b>4,225,564,145</b>	<b>5,444,568,339</b>	<b>4,667,076,910</b>

2015-2016 (Apr'2016-Jun'2016)	2015-2016 (Apr'2015-Mar'2016)	2015-2016 (Apr'2015-Jun'2016)	2014-2015 (Jan'2014-Mar'2015)
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## 26. ADMINISTRATIVE EXPENSES: Tk. 237,766,662

This consists of as follows:

Salaries and Allowances	71,667,512	255,461,290	327,128,802	309,864,245
Directors' Remuneration	14,269,305	62,114,899	76,384,204	66,727,526
Travelling and Conveyance	28,424,035	107,229,085	135,653,120	115,749,664
Training Expenses	2,063,466	8,750,113	10,813,579	8,027,108
Printing and Stationery	2,432,941	11,949,281	14,382,222	16,153,035
Postage, Telephone, Internet	3,322,270	10,748,673	14,070,943	14,598,286
Electricity, Gas & Water	5,413,255	19,655,032	25,068,287	21,458,318
Tiffin and Refreshment	8,235,350	40,419,135	48,654,485	44,528,396
Office Rent	3,861,091	16,009,063	19,870,154	16,217,702
Sanitation Expenses	528,037	2,031,108	2,559,145	2,343,593
Books and Periodicals	364,582	567,759	932,341	1,258,118
Subscription and Donation	121,000	6,700,716	6,821,716	16,795,204
Advertisement	1,682,949	1,238,919	2,921,868	1,838,355
Repairs and Maintenance	36,316,793	129,017,992	165,334,785	149,195,910
Bank Charges	6,974,254	22,461,272	29,435,526	20,958,067
Insurance Premium	3,221,404	12,146,697	15,368,101	11,556,372
Govt. Taxes, Stamp Duty & Licence Fee	4,137,030	7,600,471	11,737,501	9,862,563
Security Services	6,422,721	21,176,819	27,599,540	22,482,244
Management Consultant Fees	521,768	4,570,971	5,092,739	9,938,426
Legal Charges	1,204,250	3,361,075	4,565,325	2,650,625
Audit Fees	71,875	313,950	385,825	601,450
Depreciation	16,936,163	62,455,044	79,391,207	65,480,546
Annual General Meeting Expenses	-	5,120,403	5,120,403	5,724,410
Software & Hardware Support Services	18,754,649	29,441,574	48,196,223	30,466,656
Share Demat, Remat & Transfer Fees	5,638	6,402,248	6,407,886	4,193,389
Other Expenses	814,324	2,329,545	3,143,869	2,981,094
<b>Total</b>	<b>237,766,662</b>	<b>849,273,134</b>	<b>1,087,039,796</b>	<b>971,651,302</b>

## 27. FINANCE COST: Tk. 86,182

This is made up as follows:

Interest on Cash Credit	-	68,035	68,035	52,995
Interest on Overdraft	86,182	419,658	505,840	1,065,797
Interest on LATR	-	-	-	4,163,302
Interest on Short Term Loan	-	-	-	4,739,077
Interest on Long Term Loan	-	18,879,654	18,879,654	164,809,846
Interest on Loan from Sister Concern	-	-	-	15,864,724
<b>Total</b>	<b>86,182</b>	<b>19,367,347</b>	<b>19,453,529</b>	<b>190,695,741</b>

	2015-2016 (Apr'2016-Jun'2016)	2015-2016 (Apr'2015-Mar'2016)	2015-2016 (Apr'2015-Jun'2016)	2014-2015 (Jan'2014-Mar'2015)
<b>28. OTHER INCOME: Tk. 197,152,707</b>				
This is arrived at as follows:				
Bank Interest	122,396,001	277,878,401	400,274,402	101,186,055
Interest on Senior Secured Bond	-	-	-	1,012,500
Interest on Loan to Sister Concern	23,655,876	80,305,782	103,961,658	94,960,298
Rental Income	298,425	1,213,700	1,512,125	1,292,280
Sale of Scrap	5,666,840	22,291,681	27,958,521	27,132,934
Dividend	12,584,309	48,325,353	60,909,662	38,762,468
Foreign Exchange Fluctuation Gain/(Loss)	(1,269,984)	12,062,852	10,792,868	24,456,955
Commission Received	18,686,630	71,253,167	89,939,797	167,719,652
Gain on Redemption of Zero Coupon Bond	5,009,737	13,221,196	18,230,933	2,014,758
Gain/(Loss) on Marketable Securities	2,586,955	9,294,027	11,880,982	6,863,121
Technology Transfer Fees	-	787,500	787,500	-
	189,614,789	536,633,659	726,248,448	465,401,021
Profit on Sale of Property, Plant & Equipment (Note-28.01)	7,537,918	25,913,016	33,450,934	19,867,615
<b>Total</b>	<b>197,152,707</b>	<b>562,546,675</b>	<b>759,699,382</b>	<b>485,268,636</b>

**28.01. PARTICULARS OF DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT FOR THE PERIOD APR'2016-JUN'2016:**

Particulars of Assets	Cost	Acc. Depreciation Upto 30-06-2016	Written Down Value as on 30-06-2016	Sales Price	Profit/(Loss)
Motor Vehicle	15,475,000	10,529,384	4,945,616	7,726,111	2,780,495
Motor Cycle	17,514,700	12,945,909	4,568,791	9,326,214	4,757,423
<b>Total</b>	<b>32,989,700</b>	<b>23,475,293</b>	<b>9,514,407</b>	<b>17,052,325</b>	<b>7,537,918</b>

**Particulars of Disposal of Property, Plant & Equipment for the Year Apr'2015- Mar'2016:**

Particulars of Assets	Cost	Acc. Depreciation Upto 31-03-2016	Written Down Value as on 31-03-2016	Sales Price	Profit/(Loss)
Motor Vehicle	68,812,174	53,115,145	15,697,029	32,748,221	17,051,192
Motor Cycle	29,228,225	21,208,697	8,019,528	15,908,176	7,888,648
Land	64,754	-	64,754	1,040,999	976,245
Computer	44,200	2,047	42,153	39,084	(3,069)
<b>Total</b>	<b>98,149,353</b>	<b>74,325,889</b>	<b>23,823,464</b>	<b>49,736,480</b>	<b>25,913,016</b>

**29. ALLOCATION FOR WPPF & WF: Tk. 149,127,753**

Allocation for WPPF & WF	149,127,753	508,606,307	657,734,060	417,728,899
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This represents 5% of Net Profit before Tax after charging the allocation as per provisions of the Companies Profit under Labour Law 2010.

**30. INCOME TAX EXPENSES-Current: Tk. 662,062,965**

Current Tax (Provision for the Period)	662,062,965	2,273,129,323	2,935,192,288	1,866,503,203
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**31. PROFIT/(LOSS) FROM ASSOCIATES UNDERTAKING: Tk. 235,170,113**

This is arrived at as follows:

a) Square Textiles Ltd.	68,983,684	275,934,736	344,918,420	248,037,255
b) Square Fashions Ltd.	141,735,419	566,941,678	708,677,097	378,558,328
c) Square Hospitals Ltd.	24,451,010	97,804,040	122,255,050	168,603,885
Add: Prior Year's Adjustment (Profit of Square of Hospitals Ltd. for Jul'2014-Jun'2015)	-	-	-	107,951,811
<b>Total</b>	<b>235,170,113</b>	<b>940,680,454</b>	<b>1,175,850,567</b>	<b>903,151,279</b>

	2015-2016 (Apr'2016-Jun'2016)	2015-2016 (Apr'2015-Mar'2016)	2015-2016 (Apr'2015-Jun'2016)	2014-2015 (Jan'2014-Mar'2015)
<b>32. Gain/(Loss) on Marketable Securities (Unrealized): Tk. (9,162,577)</b>				
Unrealized Gain/(Loss) Position (Closing)	66,786,579	275,949,156	266,786,579	265,332,813
(-) Unrealized Gain/(Loss) Position (Opening)	275,949,156	265,332,813	265,332,813	382,947,233
(-) Unrealized Gain/(Loss) Position (Opening) of Square Cephalosporins Ltd.	-	-	-	31,574,870
Gain/(Loss) on Marketable Securities during the Period	<b>(9,162,577)</b>	<b>10,616,343</b>	<b>1,453,766</b>	<b>(149,189,290)</b>

**33. EARNINGS PER SHARE (EPS) - Tk. 3.84**

The computation is given below:

Surplus for the period attributable to Shareholders (Net Profit after Tax)	2,394,583,329	8,321,274,299	10,715,857,628	6,872,067,641
Weighted average number of Shares outstanding during the Period	623,586,546	623,586,546	623,586,546	623,586,546
Earnings per Share	<b>3.84</b>	<b>13.34</b>	<b>17.18</b>	<b>11.02</b>

**SQUARE PHARMACEUTICALS LTD.**  
and its subsidiary

Schedule of Property, Plant and Equipment  
For the 05 Months Period Ended June 30, 2016

Schedule-01

Notes  
Consolidated

PARTICULARS	COST (Taka)		Rate of Dep.	DEPRECIATION (Taka)			Carrying Value as at 30 June 2016	
	At 31 March 2016	During the year		At 31 March 2016	During the year			At 30 June 2016
					Additions	Sales/Transfer		
<b>FACTORIES:</b>								
Freehold Land	1,675,674,180	36,266,461	-	-	-	-	1,711,940,641	
Factory Building	6,906,431,143	125,184,852	10%	2,585,129,260	108,115,623	2,693,244,883	4,338,371,112	
Boundary Wall	593,903	-	10%	274,742	7,979	282,721	311,182	
Building under Construction	513,554,481	74,376,439	-	6,034,435,775	242,026,723	6,276,462,498	436,301,583	
Plant & Machinery	12,487,631,857	30,808,349	15%	538,721,800	26,106,497	564,828,297	6,241,977,708	
Laboratory Equipment	1,578,978,353	18,731,127	10%	215,606,683	11,292,801	226,899,484	1,032,881,182	
Furniture & Fixture	661,406,247	22,004,274	10%	146,869,983	8,547,568	155,417,551	456,511,037	
Office Equipment	486,278,415	7,422,987	10%	30,686,585	2,238,433	32,925,018	338,283,851	
Computer	118,588,302	2,011,865	10%	168,009,083	9,992,876	175,684,288	87,675,149	
Motor Vehicles	357,529,782	10,180,000	20%	1,941,720	7,164	1,948,884	188,925,494	
Motor Vehicle-Lease	2,085,000	-	20%	-	-	-	136,116	
Plant & Machinery in Transit	318,009,619	429,927,293	-	676,585,135	15,868,559	692,453,693	419,596,833	
Electromechanical Equipments	1,099,988,899	-	15%	76,005,243	4,812,496	80,817,739	407,535,205	
Electrical Installation	204,338,483	3,000,000	15%	23,587,621	658,346	24,245,967	126,520,744	
Gas Line Installation	40,285,226	4,543,939	15%	10,497,853,630	429,675,065	10,925,211,024	20,583,198	
Sub-Total	26,451,373,889	764,457,586	-	26,732,762,060	483,069,415	26,732,762,060	15,807,551,036	
<b>HEAD OFFICE &amp; OTHERS:</b>								
Land	1,519,569,752	224,320,771	-	-	-	-	1,743,890,523	
Building	433,796,773	-	10%	213,855,449	5,498,532	219,355,981	214,442,792	
Boundary Wall	10,855,163	-	10%	3,122,093	193,327	3,315,420	7,539,743	
Building under Construction	55,429,225	50,879,554	-	47,230,881	1,547,899	48,778,780	106,308,779	
Furniture & Fixture	108,169,737	2,902,846	10%	44,504,516	1,041,969	45,546,485	62,293,803	
Office Equipment	85,885,035	445,228	10%	80,869,978	2,727,207	83,597,185	40,783,778	
Computer	186,545,306	8,837,545	10%	553,605,864	26,203,571	579,811,435	111,785,666	
Motor Vehicle	1,011,066,906	72,470,100	20%	98,230,806	1,012,062	99,242,868	499,564,284	
Motor Vehicle-Lease	118,472,040	-	20%	168,803,440	10,718,628	166,576,159	19,229,172	
Motor Cycle	364,185,392	1,178,350	30%	528,499	22	528,521	181,272,883	
Books & Periodicals	528,794	-	20%	57,374,636	2,378,432	59,753,068	45,190,206	
SAP Software	104,943,274	-	20%	2,711,193	121,213	2,832,406	4,727,294	
VSAT	7,559,700	-	10%	10,572,778	144,230	10,717,008	3,701,907	
Electrical Installation	14,418,915	-	15%	1,281,410,133	51,587,092	1,311,839,603	3,040,731,103	
Sub-Total	4,021,426,012	361,034,394	-	11,779,263,763	481,262,157	12,237,050,627	18,848,282,139	
Grand Total Tk.	30,472,799,901	1,125,491,980	-	31,085,332,766	481,262,157	31,085,332,766	18,848,282,139	

Allocation of depreciation charged for the period has been made in the accounts as follows:

	(Apr'2016-Jun'2016)
Factory Overhead	429,675,065
Selling and Distribution Expenses	34,650,929
Administrative Expenses	16,936,163
	<b>481,262,157</b>

## SQUARE PHARMACEUTICALS LTD.

and its subsidiary

Schedule of Property, Plant and Equipment

For the year Ended March 31, 2016

Schedule-02

PARTICULARS	COST (Taka)			Rate of Dep.	DEPRECIATION (Taka)				Carrying Value as at 31 March 2016
	At 01 April 2015	During the year			At 01 April 2015	During the year		At 31 March 2016	
		Additions	Sales/Transfer			Charged	Sales/Transfer		
<b>FACTORIES:</b>									
Freehold Land	1,429,969,558	245,769,376	64,754	-	-	-	-	-	1,675,674,180
Factory Building	6,576,878,372	329,552,771	-	10%	2,115,259,007	469,870,253	2,585,129,260	2,585,129,260	4,321,301,883
Boundary Wall	593,903	-	-	10%	239,280	35,462	274,742	-	319,161
Building under Construction	415,029,045	493,295,030	394,769,594	-	-	-	-	-	513,554,481
Plant & Machinery	11,195,621,532	1,292,010,325	-	15%	5,035,400,813	999,034,962	6,034,435,775	6,034,435,775	6,453,196,082
Laboratory Equipment	1,488,512,707	90,465,645	-	10%	429,568,582	109,153,218	538,721,800	538,721,800	1,040,256,552
Furniture & Fixture	574,187,162	87,219,085	-	10%	172,537,482	43,069,201	215,606,683	215,606,683	445,799,564
Office Equipment	462,862,355	23,416,060	-	10%	110,486,189	36,383,794	146,869,983	146,869,983	339,408,432
Computer	71,965,788	46,622,514	-	10%	23,592,647	7,093,938	30,686,585	30,686,585	87,901,717
Motor Vehicles	283,879,456	88,760,000	15,109,674	20%	143,656,250	35,752,859	168,009,083	168,009,083	189,520,699
Motor Vehicle-Lease	2,085,000	-	-	20%	1,905,900	35,820	1,941,720	-	143,289
Plant & Machinery in Transit	421,977,409	850,128,673	954,096,463	-	-	-	-	-	318,009,619
Electromechanical Equipments	1,094,331,158	5,657,741	-	15%	602,292,117	74,293,018	676,585,135	676,585,135	423,403,764
Electrical Installation	176,272,128	28,066,355	-	15%	57,062,687	18,942,556	76,005,243	76,005,243	128,333,240
Gas Line Installation	38,002,253	2,282,973	-	15%	20,933,485	2,654,136	23,587,621	23,587,621	16,697,605
<b>Sub-Total</b>	<b>24,232,167,826</b>	<b>3,583,246,548</b>	<b>1,364,040,485</b>	<b>-</b>	<b>8,712,934,439</b>	<b>1,796,319,217</b>	<b>10,497,853,630</b>	<b>10,497,853,630</b>	<b>15,953,520,259</b>
<b>HEAD OFFICE &amp; OTHERS:</b>									
Land	1,441,156,213	78,413,539	-	-	-	-	-	-	1,519,569,752
Building	433,796,773	-	-	10%	189,417,526	24,437,923	213,855,449	213,855,449	219,941,324
Boundary Wall	10,855,163	-	-	10%	2,262,863	859,230	3,122,093	-	7,733,070
Building under Construction	45,595,503	10,467,870	634,148	-	-	-	-	-	55,429,225
Furniture & Fixture	94,390,526	13,779,211	-	10%	41,346,053	5,884,828	47,230,881	47,230,881	60,938,856
Office Equipment	79,337,783	6,547,252	-	10%	40,357,504	4,147,012	44,504,516	44,504,516	41,380,519
Computer	171,651,730	14,937,776	44,200	10%	69,602,386	11,269,639	80,869,978	2,047	105,675,328
Motor Vehicle	888,922,726	175,846,680	53,702,500	20%	495,906,151	99,414,832	553,605,864	553,605,864	457,461,042
Motor Vehicle-Lease	118,472,040	-	-	20%	93,170,498	5,060,308	98,230,806	98,230,806	20,241,234
Motor Cycle	317,575,717	75,837,900	29,228,225	20%	149,207,381	40,804,756	168,803,440	168,803,440	195,381,952
Books & Periodicals	528,794	-	-	30%	528,372	127	528,499	-	295
SAP Software	94,814,012	10,129,262	-	20%	47,598,521	9,776,115	57,374,636	57,374,636	47,568,638
VSAT	7,559,700	-	-	10%	2,172,470	538,723	2,711,193	2,711,193	4,848,507
Electrical Installation	14,418,915	-	-	15%	9,894,048	678,730	10,572,778	10,572,778	3,846,137
<b>Sub-Total</b>	<b>3,719,075,595</b>	<b>385,959,490</b>	<b>83,609,073</b>	<b>-</b>	<b>1,141,463,773</b>	<b>202,872,223</b>	<b>1,281,410,133</b>	<b>1,281,410,133</b>	<b>2,740,015,879</b>
<b>Grand Total</b>	<b>27,951,243,421</b>	<b>3,969,206,038</b>	<b>1,447,649,558</b>	<b>-</b>	<b>9,854,398,212</b>	<b>1,999,191,440</b>	<b>11,779,263,763</b>	<b>11,779,263,763</b>	<b>18,693,536,138</b>

Allocation of depreciation charged for the period has been made in the accounts as follows:

(Apr 2015-Mar 2016)

Factory Overhead	1,796,319,217
Selling and Distribution Expenses	140,417,179
Administrative Expenses	62,455,044
	<u>1,999,191,440</u>

## AUDITORS' REPORT

### To the Shareholders of Square Pharmaceuticals Ltd.

We have audited the accompanying Financial Statements of **Square Pharmaceuticals Ltd.** which comprises the Statement of Financial Position as at June 30, 2016 along with Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows For the 15 Months Period Ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable rules and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing, those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the Auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements give a true and fair view of the financial position of **Square Pharmaceuticals Ltd.** as at June 30, 2016 and of its financial performance for the 15 Months Period Ended in accordance with Bangladesh Financial Reporting Standards and comply with the Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations.

#### We also report on other legal and regulatory requirements

We also report that;

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- c) the Company's Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows dealt with by the report are in agreement with the books of accounts;
- d) the expenditure incurred was for the purposes of the Company's business.

Dated, Dhaka  
October 26, 2016

  
Ahmed Zaker & Co.  
Chartered Accountants

## SQUARE PHARMACEUTICALS LTD.

### Statement of Financial Position

As at 30 June 2016

Particulars	Notes	Amount in Taka		
		30-06-2016	31-03-2016	31-03-2015
<b>ASSETS:</b>				
<b>Non-Current Assets:</b>				
		<b>22,121,390,658</b>	<b>21,774,375,722</b>	<b>21,614,399,749</b>
Property, Plant and Equipment-Carrying Value	2	16,269,701,528	16,038,328,006	15,721,139,105
Capital Work-in-Progress	3	-	-	119,985,162
Investment - Long Term (at Cost)	4	4,779,953,688	4,811,718,042	4,894,025,998
Investment in Marketable Securities (Fair Value)	5	1,071,735,442	924,329,674	879,249,484
<b>Current Assets:</b>				
		<b>17,053,294,946</b>	<b>16,591,216,771</b>	<b>9,739,782,495</b>
Inventories	6	2,947,663,942	2,717,734,814	2,684,259,324
Trade Debtors	7	1,329,754,444	837,885,610	894,543,303
Advances, Deposits and Prepayments	8	1,050,060,488	799,113,785	714,842,990
Short Term Loan (Unsecured)	9	3,280,174,547	3,675,654,093	1,596,661,104
Cash and Cash Equivalents	10	8,445,641,525	8,560,828,469	3,849,475,774
<b>TOTAL ASSETS</b>		<b>39,174,685,604</b>	<b>38,365,592,493</b>	<b>31,354,182,244</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES:</b>				
<b>Shareholders' Equity:</b>				
		<b>35,597,063,091</b>	<b>33,636,527,587</b>	<b>28,031,892,107</b>
Share Capital	11	6,235,865,460	6,235,865,460	5,542,991,520
Share Premium	12	2,035,465,000	2,035,465,000	2,035,465,000
General Reserve		105,878,200	105,878,200	105,878,200
Gain on Marketable Securities (Unrealized)		266,786,579	275,949,156	265,332,813
Retained Earnings		26,953,067,852	24,983,369,771	20,082,224,574
<b>Non-Current Liabilities:</b>				
		<b>995,800,939</b>	<b>966,187,560</b>	<b>931,442,176</b>
Long Term Loans - Secured	13	-	-	40,084,217
Deffered Tax Liability	14	995,800,939	966,187,560	891,357,959
<b>Current Liabilities:</b>				
		<b>2,581,821,574</b>	<b>3,762,877,346</b>	<b>2,390,847,961</b>
Long Term Loans - Current Portion	15	-	-	81,514,503
Short Term Loan	16	2,693,932	545,058,107	-
Trade Creditors	17	648,412,068	827,429,048	254,773,030
Liabilities for Expenses	18	42,789,106	42,482,706	42,958,189
Liabilities for Other Finance	19	1,887,926,468	2,347,907,485	2,011,602,239
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>39,174,685,604</b>	<b>38,365,592,493</b>	<b>31,354,182,244</b>

The annexed notes (1-33) form an integral part of these financial statements.

Approved by the Board of Directors on October 16, 2016.

Signed as per our separate report on same date.

  
Samuel S Chowdhury  
Chairman

  
Tapan Chowdhury  
Managing Director

  
Khandaker Habibuzzaman  
Company Secretary

  
Ahmed Zaker & Co.  
Chartered Accountants

Dated, Dhaka: October 26, 2016

**SQUARE PHARMACEUTICALS LTD.**

## Statement of Profit or Loss and Other Comprehensive Income

For the 15 Months Period Ended June 30, 2016

Particulars	Notes	Amount in Taka			
		Apr'2016-Jun'2016	Apr'2015-Mar'2016	Apr'2015-Jun'2016	Jan'2014-Mar'2015
		(3 Months)	(12 Months)	(15 Months)	(15 Months)
Gross Revenue	20	8,545,724,840	33,133,054,692	41,678,779,532	36,191,594,981
Less: Value Added Tax		1,153,351,067	4,492,376,813	5,645,727,880	4,892,907,024
<b>NET REVENUE</b>		<b>7,392,373,773</b>	<b>28,640,677,879</b>	<b>36,033,051,652</b>	<b>31,298,687,957</b>
Cost of Goods Sold	21	(3,727,351,180)	(14,898,344,299)	(18,625,695,479)	(17,471,413,893)
<b>GROSS PROFIT</b>		<b>3,665,022,593</b>	<b>13,742,333,580</b>	<b>17,407,356,173</b>	<b>13,827,274,064</b>
Operating Expenses:		(1,435,562,537)	(5,041,998,122)	(6,477,560,659)	(5,674,553,637)
Selling & Distribution Expenses	22	(1,199,447,790)	(4,185,339,012)	(5,384,786,802)	(4,638,438,451)
Administrative Expenses	23	(236,028,565)	(846,075,467)	(1,082,104,032)	(969,725,893)
Finance Cost	24	(86,182)	(10,583,643)	(10,669,825)	(66,389,293)
<b>PROFIT FROM OPERATION</b>		<b>2,229,460,056</b>	<b>8,700,335,458</b>	<b>10,929,795,514</b>	<b>8,152,720,427</b>
Other Income	25	510,083,609	1,384,783,835	1,894,867,444	862,465,524
Profit Before WPPF & WF		2,739,543,665	10,085,119,293	12,824,662,958	9,015,185,951
Allocation for WPPF & WF	26	(130,454,460)	(480,243,776)	(610,698,236)	(417,728,899)
<b>Profit Before Tax</b>		<b>2,609,089,205</b>	<b>9,604,875,517</b>	<b>12,213,964,722</b>	<b>8,597,457,052</b>
Income Tax Expenses - Current	27	(609,777,745)	(2,273,129,323)	(2,882,907,068)	(1,866,503,203)
Income Tax Expenses - Deferred		(29,613,379)	(74,829,601)	(104,442,980)	(207,020,388)
<b>PROFIT AFTER TAX</b>		<b>1,969,698,081</b>	<b>7,256,916,593</b>	<b>9,226,614,674</b>	<b>6,523,933,461</b>
Other Comprehensive Income:					
Gain/(Loss) on Marketable Securities (Unrealized)	28	(9,162,577)	10,616,343	1,453,766	(149,189,290)
<b>Total Comprehensive Income for the Period</b>		<b>1,960,535,504</b>	<b>7,267,532,936</b>	<b>9,228,068,440</b>	<b>6,374,744,171</b>
<b>Earnings Per Share (EPS)</b>	29	<b>3.16</b>	<b>11.64</b>	<b>14.80</b>	<b>10.46</b>
<b>Number of Shares used to compute EPS</b>		<b>623,586,546</b>	<b>623,586,546</b>	<b>623,586,546</b>	<b>623,586,546</b>

The annexed notes (1-33) form an integral part of these financial statements.  
Approved by the Board of Directors on October 16, 2016.

Signed as per our separate report on same date.

  
Samuel S Chowdhury  
Chairman

  
Tapan Chowdhury  
Managing Director

  
Khandaker Habibuzzaman  
Company Secretary

  
Ahmed Zaker & Co.  
Chartered Accountants

Dated, Dhaka: October 26, 2016

## SQUARE PHARMACEUTICALS LTD.

### Statement of Changes In Equity

For the 03 Months Period Ended June 30, 2016

Particulars	Amount in Taka					
	Share Capital	Share Premium	General Reserve	Gain on Marketable Securities (Unrealized)	Retained Earning	Total
At 31 March 2016	6,235,865,460	2,035,465,000	105,878,200	75,949,156	24,983,369,771	33,636,527,587
Total Comprehensive Income (Apr 2016-Jun 2016)	-	-	-	(9,162,577)	1,969,698,081	1,960,535,504
At 30 June 2016	6,235,865,460	2,035,465,000	105,878,200	266,786,579	26,953,067,852	35,597,063,091

### Statement of Changes In Equity

For the year Ended March 31, 2016

Particulars	Amount in Taka					
	Share Capital	Share Premium	General Reserve	Gain on Marketable Securities (Unrealized)	Retained Earning	Total
At 31 March 2015	5,542,991,520	2,035,465,000	105,878,200	265,332,813	20,082,224,574	28,031,892,107
Total Comprehensive Income (2015-2016)	-	-	-	10,616,343	7,256,916,593	7,267,532,936
Cash Dividend (2014-2015)	-	-	-	-	(1,662,897,456)	(1,662,897,456)
Stock Dividend (2014-2015)	692,873,940	-	-	-	(692,873,940)	-
At 31 March 2016	6,235,865,460	2,035,465,000	105,878,200	275,949,156	24,983,369,771	33,636,527,587
At 31 March 2015	5,542,991,520	2,035,465,000	105,878,200	265,332,813	20,082,224,574	28,031,892,107

Approved by the Board of Directors on October 16, 2016.

Signed as per our separate report on same date.

  
Samuel S Chowdhury  
Chairman

  
Tapan Chowdhury  
Managing Director

  
Khandaker Habibuzzaman  
Company Secretary

  
Ahmed Zaker & Co.  
Chartered Accountants

Dated, Dhaka: October 26, 2016

**SQUARE PHARMACEUTICALS LTD.**

## Statement of Cash Flows

For the 15 Months Period Ended June 30, 2016

## Cash Flows From Operating Activities

**RECEIPTS:**

Collection from Revenue

Others

**PAYMENTS:**

Purchase of Raw and Packing Materials

Manufacturing and Operating Expenses

Value Added Tax

Bank Interest

Income Tax

Workers Profit Participation Fund

Others

Net cash provided by operating activities

## Cash Flows From Investing Activities:

Purchase of Fixed Assets

Disposal of Fixed Assets

Investment in Square Formulations Ltd.

Investment in Orascom Telecom Bangladesh Ltd.

Investment in Lanka Bangla Finance Ltd.

Investment in IDLC Finance Ltd.

Investment in Square Hospitals Ltd.

Investment in Bangladesh Steel Re-Rolling Mills Ltd.

Investment in Marketable Securities

Loan to Sister Concerns

Gain on Sale of Marketable Securities

Interest Received

Dividend Received

Net cash used in investing activities

## Cash Flows From Financing Activities:

Long Term Loan Repaid

Short Term Bank Loan Decrease

Dividend Paid

Net cash used in financing activities

Increase/(Decrease) in Cash and Cash Equivalents

Cash and Cash Equivalents at the Opening

Cash and Cash Equivalents at the Closing

	Amount in Taka		
	2015-2016 (Apr'2016-Jun'2016)	2015-2016 (Apr'2015-Mar'2016)	2014-2015 (Jan'2014-Mar'2015)
Collection from Revenue	8,033,613,721	33,162,357,049	36,070,969,715
Others	316,377,362	651,090,638	331,988,208
	8,349,991,083	33,813,447,687	36,402,957,923
Purchase of Raw and Packing Materials	3,051,981,327	10,121,487,923	12,821,088,107
Manufacturing and Operating Expenses	2,585,947,309	7,466,332,510	8,772,121,924
Value Added Tax	1,153,351,067	4,492,376,813	4,892,907,024
Bank Interest	86,182	10,583,643	66,389,293
Income Tax	626,836,781	2,012,646,231	1,829,350,422
Workers Profit Participation Fund	227,323,976	425,106,536	401,253,099
Others	70,664,585	14,195,760	5,713,277
	7,716,191,227	24,542,729,416	28,788,823,146
Net cash provided by operating activities	633,799,856	9,270,718,271	7,614,134,777
Purchase of Fixed Assets	(632,056,862)	(1,895,029,278)	(2,648,098,651)
Disposal of Fixed Assets	17,052,325	49,736,480	36,389,291
Investment in Square Formulations Ltd.	-	-	(1,624,000,000)
Investment in Orascom Telecom Bangladesh Ltd.	-	-	20,000,000
Investment in Lanka Bangla Finance Ltd.	-	36,778,804	(123,904,667)
Investment in IDLC Finance Ltd.	19,990,263	(197,817,954)	-
Investment in Square Hospitals Ltd.	175,000,000	287,500,000	-
Investment in Bangladesh Steel Re-Rolling Mills Ltd.	(163,225,909)	-	-
Investment in Marketable Securities	(156,568,345)	(78,616,741)	(214,410,472)
Loan to Sister Concerns	(146,884,629)	(1,533,934,882)	252,282,372
Gain on Sale of Marketable Securities	2,586,955	9,294,027	6,863,121
Interest Received	122,535,093	361,810,881	341,769,899
Dividend Received	12,584,309	185,409,263	161,976,681
Net cash used in investing activities	(748,986,800)	(2,774,869,400)	(3,791,132,426)
Long Term Loan Repaid	-	(121,598,720)	(378,158,742)
Short Term Bank Loan Decrease	-	-	(283,366,889)
Dividend Paid	-	(1,662,897,456)	(1,445,997,789)
Net cash used in financing activities	-	(1,784,496,176)	(2,107,523,420)
Increase/(Decrease) in Cash and Cash Equivalents	(115,186,944)	4,711,352,695	1,715,478,931
Cash and Cash Equivalents at the Opening	8,560,828,469	3,849,475,774	2,133,996,843
Cash and Cash Equivalents at the Closing	8,445,641,525	8,560,828,469	3,849,475,774

Approved by the Board of Directors on October 16, 2016.

Signed as per our separate report on same date.



Samuel S Chowdhury  
Chairman



Tapan Chowdhury  
Managing Director



Khandaker Habibuzzaman  
Company Secretary



Ahmed Zaker & Co.  
Chartered Accountants

Dated, Dhaka: October 26, 2016

## **SQUARE PHARMACEUTICALS LTD.**

### Notes to the Financial Statements

As at and for the 15 Months Period Ended June 30, 2016

#### 1. SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION

##### 1.1 Legal Form of the Company:

Square Pharmaceuticals Ltd. was incorporated on November 10, 1964 under the Companies Act 1913 as private ltd. Company and it was converted into a Public Limited Company in 1991 and offered its share to the public with the approval of the Bangladesh Securities and Exchange Commission in the month of December 1994. The shares of the company are listed in the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

##### 1.2 Address of Registered Office and Factories:

The registered office of the company is situated at "Square Centre" 48, Mohakhali Commercial Area, Dhaka-1212, Bangladesh. Factory address of the company and it's subsidiary are as follows:

Square Pharmaceuticals Ltd.:	1) Pabna Site	: Square Road, Salgaria, Pabna, Bangladesh
	2) Dhaka Site	: Kaliakoir, Gazipur, Bangladesh

##### 1.3 Nature of Business Activities:

The company is engaged in manufacturing and marketing of generic pharmaceuticals products, basic chemical products and animal health products. The company also engaged in marketing of pesticide products.

##### 1.4 Basis of Preparation and Presentation of Financial Statements:

The elements of financial statements have been measured on "Historical Cost" convention in a going concern concept and on accrual basis in accordance with generally accepted accounting principle and practice in Bangladesh in compliance with the Companies Act 1994, the Bangladesh Securities and Exchange Rules 1987, listing regulations of Dhaka Stock Exchange Ltd. (DSE) & Chittagong Stock Exchange Ltd. (CSE), International Accounting Standards (IAS), International Financial Reporting Standard (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB), as Bangladesh Accounting Standard (BAS) and Bangladesh Financial Reporting Standard (BFRS). The significant accounting policies and estimates are same as it is set out in Note No. 1.6 to 1.27 of Consolidated Financial Statements of Square Pharmaceuticals Ltd.

##### 1.5 Principal Accounting Policies:

Specific accounting policies were selected and applied by the company's management for significant transactions and events that have a material effect within the framework of BAS-1 "Presentation of Financial Statements" in preparation and presentation financial statements. The previous years' figures were presented according to the same accounting principles. Compared to the previous year, there were no significant changes in the accounting and valuation principles affecting the financial position and performance of the company. However, changes made to the presentation are explained in the note for each respective item.

Accounting and valuation methods are disclosed for the purpose of clarity. The company classified the expenses using the function of expenses method as per BAS-1.

### 1.6 Application of Bangladesh Accounting Standards (BAS):

The following BASs are applicable for the financial statements for the year under review:

BAS - 1	Presentation of Financial Statements
BAS - 2	Inventories
BAS - 7	Statement of Cash Flows
BAS - 8	Accounting Policies, Changes in Accounting Estimates and Errors
BAS - 10	Events after the Reporting Period
BAS - 12	Income Taxes
BAS - 16	Property, Plant and Equipment
BAS - 17	Leases
BAS - 18	Revenue
BAS - 19	Employee Benefits
BAS - 21	The effects of Changes in Foreign Exchange Rates
BAS - 23	Borrowing Costs
BAS - 24	Related Party Disclosures
BAS - 26	Accounting and Reporting by Retirement Benefit Plans
BAS - 28	Investment in Associates and Joint Ventures
BAS - 32	Financial Instruments: Presentation
BAS - 33	Earnings Per Share
BAS - 37	Provisions, Contingent Liabilities and Contingent Assets
BAS - 38	Intangible Assets
BAS - 39	Financial Instruments: Recognition & Measurement
BFRS-7	Financial Instruments: Disclosure

### 1.7 Property, Plant and Equipment:

All property, plant and equipment is initially accounted for at cost and depreciated over their expected useful life in accordance with BAS-16. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes. In respect of major projects involving construction, related pre-operational expenses form part of the value of asset capitalised. Expenses capitalised also include applicable borrowing cost.

On retirement or otherwise disposal of fixed assets, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the income statement which is determined with reference to the net book value of the assets and the net sales proceeds

### 1.8 Depreciation:

No depreciation is charged on freehold land and on Capital Work-in-Progress. Depreciation is charged on all other fixed assets on a reducing balance method. Depreciation of an asset begins when it is available for use i. e when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with BFRS 5 and the date that the assets are derecognized.

The rates at which assets are depreciated per annum, depending on the nature and estimated useful life of assets are given below:

	SPL
Factory Building and Other Construction	10%
Plant & Machinery	15%
Laboratory & Office Equipment	10%
Furniture & Fixture	10%
Motor Vehicle	20%
Electrical Installation	15%
Gas Line Installation	15%
Books & Periodicals	30%
Computer	10%

#### 1.9 Financial Instruments:

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

#### Financial Assets:

Financial assets of the company include cash and cash equivalents, equity instrument of another entity, trade receivable and other receivables. The company initially recognizes receivable on the date they are originated. All other financial assets are recognized initially on the date at which the company become a party to the contractual provisions of the transaction. The company derecognizes a financial assets when and only when contractual rights or probabilities of receiving the cash flows from the assets expire or it transfer the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and reward of ownership of the financial assets are transferred.

#### Cash and Cash Equivalents:

Cash and cash equivalents comprises cash in hand, in transit and with banks on current and deposit accounts that are subject to an insignificant risk of changes in their fair value and are used by the company without any restriction.

#### Available for Sale of Financial Assets:

Available for sale of financial assets comprise equity security are non-derivative financial assets that are recognized initially at fair value plus any attributable transactions costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses are recognized in Other Comprehensive Income and presented gain on marketable securities (unrealized).

#### Trade Receivable:

Trade receivable are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amount at the period end.

#### Financial Liabilities:

The company initially recognizes financial liabilities on the transaction date at which the company become a party to the contractual provisions of the liability. The company derecognizes a financial liability when it's contractual obligations are discharged or cancelled or expired. Financial liabilities are recognized initially at fair value less any directly attributable transactions costs. Subsequently to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities include loan and borrowing, trade creditors, liabilities for expenses and liabilities for other finance.

### 1.10 Inventories:

Inventories are stated at the lower of cost or net realizable value as per BAS-2.

<b>Types of Stock</b>	<b>Basis of Valuation</b>
Raw Materials, Packing Materials and Work-in-Process	Weighted Average Cost
Finished Goods	At lower of cost or net estimated realizable value
Spares & Accessories	Weighted Average Cost
Goods-in-Transit	At Cost

The cost is determined on weighted average cost basis. Net realizable value is based on estimated selling price less any further costs anticipated to be incurred to make the sale. Any obsolete stock or abnormal losses are recognized as expenses.

### 1.11 Income Tax Expenses:

#### Current Income Tax

Current income tax is expected tax payable on the taxable income for the year. The company is a "Publicly Traded Company"; hence Tax Rate is applicable @25%.

#### Deferred Tax

Deferred tax expenses is considered for the taxable temporary difference may arise for the reporting period, adjustments for prior years accumulated differences and changed in tax rate.

### 1.12 Employees Separation Plans:

#### Provident Fund

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

#### Gratuity

The company has an unfunded gratuity scheme under which an employee is entitled to the benefits depending on the length of service. The costs for gratuity is accounted for cash basis.

#### Group Insurance

The company has also a group insurance scheme for its permanent employees, premium for which is being charged to income statement annually as per the insurance policy.

#### Workers Profit Participation Fund and Welfare Fund

The company makes a regular allocation of 5% on Net Profit before tax to these funds and payment is made to the workers as per provisions of Labour Law 2006 Chapter-15.

### 1.13 Revenue Recognition:

#### (a) Sales of Goods:

In compliance with the requirements of BAS-18 revenue is recognized for local sales of Pharmaceuticals Drugs and Medicines, Agro Vet Products and Pesticide Products at the time of delivery from depot and Exports of Pharmaceuticals Drugs and Medicines at the time of delivery from Factory Godown. Local sales of Basic Chemical Products are recognized at the time of delivery from Factory Godown i. e when the significant risk and rewards of ownership is transferred to the buyer, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably.

(b) Dividend income is recognized when the right to received payment is established.

(c) Interest income is recognized when accrued on a time proportion basis.

#### 1.14 Revenue:

Revenue comprises the following:

- \* Sales of locally manufactured generic pharmaceuticals drugs and medicines.
- \* Export of generic pharmaceuticals drugs and medicines.
- \* Local Sales of basic chemicals products.
- \* Sales of locally manufactured and imported animal health products.
- \* Sales of imported pesticide products.

#### 1.15 Foreign Currency Transactions:

Foreign currencies are translated into taka at the exchange rates ruling on the date of transactions in accordance with BAS-21 "The Effects of Changes in Foreign Exchange Rates". Bank deposit in foreign currency for retention quota account has been translated into taka at the year end at the rate of exchange ruling on that date and gain/(loss) have been accounted for as other income/(loss) in the Income Statement. Conversion Rate USD 1 = BDT 77.80.

#### 1.16 Statement of Cash Flows:

Statement of Cash Flows is prepared in accordance with BAS-7 under direct method and as outlined in the Securities and Exchange Rule 1987.

#### 1.17 Earnings per Share (EPS):

Earnings per Share (EPS) is calculated in accordance with the Bangladesh Accounting Standard BAS-33 "Earnings per Share".

##### Earnings per Share

Earnings per Share has been calculated by dividing the earnings attributable to the number of shares (ordinary) held by the shareholders during the year.

##### Weighted Average Number of Ordinary Shares Outstanding during the year

The Bonus Shares issued during the year 2014-2015 were treated as if they had been in issue in previous years also. Hence, in computing the Earnings per Share (EPS) of 2015-2016, the total number of shares including the said bonus shares has been considered as the Weighted Average Number of Shares Outstanding during the year 2014-2015.

##### Diluted Earnings per Share

No diluted Earnings per Share was required to be calculated for the year under review as there is no scope for dilution of Earnings Per Share for the year.

#### 1.18 Borrowing Cost:

The company capitalizes borrowing cost for new projects such as interest on term loan and other related fees/charges for the period till to commencement of commercial operation and charges the cost to revenue account as finance cost after commencement of the commercial operation.

#### 1.19 Concentration of Counterparty Risk:

As of June 30, 2016, the company does not have any significant concentration of business transacted with a particular customer, supplier or lender that could, if suddenly eliminated, have severe impact the company's operations. The company also does not have any concentration of available source of labour, service or licenses or other rights that could, if suddenly eliminated, have severe impact of the operations of the company.

#### 1.20 Net Profit before Tax:

Net Profit before Tax for the year was not materially affected by:

- transaction of a nature not usually undertaken by the Company;
- circumstances of an exceptional or non-recurring nature;
- charges or credits relating to prior years; and
- changes in accounting policies.

**1.21 Segment Reporting:**

As there is a single business and geographic segment within which the company operates as such no segment reporting is felt necessary.

**1.22 Share Premium:**

The balance in share premium account shall be utilized in accordance with provisions of the Companies Act 1994 and as directed by the Bangladesh Securities and Exchange Commission in this respect.

**1.23 Provisions, Contingent Liabilities and Contingent Assets:**

Provisions were made considering risk and un-certainties at best estimate of the probable expenditure that would require to meet the current obligation at the date of statement of financial position.

Contingent liabilities and assets are current or possible obligations or on liabilities or assets, arising from past events and existence of which depends upon the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. In accordance with BAS 37.

**1.24 Research, Development and Experimental Costs:**

In compliance with the requirements of BAS 38 "Intangible Assets" research, development and experimental costs are usually absorbed as revenue charges as and when incurred, as being not that much material in the company's and/local context.

**1.25 General:**

Previous year's figures have been regrouped/reclassified wherever considered necessary to conform to current year's presentation. Figures have been rounded off to the nearest Taka, as the currency represented in this Financial Statements.

30-06-2016 Taka	31-03-2016 Taka	31-03-2015 Taka
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**2. Property, Plant and Equipment-Carrying Value: Tk. 16,269,701,528**

Details of Property, Plant and Equipment and Depreciation as at 30 June, 2016 are shown in the annexed Schedule - 01. This is arrived at as follows:

**Fixed Assets at Cost:**

Opening Balance	27,146,467,982	25,229,602,895	18,130,409,326
Amount of Square Cephalosporins Ltd. due to Merger	-	-	1,423,231,628
Addition during the Year	1,110,506,695	2,981,328,638	5,985,936,787
	28,256,974,677	28,210,931,533	25,539,577,741
Sales/Transfer during the Year	(511,439,534)	(1,064,463,551)	(309,974,846)
Closing Balance	27,745,535,143	27,146,467,982	25,229,602,895

**Accumulated Depreciation:**

Opening Balance	11,108,139,976	9,508,463,790	6,973,538,024
Amount of Square Cephalosporins Ltd. due to Merger	-	-	1,225,459,097
Charged during the Year	391,168,932	1,674,002,075	1,362,530,972
	11,499,308,908	11,182,465,865	9,561,528,093
Sales/Transfer during the Year	(23,475,293)	(74,325,889)	(53,064,303)
	11,475,833,615	11,108,139,976	9,508,463,790

**Carrying Value**

<b>16,269,701,528</b>	<b>16,038,328,006</b>	<b>15,721,139,105</b>
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**3. CAPITAL WORK-IN-PROGRESS: Tk. Nil**

This represents expenditure incurred for the projects of Square Pharmaceuticals Ltd. at Kaliakoir, Gazipur. The break-up of the above amount are given below:

Building/Civil Work	-	-	119,985,162
Total	-	-	119,985,162

**4. INVESTMENT-Long Term: Tk. 4,779,953,688**

This consists of the following:

**Subsidiary:**

	30-06-2016 Taka	31-03-2016 Taka	31-03-2015 Taka
(a) 995,000 Ordinary Shares of Tk. 100/- each in Square Formulations Ltd.	99,500,000	99,500,000	99,500,000
(b) Advance against Share Money with Square Formulations Ltd. for 20,000,000 Shares of Tk. 100/- each	2,000,000,000	2,000,000,000	2,000,000,000
	<b>2,099,500,000</b>	<b>2,099,500,000</b>	<b>2,099,500,000</b>

**Associates:**

(a) 75,396,150 Ordinary Shares of Tk. 10/- each including Bonus Shares in Square Textiles Ltd.	225,129,795	225,129,795	180,976,901
(b) 199,750 Ordinary Shares of Tk. 1,000/- each in Square Hospitals Ltd.	210,750,000	210,750,000	210,750,000
(c) Advance against Share Money with Square Hospitals Ltd. for 1,712,500 Shares of Tk. 1,000/- each	1,537,500,000	1,712,500,000	2,000,000,000
(d) Investment in Square Fashions Ltd: - 252,000 Ordinary Shares of Tk. 100/- each - 210,000 Ordinary Shares of Tk. 600/- each *	151,200,000	151,200,000	151,200,000
	<b>2,124,579,795</b>	<b>2,299,579,795</b>	<b>2,542,926,901</b>

**Others:**

(a) 120,000 Ordinary Shares of Tk.100/- each in United Hospital Ltd.	12,000,000	12,000,000	12,000,000
(b) 5,711,804 Ordinary Shares of Tk. 10/- each including Bonus Shares in Central Depository Bangladesh Ltd.	15,694,430	15,694,430	15,694,430
(g) Advance against Share Money with Square InformatiX Ltd. for 1,000,000 Shares of Tk. 100/- each	100,000,000	100,000,000	100,000,000
(h) 100,000 Zero Coupon Bond in Lanka Bangla Finance Ltd.	87,125,863	87,125,863	123,904,667
(i) 250,000 Zero Coupon Bond in IDLC Finance Ltd.	177,827,691	197,817,954	-
(j) 200,000 Zero Coupon Bond in Bangladesh Steel Re-Rolling Mills Ltd.	163,225,909	-	-
	<b>555,873,893</b>	<b>412,638,247</b>	<b>251,599,097</b>
<b>Total</b>	<b>4,779,953,688</b>	<b>4,811,718,042</b>	<b>4,894,025,998</b>

## 5. INVESTMENT IN MARKETABLE SECURITIES (Fair Value): Tk. 1,071,735,442

This is arrived at as follows:

'Investment in Marketable Securities (Fair Value)

	30-06-2016	31-03-2016	31-03-2015
	1,071,735,442	924,329,674	879,249,484
	<b>1,071,735,442</b>	<b>924,329,674</b>	<b>879,249,484</b>

Investment in Marketable Securities (Fair Value) as at 30.06.2016:

SL. No	Name of Company	No. of Share Held	Face Value per Share	Cost Holding	Average Cost	Quoted Rate per Share as on 30-06-16	Total Market Value of Shares as on 30-06-16	Unrealised Gain/(Loss)
1	1st ICB Mutual Fund	6,050	10	4,700,114	776.88	1,492.50	9,029,625	4,329,511
2	2nd ICB Mutual Fund	10,000	10	2,683,646	268.36	298.60	2,986,000	302,354
3	3rd ICB Mutual Fund	18,500	10	3,253,609	175.87	350.00	6,475,000	3,221,391
4	4th ICB Mutual Fund	27,700	10	4,883,931	176.32	228.00	6,315,600	1,431,669
5	5th ICB Mutual Fund	54,600	10	9,276,903	169.91	225.10	12,290,460	3,013,557
6	6th ICB Mutual Fund	89,000	10	5,875,472	66.02	56.10	4,992,900	(882,572)
7	7th ICB Mutual Fund	83,000	10	8,125,517	97.90	113.90	9,453,700	1,328,183
8	8th ICB Mutual Fund	113,615	10	8,047,489	70.83	67.80	7,703,097	(344,392)
9	IBBL MP Bond	143,330	1,000	133,574,294	931.94	963.50	138,098,455	4,524,161
10	Islami Bank BD. Ltd.	500,000	10	12,348,802	24.70	29.20	14,600,000	2,251,198
11	Padma Oil Co. Ltd.	1,116	10	76,079	68.17	185.80	207,353	131,274
12	Shahjalal Islami Bank Ltd.	700,000	10	9,742,229	13.92	11.50	8,050,000	(1,692,229)
13	Titas Gas TDCL	1,345,000	10	96,664,935	71.87	48.30	64,963,500	(31,701,435)
14	Uttara Bank Ltd.	5,090,086	10	101,284,826	19.90	20.20	102,819,737	1,534,911
15	Meghna Petroleum Ltd.	200,000	10	29,509,153	147.55	172.30	34,460,000	4,950,847
16	Usmania Glass Ltd.	70,083	10	6,482,009	92.49	80.00	5,606,640	(875,369)
17	EXIM Bank of BD. Ltd.	2,000,000	10	18,434,324	9.22	8.00	16,000,000	(2,434,324)
18	ACI Ltd.	53,983	10	6,390,313	118.38	455.10	24,567,663	18,177,350
19	First Security Bank Ltd.	750,000	10	7,298,605	9.73	8.20	6,150,000	(1,148,605)
20	Social Islami Bank Ltd.	210,000	10	2,558,930	12.19	13.00	2,730,000	171,070
21	Pioneer Insurance Co Ltd.	6,361,875	10	35,250,000	5.54	30.70	195,309,563	160,059,563
22	National Housing Finance	5,023,450	10	39,362,480	7.84	30.00	150,703,500	111,341,020
23	Power Grid Co. of BD. Ltd.	100,000	10	4,450,357	44.50	58.10	5,810,000	1,359,643
24	Al-Arafah Islami Bank Ltd.	315,000	10	3,904,162	12.39	13.20	4,158,000	253,838
25	Argon Denims Ltd.	910,000	10	26,830,531	29.48	23.90	21,749,000	(5,081,531)
26	Bangladesh Building System Ltd.	6,000	10	243,649	40.61	40.90	245,400	1,751
27	Malek Spinning Mills Ltd.	4,800,000	10	84,482,660	17.60	16.90	81,120,000	(3,362,660)
28	Saiham Cotton Mills Ltd.	3,334,566	10	45,212,746	13.56	13.10	43,682,815	(1,529,931)
29	GPH ispat Ltd.	223,000	10	6,194,038	27.78	30.00	6,690,000	495,962
30	Jamuna Oil Co. Ltd.	200,000	10	35,010,982	175.05	181.80	36,360,000	1,349,018
31	Makson Spinning Mills Ltd.	2,650,000	10	25,802,691	9.74	7.30	19,345,000	(6,457,691)
32	Lafurge Surma Cement Ltd.	26,000	10	705,034	27.12	79.10	2,056,600	1,351,566
33	Pragati Insurance Ltd.	50,008	10	2,208,595	44.16	23.50	1,175,188	(1,033,407)
34	Prime Bank Ltd.	1,634,851	10	24,079,758	14.73	15.80	25,830,646	1,750,888
	<b>Total Tk.</b>			<b>804,948,863</b>			<b>1,071,735,442</b>	<b>266,786,579</b>

The above investment in marketable securities that are designated as available for sale by the management. These are measured at fair value and presented as non-current assets and unrealized gain/(loss) from the above investment are recognized as other comprehensive income.

Investment in Marketable Securities (Fair Value) as at 31.03.2016:

SL. No	Name of Company	No. of Share Held	Face Value per Share	Cost Holding	Average Cost	Quoted Rate per Share as on 31-03-16	Total Market Value of Shares as on 31-03-16	Unrealised Gain/(Loss)
1	1st ICB Mutual Fund	6,050	10	4,700,114	776.88	1,492.50	9,029,625	4,329,511
2	2nd ICB Mutual Fund	10,000	10	2,683,646	268.36	298.60	2,986,000	302,354
3	3rd ICB Mutual Fund	18,500	10	3,253,609	175.87	350.00	6,475,000	3,221,391
4	4th ICB Mutual Fund	27,700	10	4,883,931	176.32	228.00	6,315,600	1,431,669
5	5th ICB Mutual Fund	54,600	10	9,276,903	169.91	225.10	12,290,460	3,013,557
6	6th ICB Mutual Fund	89,000	10	5,875,472	66.02	62.20	5,535,800	(339,672)
7	7th ICB Mutual Fund	83,000	10	8,125,517	97.90	111.90	9,287,700	1,162,183
8	8th ICB Mutual Fund	113,615	10	8,047,489	70.83	71.20	8,089,388	41,899
9	IBBL MP Bond	143,330	1,000	133,574,294	931.94	996.50	142,828,345	9,254,051
10	Islami Bank BD. Ltd.	500,000	10	12,348,802	24.70	23.00	11,500,000	(848,802)
11	Padma Oil Co. Ltd.	1,116	10	76,079	68.17	171.70	191,617	115,538
12	Shahjalal Islami Bank Ltd.	700,000	10	9,742,229	13.92	11.80	8,260,000	(1,482,229)
13	Titas Gas TDCL	1,340,000	10	96,844,350	72.27	43.80	58,692,000	(38,152,350)
14	Uttara Bank Ltd.	110,017	10	3,033,252	27.57	20.50	2,255,349	(777,904)
15	Meghna Petroleum Ltd.	220,000	10	32,460,153	147.55	139.90	30,778,000	(1,682,153)
16	Usmania Glass Sheet Ltd.	70,083	10	6,482,009	92.49	84.80	5,943,038	(538,971)
17	EXIM Bank of BD Ltd.	1,200,000	10	11,239,203	9.37	8.40	10,080,000	(1,159,203)
18	ACI Ltd.	49,076	10	6,390,313	130.21	542.80	26,638,453	20,248,140
19	First Security Bank Ltd.	750,000	10	7,298,605	9.73	9.00	6,750,000	(548,605)
20	Social Islami Bank Ltd.	200,000	10	2,558,930	12.79	13.60	2,720,000	161,070
21	Pioneer Insurance Co Ltd.	6,361,875	10	35,250,000	5.54	33.20	211,214,250	175,964,250
22	National Housing Finance	5,023,450	10	39,362,480	7.84	32.40	162,759,780	123,397,300
23	Power Grid Co. of BD. Ltd.	250,000	10	11,125,357	44.50	55.20	13,800,000	2,674,643
24	Al-Arafah Islami Bank Ltd.	300,000	10	3,904,162	13.01	14.00	4,200,000	295,838
25	Argon Denims Ltd.	910,000	10	26,830,531	29.48	24.90	22,659,000	(4,171,531)
26	Bangladesh Building System Ltd.	6,000	10	243,649	40.61	36.00	216,000	(27,649)
27	Malek Spinning Mills Ltd.	3,815,000	10	69,048,948	18.10	16.70	63,710,500	(5,338,448)
28	Saiham Cotton Mills Ltd.	1,527,726	10	22,018,647	14.41	14.00	21,388,164	(630,483)
29	GPH ispat Ltd.	100,000	10	4,472,038	44.72	29.70	2,970,000	(1,502,038)
30	Jamuna Oil Co. Ltd.	220,000	10	38,513,486	175.06	153.30	33,726,000	(4,787,486)
31	Makson Spinning Mills Ltd.	2,650,000	10	25,802,691	9.74	6.80	18,020,000	(7,782,691)
32	Lafurge Surma Cement	26,000	10	705,034	27.12	66.90	1,739,400	1,034,366
33	Pragati Insurance Ltd.	50,008	10	2,208,595	44.16	25.60	1,280,205	(928,390)
	<b>Total Tk.</b>			<b>648,380,518</b>			<b>924,329,674</b>	<b>275,949,156</b>

The above investment in marketable securities that are designated as available for sale by the management. These are measured at fair value and presented as non-current assets and unrealized gain/(loss) from the above investment are recognized as other comprehensive income.

Amount in Taka		
30-06-2016	31-03-2016	31-03-2015

#### 6. INVENTORIES: Tk. 2,947,663,942

The break-up is as under:

Raw Materials	1,051,802,782	1,042,640,790	1,023,266,268
Packing Materials	402,088,041	395,638,524	388,732,323
Work-in-Process	198,930,191	198,537,700	189,506,563
Finished Goods	830,137,717	824,749,651	810,123,771
Spares & Accessories	184,124,631	208,999,504	226,266,022
Goods- in-Transit	280,580,580	47,168,645	46,364,377
<b>Total</b>	<b>2,947,663,942</b>	<b>2,717,734,814</b>	<b>2,684,259,324</b>

The basis of valuation is stated in Note-1 (1.9)

#### 7. TRADE DEBTORS: Tk. 1,329,754,444

The Break-up is as under:

(i) Trade debtors occurred in the ordinary course of business are unsecured but considered good.

Ageing of the above debtors is as follows:

Below 30 days	891,862,814	683,410,541	716,177,601
Within 31-60 days	217,418,847	28,939,032	41,873,309
Within 61-90 days	157,419,888	41,274,711	49,028,939
Above 90 days	63,052,895	84,261,326	87,463,454
<b>Total</b>	<b>1,329,754,444</b>	<b>837,885,610</b>	<b>894,543,303</b>

(ii) Debtors include Tk. 315,326,117 due from export sales of which Tk. 120,536,920 has since been realised.

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

(iv) There was also no other amount due by associate undertakings.

	Amount in Taka		
	30-06-2016	31-03-2016	31-03-2015
<b>8. ADVANCES, DEPOSITS &amp; PREPAYMENTS: Tk. 1,050,060,488</b>			
This consists of as follows:			
<b>Advances:</b>	<b>434,319,374</b>	<b>319,007,697</b>	<b>429,811,915</b>
Employees	158,572,221	26,459,488	34,475,522
Motor Cycle Loan – Employees	3,452,531	3,452,531	3,452,531
Suppliers	272,294,622	289,095,678	391,883,862
<b>Deposits:</b>	<b>573,112,534</b>	<b>425,441,085</b>	<b>231,485,518</b>
Value Added Tax	242,372,112	222,129,827	194,774,491
Earnest Money & Security Deposit	112,935,788	42,271,203	28,075,443
Interest on Fixed Deposit Receipts	199,727,982	151,266,010	-
Others	18,076,652	9,774,045	8,635,584
<b>Prepayments:</b>	<b>42,628,580</b>	<b>54,665,003</b>	<b>53,545,557</b>
Office Rent	8,254,004	9,149,603	8,345,064
Insurance Premium	34,374,576	45,515,400	45,200,493
Total	<b>1,050,060,488</b>	<b>799,113,785</b>	<b>714,842,990</b>

(a) Employees advances of Tk. 46,002,621 includes advance to officers Tk. 21,934,159.

(b) No amount was due by the Directors (including Managing Director) and Managing Agents of the company and any of them severally or jointly with any other person except as stated in (a) above.

(c) No amount was due by the associate undertaking.

**9. SHORT TERM LOAN (Unsecured): Tk. 3,280,174,547**

This consists of as follows:

(a) Square Textiles Ltd.	42,781,579	164,608,774	8,431,956
(b) Square Fashions Ltd.	432,299,117	-	738,565,682
(c) Square Hospitals Ltd.	-	-	30,147,000
(d) Square InformatiX Ltd.	78,077,351	133,573,393	108,040,790
(e) Square Formulations Ltd.	901,244,589	1,596,077,707	711,475,676
(f) Square Denims Ltd.	1,593,602,940	1,565,865,523	-
(g) Square Apparels Ltd.	232,168,971	215,528,696	-
Total	<b>3,280,174,547</b>	<b>3,675,654,093</b>	<b>1,596,661,104</b>

Short term loan is receivable from the above subsidiary/associates undertakings and bearing interest @ 1% above the rate of interest charged by the commercial bank and considered good.

**10. CASH AND CASH EQUIVALENTS: Tk. 8,445,641,525**

This is made up as follows:

	Amount in Taka		
	30-06-2016	31-03-2016	31-03-2015
(a) Cash in Hand	8,681,337	7,852,168	6,160,302
(b) Cash at Bank:	<b>8,436,960,188</b>	<b>8,552,976,301</b>	<b>3,843,315,472</b>
* Current Account	566,852,059	2,339,670,657	1,516,601,865
* STD Account	34,080,641	22,580,671	22,976,390
* Fixed Deposit Account (BD Taka)	6,625,216,559	4,985,197,386	1,445,250,133
* Fixed Deposit Account (USD)	762,378,198	763,864,998	556,745,451
* Export Retention Quota Account (USD)	434,742,113	324,455,147	210,244,815
* Margin Held Account (USD)	13,690,618	117,207,442	91,496,818
Total	<b>8,445,641,525</b>	<b>8,560,828,469</b>	<b>3,849,475,774</b>

**11. SHARE CAPITAL: Tk. 6,235,865,460**

This is made up as follows:

Authorised:

1,000,000,000 Ordinary Shares of Tk.10/- each  
issued, subscribed and paid-up:

a) By Cash:

10,092,300 Ordinary Shares of Tk.10/- each fully paid-up in cash

b) Other than Cash:

40,020 Ordinary Shares of Tk.10/- each fully paid-up for  
consideration other than cash

c) By issue of Bonus Share:

613,454,226 Ordinary Shares of Tk.10/- each  
fully paid-up as Bonus Shares

Total

	10,000,000,000	10,000,000,000	10,000,000,000
a) By Cash:			
10,092,300 Ordinary Shares of Tk.10/- each fully paid-up in cash	100,923,000	100,923,000	100,923,000
b) Other than Cash:			
40,020 Ordinary Shares of Tk.10/- each fully paid-up for consideration other than cash	400,200	400,200	400,200
c) By issue of Bonus Share:			
613,454,226 Ordinary Shares of Tk.10/- each fully paid-up as Bonus Shares	6,134,542,260	6,134,542,260	5,441,668,320
Total	<b>6,235,865,460</b>	<b>6,235,865,460</b>	<b>5,542,991,520</b>

**Composition of Shareholding of Ordinary Shares:**

	2015-2016		2014-2015	
	No. of Shares	%	No. of Shares	%
Sponsors*	226,615,910	36.34	296,645,147	53.52
Foreign Investors	95,991,069	15.39	82,409,005	14.86
Financial and Other Institutions	77,018,960	12.34	63,828,260	11.52
General Public	223,960,607	35.93	111,416,740	20.10
	<b>623,586,546</b>	<b>100.00</b>	<b>554,299,152</b>	<b>100.00</b>

\* No. of Shares and Percentage of Sponsors declined due to Sponsor inherits added with the General Public as per newly introduced definition of "Sponsor" by BSEC (Public Issue) Rules, 2015 and Listing Regulation, 2015.

The Distribution Schedule of each class of Equity Security setting out the number of holders and percentage as on 30 June 2016:

Range of Holdings	As per Folio		As per BOID		Total Shareholding	%
	No. of Holders	Holdings	No. of Holders	Holdings		
Less than 500 Shares	831	145,853	38,959	4,635,624	4,781,477	0.77
501 to 5,000 Shares	938	1,730,281	17,852	29,706,284	31,436,565	5.04
5,001 to 10,000 Shares	145	982,865	2,260	15,928,356	16,911,221	2.71
10,001 to 20,000 Shares	40	551,497	1,054	14,861,605	15,413,102	2.47
20,001 to 30,000 Shares	18	450,285	345	8,404,625	8,854,910	1.42
30,001 to 40,000 Shares	8	294,352	178	6,188,482	6,482,834	1.04
40,001 to 50,000 Shares	6	267,122	90	4,043,359	4,310,481	0.69
50,001 to 100,000 Shares	5	351,759	195	14,066,788	14,418,547	2.31
100,001 to 1,000,000 Shares	9	3,581,819	176	48,072,898	51,654,717	8.29
Over 1,000,000 Shares	15	327,545,230	33	141,777,462	469,322,692	75.26
<b>Total</b>	<b>2,015</b>	<b>335,901,063</b>	<b>61,142</b>	<b>287,685,483</b>	<b>623,586,546</b>	<b>100.00</b>

**12. SHARE PREMIUM: Tk. 2,035,465,000**

Share Premium

30-06-2016	31-03-2016	31-03-2015
2,035,465,000	2,035,465,000	2,035,465,000

**13. LONG TERM LOANS (Secured): Nil**

This represents long term loans from financial institutions are as follows:

(a) Standard Chartered Bank, Dhaka	-	-	3,076,150
(b) HSBC Ltd., Dhaka	-	-	37,008,067
<b>Total</b>	<b>-</b>	<b>-</b>	<b>40,084,217</b>

**14. DEFERRED TAX LIABILITY: Tk. 995,800,939**

This represents provision is made for deferred income tax to pay future income tax liability for temporary differences which is arrived at as follows:

Opening Balance	966,187,560	891,357,959	718,957,750
Addition during the Year	29,613,379	74,829,601	172,400,209
<b>Closing Balance</b>	<b>995,800,939</b>	<b>966,187,560</b>	<b>891,357,959</b>

**15. LONG TERM LOANS - Current Portion: Nil**

This represents current portion of long term loans from financial institutions which are repayable within next 12 months and consists of as follows:

(a) Standard Chartered Bank, Dhaka	-	-	5,620,352
(b) HSBC Ltd., Dhaka	-	-	75,894,151
<b>Total</b>	<b>-</b>	<b>-</b>	<b>81,514,503</b>

	Amount in Taka		
	30-06-2016	31-03-2016	31-03-2015

**16. SHORT TERM LOAN: Tk. 2,693,932**

This consists of as follows:

(a) Square Fashions Ltd.	-	542,894,717	-
(b) Square Hospitals Ltd.	2,693,932	2,163,390	-
<b>Total</b>	<b>2,693,932</b>	<b>545,058,107</b>	<b>-</b>

Short term loan is payable to the above associates undertakings and considered good.

**17. TRADE CREDITORS: Tk. 648,412,068**

Trade Creditors	<b>648,412,068</b>	<b>827,429,048</b>	<b>254,773,030</b>
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This represents amount payable to regular suppliers of raw materials, packing materials, promotional materials etc. All suppliers were paid on a regular basis.

**18. LIABILITIES FOR EXPENSES: Tk. 42,789,106**

This consists of as follows:

Accrued Expenses	42,429,731	42,195,206	42,670,689
Audit Fees	359,375	287,500	287,500
<b>Total</b>	<b>42,789,106</b>	<b>42,482,706</b>	<b>42,958,189</b>

**19. LIABILITIES FOR OTHER FINANCE: Tk. 1,887,926,468**

This consists of as follows:

Sundry Creditors	340,684,913	798,170,073	775,674,469
Income Tax (Deduction at Source)	21,681,442	27,828,346	29,857,037
Retention Money	6,714,330	1,704,331	1,486,330
Workers' Profit Participation Fund	610,698,236	594,998,152	539,860,912
Income Tax Payable (Note-19.01)	908,147,547	925,206,583	664,723,491
<b>Total</b>	<b>887,926,468</b>	<b>2,347,907,485</b>	<b>2,011,602,239</b>

**19.01. INCOME TAX PAYABLE: Tk. 908,147,547**

This is arrived at as follows:

Opening Balance	925,206,583	664,723,491	435,683,763
Opening balance of Square Cephalosporins Ltd. due to Merger	-	-	56,982,186
Provision made for the period (Note-27)	609,777,745	2,273,129,323	1,679,877,193
Tax Paid (Including Advance Income Tax during the period)	(626,836,781)	(2,012,646,231)	(1,507,819,651)
<b>Total</b>	<b>908,147,547</b>	<b>925,206,583</b>	<b>664,723,491</b>

20. GROSS REVENUE: Tk. 8,545,724,840

Local Sales  
Export Sales equivalent in US \$ 3,785,668  
(FY 2015-2016: US \$ 14,000,988 and  
FY 2014-2015: US \$ 14,710,616) Tk.

Amount in Taka			
2015-2016 Apr'2016-Jun'2016	2015-2016 Apr'2015-Mar'2016	2015-2016 Apr'2015-Jun'2016	2015-2015 Jan'2014-Mar'2015
8,246,748,719	32,031,770,725	40,278,519,444	34,845,903,233
298,976,121	1,101,283,967	1,400,260,088	1,345,691,748
<u>8,545,724,840</u>	<u>33,133,054,692</u>	<u>41,678,779,532</u>	<u>36,191,594,981</u>

(i) Revenue consists 655 Pharmaceuticals Products, 22 Basic Chemicals & Pellets Products, 63 AgroVet Products and 25 Pesticide Products. The summarised quantities are as under:

2015-2016 (Apr'2015-Mar'2016)	2016-2016 (Apr'2016-Jun'2016)
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(Quantity in '000)

Category	Unit	Opening	Production/ Purchase	Sales/ Transfer	Closing (31-03-2016)	Production/ Purchase	Sales/ Transfer	Closing (30-06-2016)
Tablet	Pcs	311,119	5,406,971	5,310,973	407,117	1,240,317	1,347,892	299,542
Capsule	Pcs	66,004	1,077,203	1,031,955	111,252	136,741	142,541	105,452
Liquid Capsule	Pcs	1,130	15,413	14,290	2,253	4,416	4,174	2,495
Liquid	Bottles	5,423	90,282	88,982	6,723	24,467	24,459	6,731
Injectable (Vial & Ampoule)	Pcs	2,919	45,981	46,109	2,791	11,314	10,904	3,201
Infusion (LVPO)	Bags	23	710	447	286	330	381	235
ENT Preparation-Drops, Spray, Gel & Others	Phials	488	12,095	11,362	1,221	3,258	2,989	1,490
Steroid-Cream, Ointment, Spray, Gel & Others	Phials	569	10,242	10,052	759	2,761	2,664	856
Non Steroid-Cream,Ointment,Spray,Gel & Others	Phials	924	17,035	16,702	1,257	4,469	4,478	1,248
Ophthal Preparation	Phials	309	5,690	5,563	436	1,140	1,242	334
Nebulizer	Phials	17	2,350	2,261	106	550	494	162
Powder for Suspension	Bottles	1,406	17,075	17,492	989	4,464	4,656	797
Tropical Powder	Phials	177	4,163	3,827	513	924	1,104	333
Suppository	Pcs	3,966	38,762	39,889	2,839	11,144	11,634	2,349
Sachet	Pcs	155	1,739	1,798	96	430	477	49
Inhaler	Cans	331	3,690	3,105	916	830	1,070	676
Dry Powder Inhaler	Pcs	2,187	22,520	23,231	1,476	5,948	6,402	1,022
Insulin	Pcs	96	1,090	1,058	128	310	351	87
Basic Chemical	Kg	42	409	422	29	87	94	22
Pellet	Kg	62	230	266	26	42	36	32
Tablet - AgroVet	Pcs	1,781	13,745	14,761	765	4,140	4,234	671
Powder - AgroVet	Kg	132	411	506	37	136	141	32
Injectable - AgroVet	Pcs	120	912	912	120	242	284	78
Liquid - AgroVet	Bottles	74	833	824	83	108	109	82
Liquid - Insecticide	Litre	6	22	24	4	8	7	5
Granuler - Insecticide	Kg	17	284	290	11	39	36	14
Powder-Insecticide	Kg	1	9	8	2	3	3	2
Powder/Liquids-Fungicide	Kg/Litre	30	326	329	27	87	93	21
Weedicide-Liquid	Litre	1	11	10	2	3	3	2
Granuler-Fertilizer	Kg	20	348	339	29	55	56	28
Powder-Fertilizer	Kg	168	874	982	60	214	196	78

	Apr'2016-Jun'2016		Apr'2015-Mar'2016		Apr'2015-Jun'2016		Jan'2014-Mar'2015	
	Metric Ton	Amount	Metric Ton	Amount	Metric Ton	Amount (Taka)	Metric Ton	Amount (Taka)
1) Basic Chemicals	45.00	28,469,760	253.73	302,542,720	298.73	331,012,480	320.09	350,169,740
2) Pellet	13.87	22,626,996	158.41	231,043,076	172.28	253,670,072	257.59	366,335,047
		<u>51,096,756</u>		<u>533,585,796</u>		<u>584,682,552</u>		<u>716,504,787</u>

(ii) The basic chemicals and Pellets have been transferred from chemical plant to pharma formulation plants of the company which has not been included in the above turnover.

(iii) The company has no Sales Agent on commission basis.

**21. COST OF GOODS SOLD: Tk. 3,727,351,180**

This is arrived at as follows:	Notes				
Raw Materials Consumed	21.01	1,727,584,838	6,730,934,697	8,458,519,535	8,716,597,221
Packing Materials Consumed	21.02	796,009,368	3,244,000,927	4,040,010,295	3,908,394,907
		2,523,594,206	9,974,935,624	12,498,529,830	12,624,992,128
Work-in-Process (Opening)		198,537,700	189,506,563	189,506,563	178,641,077
Work-in-Process (Opening) of Square Cephalosporins Ltd. due to Merger		-	-	-	16,050,302
Work-in-Process (Closing)		(198,930,191)	(198,537,700)	(198,930,191)	(189,506,563)
<b>TOTAL CONSUMPTION</b>		<b>2,523,201,715</b>	<b>9,965,904,487</b>	<b>12,489,106,202</b>	<b>12,630,176,944</b>
Factory Overhead	21.03	1,117,493,441	4,256,080,827	5,373,574,268	4,683,345,741
<b>COST OF PRODUCTION</b>		<b>3,640,695,156</b>	<b>14,221,985,314</b>	<b>17,862,680,470</b>	<b>17,313,522,685</b>
Purchase of Finished Goods		120,237,449	795,572,188	915,809,637	273,235,806
Finished Goods (Opening)		824,749,651	810,123,771	810,123,771	744,223,613
Finished Goods (Opening) of Square Cephalosporins Ltd. due to Merger		-	-	-	72,379,236
Finished Goods (Closing)		(830,137,717)	(824,749,651)	(830,137,717)	(810,123,771)
		<b>3,755,544,539</b>	<b>15,002,931,622</b>	<b>18,758,476,161</b>	<b>17,593,237,569</b>
Cost of Physician Sample		(28,193,359)	(104,587,323)	(132,780,682)	(121,823,676)
<b>Total</b>		<b>3,727,351,180</b>	<b>14,898,344,299</b>	<b>18,625,695,479</b>	<b>17,471,413,893</b>

**21.01. RAW MATERIALS CONSUMED: Tk. 1,727,584,838**

This is arrived at as follows:

Opening Stock	1,042,640,790	1,023,266,268	1,023,266,268	939,611,759
Opening Stock of Square Cephalosporins Ltd. due to Merger	-	-	-	85,828,344
Purchase	1,736,746,830	6,750,309,219	8,487,056,049	8,714,423,386
Closing Stock	(1,051,802,782)	(1,042,640,790)	(1,051,802,782)	(1,023,266,268)
<b>Total</b>	<b>1,727,584,838</b>	<b>6,730,934,697</b>	<b>8,458,519,535</b>	<b>8,716,597,221</b>

Summarised quantity and total value of ingredients during the period Apr'2016-Jun'2016 are stated as under:

Particulars	Pcs		Quantity (Kg)				Total Value (Tk.)
	Cap-Shell	Active	Excipients	Colour	Flavour	Total	
Opening Balance	492,284,624	1,596,631	1,162,661	122,279	11,349	2,892,920	1,042,640,790
Purchase	115,556,000	1,520,368	2,214,368	119,847	8,293	3,862,876	1,736,746,830
Available for use	607,840,624	3,116,999	3,377,029	242,126	19,642	6,755,796	2,779,387,620
Closing Balance	451,056,991	1,350,145	1,253,633	129,902	12,857	2,746,537	1,051,802,782
Consumption	156,783,633	1,766,854	2,123,396	112,224	6,785	4,009,259	1,727,584,838

Raw Materials consists of 804 items of which 85.25% (in value) are imported.

Summarised quantity and total value of ingredients during the period Apr'2015-Mar'2016 are stated as under:

Particulars	Pcs		Quantity (Kg)				Total Value (Tk.)
	Cap-Shell	Active	Excipients	Colour	Flavour	Total	
Opening Balance	459,160,765	894,781	1,211,679	130,465	12,208	2,249,133	1,023,266,268
Purchase	1,185,674,000	7,062,734	8,466,445	474,656	27,876	16,031,711	6,750,309,219
Available for use	1,644,834,765	7,957,515	9,678,124	605,121	40,084	18,280,844	7,773,575,487
Closing Balance	492,284,624	1,596,631	1,162,661	122,279	11,349	2,892,920	1,042,640,790
Consumption	1,152,550,141	6,360,884	8,515,463	482,842	28,735	15,387,924	6,730,934,697

Raw Materials consists of 804 items of which 85.19% (in value) are imported.

21.02. PACKING MATERIALS CONSUMED: Tk. 796,009,368

This is arrived at as follows:

	Amount in Taka			
	2016-2016 Apr'2016-Jun'2016	2015-2016 Apr'2015-Mar'2016	2015-2016 Apr'2015-Jun'2016	2014-2015 Jan'2014-Mar'2015
Opening Stock	395,638,524	388,732,323	388,732,323	330,167,481
Opening Stock of Square Cephalosporins Ltd. due to Merger	-	-	-	44,937,387
Purchase	802,458,885	3,250,907,128	4,053,366,013	3,922,022,371
Closing Stock	(402,088,041)	(395,638,524)	(402,088,041)	(388,732,323)
<b>Total</b>	<b>796,009,368</b>	<b>3,244,000,927</b>	<b>4,040,010,295</b>	<b>3,908,394,916</b>

2015-2016 (Apr'2015-Mar'2016)	2016-2016 (Apr'2016-Jun'2016)
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Summarised quantity of Packing Materials are stated as under:

(Quantity in '000)

Category	Unit	Opening	Purchase	Consumption	Closing (31-03-2016)	Purchase	Consumption	Closing (30-06-2016)
Inner Carton	Pcs	56,033	252,174	262,557	45,650	61,597	66,979	40,268
Shipper's Carton	Pcs	871	6,650	6,605	916	1,536	977	1,475
Label	Pcs	73,120	198,017	203,826	67,311	51,986	55,038	64,259
Direction Slip	Pcs	38,300	177,352	180,405	35,247	46,136	53,239	28,144
Container	Pcs	5,467	28,125	28,392	5,200	6,823	6,001	6,022
Blister Foil/Alu Lid Foil	Kg	93	265	262	96	75	112	59
Strip Foil	Kg	16	171	156	31	55	32	54
PVC/PVDC/PE Film	Kg	278	586	615	249	141	172	218
Auto Bottom Foil	Kg	128	518	473	173	120	180	113
Bottle (PET/HDPE/Glass)	Kg	5,054	124,348	118,945	10,457	27,765	27,877	10,345
Ampoule	Pcs	8,647	44,970	44,824	8,793	12,105	11,480	9,418
Vial	Pcs	4,360	13,734	13,906	4,188	4,556	3,261	5,483
HDPE/LDPE Bag	Pcs	508	839	1,042	305	183	262	226
Over Bag (Infusion Bag)	Pcs	207	565	571	201	155	207	149
Flip Off Seal & Tear off Seal	Pcs	2,627	13,006	13,262	2,371	4,690	3,110	3,951
P.P Cap/Plastic Clousers	Pcs	13,377	152,321	144,532	21,166	36,977	38,599	19,544
Tube	Pcs	4,293	26,885	27,042	4,136	6,850	7,539	3,447
Can	Pcs	2,586	2,950	4,655	881	1,050	874	1,057
Actuator	Pcs	2,458	2,165	3,289	1,334	422	866	890
Metered Valves	Pcs	4,279	3,372	6,026	1,625	1,150	1,290	1,485
Sachet	Pcs	6	17	14	9	10	7	12
Syringe/Needle/Infusion Set	Pcs	1,356	5,153	5,192	1,317	2,007	1,085	2,239
Water for Injection	Pcs	895	15,267	14,017	2,145	4,226	4,186	2,185
Shrink Wrapping	Pcs	1,110	5,104	5,449	765	949	900	814
Silica Gel/Gum Tape/Adhesive Tape	Pcs	1,070	25,739	22,208	4,601	5,538	5,216	4,923
Cup/Spoon/Dropper/Rubber Stopper	Pcs	10,396	123,525	123,004	10,917	28,223	28,815	10,325
Honey Comb	Pcs	137	483	429	191	88	83	196
Plastic Applicator	Pcs	828	1,318	1,767	79	389	504	264
Neck Lock & Zip Lock Bag	Pcs	435	2,872	2,603	704	710	823	591
Poly Pack,Poly Bag & Pouch Pack	Pcs	2,977	9,171	9,764	2,384	2,418	2,258	2,544

Packing Materials consists of 4,121 items of which 35.77% (in value) are imported.

**21.03. FACTORY OVERHEAD: Tk. 1,117,493,441**

This is made up as follows:

	Amount in Taka			
	2016-2016 Apr'2016-Jun'2016	2015-2016 Apr'2015-Mar'2016	2015-2016 Apr'2015-Jun'2016	2014-2015 Jan'2014-Mar'2015
Salaries, Allowances and Wages	290,616,378	1,008,726,929	1,299,343,307	1,074,358,133
Factory Employees Free Lunch	20,383,248	80,787,078	101,170,326	84,450,779
Factory Staff Uniform	11,261,654	34,961,070	46,222,724	39,773,341
Travelling & Conveyance	8,228,765	30,098,288	38,327,053	33,284,395
Printing & Stationery	10,333,947	36,336,481	46,670,428	39,058,508
Postage, Telephone & Fax	1,948,029	5,578,727	7,526,756	5,656,638
Repairs & Maintenance	199,391,392	738,749,190	938,140,582	830,897,221
Laboratory Consumable Stores	53,636,770	194,026,905	247,663,675	190,860,732
Fuel, Petrol, Light Diesel etc.	55,336,440	198,764,212	254,100,652	266,438,642
Electricity, Gas & Water	81,153,612	248,223,714	329,377,326	340,896,385
Rental Expense	208,225	716,425	924,650	784,275
Municipal & Other Tax	1,184,480	10,874,819	12,059,299	11,313,194
Insurance Premium	4,934,826	21,807,011	26,741,837	25,626,004
Factory Sanitation Expenses	8,974,777	30,435,283	39,410,060	35,185,674
Depreciation	339,581,840	1,471,129,852	1,810,711,692	1,483,093,786
Security Services	12,009,006	38,539,571	50,548,577	48,449,101
Research & Development	3,392,965	61,160,592	64,553,557	98,863,947
Software & Hardware Support Services	12,549,743	37,788,349	50,338,092	63,971,251
Toll Charges	1,855,002	5,073,872	6,928,874	9,107,440
Other Expenses	512,342	2,302,459	2,814,801	1,276,295
<b>Total</b>	<b>1,117,493,441</b>	<b>4,256,080,827</b>	<b>5,373,574,268</b>	<b>4,683,345,741</b>

**22. SELLING & DISTRIBUTION EXPENSES: Tk. 1,199,447,790**

This consists of as follows:

Salaries and Allowances	226,089,679	767,815,008	993,904,687	867,792,726
Travelling and Conveyance	20,942,067	76,641,540	97,583,607	81,248,447
Training Expenses	315,224	3,555,145	3,870,369	5,578,267
Printing and Stationery	12,036,356	45,880,054	57,916,410	63,144,377
Postage, Telephone, Fax & Telex	6,884,318	27,066,517	33,950,835	32,978,985
Electricity, Gas and Water	6,350,736	21,578,658	27,929,394	22,331,362
Tiffin and Refreshment	5,369,676	18,663,164	24,032,840	21,050,640
Office and Godown Rent	6,197,362	24,094,841	30,292,203	20,123,763
Lease Rent	343,350	1,487,850	1,831,200	1,373,400
Bank Charges	2,769,048	13,804,538	16,573,586	13,148,084
Repairs and Maintenance including car maintenance	77,488,543	262,552,057	340,040,600	292,197,002
Govt. Taxes and Licence Fees	2,128,584	20,693,989	22,822,573	22,871,402
Field Staff Salaries, Allowances, TA and DA	300,748,594	1,122,046,842	1,422,795,436	1,226,710,778
Marketing and Promotional Expenses	232,706,598	706,967,344	939,673,942	803,115,192
Advertisement	324,000	1,307,264	1,631,264	2,293,360
Delivery and Packing Expenses	20,919,068	71,909,340	92,828,408	88,015,883
Export Expenses	24,387,024	98,217,918	122,604,942	106,413,403
Special Discount	151,432,262	520,723,001	672,155,263	539,540,783
Sample Expenses	37,953,893	141,166,501	179,120,394	159,065,191
Security Services	14,936,145	53,936,515	68,872,660	57,173,341
Depreciation	34,650,929	140,417,179	175,068,108	158,692,752
Software, Hardware Support & VSAT Services	10,702,658	30,808,939	41,511,597	39,028,349
Insurance Premium	2,984,594	10,448,219	13,432,813	11,903,562
Other Expenses	787,082	3,556,589	4,343,671	2,647,402
<b>Total</b>	<b>1,199,447,790</b>	<b>4,185,339,012</b>	<b>5,384,786,802</b>	<b>4,638,438,451</b>

**23. ADMINISTRATIVE EXPENSES: Tk. 236,028,565**

This consists of as follows:

	Amount in Taka			
	2016-2016 Apr'2016-Jun'2016	2015-2016 Apr'2015-Mar'2016	2015-2016 Apr'2015-Jun'2016	2014-2015 Jan'2014-Mar'2015
Salaries and Allowances	71,667,512	255,461,290	327,128,802	309,864,245
Directors' Remuneration	14,269,305	62,114,899	76,384,204	66,727,526
Travelling and Conveyance	28,424,035	107,229,085	135,653,120	115,749,664
Training Expenses	2,063,466	8,750,113	10,813,579	8,027,108
Printing and Stationery	2,432,941	11,949,281	14,382,222	16,153,035
Postage, Telephone, Internet	3,322,270	10,748,673	14,070,943	14,598,286
Electricity, Gas & Water	5,413,255	19,655,032	25,068,287	21,458,318
Tiffin and Refreshment	8,235,350	40,419,135	48,654,485	44,528,396
Office Rent	3,861,091	16,009,063	19,870,154	16,217,702
Sanitation Expenses	528,037	2,031,108	2,559,145	2,343,593
Books and Periodicals	364,582	567,759	932,341	1,258,118
Subscription and Donation	121,000	6,485,966	6,606,966	16,647,604
Advertisement	1,682,949	1,238,919	2,921,868	1,838,355
Repairs and Maintenance	36,316,793	129,017,992	165,334,785	149,195,910
Bank Charges	5,377,767	20,597,215	25,974,982	19,962,818
Insurance Premium	3,221,404	12,146,697	15,368,101	11,556,372
Govt. Taxes, Stamp Duty & Licence Fee	3,995,420	6,508,061	10,503,481	9,106,453
Security Services	6,422,721	21,176,819	27,599,540	22,482,244
Management Consultant Fees	521,768	4,570,971	5,092,739	9,938,426
Legal Charges	1,204,250	3,361,075	4,565,325	2,650,625
Audit Fees	71,875	287,500	359,375	575,000
Depreciation	16,936,163	62,455,044	79,391,207	65,480,546
Annual General Meeting Expenses	-	5,120,403	5,120,403	5,724,410
Software & Hardware Support Services	18,754,649	29,441,574	48,196,223	30,466,656
Share Demat, Remat & Transfer Fees	5,638	6,402,248	6,407,886	4,193,389
Other Expenses	814,324	2,329,545	3,143,869	2,981,094
<b>Total</b>	<b>236,028,565</b>	<b>846,075,467</b>	<b>1,082,104,032</b>	<b>969,725,893</b>

Audit fees of Tk. 71,875 and Tk. 287,500 represents fees for audit of the financial statements of the company for the year 2015-2016 (Apr'2015-Jun'2016).

**24. FINANCIAL EXPENSES: Tk. 86,182**

This is made up as follows:

Interest on Cash Credit	-	68,035	68,035	52,995
Interest on Overdraft	86,182	366,184	452,366	948,584
Interest on LATR	-	-	-	4,163,302
Interest on Short Term Loan	-	-	-	4,739,077
Interest on Long Term Loan	-	10,149,424	10,149,424	40,620,611
Interest on Loan from Sister Concern	-	-	-	15,864,724
<b>Total</b>	<b>86,182</b>	<b>10,583,643</b>	<b>10,669,825</b>	<b>66,389,293</b>

**25. OTHER INCOME: Tk. 510,083,609**

This is arrived at as follows:

	Amount in Taka			
	2016-2016 Apr'2016-Jun'2016	2015-2016 Apr'2015-Mar'2016	2015-2016 Apr'2015-Jun'2016	2014-2015 Jan'2014-Mar'2015
Bank Interest	122,396,001	277,878,401	400,274,402	101,186,055
Interest on Senior Secured Bond	-	-	-	1,012,500
Interest on Loan to Sister Concern	48,601,064	235,198,490	283,799,554	239,571,344
Rental Income	4,858,425	25,153,700	30,012,125	24,092,280
Sale of Scrap	5,666,840	22,291,681	27,958,521	27,132,934
Dividend	12,584,309	185,409,263	197,993,572	161,976,681
Foreign Exchange Fluctuation Gain/(Loss)	(1,269,984)	12,062,852	10,792,868	24,456,955
Commission Received	302,112,344	577,573,709	879,686,053	254,291,281
Gain on Redemption of Zero Coupon Bond	5,009,737	13,221,196	18,230,933	2,014,758
Gain/(Loss) on Marketable Securities	2,586,955	9,294,027	11,880,982	6,863,121
Technology Transfer Fees	-	787,500	787,500	-
	502,545,691	1,358,870,819	1,861,416,510	842,597,909
Profit on Sale of Property, Plant & Equipment (Note-32 &32.01)	7,537,918	25,913,016	33,450,934	19,867,615
<b>Total</b>	<b>510,083,609</b>	<b>1,384,783,835</b>	<b>1,894,867,444</b>	<b>862,465,524</b>

**26. ALLOCATION FOR WPPF & WF**

Tk.

	130,454,460	480,243,776	610,698,236	417,728,899
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This represents 5% of Net Profit before Tax after charging the allocation as per provisions of the Companies Profit under Labour Law 2016, Chapter-15.

**27. INCOME TAX EXPENSES-Current: Tk. 609,777,745**

Current Tax (Provision for the Year)	Tk. 609,777,745	2,273,129,323	2,882,907,068	1,866,503,203
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**28. GAIN/(LOSS) ON MARKETABLE SECURITIES (UNREALIZED): Tk. (9,162,577)**

Unrealized Gain/(Loss) Position (Closing)	266,786,579	275,949,156	542,735,735	265,332,813
(-) Unrealized Gain/(Loss) Position (Opening)	275,949,156	265,332,813	541,281,969	382,947,233
(-) Unrealized Gain/(Loss) Position (Opening) of Square Cephalosporins Ltd.	-	-	-	31,574,870
Gain/(Loss) on Marketable Securities during the Year	(9,162,577)	10,616,343	1,453,766	(149,189,290)

**29. EARNINGS PER SHARE (EPS) - Tk. 3.16**

The computation is given below:

Surplus for the year attributable to Shareholders (Net Profit after Tax)	1,969,698,081	7,256,916,593	9,226,614,674	6,523,933,461
Weighted average number of Shares outstanding during the year	623,586,546	623,586,546	623,586,546	623,586,546
Earnings per Share	3.16	11.64	14.80	10.46

**30. APPROPRIATION DURING THE PERIOD:**

In accordance with BAS-1 "Presentation of Financial Statements", the appropriations for the year have been reflected in the "Statement of Changes in Equity".

Balance of Net Profit though carried forward in the Statement of Financial Position will be applied for payment of this year's cash dividend proposed by the Board of Directors @ Tk. 4 per share and will be recognised as liability in the accounts as and when approved by the Shareholders in the Annual General Meeting. The total amount of Proposed Cash Dividend for the year 2015-2016 is calculated at Tk. 2,494,346,184.

The Board of Directors also proposed Bonus Shares (Stock Dividend) @ 10% per share and total amount of proposed Bonus Share (Stock Dividend) for the year is calculated at Tk. 623,586,546.

**31. PAYMENTS/PERQUISITES TO DIRECTORS AND OFFICERS**

The aggregate amount paid/provided during the year in respect of "Directors" and "Officers" of the company as defined in the Securities and Exchange rules 1987 are disclosed below:

Directors Remuneration	14,269,305	62,114,899	76,384,204	66,727,526
Managerial Remuneration	30,496,784	118,368,693	148,865,477	142,229,965
Managerial Benefits:				
Bonus	-	27,545,245	27,545,245	34,446,459
House Rent	8,648,193	29,330,033	37,978,226	33,939,341
Conveyance	900,000	3,540,000	4,440,000	4,275,000
Company's Contribution to Provident Fund	2,492,218	9,450,869	11,943,087	12,061,810

(a) no compensation was made to the Managing Director of the company except as stated in (34) above.

(b) no amount was spent by the company for compensating any member of the Board of Directors except as stated in (34) above.

### 32. PARTICULARS OF DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT FOR THE PERIOD APR'2016-JUN'2016:

Particulars of Assets	Cost	Acc. Depreciation Upto 30-06-2016	WDV as on as on 30-06-2016	Sales Price	Profit/ (Loss)
Motor Vehicle	15,475,000	10,529,384	4,945,616	7,726,111	2,780,495
Motor Cycle	17,514,700	12,945,909	4,568,791	9,326,214	4,757,423
Total	32,989,700	23,475,293	9,514,407	17,052,325	7,537,918

### 32.01. PARTICULARS OF DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT FOR THE PERIOD APR'2015-JUN'2016:

Particulars of Assets	Cost	Acc. Depreciation Upto 31-03-2016	WDV as on as on 31-03-2016	Sales Price	Profit/ (Loss)
Motor Vehicle	68,812,174	53,115,145	15,697,029	32,748,221	17,051,192
Motor Cycle	29,222,225	21,208,697	8,019,528	15,908,176	7,888,648
Land	64,754	-	64,754	1,040,999	976,245
Computer	44,200	2,047	42,153	39,084	(3,069)
Tk.	98,149,353	74,325,889	23,823,464	49,736,480	25,913,016

### 33. PRODUCTION CAPACITY AND UTILISATION:

Fluctuation of Capacity utilisation is due to change of technology, product line and Marketing Strategy. Details of related capacity, actual production and percentage of capacity utilization are given below

2016-2016 (Apr'2016-Jun'2016)	2015-2016 (Apr'2015-Mar'2016)
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(Quantity in '000)

Category	Unit	Rated Capacity as on 30-06-2016	Actual Production	Capacity Utilisation (%)	Rated Capacity as on 31-03-2016	Actual Production	Capacity Utilisation (%)
Tablet	Pcs	2,255,764	1,240,317	55%	9,023,056	5,406,971	60%
Capsule	Pcs	313,363	136,741	44%	1,897,950	1,077,203	57%
Liquid Capsule	Pcs	25,000	4,416	18%	100,000	15,413	15%
Liquid	Bottles	49,500	24,467	49%	198,000	90,2824	6%
Injectable (Vial & Ampoule)	Pcs	24,946	11,314	45%	99,775	45,981	46%
Infusion (LVPO)	Bags	1,230	330	27%	4,900	710	14%
ENT Preparation-Drops, Spray,Gel & Others	Phials	7,500	3,258	43%	30,000	12,095	40%
Steroid-Cream,Ointment,Spray,Gel & Others	Phials	12,500	2,761	22%	50,000	10,242	20%
Non Steroid-Cream,Ointment,Spray,Gel & Others	Phials	5,250	4,469	85%	21,000	17,035	81%
Ophthal Preparation	Phials	1,500	1,140	76%	6,000	5,690	95%
Nebulizer	Phials	750	550	73%	3,000	2,350	78%
Powder for Suspension	Bottles	8,859	4,464	50%	35,456	17,075	48%
Tropical Powder	Phials	1,800	924	51%	7,200	4,163	58%
Suppository	Pcs	20,000	11,144	56%	80,000	38,762	48%
Sachet	Pcs	1,050	430	41%	4,200	1,739	41%
Inhaler	Cans	1,350	830	61%	5,400	3,690	68%
Dry Powder Inhaler	Pcs	28,500	5,948	21%	114,000	22,520	20%
Insulin & Insulin Cartridge	Pcs	1,460	310	21%	5,850	1,090	29%
Basic Chemical	Kg	125	87	70%	502	409	81%
Pellet	Kg	60	42	70%	240	230	96%
Tablet - AgroVet	Pcs	12,500	4,140	33%	50,000	13,745	27%
Powder - AgroVet	Kg	375	136	36%	1,500	411	27%
Injectable - AgroVet	Pcs	855	242	28%	3,420	912	27%
Liquid - AgroVet	Bottles	5,000	108	2%	20,000	833	4%

**34. NUMBER OF EMPLOYEES:**

As per Minimum Wage Notification No. 96-Law/2009/shrocom/sha-6/ni:ma:ni-12/2009 dated June 8, 2009 Tk. 3,625 per month. We have no employees to receive below this amount in this reporting period.

**35. CAPITAL EXPENDITURE COMMITMENT:**

Contract for capital expenditure are being executed by the Contractors and the running bills are accounted for but the unfinished contracts has not been reflected in this Financial Statements.

There was no material capital expenditure authorised by the Board but not contracted for at 30, June 2016.

**36. EXPATRIATE CONSULTANTS FEES:**

During the year 2015-2016 under review USD 5,602 and CHF 38,037 equivalent to Tk. 3,669,286 have been paid to expatriate consultants as fees for their services rendered to the company.

**37. DIVIDEND PAID TO THE SHAREHOLDERS:**

During the year under review total cash dividend for 2014-2015 amounting to Tk. 1,662,897,456 has been paid to the Shareholders and also bonus shares amounting to Tk. 692,873,940 for the year 2014-2015 have been accounted for. Dividend were paid in local currency to the local custodian bank of the shareholders as such no dividend was remitted in foreign currency.

**38. CLAIM NOT ACKNOWLEDGED AS DEBT:**

There was no claim against the company not acknowledged as debt as on 30-06-2016.

**39. UN-AVAILED CREDIT FACILITIES:**

There was no credit facility available to the company under any contract but not availed of as on 31-03-2016 other than bank credit facility and trade credit available in the ordinary course of business.

**40. EVENTS AFTER THE REPORTING PERIOD:**

There is no significant event other than normal activities between the financial year closing date and Financial Statement signing date.

**41. RELATED PARTY TRANSACTIONS:**

The company did not do any related transactions with it's sister concern other than its subsidiary/associates undertaking viz Square Textiles Ltd., Square Fashions Ltd., Square Hospitals Ltd., Square InformatiX Ltd., Square Formulations Ltd., Square Denims Ltd., Square Apparels Ltd., Square Securitires Management Ltd. and Square AEGIS Ltd. during the year reporting. The summary is as follows:

	2016-2016 (Apr'-2016-June'-2016)	2015-2016 (Apr'-2015-Mar'-2016)	2014-2015 (Jan'-2014-Mar'-2015)
<b>Transaction with Square Textiles Ltd:</b>			
Opening Balance	214,608,774	8,431,956	(135,041,412)
Total Paid during the Period	519,254	315,848,636	402,609,906
Total Realized during the Period	(122,346,449)	(109,671,818)	(259,136,538)
Closing Balance (Receivable)	<b>92,781,579</b>	<b>214,608,774</b>	<b>8,431,956</b>
<b>Transaction with Square Fashions Ltd.:</b>			
Opening Balance	(592,894,717)	738,565,682	461,219,788
Total Paid during the Period	1,029,149,744	763,101,213	732,605,464
Total Realized during the Period	(53,955,910)	(2,094,561,612)	(455,259,570)
Closing Balance (Payable)	<b>382,299,117</b>	<b>(592,894,717)</b>	<b>738,565,682</b>
<b>Transaction with Square Hospitals Ltd.:</b>			
Opening Balance	(2,163,390)	30,147,000	634,401,938
Total Paid during the Period	12,554,464	534,741,963	433,995,045
Total Realized during the Period	(188,085,006)	(854,552,353)	(103,824,983)
Share Money Deposit Refunded	175,000,000	287,500,000	-
Closing Balance (Payable)	<b>(2,693,932)</b>	<b>(2,163,390)</b>	<b>30,147,000</b>

	Amount in Taka		
	2016-2016 (Apr'-2016-June'-2016)	2015-2016 (Apr'-2015-Mar'-2016)	2014-2015 (Jan'-2014-Mar'-2015)
<b>Transaction with Square InformatiX Ltd.:</b>			
Opening Balance	133,573,393	108,040,790	185,134,702
Total Paid during the Period	26,717,648	67,674,256	62,954,758
Total Realized during the Period	(82,213,690)	(42,141,653)	(140,048,670)
Closing Balance (Receivable)	<b>78,077,351</b>	<b>133,573,393</b>	<b>108,040,790</b>
<b>Transaction with Square Cephalosporins Ltd.:</b>			
Opening Balance	-	-	1,513,968,521
Total Realized during the Period	-	-	102,289,911
Total Paid during the Period	-	-	(1,616,258,432)
Closing Balance	-	-	-
<b>Transaction with Square Formulations Ltd.:</b>			
Opening Balance	1,596,077,707	711,475,676	603,165,484
Total Paid during the Period	883,499,706	3,834,700,195	2,350,088,450
Total Realized during the Period	(1,578,332,824)	(2,950,098,164)	(2,241,778,258)
Closing Balance (Receivable)	<b>901,244,589</b>	<b>1,596,077,707</b>	<b>711,475,676</b>
<b>Transaction with Square Denims Ltd.:</b>			
Opening Balance	1,565,865,523	-	-
Total Paid during the Period	30,053,539	1,565,865,523	-
Total Realized during the Period	(2,316,122)	-	-
Closing Balance (Receivable)	<b>1,593,602,940</b>	<b>1,565,865,523</b>	-
<b>Transaction with Square Apparels Ltd.:</b>			
Opening Balance	215,528,696	-	-
Total Paid during the Period	16,696,068	215,528,696	-
Total Realized during the Period	(55,793)	-	-
Closing Balance (Receivable)	<b>232,168,971</b>	<b>215,528,696</b>	-
<b>Transaction with Square Securities Management Ltd.:</b>			
Opening Balance	46,095,137	15,580,245	31,735,513
Total Paid during the Period	219,782,325	201,782,880	243,611,840
Total Realized during the Period	(172,047,353)	(171,267,988)	(259,767,108)
Closing Balance (Receivable)	<b>93,830,109</b>	<b>46,095,137</b>	<b>15,580,245</b>
<b>Transaction with AEGIS Services Ltd.:</b>			
Total Bills Received during the Period	<b>46,404,246</b>	<b>148,884,800</b>	<b>164,658,052</b>
Total Bills Paid during the Period	<b>(45,899,058)</b>	<b>(148,827,550)</b>	<b>(164,658,052)</b>
Balance Payable	<b>505,188</b>	<b>57,250</b>	-
<b>42. CONTINGENT LIABILITIES:</b>			
Bank Guarantee	57,936,377	27,377,105	12,361,505
Letter of Credit (L.C) Liabilities	1,511,066,810	1,356,302,264	1,509,198,515
Total	<b>1,569,003,187</b>	<b>1,383,679,369</b>	<b>1,521,560,020</b>
Contingent Liabilities at the Balance Sheet date are as follows:			
<b>42.01 BANK GUARANTEE:</b>			
Shahjalal Islami Bank Ltd.	42,026,216	13,361,505	12,361,505
Standard Chartered Bank	14,015,600	14,015,600	7,446,250
Prime Bank Ltd.	1,894,561	-	-
Total	<b>57,936,377</b>	<b>27,377,105</b>	<b>19,807,755</b>

	30-06-2016	31-03-2016	31-03-2015
<b>42.02 LETTER OF CREDIT (L.C) LIABILITIES:</b>			
Standard Chartered Bank	222,983,293	241,261,282	300,456,666
HSBC Ltd.	248,999,904	198,821,846	233,364,802
Citibank N.A	125,844,502	60,029,871	231,733,750
Commercial Bank of Cylon PLC	212,909,937	129,079,184	90,758,927
Prime Bank Ltd.	191,394,751	130,772,689	80,460,061
Mercantile Bank Ltd.	144,775,463	296,134,667	284,653,910
Bank Asia Ltd.	106,761,315	77,404,744	110,562,846
Brac Bank Ltd.	38,293,857	43,453,663	62,690,849
Eastern Bank Ltd.	75,280,370	62,354,013	45,637,989
Shahjalal Islami Bank Ltd.	104,336,016	82,590,774	68,878,715
Bank Alfalah Ltd.	39,487,402	34,399,531	-
<b>Total</b>	<b>1,511,066,810</b>	<b>1,356,302,264</b>	<b>1,509,198,515</b>

42.03 There were no claims legal or otherwise, not acknowledged as debt, outstanding as of the end of the reporting period. There was no unprovided committed expenditure as at March 31, 2016.

#### 43 FINANCIAL RISK MANAGEMENT:

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

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

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

#### 43.01 CREDIT RISK:

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from institutional and export customers etc.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts receivable are related to sale of generic pharmaceuticals products, basic chemical products, animal health products and pesticide products. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

### a) Exposure of Credit Risk

30-06-2016

31-03-2016

31-03-2015

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Trade Debtors (Local & Export)	1,329,754,444	837,885,610	894,543,303
Advances, Deposits and Prepayments	937,490,888	799,113,785	714,842,990
Cash and Bank Balances	8,445,641,525	8,560,828,469	3,849,475,774
<b>Total</b>	<b>10,712,886,857</b>	<b>10,197,827,864</b>	<b>5,458,862,067</b>

### b) Ageing of Receivables

Dues up to 6 months	1,109,281,661	712,349,573	758,050,910
Dues over 6 months	220,472,783	125,536,037	136,492,393
<b>Total</b>	<b>1,329,754,444</b>	<b>837,885,610</b>	<b>894,543,303</b>

### c) Credit Exposure by Credit Rating

Amount in Taka				
Credit Rating	As on 30-06-2016	As on 31-03-2016	As on 31-03-2015	
Trade Debtors (Local & Export)	NR	1,329,754,444	837,885,610	894,543,303
Advances, Deposits and Prepayments	NR	937,490,888	799,113,785	703,749,668
Cash and Bank Balances:				
- Cash in Hand	NR	8,681,337	7,852,168	6,160,302
- Cash at Bank:		8,436,960,188	8,552,976,301	3,843,315,472
Bank Asia Ltd.	AA2	18,979,353	38,077,557	46,847,147
Bank Alfalah Ltd.	A1	22,510,689	25,228,131	3,267,902
Brac Bank Ltd.	AA2	1,032,729,244	531,107,393	28,982,340
Bangladesh Krishi Bank	A-	-	-	48,018
Citibank N.A	A1	15,707,222	245,064,610	130,229,929
Commercial Bank of Ceylon Ltd.	AAA	28,925,434	61,605,230	60,260,149
Dutch-Bangla Bank Ltd.	AA1	2,245,699	2,261,408	1,184,095
Eastern Bank Ltd.	AA	4,999,285	43,085,029	49,334,954
HSBC Ltd.	AAA	50,064,685	306,970,672	154,453,299
Janata Bank Ltd.	AAA	1,983,806,974	1,755,939,451	830,853,739
Mercantile Bank Ltd.	AA-	31,840,371	76,184,524	42,435,020
Mutual Trust Bank Ltd.	AA	7,011,403	29,833,760	25,759,465
Prime Bank Ltd.	AA2	1,239,939,762	1,574,715,669	952,572,743
Pubali Bank Ltd.	AA	-	-	12,150
Standard Chartered Bank	AAA	130,534,233	563,089,789	271,495,002
Shahjalal Islami Bank Ltd.	AA3	5,016,538	22,956,986	59,478,433
Sonali Bank Ltd.	AAA	2,762,568,486	2,676,706,907	1,185,666,564
Trust Bank Ltd.	AA2	80,810	149,185	434,523
IDLC Finance Ltd.	AAA	400,000,000	100,000,000	-
National Housing Finance and Investments Ltd.	A1	500,000,000	300,000,000	-
Union Capital Ltd.	AA+	100,000,000	100,000,000	-
Prime Finance & Investment Ltd.	A+	100,000,000	100,000,000	-

### 4.02 LIQUIDITY RISK:

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity (Cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or The following are the contractual maturities of financial liabilities:

Category of Liabilities	Carrying Amount Taka	Maturity Period	Nominal Interest Rate	Contractual Cash Flow Taka	Within 6 Months or Less Taka	Within 6-12 Months Taka
Creditors and Accruals	2,876,558,042	Dec 2016	-	2,876,558,042	-	2,876,558,042
Long Term Loan- Current Portion	-	-	-	-	-	-
	2,876,558,042			2,876,558,042	-	2,876,558,042

**43.03 MARKET RISK**

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments.

**a) Currency Risk**

The company is exposed to currency risk on certain revenues and purchases such as raw material, packing material, spare parts and acquisition of machineries & equipments. Majority of the company's foreign currency transactions are denominated in USD.

**(i) Exposure to Currency Risk**

The company have the foreign currency asset at the year end for which an exchange gain/(loss) are being accounted for during the year. As such the company have no significant exposure to currency risk.

The following significant exchange rates are applied at the year end:

	30-06-2016	31-03-2016	31-03-2015
Exchange Rate of US Dollar	77.70	77.80	77.80

**(ii) Foreign Exchange Rate Sensitivity Analysis for Foreign Currency Expenditures:**

There being no current risk exposure, sensitivity analysis has not been presented.

**b) Interest Rate Risk**

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. short term bank borrowings are, however, not significantly affected by fluctuations in interest rates. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

**(i) Profile:**

As at 31 March, 2016 the interest rate risk profile of the company's interest bearing financial instruments was:

	Carrying Amount 'June 30, 2016	Carrying Amount 'March 31, 2016	Carrying Amount 'March 31, 2015
Fixed Rate Instrument			
Financial Asset	7,387,594,757	5,749,062,384	2,001,995,584
- Financial Liability	Nil	Nil	Nil
Variable Rate Instrument			
- Financial Asset	Nil	Nil	Nil
- Financial Liability	Nil	Nil	Nil

**(ii) Cash Flow Sensitivity Analysis for Variable Rate Instruments:**

There being no variable rate instruments as such sensitivity analysis is not required.

**43.04 Accounting Classification and Fair Value:**

Fair value of financial assets and liabilities together with carrying amount shown in the statement of financial are as follows:

	Carrying Amount as on 30-06-2016 Taka	Fair Value as on 30-06-2016 Taka	Carrying Amount as on 31-03-2016 Taka	Fair Value as on 31-03-2016 Taka
Assets Carried at Fair Value through Statement of Comprehensive Income (Investment in Marketable Securities)	804,948,863	1,071,735,442	648,380,518	924,329,674
Held to Maturity Assets				
FDR with Banks and Financial Institutions	7,387,594,757	7,387,594,757	5,749,062,384	5,749,062,384
Loans on Receivables:				
Trade Receivables	1,329,754,444	1,329,754,444	837,885,610	837,885,610
Security Deposit	112,935,788	112,935,788	42,271,203	42,271,203
Cash and Bank Balances	8,445,641,525	8,445,641,525	8,560,828,469	8,560,828,469
Available for Sale of Financial Assets	1,210,810,929	1,210,810,929	1,205,527,587	1,205,527,587
Long Term Loan-Current Portion	-	-	-	-

\* As per the requirements of BFRS 7 (ref: Para 29), determination of fair value is not required for instruments for which fair value is not likely to be significantly different from the carrying amounts.

## SQUARE PHARMACEUTICALS LTD.

### SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

For the 03 Months Period Ended June 30, 2016

Schedule-01

PARTICULARS	COST (Taka)			Rate of Dep.	DEPRECIATION (Taka)			Carrying Value as at 30 June 2016	
	At 31 March 2016	During the year			At 31 March 2016	During the year			At 30 June 2016
		Additions	Sales/Transfer			Charged	Sales/Transfer		
<b>FACTORIES:</b>									
Freehold Land	1,675,674,180	36,266,461	-	-	-	-	-	1,711,940,641	
Factory Building	6,693,897,818	125,184,852	-	10%	2,546,878,052	103,758,571	2,650,636,623	4,168,446,047	
Boundary Wall	593,903	-	-	10%	274,742	7,979	282,721	311,182	
Building under Construction	513,453,297	74,376,439	151,629,337	-	-	-	-	436,200,399	
Plant & Machinery	10,768,042,973	29,690,850	-	15%	5,704,639,636	189,896,617	5,894,536,253	4,903,197,570	
Laboratory Equipment	1,263,913,622	18,731,127	-	10%	482,350,978	19,639,149	501,990,127	780,654,622	
Furniture & Fixture	467,863,420	18,001,323	-	10%	186,118,662	7,156,316	193,274,978	292,589,765	
Office Equipment	282,140,031	5,237,291	-	10%	108,831,415	4,384,774	113,216,189	174,161,133	
Computer	113,792,315	1,876,665	74,600	10%	30,090,589	2,117,441	32,208,030	83,386,350	
Motor Vehicles	348,211,782	10,180,000	5,658,000	20%	167,600,153	9,693,221	174,975,703	177,758,079	
Motor Vehicle-Lease	2,085,000	-	-	20%	1,941,720	7,164	1,948,884	136,116	
Plant & Machinery in Transit	316,490,037	429,927,293	326,820,497	-	-	-	-	419,596,834	
Electromechanical Equipments	560,310,601	-	-	15%	526,891,621	1,253,212	528,144,833	32,165,768	
Electrical Installation	84,374,212	-	-	15%	49,768,691	1,297,707	51,066,398	33,307,814	
Gas Line Installation	31,566,179	-	-	15%	21,707,790	369,689	22,077,479	9,488,700	
<b>Total</b>	<b>23,122,409,370</b>	<b>749,472,301</b>	<b>481,549,834</b>		<b>9,827,094,049</b>	<b>339,581,840</b>	<b>10,164,358,218</b>	<b>13,223,341,019</b>	
<b>HEAD OFFICE &amp; OTHERS:</b>									
Land	1,519,569,752	224,320,771	-	-	-	-	-	1,743,890,523	
Building	433,796,773	-	-	10%	213,855,449	5,498,532	219,353,981	214,442,792	
Boundary Wall	10,855,163	-	-	10%	3,122,093	193,327	3,315,420	7,539,743	
Building under Construction	55,429,225	50,879,554	-	-	-	-	-	106,308,779	
Furniture & Fixture	108,169,737	2,902,846	-	10%	47,230,881	1,547,899	48,778,780	62,293,803	
Office Equipment	85,885,035	445,228	-	10%	44,504,516	1,041,969	45,546,485	40,783,778	
Computer	186,619,906	8,837,545	(74,600)	10%	80,863,752	2,727,207	83,590,959	111,941,092	
Motor Vehicle	1,013,624,906	72,470,100	9,817,000	20%	553,247,884	26,203,571	571,239,742	505,038,264	
Motor Vehicle-Lease	118,472,040	-	-	20%	98,230,806	1,012,062	99,242,868	19,229,172	
Motor Cycle	364,185,392	1,178,350	-	20%	168,803,440	10,718,628	166,576,159	181,272,883	
Books & Periodicals	528,794	-	-	30%	528,499	22	528,521	273	
SAP Software	104,943,274	-	-	20%	57,374,636	2,378,432	59,753,068	45,190,206	
VSAT	7,559,700	-	-	10%	2,711,193	121,213	2,832,406	4,727,294	
Electrical Installation	14,418,915	-	-	15%	10,572,778	144,230	10,717,008	3,701,907	
<b>Total</b>	<b>4,024,058,612</b>	<b>361,034,394</b>	<b>27,257,100</b>		<b>1,281,045,927</b>	<b>51,587,092</b>	<b>1,311,475,397</b>	<b>3,046,360,509</b>	
<b>Grand Total Tk.</b>	<b>27,146,467,982</b>	<b>1,110,506,695</b>	<b>511,439,534</b>		<b>11,108,139,976</b>	<b>391,168,932</b>	<b>11,475,833,615</b>	<b>16,269,701,528</b>	

Allocation of depreciation charged for the period has been made in the accounts as follows:

	Apr'2016-Jun'2016
Factory Overhead	339,581,840
Selling & Distribution Expenses	34,650,929
Administrative Expenses	16,936,163
	<b>391,168,932</b>

**SQUARE PHARMACEUTICALS LTD.****SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT**

For the year Ended March 31, 2016

Schedule-01

PARTICULARS	COST (Taka)			Rate of Dep.	DEPRECIATION (Taka)				Carrying Value as at 31 March 2016
	At 31 March 2015	During the year			At 31 March 2015	During the year		At 31 March 2016	
		Additions	Sales/Transfer			Charged	Sales/Transfer		
<b>FACTORIES:</b>									
Freehold Land	1,429,969,558	245,769,376	64,754	1,675,674,180	-	-	-	-	1,675,674,180
Factory Building	6,377,270,980	316,626,838	-	6,693,897,818	10%	451,579,784	2,546,878,052	2,546,878,052	4,147,019,766
Boundary Wall	593,903	-	-	593,903	10%	35,462	274,742	274,742	319,161
Building under Construction	414,927,861	493,295,030	394,769,594	513,453,297	-	-	-	-	513,453,297
Plant & Machinery	10,059,871,174	708,171,799	-	10,768,042,973	15%	836,882,087	5,704,639,636	5,704,639,636	5,063,403,337
Laboratory Equipment	1,182,401,429	81,512,193	-	1,263,913,622	10%	81,119,096	482,350,978	482,350,978	781,562,644
Furniture & Fixture	425,078,344	42,785,076	-	467,863,420	10%	28,358,166	186,118,662	186,118,662	281,744,758
Office Equipment	260,214,751	21,925,280	-	282,140,031	10%	18,072,962	108,831,415	108,831,415	173,308,616
Computer	69,234,287	44,558,028	-	113,792,315	10%	6,699,035	(18,563)	30,090,589	83,701,726
Motor Vehicles	281,321,456	82,000,000	15,109,674	348,211,782	20%	34,985,949	167,600,153	167,600,153	180,611,629
Motor Vehicle-Lease	2,085,000	-	-	2,085,000	20%	35,820	1,941,720	1,941,720	143,280
Plant & Machinery in Transit	334,332,706	553,067,787	570,910,456	316,490,037	-	-	-	-	316,490,037
Electromechanical Equipments	554,652,860	5,657,741	-	560,310,601	15%	5,514,917	526,891,621	526,891,621	33,418,980
Electrical Installation	84,374,212	-	-	84,374,212	15%	6,106,858	49,768,691	49,768,691	34,605,521
Gas Line Installation	31,566,179	-	-	31,566,179	15%	1,739,716	21,707,790	21,707,790	9,858,389
<b>Total</b>	<b>21,507,894,700</b>	<b>2,595,369,148</b>	<b>980,854,478</b>	<b>23,122,409,370</b>	-	<b>1,471,129,852</b>	<b>9,827,094,049</b>	<b>10,255,382</b>	<b>13,295,315,321</b>
<b>HEAD OFFICE &amp; OTHERS:</b>									
Land	1,441,156,213	78,413,539	-	1,519,569,752	-	-	-	-	1,519,569,752
Building	433,796,773	-	-	433,796,773	10%	24,437,923	213,855,449	213,855,449	219,941,324
Boundary Wall	10,855,163	-	-	10,855,163	10%	859,230	3,122,093	3,122,093	7,733,070
Building under Construction	45,595,503	10,467,870	634,148	55,429,225	-	-	-	-	55,429,225
Furniture & Fixture	94,390,526	13,779,211	-	108,169,737	10%	5,884,828	47,230,881	47,230,881	60,938,856
Office Equipment	79,337,783	6,547,252	-	85,885,035	10%	4,147,012	44,504,516	44,504,516	41,380,519
Computer	171,726,330	14,937,776	44,200	186,619,906	10%	69,614,723	80,863,752	80,863,752	105,756,154
Motor Vehicle	891,480,726	175,846,680	53,702,500	1,013,624,906	20%	99,414,832	42,841,200	553,247,884	460,377,022
Motor Vehicle-Lease	118,472,040	-	-	118,472,040	20%	93,170,498	98,230,806	98,230,806	20,241,234
Motor Cycle	317,575,717	75,837,900	29,228,225	364,185,392	20%	40,804,756	168,803,440	168,803,440	195,381,952
Books & Periodicals	528,794	10,129,262	-	10,658,056	30%	127	528,499	528,499	295
SAP Software	94,814,012	-	-	94,814,012	20%	9,776,115	57,374,636	57,374,636	47,568,638
VSAT	7,559,700	-	-	7,559,700	10%	538,723	2,711,193	2,711,193	4,848,507
Electrical Installation	14,418,915	-	-	14,418,915	15%	678,730	10,572,778	10,572,778	3,846,137
<b>Total</b>	<b>3,721,708,195</b>	<b>385,959,490</b>	<b>83,609,073</b>	<b>4,024,058,612</b>	-	<b>202,872,223</b>	<b>64,070,507</b>	<b>1,281,045,927</b>	<b>2,743,012,685</b>
<b>Grand Total Tk.</b>	<b>25,229,602,895</b>	<b>2,981,328,638</b>	<b>1,064,463,551</b>	<b>27,146,467,982</b>	-	<b>1,674,002,075</b>	<b>74,325,889</b>	<b>11,108,139,976</b>	<b>16,038,328,006</b>
<b>Total 2015 Tk.</b>	<b>19,553,640,954</b>	<b>5,985,936,787</b>	<b>309,974,846</b>	<b>25,229,602,895</b>	-	<b>1,362,530,972</b>	<b>53,064,302</b>	<b>9,508,463,790</b>	<b>15,721,139,105</b>

Allocation of depreciation charged for the period has been made in the accounts as follows:

	<b>Apr 2015-Mar 2016</b>
Factory Overhead	1,471,129,852
Selling & Distribution Expenses	140,417,179
Administrative Expenses	62,455,044
	<b>1,674,002,075</b>

# Subsidiary Profile



109: Directors Report  
111: Auditors Report  
112: Statement of Financial Position  
113: Statement of Profit or Loss and  
Other Comprehensive Income  
114: Statement of Changes in Equity  
115: Statement of Cash Flows



**SQUARE**  
**FORMULATIONS LTD.**

A Subsidiary of Square Pharma

## SQUARE FORMULATIONS LIMITED

### Director's Report to the Members

For the 15<sup>th</sup> Months Period Ended 30 June 2016

In terms of the provisions of section 184 of the Companies Act 1994, IAS codes and Finance Act 2015, I, on behalf of the Board of Directors, have the pleasure to submit its Report along with Audited Accounts containing only Statement of Financial Position for the 15 months period ended 30 June, 2016

Square Formulations Ltd. is a state of the art facility, situated in Gorai, Mirzapur, Tangail. This is a steel and reinforced cement concrete structured vertically integrated design building which was designed jointly by international consultant and Square's project team. This plant was designed and commissioned as per international regulatory and GMP Guidelines.

It has the capacity to produce 10 billion dosage units annually. The dosage form includes tablets, capsules, powder for suspension. The total operational area is 394,289 square feet or 36,644 square meters.

#### SHAREHOLDING

The Company has issued 995,000 share of Tk. 100 each to Square Pharmaceuticals Ltd. (SPL) in addition 5,000 shares of Tk. 100/- each has been issued to the individual shareholder as follows:

Name of the Shareholders	Shareholding	
	Qty	%
Mr. Samuel S Chowdhury	1,166	0.116
Mr. Tapan Chowdhury	1,166	0.116
Mrs. Ratna Patra	1,166	0.116
Mr. Anjan Chowdhury	1,166	0.116
Mrs. Anita Chowdhury	336	0.034
Square Pharmaceuticals Ltd.	995,000	99.50

On the basis of the above shareholdings, Square Formulations Ltd. has the status of subsidiary to Square Pharmaceuticals Ltd.

#### BOARD OF DIRECTORS

The following persons are the Members of the Board of Directors of the Company.

Mr. Samuel S Chowdhury	Chairman and Managing Director
Mrs. Ratna Patra	Vice Chairman
Mr. Tapan Chowdhury	Director
Mr. Anjan Chowdhury	Director
Mr. M. Sekander Ali (Nominee of Square Pharmaceuticals Ltd.)	Director

Mr. M Sekander Ali, Independent Director of Square Pharmaceuticals Limited (holding company) represents as nominee director in the Board of Directors of Square Formulations Limited in compliance with the condition No. 5 of the corporate governance guideline dated 7th August, 2012 of Bangladesh Securities and Exchange Commission

#### FINANCIAL POSITION

The total assets of the Company Tk. 3,562,032,373 upto 30 June, 2016 stood as follows:

Assets Title	30-06-2016
A. Fixed Assets (At Written Down Value)	
Factory Building	169,925,064
Plant & Machinery	1,339,590,231
Laboratory Equipment	252,226,561
Electromechanical Equipment	375,127,226
Other Fixed Assets	441,711,529
Total Tk.	2,578,580,611

Assets Title	30-06-2016
B. Other Assets (At Cost)	
Other Assets	906,538,156
Cash & Cash Equivalents	76,913,606
Sub Total Tk	983,451,762
Total Assets (A+B) Tk.	3,562,032,373

The total assets of the Company Tk. 3,562,032,373 upto 30 June, 2016 have been financed as follows:

Sources	30-06-2016
Paid-up Capital	100,000,000
Share Money Deposit	2,000,000,000
Tax Exemption Reserve	301,826,665
Reserve & Surplus	18,767,247
Current Liabilities	1,082,741,138
Deferred Tax Liabilities	58,697,323
Total Tk.	3,562,032,373

## OPERATIONS

The operational performance during the period under review is as follows

	2015-2016
Gross Turnover	5153,514,099
Gross Profit	2030,837,435
Net Profit (AT)	754,566,662
Earning Per Share	754.57
Net Assets Value	420.59

## APPOINTMENT OF AUDITORS

M/s. Chowdhury Bhattacharjee & Co., Chartered Accountants', Auditors of the Company, retire at this Annual General Meeting and being eligible have offered to be reappointed as Auditors for the year 2016-2017.

## ACKNOWLEDGEMENT

The Board of Directors thankfully acknowledge the devotion and dedication of all the workers, employees and officers without which the Company's operation could not have attained the successes as reported above.

The Board also record with appreciation the support, service and co-operation rendered by all concerned.



Samuel S Chowdhury  
Chairman & Managing Director

## AUDITORS' REPORT

TO THE SHAREHOLDERS

We have audited the accompanying Financial Statements of Square Formulations Limited, which comprises the Statement of Financial Position as at 30 June, 2016, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period then ended and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and other applicable laws and regulations. This responsibility includes: designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditors' Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the Financial Statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as at 30 June, 2016 and of the results of its operation and its Statement of Cash Flows for the period then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

### Further to our opinion in the above paragraph, we state that:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) In our opinion, proper books of account as required by law have been kept by Square Formulations Limited so far as it appeared from our examination of those books;
- (iii) The company's Statement of Financial Position and its Statement of Comprehensive Income and its Statement of Cash Flows dealt with by the report are in agreement with the books of account and returns.

Dated, Dhaka  
13 October, 2016



B.K. Bhattacharjee, FCA  
Partner  
Chowdhury Bhattacharjee & Co.  
Chartered Accountants

## SQUARE FORMULATIONS LTD.

### Statement of Financial Position

As At 30 June 2016

	30-June-2016 Taka	31-March-2016 Taka	31-March-2015 Taka
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS:</b>			
Property Plant and Equipment	2,578,580,611	2,655,208,132	2,482,625,503
Deferred Tax Assets	-	-	2,375,706,104
			106,919,399
<b>CURRENT ASSETS:</b>			
Inventory	983,451,762	1,164,835,656	728,296,420
Advance, Deposits and Prepayments	747,047,146	933,216,132	625,827,344
Trade Debtors	153,415,540	117,904,083	59,759,216
Cash and Cash Equivalents	6,075,470	2,032,454	-
	76,913,606	111,682,987	42,709,860
<b>TOTAL ASSETS</b>	<b>3,562,032,373</b>	<b>3,820,043,788</b>	<b>3,210,921,923</b>
<b>SHAREHOLDERS EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS EQUITY</b>			
Share Capital	420,593,912	102,813,116	(333,972,750)
Reserve and Surplus	100,000,000	100,000,000	100,000,000
Tax Exemption Reserve	18,767,247	(171,901,230)	(433,972,750)
	301,826,665	174,714,346	-
<b>NON CURRENT LIABILITIES</b>			
Share Money Deposit	2,058,697,323	2,055,297,479	2,650,815,751
Long Term Loan Secured	2,000,000,000	2,000,000,000	2,000,000,000
Deffered Tax Liabilities	-	-	619,063,601
	58,697,323	55,297,479	31,752,150
<b>CURRENT LIABILITIES</b>			
Short term loan	1,082,741,138	1,661,933,193	894,078,922
Long Term Loan (Current Portion)	901,244,589	1,596,077,707	711,475,676
Trade Creditors	-	-	175,640,166
Liabilities for expenses	45,570,630	11,129,068	-
Liabilities for other finance	82,113	27,088	44,058
	135,843,806	54,699,330	6,919,022
<b>TOTAL SHAREHOLDERS EQUITY AND LIABILITIES</b>	<b>3,562,032,373</b>	<b>3,820,043,788</b>	<b>3,210,921,923</b>

Attached notes form an integral part of these financial statements.

Signed as per our annexed report of even date.



Samuel S Chowdhury  
Chairman & Managing Director

Dated, Dhaka: 13 October, 2016



Tapan Chowdhury  
Director



Khandaker Habibuzzaman  
Company Secretary



B.K. Bhattacharjee, FCA  
Partner  
Chowdhury Bhattacharjee & Co.  
Chartered Accountants

**SQUARE FORMULATIONS LTD.**

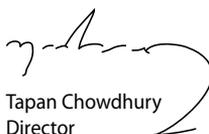
## Statement of Comprehensive Income

FOR THE PERIOD ENDED 30 JUNE, 2016

	April,2016- June,2016 (03 Months) Taka	April,2015- March,2016 (12 Months) Taka	April,2015- June,2016 (15 Months) Taka	Jan,2014- March,2015 (15 Months) Taka
<b>GROSS TURNOVER</b>	<b>1,820,993,430</b>	<b>3,332,520,669</b>	<b>5,153,514,099</b>	<b>551,857,502</b>
Value Added Tax	(271,948,696)	(490,658,196)	(762,606,892)	(80,146,454)
<b>NET TURNOVER</b>	<b>1,549,044,734</b>	<b>2,841,862,473</b>	<b>4,390,907,207</b>	<b>471,711,048</b>
Cost of Goods Sold	(827,240,178)	(1,532,829,594)	(2,360,069,772)	(594,798,056)
<b>GROSS PROFIT/LOSS</b>	<b>721,804,556</b>	<b>1,309,032,879</b>	<b>2,030,837,435</b>	<b>(123,087,008)</b>
<b>OPERATING EXPENSES:</b>	<b>(329,665,403)</b>	<b>(713,419,754)</b>	<b>(1,043,085,157)</b>	<b>(386,052,991)</b>
Selling and Distribution Expenses	(302,982,118)	(546,545,675)	(849,527,793)	(115,210,088)
Administrative Expenses	(1,738,097)	(3,197,667)	(4,935,764)	(1,925,409)
Financial Expenses	(24,945,188)	(163,676,412)	(188,621,600)	(268,917,494)
<b>PROFIT/(LOSS) FROM OPERATION</b>	<b>392,139,153</b>	<b>595,613,125</b>	<b>987,752,278</b>	<b>(509,139,999)</b>
Allocation for WPPF	(18,673,293)	(28,362,531)	(47,035,824)	-
<b>NET PROFIT BEFORE TAX</b>	<b>373,465,860</b>	<b>567,250,594</b>	<b>940,716,454</b>	<b>(509,139,999)</b>
Income Tax Expense				
Current Tax	(52,285,220)	-	(52,285,220)	-
Deferred Tax	(3,399,844)	(130,464,728)	(133,864,572)	75,167,249
<b>Net Profit After Tax</b>	<b>317,780,796</b>	<b>436,785,866</b>	<b>754,566,662</b>	<b>(433,972,750)</b>
Tax Exemption Reserve	(127,112,319)	(174,714,346)	(301,826,665)	-
<b>Net Profit After Reserve</b>	<b>190,668,477</b>	<b>262,071,520</b>	<b>452,739,997</b>	<b>-</b>
<b>Number of Shares</b>	<b>1,000,000</b>	<b>1,000,00</b>	<b>1,000,000</b>	<b>1,000,000</b>
<b>Earning per Share (EPS)</b>	<b>317.78</b>	<b>436.79</b>	<b>754.57</b>	<b>(433.97)</b>

Attached notes form an integral part of these financial statements.

Signed as per our annexed report of even date.


Samuel S Chowdhury  
Chairman & Managing Director

Tapan Chowdhury  
Director

Khandaker Habibuzzaman  
Company Secretary

B.K. Bhattacharjee, FCA  
Partner  
Chowdhury Bhattacharjee & Co.  
Chartered Accountants

Dated, Dhaka: 13 October, 2016

## SQUARE FORMULATIONS LTD.

### Statement of Changes In Equity

FOR THE PERIOD ENDED 30 JUNE, 2016

Particulars	Share Capital Taka	Tax Exemption Reserve Taka	Retained Earnings Taka	Total Taka
As at 01 April, 2016	100,000,000	174,714,346	(171,901,230)	102,813,116
Transfer to Tax Exemption Reserve	-	127,112,319	-	127,112,319
Net Profit / (Loss) During the Period	-	-	190,668,477	190,668,477
As at 30 June, 2016	100,000,000	301,826,665	18,767,247	420,593,912

## SQUARE FORMULATIONS LTD.

### Statement of Changes In Equity

FOR THE YEAR ENDED 31 MARCH, 2016

Particulars	Share Capital Taka	Tax Exemption Reserve Taka	Retained Earnings Taka	Total Taka
As at 01 April, 2015	100,000,000	-	(433,972,750)	(333,972,750)
Transfer to Tax Exemption Reserve	-	174,714,346	-	174,714,346
Net Profit / (Loss) During the Year	-	-	262,071,520	262,071,520
As at 31 March, 2016	100,000,000	174,714,346	(171,901,230)	102,813,116

## SQUARE FORMULATIONS LTD.

### Statement of Changes In Equity

FOR THE PERIOD ENDED 31 MARCH, 2015

Particulars	Share Capital Taka	Tax Exemption Reserve Taka	Retained Earnings Taka	Total Taka
As at 01 January, 2014	99,900,000	-	-	99,900,000
Share Issued (New)	100,000	-	-	100,000
Net Profit / (Loss) During the Year	-	-	(433,972,750)	(433,972,750)
As at 31 March, 2015	100,000,000	-	(433,972,750)	(333,972,750)

Signed as per our annexed report of even date.



Samuel S Chowdhury  
Chairman & Managing Director



Tapan Chowdhury  
Director



Khandaker Habibuzzaman  
Company Secretary



B.K. Bhattacharjee, FCA  
Partner

Chowdhury Bhattacharjee & Co.  
Chartered Accountants

Dated, Dhaka: 13 October, 2016

**SQUARE FORMULATIONS LTD.****Statement of Cash Flows**

FOR THE PERIOD ENDED 30 JUNE, 2016

**CASH FLOW FROM OPERATING ACTIVITIES:**

Receipts from Customers	1,816,950,414	3,330,488,215	551,857,502
Payment to Suppliers	(410,699,526)	(1,127,315,359)	(563,516,248)
Payment to Employees and Others	(707,776,259)	(1,455,730,188)	(481,943,288)

**Net cash provided/ (used) by Operating Activities** **698,474,629** **747,442,668** **(493,602,034)**

**CASH FLOW FROM INVESTING ACTIVITIES:**

Purchase of Fixed Asset	(13,465,704)	(604,691,393)	(365,989,469)
Payment of Short Term Loan	(719,778,306)	-	(39,554,816)

**Net cash provided/ (used) by Investing Activities** **(733,244,010)** **(604,691,393)** **(405,544,285)**

**CASH FLOW FROM FINANCING ACTIVITIES:**

Short Term Loan Received	-	729,709,323	-
Recived against share money Deposit & share capital	-	-	1,624,100,000
Payment of Interest on Long Term Loan	-	(8,783,704)	(124,306,448)
Payment of Long term Loan	-	(794,703,767)	(575,009,189)

**Net cash provided/ (used) by Financing Activities** **-** **(73,778,148)** **924,784,363**

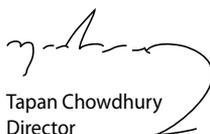
Increase/(Decrease) in cash and cash equivalents	(34,769,381)	68,973,127	25,638,044
Opening Cash and Cash Equivalents	111,682,987	42,709,860	17,071,816
<b>Closing Cash and Cash Equivalents</b>	<b>76,913,606</b>	<b>111,682,987</b>	<b>42,709,860</b>

Signed as per our annexed report of even date.



Samuel S Chowdhury  
Chairman & Managing Director

Dated, Dhaka: 13 October, 2016



Tapan Chowdhury  
Director



Khandaker Habibuzzaman  
Company Secretary



B.K. Bhattacharjee, FCA  
Partner  
Chowdhury Bhattacharjee & Co.  
Chartered Accountants

## Glimpse of 49<sup>th</sup> AGM



**SQUARE PHARMACEUTICALS LTD.**

Registered Office: "Square Centre" 48, Mohakhali Commercial Area, Dhaka-1212

**PROXY FORM**

I/We \_\_\_\_\_

of \_\_\_\_\_

being a member of Square Pharmaceuticals Ltd. do hereby appoint

Mr/Mrs/Miss \_\_\_\_\_

of \_\_\_\_\_

as my/our proxy to attend and vote for me/us on my/our behalf at the 50<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday the 13<sup>th</sup> December 2016 at 10:00 a.m. at RAOWA Convention Hall-2, DOHS Mohakhali, Dhaka and at any adjournment thereof.

As witness my hand this day of \_\_\_\_\_ December 2016.



\_\_\_\_\_  
(Signature of the Proxy)

\_\_\_\_\_  
(Signature of the Shareholder)

Register Folio/BOID No. \_\_\_\_\_

Dated \_\_\_\_\_

Dated \_\_\_\_\_

Signature Verified

Authorized Signatory  
Square Pharmaceuticals Ltd.

Note: The proxy form should reach the Registered Office of the company not less than 48 hours before the time fixed for the meeting.

## স্কয়ার ফার্মাসিউটিক্যালস্ লিঃ

রেজিষ্টার্ড অফিসঃ স্কয়ার সেন্টার, ৪৮ মহাখালী বাণিজ্যিক এলাকা, ঢাকা-১২১২

### প্রস্তুতি ফরম

আমি/আমরা \_\_\_\_\_

ঠিকানা \_\_\_\_\_

স্কয়ার ফার্মাসিউটিক্যালস্ লিঃ এর সদস্য হিসেবে

জনাব/বেগম \_\_\_\_\_

ঠিকানা \_\_\_\_\_

আমার/আমাদের প্রতিনিধি হিসেবে আগামী মঙ্গলবার ১৩ই ডিসেম্বর ২০১৬ সকাল ১০:০০ টায় রাওয়া কনভেনশন হল-২, ডিওএইচএস মহাখালী, ঢাকা'য় অনুষ্ঠিতব্য কোম্পানীর ৫০তম বার্ষিক সাধারণ সভায় এবং এর মূলতবী ঘোষিত সভায় আমার/আমাদের পক্ষে উপস্থিত থাকার এবং ভোট প্রদান করার জন্য নিযুক্ত করলাম।

স্বাক্ষর হিসেবে অদ্য \_\_\_\_\_ ডিসেম্বর ২০১৬ তারিখে আমি/আমরা এই দলিলে সজ্ঞানে স্বাক্ষর করলাম।

রেজিষ্টার্ড স্ট্যাম্প  
সংযুক্ত করণ

প্রতিনিধির স্বাক্ষর

সদস্যের স্বাক্ষর

তারিখ \_\_\_\_\_

রেজিষ্টার্ড ফলিও/বিওআইডি নম্বর \_\_\_\_\_

তারিখ \_\_\_\_\_

স্বাক্ষর পরীক্ষিত

অনুমোদনকারীর স্বাক্ষর  
স্কয়ার ফার্মাসিউটিক্যালস্ লিঃ

বিঃ দ্রঃ প্রস্তুতি ফরম যথাযথ পূরণের পর সভা অনুষ্ঠানের ৪৮ ঘন্টা পূর্বে কোম্পানীর রেজিষ্টার্ড অফিসে জমা দিতে হবে।



## Corporate Information

**Authorized Capital**  
Taka 10,000 million

**Paid-up Capital**  
Taka 6,235.86 million

**Registered Office**  
Square Centre  
48, Mohakhali C.A,  
Dhaka-1212  
Bangladesh

**Factories**  
Pabna Unit:  
Square Road, Salgaria, Pabna  
Bangladesh

**Dhaka Unit:**  
Board Ghar Bazar, Kaliakoir  
Gazipur, Bangladesh

**Listing**  
Dhaka Stock Exchange Ltd.  
Chittagong Stock Exchange Ltd.

**Subsidiary Company**  
Square Formulations Ltd.

**Associate Company**  
Square Textiles Ltd.  
Square Fashions Ltd.  
Square Hospitals Ltd.

**Phone**  
8833047-56, 9859007 (10 lines)

**Website**  
[www.squarepharma.com.bd](http://www.squarepharma.com.bd)

**Email**  
[cs@squaregroup.com](mailto:cs@squaregroup.com)



## Corporate Compliance

**For the Financial Year 2014-2015**

**Dividend Recommended**  
14 July, 2015

**Record Date for 49<sup>th</sup> AGM**  
13 August, 2015

**49<sup>th</sup> Annual General Meeting**  
16 September, 2015

**Dividend Issued**  
11 September, 2015

**For the Financial Year 2015-2016**

**Publication of First Qtr Financial Report**  
13 August, 2015

**Publication of Second Qtr Financial Report**  
28 October, 2015

**Publication of Third Qtr Financial Report**  
28 January, 2016

**Dividend Recommended**  
16 October, 2016

**Audited Financial Report to**  
BSEC, DSE & CSE  
10 November, 2016

**Record Date for 50<sup>th</sup> AGM**  
14 November, 2016

**Notice of 50<sup>th</sup> AGM**  
27 November, 2016

**50<sup>th</sup> Annual General Meeting**  
13 December, 2016

**Dividend Payable**  
By 12 January, 2017

*Dedicated to Advanced Technology*



**SQUARE**  
**PHARMACEUTICALS LTD.**  
**BANGLADESH**

**Corporate Headquarters**  
**Square Centre**

48, Mohakhali Commercial Area, Dhaka-1212, Bangladesh  
Phone: +88-02-9859007, +88-02-8833047-56 (10 Lines)  
Fax: +88-02-8834941, +88-02-8828768  
[www.squarepharma.com.bd](http://www.squarepharma.com.bd)