

**Independent Auditors' Report
and
Financial Statements
of
Sun Pharmaceutical (Bangladesh) Limited
As at 31 March 2025
And
For the period from 01 April 2024 to 31 March 2025**



AHMED MASHUQUE & CO., *Chartered Accountants*

Navana Obaid Eternia
28-29 Kakrail (Level # 05, 13 & 14)
VIP Road, Dhaka-1000, Bangladesh
Tel : +880-2-58316931-39, Fax: +880-2-58316929
Email: info@ahmedmashuque.com, Web : www.ahmedmashuque.com
Member Firm of **Crowe Global**
www.crowe.com



INDEPENDENT AUDITOR'S REPORT
To the Shareholders of
Sun Pharmaceutical (Bangladesh) Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sun Pharmaceutical (Bangladesh) Limited (the Company), which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give true and fair view of the financial position of the Company as at 31 March 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act, 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



AHMED MASHUQUE & CO.

Chartered Accountants

www.ahmedmashuque.com

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Report on Other Legal and Regulatory Requirements

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

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dated: 05 May 2025
Dhaka.

Ahmed Mashuque & Co.
Chartered Accountants
FRC Enlistment No: CAF-001-115

Jahangir Hussain FCA
Partner
Enrolment Number-1960
DVC:2505271960AS992452

Sun Pharmaceutical (Bangladesh) Limited
Statement of financial position
As at 31 March 2025

Particulars	Notes	Amount in Taka	
		31-Mar-25	31-Mar-24
ASSETS			
Non current assets		3,670,600,734	2,520,344,637
Property, plant and equipment	4.00	351,372,272	386,813,646
Capital work-in-progress		1,855,032	-
Long term deposits	5.00	15,075,000	15,102,500
Loan to subsidiary	6.00	3,200,120,000	2,037,620,000
Right-of-use asset	7.00	42,178,530	20,808,591
Investment in shares	8.00	59,999,900	59,999,900
Current assets		1,685,909,038	2,268,093,277
Inventories	9.00	749,269,358	541,883,721
Trade and other receivables	10.00	235,185,706	318,904,133
Net Advance Income Tax	18.00	36,833,793	-
Advances, deposits and prepayments	11.00	115,654,328	164,808,107
Cash and cash equivalents	12.00	548,965,853	1,242,497,316
TOTAL ASSETS		5,356,509,772	4,788,437,914
EQUITY AND LIABILITIES			
Equity		3,693,078,381	3,319,899,636
Share capital	13.00	60,000,000	60,000,000
Share money deposits	14.00	56,929,462	56,929,462
Retained earnings		3,576,148,919	3,202,970,174
Liabilities			
Non current liabilities		98,370,399	96,157,075
Deferred tax liabilities	15.00	57,512,634	74,375,785
Lease liability	16.00	40,857,765	21,781,289
Current liabilities		1,565,060,992	1,372,381,204
Lease liability	16.00	8,069,531	4,114,660
Trade payable and liability for expenses	17.00	1,556,991,460	1,365,124,759
Net current tax liability	18.00	-	3,141,785
Total liabilities		1,663,431,391	1,468,538,278
TOTAL EQUITY AND LIABILITIES		5,356,509,772	4,788,437,914

These financial statements should be read in conjunction with the annexed notes.

Managing Director

Regional Financial Controller

Director

As per our annexed report of same date

Dated: 05 May 2025
Dhaka.

Ahmed Mashuque & Co.
Chartered Accountants
FRC Enlistment No: CAF-001-115

Jahangir Hussain FCA
Partner
Enrolment Number-1960
DVC:2505271960AS992452

Sun Pharmaceutical (Bangladesh) Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 March 2025

Particulars	Notes	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
Revenue		2,713,562,182	2,826,607,940
Net sales revenue	19.00	2,713,562,182	2,826,607,940
Less: Expenditures		2,240,106,268	2,456,622,269
Cost of materials	20.00	1,102,093,906	1,064,457,902
Changes in inventory of finished goods and WIP	21.00	1,900,673	2,675,783
Personnel expense	22.00	-	247,302,512
Operating and other expenses	23.00	333,004,141	308,120,256
Selling, marketing and distribution expenses	24.00	757,225,635	778,044,600
Depreciation	25.00	45,881,913	56,021,216
Profit From Operations		473,455,914	369,985,671
Other Income/(Expenses)	26.00	59,781,353	67,552,950
Less: Interest Expense- lease liability	27.00	5,331,665	3,687,684
Profit before income tax		527,905,602	433,850,937
Less: Income tax expenses		154,726,856	167,625,388
Current tax		171,590,007	164,679,204
Deferred tax	28.00	(16,863,151)	2,946,184
Net profit after income tax		373,178,745	266,225,549
Other comprehensive income		-	-
Total comprehensive income		373,178,745	266,225,549

These financial statements should be read in conjunction with the annexed notes.

Managing Director

Regional Financial Controller

Director

As per our annexed report of same date.

Dated: 05 May 2025
Dhaka.

Ahmed Mashuque & Co.
Chartered Accountants
FRC Enlistment No: CAF-001-115

Jahangir Hussain FCA
Partner
Enrolment Number-1960
DVC:2505271960AS992452

Sun Pharmaceutical (Bangladesh) Limited
Statement of changes in equity
For the year ended 31 March 2025

Particulars	Amount in Taka			
	Share capital	Share money deposits	Retained Earnings	Total
Balance as at 01 April 2023	60,000,000	56,929,462	2,936,744,626	3,053,674,088
Total comprehensive income	-	-	266,225,548	266,225,548
Balance as at 31 March 2024	60,000,000	56,929,462	3,202,970,174	3,319,899,636
Balance as at 01 April 2024	60,000,000	56,929,462	3,202,970,174	3,319,899,636
Total comprehensive income	-	-	373,178,745	373,178,745
Balance as at 31 March 2025	60,000,000	56,929,462	3,576,148,919	3,693,078,381

These financial statements should be read in conjunction with the annexed notes.

Managing Director

Regional Financial Controller

Director

Dated: 05 May 2025
Dhaka.

Sun Pharmaceutical (Bangladesh) Limited
Statement of cash flows
For the year ended 31 March 2025

<u>Particulars</u>	<u>Amount in Taka</u>	
	<u>01 April 2024 to 31 March 2025</u>	<u>01 April 2023 to 31 March 2024</u>
Cash flows from operating activities		
Receipts from customers	2,857,061,962	2,795,311,065
Payments to suppliers, employees and other	(2,175,741,168)	(2,207,190,453)
Other Income	-	12,902
Income tax paid	(211,565,585)	(139,309,753)
Net cash generated from/(used in) operating activities (A)	469,755,209	448,823,760
Cash flows from investing activities		
Acquisition of property, plant and equipment and CWIP	-	(834,702)
Loan to subsidiary	(1,162,500,000)	(892,620,000)
Sale proceeds from property, plant and equipment	1,068,359	8,910,179
Capital work-in-progress	(1,855,032)	-
Interest received	-	79,529,991
Net cash provided by/(used in) investing activities (B)	(1,163,286,673)	(805,014,533)
Cash flows from financing activities		
Net cash used in financing activities (C)	-	-
Net changes in cash and cash equivalents (A+B+C)	(693,531,463)	(356,190,772)
Cash and cash equivalents at the beginning of the year	1,242,497,316	1,598,688,088
Cash and cash equivalents at the end of the year	548,965,853	1,242,497,316

These financial statements should be read in conjunction with the annexed notes.

Managing Director

Regional Financial Controller

Director

Dated: 05 May 2025
Dhaka.

Sun Pharmaceutical (Bangladesh) Limited
Notes, comprising significant accounting policies and other explanatory information
As at March 31, 2025 and for the period from 01 April 2024 to 31 March 2025

1.00 Company profile

1.01 Legal status of the company

Sun Pharmaceutical (Bangladesh) Limited is a private limited company incorporated in 2001 in Bangladesh under the Companies Act, 1994 with an authorized capital of Tk. 60 millions divided into 600,000 ordinary shares of Tk 100 each. During the year 2005-06, Company had increased its authorized capital from Tk. 60 millions to Tk 500 millions. The company was formed jointly with Sun pharmaceutical Industries Limited (SPIL), a company incorporated in India, City Overseas Limited (COL), a company incorporated in Bangladesh and Sun Pharma Holdings (earstwhile Nogad Holdings), a company incorporated in Mauritius.

1.02 Address of the Registered office

The registered office of the Company is located at Chandana, Joydevpur, Gazipur.

1.03 Nature of business

The company produces various pharmaceutical products, which are sold in the local market.

2.00 Basis of preparation

2.01 Statement of compliance

These financial statements have been prepared and the disclosure of information are made in accordance with International Accounting Standards (IASs) and the International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by Financial Reporting Council (FRC), the Companies Act, 1994 and other relevant local Laws as applicable. The statement of financial position and the statement of profit or loss and other comprehensive income have been prepared according to International Accounting Standards (IASs) 1: "Presentation of Financial Statements" on accrual basis of accounting following going concern assumption under generally accepted accounting principles.

Application of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)

IASs or IFRSs No.	Name of IASs or IFRSs
IAS-1	Presentation of Financial Statements
IAS-2	Inventories
IAS-7	Statement of Cash Flows
IAS-8	Accounting Policies, Changes in Accounting Estimates and
IAS-10	Events After the Reporting Period
IAS-12	Income Taxes
IAS-16	Property, Plant and Equipment
IAS-19	Employee Benefits
IAS-21	The Effects of Changes in Foreign Exchange Rates
IAS-24	Related Party Disclosures
IAS- 32	Financial Instruments: Presentation
IAS- 36	Impairment of Assets
IAS-37	Provisions, Contingent Liabilities and Contingent Assets
IAS-39	Financial Instruments: Recognition and Measurement
IFRS-7	Financial Instruments: Disclosures
IFRS-9	Financial Instruments
IFRS-13	Fair Value Measurement
IFRS-15	Revenue from Contracts with Customers
IFRS-16	Leases

2.02 Reporting period

The financial period of the company has been determined to be from April 01 to March 31 each year. These financial statements cover one year from 01 April 2024 to 31 March 2025.

2.03 Basis of accounting

The financial statements have been prepared under the accrual basis of accounting.

2.04 Going concern

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

2.05 Basis of measurement

The financial statements have been prepared under the historical cost convention.

2.06 Date of authorization for issue of financial statements

On 05 May 2025 the Board of Directors reviewed the financial statements and authorized for issue.

2.07 Use of estimates and judgment

The preparation of the financial statements in conformity with International Financial Reporting Standards (IFRSs) requires management to make judgment, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

Judgments

Information about judgments made in applying accounting policies that have most significant effect on the amount recognized in the financial statements is included in the following notes:

Note # 3.01	Depreciation
Note # 3.04	Inventories

Assumption and estimation uncertainties

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year is included in the following notes:

Note 15	Deferred tax liabilities
Note 17	Trade payable and liability for expenses
Note 18	Current tax liabilities

2.08 Functional and presentational currency and level of precision

The financial statements are presented in Bangladesh; Taka (BDT) currency, which is the Company's functional currency. All financial information presented in BDT has been rounded off to the nearest Taka.

3.00 Significant accounting policies

3.01 Property, plant and equipment

a) Recognition and measurement

Property, plant and equipment are stated at cost net of accumulated depreciation. Cost includes expenditures that are directly attributable to the acquisition of the assets.

b) Subsequent cost

The cost of replacing component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits are embodied within the component will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of property, plant and equipment are recognized in the statement of profit or loss and other comprehensive income as incurred.

c) Depreciation

Depreciation is provided to amortise the cost of the assets after commissioning, over the period of their expected useful lives in accordance with IAS-16. Depreciation on assets is charged from the day in which the asset is brought into use under straight-line basis at the following rates:

Leasehold land	2.51%
Factory building	1.63%
Plant and machinery	4.75%
Motor vehicle/motor cycle	16.21%
Equipments	4.75%
Computer erquipment	4.75%
Furniture and fixtures	6.33%

d) Retirements and Disposals

On disposal of property, plant and equipment the cost and accumulated depreciation are eliminated and 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 net sales proceeds.

3.02 Right-of-use assets and lease liability

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance, including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases – Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

Recognition

A right-of-use asset and a lease liability is recognized by the company at the commencement date.

Measurement

Initial measurement of the right-of-use asset

At the commencement date, the right-of-use asset are measured at cost.

Initial measurement of the lease liability

At the commencement date, the lease liabilities are measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the *interest rate implicit in the lease/incremental borrowing rate* which is 10%.

Subsequent measurement of the right-of-use asset

After the commencement date, the right-of-use asset are measured applying a cost model.

Cost model

To apply a cost model, a lessee shall measure the right-of-use asset at cost:

- a) Less any accumulated depreciation and any accumulated impairment losses; and
- b) Adjusted for any remeasurement of the lease liability.

The straight-line depreciation is applying as per requirements in IAS-16: "*Property, Plant and Equipment*" is applied in depreciating the right-of-use asset.

IAS-36: "*Impairment of Assets*" is applied to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Subsequent measurement of the lease liability

After the commencement date, the lease liabilities are measured by:

- (a) Increasing the carrying amount to reflect interest on the lease liability.
- (b) Reducing the carrying amount to reflect the lease payments made; and
- (c) Remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments

3.03 Investment

Investment are measured at cost value.

3.04 Inventories

Inventories are stated at the lower of cost and their corresponding net realisable value in accordance with IAS-2 "Inventories". Method used for valuation of inventory of Raw and Packing material is Specific identification method. Cost of finished stocks and work in progress are arrived by using weighted average method including allocation of manufacturing overheads related to bringing the inventories to their present condition. Net realisable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

3.05 Trade and other receivables

Trade and other receivables are stated net of provisions.

3.06 Statement of cash flows

Statement of cash flows is prepared in accordance with IAS-7: "Statement of cash flows" under direct method.

3.07 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank deposits and investment in fixed deposit which were held and available for use by the company without any restriction.

3.08 Payables and accruals

Liabilities are recognized for amounts to be paid in future for goods and services received whether or not billed to the company.

3.09 Provisions

In accordance with the guidelines as prescribed by IAS-37: "*Provisions, Contingent Liabilities and Contingent Assets*" provisions are recognised when all the following criteria are met :

- When the company has a present obligation as a result of past event;
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimate can be made of the amount of the obligation.

3.10 Revenue recognition

IFRS 15 provides a single, principles-based approach to the recognition of revenue from all contracts with customers. It focuses on the identification of performance obligations in a contract and requires revenue to be recognized when or as those performance obligations are satisfied.

The new standard is based on A new five-step process must be applied before revenue from contract with customer can be recognized:

- i. Identify the contracts with customers;
- ii. Identify the separate performance obligation;
- iii. Determine the transaction price of the contract;
- iv. Allocate the transaction price to each of the separate performance obligations; and
- v. Recognize the revenue as each performance obligation is satisfied.

3.11 Foreign currency translations

Transactions denominated in foreign currencies are translated into Bangladesh taka at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Bangladesh taka at the exchange rates ruling at the Statement of financial position. Non monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated into Bangladesh taka at the exchange rate ruling at the date of the transaction. Foreign exchange differences arising on translation are recognized in the Statement of profit or loss and other comprehensive income.

3.12 Income tax expenses

Income tax expenses comprises current and deferred tax. current tax and deferred tax is recognised in profit or loss except to the extent that its relates to items recognised directly in equity in which case it is recognized in equity.

Current tax:

Income tax expense is recognized in the Statement of profit or loss and other comprehensive income as per the Income Tax Act,2023.

Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.13 Earning per share

The Company calculates its earnings per share in accordance with IAS-33: "Earning per Share" which has been shown on the face of Statement of profit or loss and other comprehensive income.

Basic earnings

This represents earnings for the year attributable to ordinary shareholders. As there were no preference shares requiring returns or dividends, minority interest or extraordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

Basic earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

No diluted EPS is required to be calculated for the year as there was no scope for dilution during the year under review.

3.14 Employees' benefit schemes

The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS-19: "Employee Benefits". The cost of employee benefits is charged off as revenue expenditure in the period to which the contributions relate.

3.15 Events after the reporting date

In accordance with IAS-10: "Events after the reporting period", amount recognized in the financial statements are adjusted for event after the reporting period that provide additional evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for event after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements.

3.16 Contingent liabilities and assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. In accordance with IAS-37: "Provision, Contingent Liabilities and Contingent Assets", they are disclosed in the notes to the financial statements.

3.17 Financial risk management policies

The management of the company has the overall responsibility for the establishment and oversight of the company's risk management framework. Financial risk management policies require establishing standard procedures to identify and analyze the main risks to which the company is exposed and continually deploying and managing risk management systems designed to eliminate or reduce the probability that risks will arise and to limit their impact.

The company is exposed to credit risk, liquidity risk and market risk.

3.18 Comparative figures

Comparative information has been disclosed in respect of the previous year 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 financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per IAS-8: "Accounting Policies, Changes in Accounting Estimates and Errors".

4.00 Property, plant and equipment

Sl.	Name of assets	Cost				Depreciation					Amount in Taka	
		Balance as at 01 April 2024	Addition during the year	Disposal during the year	Balance as at 31 March 2025	Rate	Balance as at 01 April 2024	Charged during the year	Disposal during the year	Balance as at 31 March 2025	Carrying value	
1	Leasehold land	33,000	-	-	33,000	2.51%	19,283	807	-	20,090	12,910	
2	Factory building	123,235,703	-	-	123,235,703	1.63%	27,733,324	2,070,922	-	29,804,246	93,431,457	
3	Plant and machinery	432,669,027	-	-	432,669,027	4.75%	214,098,448	21,144,420	-	235,242,868	197,426,159	
4	Motor vehicles/Motor cycles	57,998,876	-	-	57,998,876	16.21%	21,619,318	5,538,644	-	27,157,962	30,840,914	
5	Equipments	40,897,313	-	12,393,433	28,503,880	4.75%	19,832,137	2,080,769	11,516,877	10,396,028	18,107,852	
6	Computer equipment	21,695,760	-	-	21,695,760	4.75%	15,594,983	2,481,860	-	18,076,843	3,618,917	
7	Furniture and fixtures	19,706,731	-	4,146,912	15,559,818	6.33%	10,525,271	1,055,592	3,955,108	7,625,755	7,934,063	
As on March 31, 2025		696,236,409	-	16,540,345	679,696,064		309,422,764	34,373,014	15,471,986	328,323,792	351,372,272	
As on March 31, 2024		742,809,242	834,702	47,407,535	696,236,409		310,394,045	37,526,075	38,497,356	309,422,763	386,813,646	

		Amount in Taka	
		31-Mar-25	31-Mar-24
5.00 Long term deposits			
Opening balance		15,102,500	17,178,288
Addition during the year		-	-
Less: Encashment during the year		(27,500)	(2,075,788)
Closing balance		15,075,000	15,102,500
6.00 Loan to subsidiary			
Sun Pharmaceuticals (EZ) Limited		3,200,120,000	2,037,620,000
		3,200,120,000	2,037,620,000
<i>The amount has been paid through banking channel</i>			
7.00 Right-of-use asset			
Opening Balance		20,808,591	39,303,995
Addition during the year		30,024,049	-
Depreciation during the year		(8,654,109)	(18,495,404)
Closing balance		42,178,530	20,808,591
8.00 Investment in shares			
Sun Pharmaceuticals (EZ) Limited		59,999,900	59,999,900
		59,999,900	59,999,900
9.00 Inventories			
Finished products - depot & factory		212,301,264	214,275,840
Raw materials		462,759,847	256,486,346
Packing materials		34,948,761	33,169,586
Work in progress		35,836,883	35,762,980
Stores and spares		3,422,603	2,188,970
		749,269,358	541,883,721
10.00 Trade and other receivables			
Trade receivables		214,417,071	299,126,988
Interest receivable		20,768,635	19,777,145
		235,185,706	318,904,133
11.00 Advances and prepayments			
Advances:			
Advance VAT on depots stock		66,926,647	107,308,704
Advance to suppliers and others		35,779,429	44,230,853
		102,706,075	151,539,557
Prepayments:			
Prepaid expenses		12,948,252	13,268,549
		12,948,252	13,268,549
Total		115,654,328	164,808,107
12.00 Cash and cash equivalents			
Cash in hand		2,938,163	1,517,710
Cash at bank :	Note 12.01	66,088,974	404,011,274
Margin money		29,381,284	16,410,900
Fixed deposit		450,557,432	820,557,432
		548,965,853	1,242,497,316

		Amount in Taka	
		31-Mar-25	31-Mar-24
12.01 Current account			
Eastern Bank Ltd. (C/A # 0104-106-0005667)		9,049,651	9,632,722
Standard Chartered bank (C/A # 0111-8462001)		48,177,950	37,675,837
Dutch-Bangla Bank Limited (C/A # 138-110-1281)		1,008,406	535,176
Standard Chartered bank (Ac/No # 32-118462001)		497,449	16,036,773
Citi bank N.A. (C/A # 0200352009)		2,003,784	219,931,295
Citi bank N.A. (C/A # 0200352017)		90,000	90,000
State Bank of India (C/A # 05120686920201)		3,501,604	14,554,763
DHAKABANK_1201540000059		1,760,130	105,554,708
		66,088,974	404,011,274

13.00 Share capital

Authorized share capital :

5,000,000 Ordinary shares of Tk 100 each

500,000,000	500,000,000
--------------------	--------------------

Issued, subscribed and paid-up:

600,000 Ordinary shares of Tk 100 each

60,000,000	60,000,000
-------------------	-------------------

Shareholding position of the company is as follows:

	31-Mar-25		31-Mar-24	
	Nominal value (Tk)	% of present holding	Nominal value (Tk)	% of present holding
Sun Pharmaceutical Industries Limited, India	43,446,900	72.41	43,446,900	72.41
City Overseas Limited	16,500,000	27.50	16,500,000	27.50
Sun Pharma Holdings	53,100	0.09	53,100	0.09
	60,000,000	100	60,000,000	100

14.00 Share money deposits

Sun Pharmaceutical Industries Limited, India

City Overseas Limited

Sun Pharma Holdings

38,213,466	38,213,466
18,702,944	18,702,944
13,052	13,052
56,929,462	56,929,462

15.00 Deferred tax liabilities

Deferred tax has been recognized and measured in accordance with the provision of IAS-12: "Income Taxes"

Name of assets	Carrying amount as at 31 March 2025	Tax base 31 March 2025	Taxable/ (deductible) Temporary difference
Factory building	93,431,457	23,088,495	70,342,962
Plant and Machinery	197,426,159	75,797,979	121,628,179
Motor Vehicles/Motor Cycles	30,840,914	8,545,789	22,295,125
Equipments	18,107,852	7,311,513	10,796,339
Computer Equipment	3,618,917	1,248,408	2,370,509
Furniture and Fixtures	7,934,063	5,316,641	2,617,423
Property, plant and equipment	351,359,362	121,308,824	230,050,538
Total Taxable temporary difference			230,050,538
Tax rate			25.00%
Deferred tax liability/ (assets) on temporary difference			57,512,634
Closing Deferred tax (assets)/ liability		57,512,634	74,375,785
Opening Deferred tax (assets)/ liability		74,375,785	71,429,601
Deferred tax expense/(income)		(16,863,151)	2,946,184

		Amount in Taka	
		31-Mar-25	31-Mar-24
16.00 Lease liability			
Non current liability		40,857,765	21,781,289
Current liability		8,069,531	4,114,660
Total		48,927,296	25,895,949
Movement of lease liability as follows			
Opening lease liability		26,021,573	45,864,599
Addition during the year		30,024,049	-
Interest charge on lease liability		5,331,665	3,687,684
Actual rent paid during the year		(12,449,990)	(23,530,710)
Closing balance		48,927,297	26,021,573
17.00 Trade payable and liability for expenses			
Management fee payable		638,022,024	475,723,466
VAT on management fee payable		74,822,921	74,822,921
Trade and other payable		436,356,351	514,227,250
Other liabilities	Note: 17.01	407,790,164	300,351,121
		1,556,991,460	1,365,124,759
17.01 Other liabilities			
Outstanding expenses		361,882,631	274,963,007
VAT current account		45,907,533	25,388,114
		407,790,164	300,351,121
18.00 Net current tax liability /(Net Advance Income Tax)			
Provision for income tax	Note: 18.01	326,480,139	315,773,343
Advance income tax	Note: 18.02	363,313,932	312,631,557
		(36,833,793)	3,141,785
18.01 Provision for income tax			
Opening balance		315,773,343	360,746,854
Provision made during the year		171,590,007	162,591,821
Provision made for Assessment year -2022-2023		-	2,087,383
Adjustment during the year		(160,883,211)	(209,652,715)
Closing balance		326,480,139	315,773,343
18.02 Advance income tax			
Opening balance		312,631,557	382,974,520
Add: Addition during the year		211,565,586	132,005,735
Adjustment during the year		(160,883,211)	(202,348,697)
Closing balance		363,313,932	312,631,557

		Amount in Taka	
		01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
19.00 Net sales revenue			
Sale of manufactured goods		2,713,562,182	2,826,607,940
Total		2,713,562,182	2,826,607,940
20.00 Cost of materials			
Raw material consumed	Notes: 20.01	1,041,181,325	1,003,869,904
Packing material consumed	Notes: 20.02	60,912,581	60,587,998
		1,102,093,906	1,064,457,902
20.01 Raw material consumed			
Opening inventory		256,486,346	257,841,210
Add: Addition during the year-RM		1,247,454,826	1,002,715,040
Less: Closing inventory		(462,759,847)	(256,486,346)
		1,041,181,325	1,003,869,904
20.02 Packing material consumed			
Opening inventory		33,169,586	33,503,588
Add: Addition during the year-PM		62,691,757	60,253,996
Less: Closing inventory		(34,948,761)	(33,169,586)
		60,912,581	60,587,998
21.00 Changes in inventory of finished goods and WIP			
Opening finished goods -depot & factory		214,275,840	234,287,131
Closing finished goods -depot & factory		(212,301,264)	(214,275,840)
Opening work in progress		35,762,980	18,427,472
Closing work in progress		(35,836,883)	(35,762,980)
		1,900,673	2,675,783
22.00 Personnel expense			
Salaries, wages, bonus and benefits		-	241,032,595
Contribution to provident fund		-	6,269,917
		-	247,302,512
During the year no personnel expense has been incurred due to no payroll employee in the company. Now the company operates with 3rd party employees.			
23.00 Operating and other expenses			
Stores and spares consumed		15,626,791	9,792,379
Conversion and other manufacturing charges		17,810,155	13,017,358
Electricity, Gas and other Utilities		1,625,858	1,545,300
Bank charges		831,482	1,640,434
License fees		612,100	1,569,460
Power and fuel		32,093,723	30,391,547
Management fees (Royalty fee)		162,298,558	169,596,477
Rent		3,678,588	3,218,359
Insurance		15,701,304	13,646,145
Repairs and maintenance-building		761,191	258,740
Repairs and maintenance-plant and machinery		16,946,950	6,625,456
Repairs/Maintenance- Others		4,838,884	4,570,646
Printing and stationery		1,705,121	4,648,719
Traveling and conveyance - Local		-	9,357,598
Traveling and conveyance - Foreign		-	208,278
Telephone , internet and mobile		1,626,539	1,767,231
Briefing materials & stationery		197,773	192,079
Statutory audit fees		311,333	328,750
Professional and consultancy fees		2,925,214	2,204,878
Security services		5,836,433	4,672,215
(Gain)/loss from disposal of assets		932,597	6,618,933
Entertainment		3,195,016	846,577
Manpower supply service		42,817,414	20,680,452
Miscellaneous expenses		631,118	722,245
		333,004,141	308,120,256

		Amount in Taka	
		01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
24.00 Selling, marketing and distribution expenses			
Drug testing fees/license fees		11,238,838	4,528,962
Insurance		3,362,715	1,667,173
Traveling and conveyance - Local		-	12,845,540
Traveling and conveyance - Foreign		-	16,119,043
Sales promotion expenses		40,867,278	43,097,868
Depot conveyance expenses		19,112,253	1,690,139
Knowledge update expenses		271,418,787	245,113,335
Distribution service charge		248,980,632	193,940,979
Briefing materials & stationery		17,289,523	21,544,067
Training expenses		55,791,992	55,118,637
Field staff expenses		-	89,932,817
Breakage, expiry and samples		28,018,144	31,818,971
Entertainment		10,570,571	8,240,047
Legal and consultancy fees		50,482,528	51,202,766
Miscellaneous expenses		92,374	1,184,255
		757,225,635	778,044,600
25.00 Depreciation			
Depreciation on property plant and equipments (Notes-4)		34,373,014	37,526,075
Depreciation on Right-of-use assets (RoU)		11,508,899	18,495,141
		45,881,913	56,021,216
26.00 Other Income/(Expenses)			
Interest income		59,487,294	66,883,852
Loss on sale of Fixed Assets		(138,762)	-
Scrap Sales		432,820	669,098
		59,781,353	67,552,950
27.00 Interest expenses			
Interest Expense- lease liability		5,331,665	3,687,684
		5,331,665	3,687,684
28.00 Deferred tax expense			
Closing deferred tax liability		57,512,634	74,375,785
Opening deferred tax liability		74,375,785	71,429,601
Total		(16,863,151)	2,946,184
29.00 Capacity utilization		31-Mar-25	31-Mar-24
Installed capacity (tablets/capsules) in pieces		363,000,000	363,000,000
Utilized capacity (tablets/capsules) in pieces		321,595,864	362,900,416
Percentage of utilization (%)		88.59%	99.97%
30.00 Information relating to consumption of materials			

	01 April, 2024 to 31 March, 2025		01 April, 2023 to 31 March, 2024	
	Quantity Kg	Value Taka	Quantity Kg	Value Taka
Raw materials & packing materials	205,148	915,429,764	211,739	737,351,987

31.00 Value of imports calculated on CIF basis

During the year, the company imported the following items in foreign currencies including in transit :

Particulars	Currency	31-Mar-2025		31-Mar-2024	
		Foreign currency	Equivalent Taka	Foreign currency	Equivalent Taka
Raw materials and Packing materials	USD	8,128,446	966,412,514	7,693,689	843,511,773
Capital machinery and spare parts & lab chemical	USD	48,277	5,849,658	17,394	1,907,483
Total			972,262,172	7,711,083	845,419,256

32.00 Basic earnings per share (EPS)

Profit after tax

Number of shares

EPS

Amount in Taka	
31-Mar-25	31-Mar-24
527,905,602	266,225,548
600,000	600,000
879.84	443.71

33.00 Contingent liability

(a) Bank guarantee

(b) Letter of credit

(c) Income tax :

For the Assessment Year 2019-20 & 2020-21

2,557,432	757,910
342,522,663	280,201,064
-	-
345,080,095	280,958,974

33.01

(a) The company has a contingent liability aggregating guarantees issued by the banker on behalf of the Company Tk. 557,432.

(b) The company has a Letter of credit of Tk 341,965,231

(c) The company has filed appeal at Tax Appellate Tribunal against the order of the Deputy Commissioner of Taxes as well as the Commissioner of Taxes (Appeal) on the matter of income tax assessments. Outcome of which is uncertain. However, the company's management feels that the claim by the Tax authority is unjustified and the company has fair grounds for having the judgment in their favor.

34.00 Financial risk management objective and policies

The Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

34.01 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail completely to perform as contracted. It mainly comprises of Trade and other receivables, bank balances and Advances, deposits and prepayments (except receivable from Govt.). The Company's maximum exposure to credit risk at the reporting date is as follows:

	Notes	Amounts in taka	
		31-Mar-25	31-Mar-24
Trade and other receivables	10.00	235,185,706	318,904,133
Cash and cash equivalents (except cash in hand)	12.00	548,965,853	1,242,497,318
Advances, deposits and prepayments (except receivable from Govt.)	11.00	115,654,328	164,808,107
		899,805,887	1,726,209,558

The aging of trade receivables at the reporting date is as follows:

	Amount in Taka	
	31-Mar-25	31-Mar-24
Due over twelve months	60,452,327	25,261,501
Due over six months	466,747	17,653,762
Due below six months	159,227,980	261,941,709
	220,147,054	304,856,972
Less: Provision for doubtful debts	5,729,983	5,729,983
	214,417,071	299,126,989

To mitigate the credit risk against trade receivables, the company has a system of specific credit line period to the parties. This outstanding period and amount are regularly monitored. The Company endeavors to cover the credit risks on all receivables, where possible, by restricting credit facility and stringent monitoring.

34.02 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The table below summarises the Company's financial liabilities as at the reporting date.

Trade payable and liability for expenses	17.00	1,556,991,460	1,365,124,759
Current tax liabilities	18.00	-	3,141,785
		1,556,991,460	1,368,266,544

Maintaining sufficient cash, the availability of funding through an adequate amount of committed bank facilities, the company manages the liquidity risk.

34.03 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and other price risks. The objective of market risk management is to manage and control market risk exposures within an acceptable range.

Foreign currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to company's operating activities with the foreign suppliers.

The Company's exposure to foreign currency risk in major currencies at their gross values is as follows:

	Foreign currency	Amounts in tk	
		31-Mar-25	31-Mar-24
Current liabilities	EURO	-	-
	POUND	-	-
	USD	8,455,699	7,911,407

The Company did not experience with any unusual profit or loss causing from foreign exchange fluctuation till date.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's short-term deposits.

At the reporting date, the average interest rate of the Company's investment in Fixed Deposit was as follows:

	Effective rates %		Amounts in tk	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Investment in Fixed Deposit	0.50% - 5.00%	0.50% - 5.00%	450,557,432	820,557,432
			450,557,432	820,557,432

Other price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk). The Company is not exposed to any equity price risk, as the Company does not have any investment in equity shares. The Company also is not exposed to commodity price risk.

35.00 Related party disclosures

(a) Related party transactions

During the year, the company made a number of transactions with related party in the normal course of business. Name of the related party, nature of those transactions and total value have been set out in accordance with the provisions of IAS-24: "Related Party Disclosures".

Name of the related party transaction	Nature of transaction	Relationship	Opening balance as on 01 April 2024	Transaction value		Closing balance as on 31 March 2025
				DR	CR	
Sun Pharmaceutical Industries Limited, India	Raw materials	Parent company	657,000	7,820,085	8,477,085	-
	Management fees (Royalty fee)		475,723,466	162,298,558	-	638,022,024
Sun Pharmaceuticals (EZ) Limited.	Loan	Subsidiary	2,037,620,000	1,162,500,000	-	3,200,120,000

(b) Compensation of Key Management Personnel

The following disclosures are made in accordance with the provisions of IAS-24: "Related Party Disclosures", in respect of the compensation of key management personnel. Under IAS-24, 'Key Management Personnel' are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the entity. The transactions of the current members of the Board of Management is set out below.

Name of the related party transaction	Nature of transaction	Relationship	Opening balance as on 01 April 2024	Transaction value		Closing balance as on 31 March 2025
				DR	CR	
Mr. Sukumar Ranjan Ghosh	Factory Land Rent	Director	298,350	1,243,122	1,541,472	-
Mrs. Abha Rani Ghosh	Factory Land Rent	Spouse of Director	358,017	1,491,738	1,849,755	-