ANNUAL REPORT
2013-2014

DELTA

Delta Pharma Limited

Bismillahir Rahmanir Rahim

"Delta Pharma Limited is dedicated to enhance the image and performance of the organization by manufacturing pharmaceutical products of excellent quality, efficacy and safety, appropriate to their intended use."

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TRANSMITTAL LETTER

To

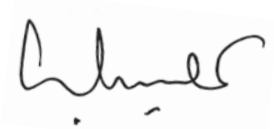
- The Shareholders
- Securities and Exchange Commission
- Registrar of Joint Stock Companies & Firms.

Sub : Annual Report for the year ended 30 June 2014.

Dear Sir(s),

We are pleased to enclose a copy of the Annual Report together with the Audited Accounts including Statement of Financial Position as on 30 June 2014, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year ended 30 June 2014 along with notes thereon for your record/necessary measures.

Yours sincerely



Dr. A. K. M. Muslem Uddin
General Manager (Commercial)
&
Company Secretary (In-charge)

Dated: 02 December 2014

NOTICE OF THE 7TH ANNUAL GENERAL MEETING

Notice is hereby given that the 7th Annual General Meeting of the shareholders of Delta Pharma Limited will be held on Thursday, the 25 December 2014, at 10:00 am at Conference Hall (1st Floor), LGED Bhaban, Agargaon, Dhaka, Bangladesh to transact the following business:

AGENDA

1-0 To receive, consider and adopt the Audited Accounts for the year ended 30 June 2014 together with the Report of the Directors and the Auditors thereon;

2-0 To elect Directors in terms of the relevant provision of Articles of Association of the company;

3-0 To consider and approve the dividend for the year ended 30 June 2014;

4-0 To appoint Auditor(s) for the year ended 30 June 2015 and fix their remuneration;

5-0 To confirm the appointment of Managing Director;

Agenda and Proposed Special Resolution:

1-0 To raise further paid-up capital of the company through rights share;

Resolved that "For submitting the application for a plot in the API park at Gazaria, Munshiganj, for expanding the existing business operation, expanding the production capacity, procurement of some fixed asset and also for the payment of the bank and lease payment, the proposal, to raise paid up capital from Tk. 25,00,00,000/- to Tk. 30,00,00,000/- by issuing further fresh 5,00,000 (5:1) ordinary shares as rights share per share value Tk. 100/- with total nominal value of Tk. 5,00,00,000/- be and is hereby approved and adopted as special resolution."

By order of the Board

Dr. A. K. M. Muslem Uddin
General Manager (Commercial)
&
Company Secretary (In-Charge)

Dated: 02 December 2014

Notes:

1) A member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote on his/her behalf. The Proxy Form, duly stamped and completed, must be deposited at the Dhaka office address of the Company at House # 501, Road # 34, New DOHS, Mohakhali, Dhaka-1206 at least 48 hours before the time fixed for the Meeting.

2) Admission into the meeting room will be allowed on production of the "Attendance Slip" attached with the Proxy Form.

Bismillahir Rahmanir Rahim

Chairman's Statement

Valued Shareholders,

As-Salamu-Alaiqum.

I would like to welcome you all on behalf of the Board of Directors in the 7th Annual General Meeting of the Company. I expect meanwhile, you have received the Annual Report 2013-14 of the company containing Directors' Report along with Financial Statements and Notes to the Accounts.

The incredible support and conviction shown by you towards the company has allowed us to continue to create value for all stakeholders in the company. I take this opportunity to review our performance during the financial year 2013-2014. From the business operation, we have earned profit of more than TK. 3 Crore 30 lakhs during the year which is a significant growth compared to the previous year and the Board has offered dividend to shareholder for the first time. It has been possible by dint of tremendous support of our valued shareholder, prescriber and with the active involvement of our employees. Please accept my heartfelt thanks for that.

The management of the company under the leadership of Managing Director has been trying tirelessly to grow the business activities both in local and global market. You may know there is a hard competition in the domestic Pharmaceutical market and as well as in global market with the present socio-economic condition. We always try to promote quality medicine with an affordable price as well as bearing in mind the optimum return from your investments. We are thankful to our valued shareholders, prescriber, employees, workers, suppliers and other stakeholders for their valued support to achieve our main goal.

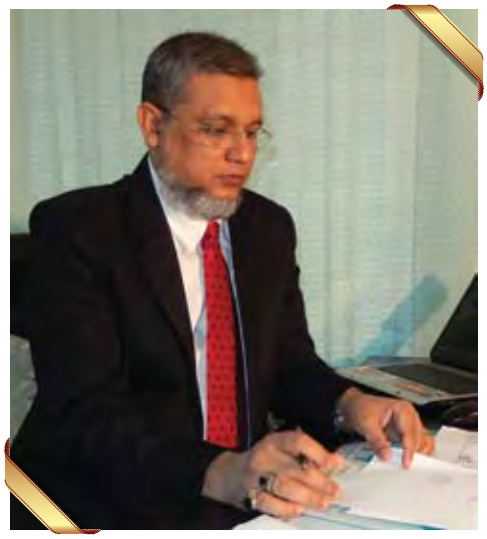
I would like to thank all of our employees and workers for their continued support and hard work, without which the achievements we have made in this year would not have been possible. I would also like to express my thanks to the Bankers, External Auditor and Legal Advisor for their excellent support to make the company success.

We are confident, the strategy adopted by the management and the strong leadership of the Managing Director will achieve the prospects of the company which will add the significant value for the people of our country.

Yours sincerely

F. akhter

Mrs. Ferdousi Akhter



Bismillahir Rahmanir Rahim

Address of welcome by the Managing Director

Honorable Chairman, Directors and the Shareholders,

As-Salamu-Alaiqum.

At this sunny morning of winter, we would like to welcome you all in this Annual General Meeting. With your generous support and confidence, we could make net profit this year and could declare the dividend for the shareholders also. Please accept our heartiest thanks, gratitude and congratulation for this grand achievement.

We would like to recognize and acknowledge the contribution of the sponsor shareholders and the entrepreneurs, who have started the business operation of today's Delta Pharma on 21 November 2004. Ten year's back, the leaders of this company along with our beloved late Managing Director Dr. M. Omar Faruque have started the journey of Delta Pharma, which is now a success story. I salute them from my own behalf and also on behalf of the employees of this company. We have organized 10 year's celebration program with the shareholders, prescribers, employees and the chemists of our business territories during the last week of November this year and it was a grand success and have made a tremendous positive vibration within our operational system.

You already knew that with the initiative of Delta Pharma and Delta Limited, the Delta Health Cares are now operational in four sites and the other one will also be functional soon. These hospitals will give a great opportunity to expand our business, ensure the product availability and also will help our shareholders and employees in getting quality medical and hospital service at an affordable cost. We have also planned to diversify our business by trading of some FMCG and medical products. We are also planning to establish an API plant at the API Park, established by the Bangladesh government at Gazaria of Munshigonj. You will be happy to know that, we are making dedicated production facility for the High potent Anti- cancer molecules at our existing plant.

As you have seen that we are very much responsive towards the suggestions of our shareholders and have already launched some new products as per your recommendation. Through out the year, we have received lot of suggestions and advices from our shareholders which have encouraged us to move forward. The Board of Directors have spent their valuable time in guiding us during the crisis period of last year and also supported us in monitoring and supervising the business operation. The employees of the Delta Pharma limited have supported the company by increasing their efficiency, productivity, turnover and the profitability of business.

Last year was a great challenge for all of us in performing the business smoothly and also to maintain the product line available after facing the risk of national instability. With the support from you, we were been able to keep the business smooth after facing those challenges. The board members and the policy makers of this company have guided and supported us to achieve the desired goal. The hurdle of supply chain disruption was minimized by the commitment, loyalty and dedication of the employees. The challenges have affected our export sales also. With our relentless effort, during the second half of 2014, we are been able to return back to our previous growth curve in the local and export business. We are strongly hopeful that, with our honesty, sincerity, dedication and commitment, we will be able to overcome the problems and challenges of local as well as export market very soon. We need your continuous support and confidence on us.

In conclusion, we want to reiterate our strong desire and commitment for sustained growth of the company and also want to assure our shareholders for better profitability of their investment.

Thanking you all.

Allah Hafiz

Dr. Md. Zakir Hossain

About the Company

Delta Pharma Limited is one of the leading pharmaceutical company in Bangladesh, producing a wide range of quality, affordable generic medicines, trusted by the physicians and patients across geographics.

Delta Pharma Limited started its operation in 1964 and moved to the present management in the year 2000 and re-launched in the Bangladesh Pharma market in 2005. From the very beginning of the re-launching time, Delta Pharma strive to deliver the highest quality medicines at an affordable price to the patients around the world. By this time Delta Pharma has introduced many time demanding and life saving drugs in the market.

We always believe that, honesty, loyalty, dedication, sincerity and ethical practice of the employees and the shareholders are the major strength of this company. The management of Delta Pharma committed to achieve its vision, mission and objective with the combined effort of the stakeholders, i.e, shareholders, employees, customers and its wellwishers.

ডেলটা ফার্মা লিমিটেড
Delta Pharma Limited
DPL

Our Vision

Our vision is to reach a level of excellence in pharmaceuticals through a sustained effort to quality assurance and to achieve a global standard through the indoctrination of a culture of excellence

Our Mission

Our mission is to benefit people and improve their quality of life through our quality products. As a generic company, our growth is closely knitted to the satisfaction of our customers. We would like to ensure customer satisfaction through providing quality medicine at affordable cost, launching new molecules & expediting export to all possible avenues. We are committed to achieve our goal through skilled, creative and motivated employees of highest professional standard.

Our Values

We are devoted to ensure quality in all our endeavors and to maintain the highest ethical standards in our business practices.

Our Object

Our object is to conduct transparent business operation within the legal & social frame work in order to attain the declared vision.

Our Quality Policy

The quality policy of Delta Pharma Limited is to prevent, mitigate and cure the human illness with quality pharmaceutical products at an affordable price.

Our Milestone Events

Year of Establishment as PVT Co.	:	1964
Year of Ownership Transfer	:	2000
Year of Re-Launch	:	2005
Year of Conversion into PLC	:	2007
Status	:	Public Limited Company (Non Listed)
Business Line	:	Manufacturing and marketing of Pharmaceutical finished Products
Authorized Share Capital	:	1,000 Million
Paid-up Share Capital	:	250 Million
Number of Total Shareholders	:	1,288 (Up to book closure date - 29 November, 2014)
Number of Employees	:	1,132 As on 30 June 2014 (Permanent 997, Casual 131 & Contractual 4) 1,128 As on 31 October 2014 (Permanent 1,022, Casual 102 & Contractual 4)

CORPORATE DIRECTORIES

Ferdousi Akhter
Chairman

Dr. Md. Zakir Hossain
Managing Director

Nazneen Akhter
Director

Nadira Begum
Director

Prof. Abdul Bayes Bhuiyan
Director

Monira Jahan
Director

Golam Farook
Director

Rifat Hossain
Director

CORPORATE MANAGEMENT

The Board of Directors

Mrs. Ferdousi Akhter	Chairman
Mrs. Nadira Begum	Director
Mrs. Nazneen Akhter	Director
Prof. Abdul Bayes Bhuiyan	Director
Mrs. Monira Jahan	Director
Mr. Golam Farook	Director
Mrs. Rifat Hossain	Director
Dr. Md. Zakir Hossain	Managing Director

Audit Committee

Prof. Abdul Bayes Bhuiyan	Chairman
Mrs. Nadira Begum	Member
Mrs. Nazneen Akhter	Member
Mr. Golam Farook	Member
Mrs. Rifat Hossain	Member

Annual Business Plan Evaluation Committee

Prof. Abdul Bayes Bhuiyan	Chairman
Mrs. Ferdousi Akhter	Member
Mrs. Nadira Begum	Member
Mrs. Nazneen Akhter	Member
Mrs. Monira Jahan	Member
Mr. Golam Farook	Member

EXECUTIVE MANAGEMENT

Dr. Md. Zakir Hossain	Managing Director
Dr. A. K. M. Muslem Uddin (Helim)	General Manager (Commercial) & Company Secretary (In-Charge)
Md. Golam Rabbani	General Manager (Plant)
Muhammad Abul Kashem	Assistant General Manager (IBO)
Mohammad Rezaul Karim	Assistant General Manager (Finance & Accounts)

AUDITORS

M/s. Syful Shamsul Alam & Co.
Chartered Accountants

LEGAL ADVISORS

Dr. Naim Ahmed
S. Ahmed & Associates

BANKERS

Islami Bank Bangladesh Ltd.
Prime Bank Ltd.
Dutch Bangla Bank Ltd.
HSBC
One Bank Ltd.
AB Bank Ltd.

OUR MANUFACTURING FACILITY

Delta Pharma is relentlessly trying to achieve the quality objective of the company by procuring raw materials from highly reputed national & international suppliers, ensuring compliance with the guidelines of WHO Good Manufacturing Practices and the requirements of Drug Administration Authority. Delta Pharma is also committed to use the most modern equipments and advanced technologies in the production process, deliver the product within the shortest possible time, adhering to the requirements of ISO 9001:2008 quality management system.

In line with our objective, we have extended the production area, capacity and enriched our plant by installing new machinery in the production and quality control department. At present, our plant is capable to produce the products worth Taka 122 Crore yearly. We are confident with our Quality Assurance & Quality Control department which can comply with the national and regional and moderately stringent regulatory standards and can satisfy the GMP visit of the countries, where we are exporting our products.

Facility Expansion & Capacity

For the year ended June 2014 & June 2013

	2013-2014	2012-2013
Production Capacity	122 Crore (In BDT)	120 Crore (In BDT)
Existing Covered Area	35,200 sft.	33,200 sft.

Manufacturing Plant

The plant is designed for segregation of raw materials, packaging materials, in-process materials and finished products under controlled conditions. All the functions in the plant namely Production, Quality Control, Product Development, Warehouse & Engineering and Quality Assurance are done by using the most modern and sophisticated machinery and Equipments under the direct supervision of academically qualified and professionally competent personnel to comply with the WHO cGMP regulations. Building & Layout design, HVAC system and other environmental control systems are designed to facilitate the manufacturing process properly and to prevent the cross-contamination. We use the purified water which is treated by using the latest water treatment technology, Reverse Osmosis. Waste materials are removed properly at appropriate intervals and treated through the effluent treatment plant (ETP). The standards of ETP and Effluent are regularly inspected and tested by the Environmental Authority and also through BUET. We always aspire for continuous improvement in all our activities including Safety, Health & Environment (SHE). As a routine regulatory process of every two years interval, this year, after successfully completion of inspection from Directorate General of Drug Administration, we have renewed the manufacturing license and GMP certificate of our plant.

Production Department

To meet the company's requirement, production is done by using the most modern and sophisticated machinery under the direct supervision of skilled & experienced qualified professionals by following the WHO cGMP guidelines. The highest Quality products are produced by maintaining man-material flow and prevent cross-contamination through HVAC system. Production operation follows clearly defined procedures; and comply with the principles of Good Manufacturing Practice in order to obtain the products of the requisite quality. Maximum output is ensured by maintaining production plan & proper utilization of manpower.

Production Area

QC Executive working with HPLC

Dissolution Testing is running in QC

Raw Materials Store

Quality Control Department

To achieve the stated goal of Delta Pharma Limited, we put highest emphasis to ensure its product quality by following the cGMP strictly and Good Laboratory Practice through an independent Quality Control Department. Quality Control Department is run by a group of highly educated, well trained, motivated and professionally competent personnel.

From receiving the materials and to release the Quality Products, we have a strong Quality Control laboratory having following sections:

- Physical laboratory
- Chemical laboratory
- Instrumental laboratory
- Microbiological laboratory

Our Quality Control laboratory is equipped with the most modern and sophisticated equipments. Major equipments are Atomic Absorption Spectrophotometer (AAS), High Performance Liquid Chromatography (HPLC), Infrared Spectroscopy (IR), Karl Fischer Titrator, Digital Potentiometer, Double beam UV and Visible Spectrophotometer and other sophisticated Microbiological testing equipments. In this year we have included two latest model equipments like, Binary Gradient High Performance Liquid Chromatography (HPLC) and Fourier Transform Infrared Spectroscopy (FTIR).

We are doing all steps of analysis following the guide line of BP/USP by using these sophisticated equipments. Quality is our commitment. We never compromise with our Quality standards.

Quality Assurance Department

"Quality Assurance" is a wide-ranging concept covering all matters that individually or collectively influence the quality of a product. Quality Assurance of Delta Pharma ensures a comprehensive quality system (GMP, GLP and GWP) following WHO guideline and maintaining ISO 9001:2008 Quality Management System (QMS).

Quality Assurance of Delta Pharma is responsible for the management of an effective quality system that is based on the concept of the interrelated elements, planning, implementing and controlling of quality. They determine that facilities and written procedures, specifications are adequate and followed in order to ensure that products are controlled and meet in the final dosage form and all the applicable specifications.

Quality Assurance of Delta Pharma also ensures handling non-conformity, customer complaints and product recall which include investigation, disposition, audits, corrective and preventive actions.

Product Development Department

Product Development department of Delta Pharma Ltd. has been equipped with latest & sophisticated equipments and machinery. We have a total set-up of R&D equipments and also recruited highly skilled professional for this department. The activities of this department are:

- Product formulation
- Analytical method development
- Stability studies and prediction of shelf life & storage condition
- Manufacturing method and process validation
- Packaging component development
- Validate usage instructions which are appropriate for the specified purpose
- RD worked on 11 existing products and 23 new products, out of which 05 are launched during this year.

Engineering and Maintenance Department

Engineering and Maintenance Department of Delta Pharma Ltd. has established a workshop & engineering store with modern heavy duty machinery. We have also recruited a good number of skilled professionals including B.Sc Engineer, Diploma Engineers, Trained mechanics of mechanical, electrical, civil and air-conditioning department. This department is entrusted for the smooth functioning of the Production Machinery, QC/QA Equipments, Power House, Generator with under ground fuel reserver, Electric Sub-station with Transformer and dedicated main distribution system, Air compression system, HVAC system, Water Treatment System. They are also entrusted for the Fire Fighting System and also maintaining the ETP. We are providing regular vocational and technical training to the employees of this department from highly professional institution.

Warehouse Department

Delta Pharma Limited established the dedicated warehouses for Raw materials of general section, and also for the Raw materials of isolated Cephalosporin section. We have the liquid RM store, flammable solvent store and two Heat sensitive RM store (temperature maintained between 2ºc to 8ºc and 8ºc to 15ºc). We have dedicated Packaging materials store (labels are kept under lock & key system and primary packaging materials are under cool conditions). We have separate finished goods store and Finished Goods quarantine stores in the plant. All these stores are equipped with modern facilities maintaining the Good Warehouse Practice such as SOP for warehouse keeping, SOP for raw material reconciliation, SOP for Narcotic material handling, SOP for temperature mapping etc. as per GMP guidelines.

OUR PEOPLE

The true value of our business lies in our people. We have a vision for creating an excellent, positive work-environment to foster creativity, innovation and productivity within it's work-force for achieving the business excellence through dynamic and dedicated people. We believe that Human Resources are the most important asset of the organization.

Human Resources Development

The development of the people of the company is our highest priority as we always recognize that they are our most valuable asset. To ensure that our people are enabled, and remain responsive to a rapidly changing world, we identify the training needs and provide training accordingly to broaden and enrich their professional skills. Throughout the year we have arranged a good number of training programs for our employees both at our office and also outside the office with internationally renowned speakers and trainers. Leadership and Team Building meetings are conducted on a regular basis. We provide an enabling working environment to unleash the full potential of the employees and a performance based career progression.

The company currently employs 1,128 number of employees which include doctors, pharmacists, chemists, microbiologists, engineers, businessmen and MBAs, etc. Our ability to transform ourselves is driven by strong emphasis on employee empowerment at every level.

We practice modern HR Policies and procedures for Recruitment & Selection, Manpower Planning and career planning. The Company also provides libraries and on-line resources for the employees to encourage self-development. We use a combination of qualitative aspects and Balanced Score Card system for performance appraisal of the professionals on regular monthly basis.

We have attractive policies regarding group insurance, gratuity, provident fund, benevolent fund and life insurance. We offer performance bonus, festival bonus and incentives at different times within a year.

Training Department

To obtain customers' satisfaction by matching their needs through effective services the Training Department arranges miscellaneous training programes, both in-house and outsource, for the employees for updating them.

- 208 MPOs underwent extensive training through 17 batches.
- Newly appointed 10 Field Managers were trained up in 2 separate batches.
- 200 MPOs received in-service (refresher) training in 8 batches (arranged regionally).
- At plant, 288 personnels (Workers, Officers, Executives) had participated in 15 various training programmes conducted by (Plant) departmental managers / corporate representatives (HR & Training).
- 15 Officers/Executives/Managers, four from Plant and eleven from Corporate, HR, IBO, PMD and Sales had received training via outsource (customized) courses.

- In-house training materials had been revised, updated. MPOs' basic training course has been extended from 30 days to 45 days (as needfully demanded by Sales Department). Bangla version of MPOs' training module has been developed and is under use. Useful subjects viz communication skills, motivation skills have been incorporated in MPOs' training module.
- Monthend oneday strategic workshop on sales achievement for MPOs at 17 regions and conducted regularly.
- Daylong workshop on sales performance of sales contingent from all over Bangladesh was held in 30 August, 2013 at Dhaka.
- On 26 February '14 one day workshop on Annual Business Plan for Field Managers, RSMs, ASMs was arranged at Dhaka.
- In addition to above mentioned training activities, 13 apprentices, from different institutions have come to Delta Pharma Limited to complete their interneeship training (HR-1, Marketing-1, Plant-11).

BUSINESS OPERATIONS

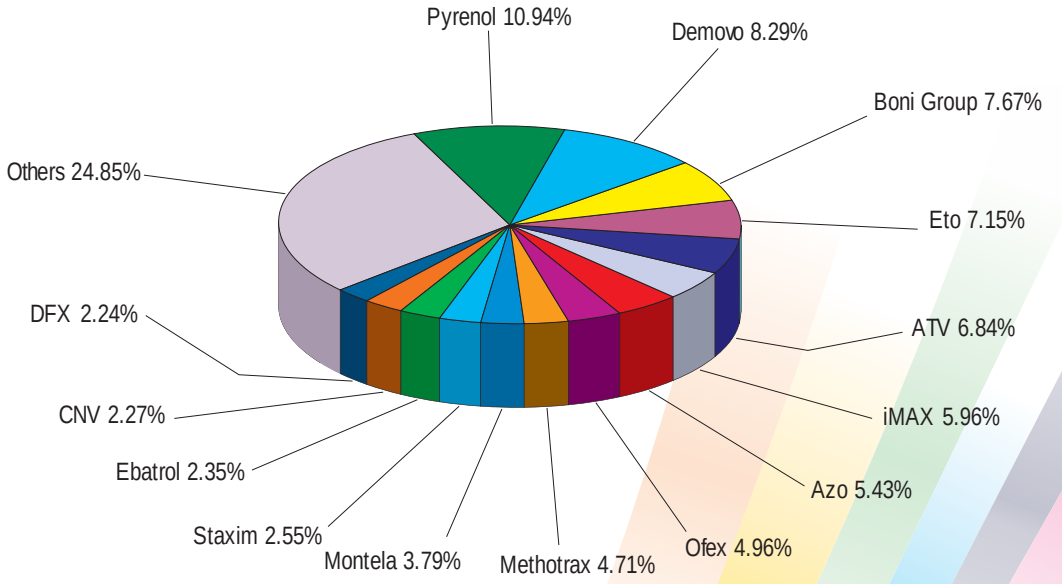
The major revenue of business of Delta Pharma comes from its local business, but due to severe political unrest throughout the country, the business of July-December 2013 has been suffered badly. We have tried to recover the overall business by increasing the sales from the international market, but at the end the overall growth was -0.92%, despite the 113.77% growth in international business during this time period. As the unrest situation of the country continues up to January 2014, we did not achieve the expected growth in second part of the financial year (Jan'14-June'14) also, but at the end we had a positive growth of 11.98% in local sales and 10.55% in overall sales. As a whole we have ended the financial year 2013-2014 with a growth of 5.03%.

Comparative growth of Local Sales, Export Sales and Total Sales
for the year ended June 2014 & June 2013

Sales	1st Half			2nd Half			Total		
	July'13-Dec'13	July'12-Dec'12	Growth	Jan'14- Jun'14	Jan'13- Jun'13	Growth	2013-14	2012-13	Growth
Local Sales	259,878,257	270,544,278	-3.94%	309,188,470	276,116,794	11.98%	**569,066,727**	**546,661,072**	4.10%
Export Sales	15,221,371	7,120,333	113.77%	22,083,170	23,544,316	-6.21%	**37,304,541**	**30,664,649**	21.65%
Total Sales	**275,099,628**	**277,664,611**	**-0.92%**	**331,271,640**	**299,661,110**	**10.55%**	606,371,268	577,325,721	**5.03%**

Products

Among the brands **Pyrenol** became the highest selling brand of Delta Pharma in the fiscal year of 2013-2014, which is followed by **Demovo** and **Boni** group.



Among the Top-10 brands, only **Pyrenol** is the OTC brand, others 9 brands are from prescription segment.

Marketing Strategies

Delta Pharma adopted a methodical marketing strategy by classifying all the brands into different segments.

Icon Brands: Two brands, **iMAX** and **ATV** have been declared as Icon Brands, after through analyzing the market. These two brands have been promoted under a comprehensive marketing plan throughout the year.

Priority Brands: Methotrax, **Azo**, **Ofex**, **Montela**, **Eto**, **Demovo**, **Ebatrol**, **Boni** are the brands in this segment.

Special Focus Brands: We have specially monitored three brands **Staxim**, **Tamsin** and **Lonapam** under special focus, so that these brands become priority brands in near future.

Dual Focus Brands: Pyrenol, **Degut**, **CTZ** and **Inhibita** are the brands in this segments. These brands are under doctor and chemist promotion simultaneously.

Cardiac and Diabetic Brands: Cardiac and diabetic brands are promoted under special promotional strategies. We have a plan to enrich these baskets by introducing new and innovative products within short time.

Injectables Brands:

Introduction of Injectable dosage form is one of the major recommendations of the shareholders of Delta Pharma for a long time. After thorough feasibility study and market analysis we have successfully launched two brands of Injection in five different strengths.

To maintain the highest quality the API (Active Pharmaceutical Ingredient) of Xone 3 injection has been procured from the world famous API manufacturer Fresenius Kabi of Italy (which was known as Ribbon previously).

Chronic Care Brands:

Chronic Care Brands are promoted under special promotional strategies. We have a plan to enrich these baskets by introducing new and innovative products within short time.

The honorable shareholders of Delta Pharma Limited also always motivated us to launch more Chronic care brands especially in Anti-diabetic and Anti-hypertensive therapeutic class. The new product committee of Delta Pharma Limited responded accordingly and has already launched **Nebinor** (Nebivolol 5 mg tablet) and **Linatin** (Linagliptin 5 mg tablet).

Nebinor is a brand of Nebivolol 5 mg tablet, which is a latest beta blocker anti-hypertensive in Bangladesh Pharma market. **Linatin** is a brand of Linagliptin 5 mg tablet, a latest anti-diabetic molecule with a very good positive growth in Bangladesh Pharma market.

We are also going to launch an Anti-gout product, **Febulas** is a brand of Febuxostat 40 mg tablet very soon to enrich the segment in Rheumatology.

"First Time in Bangladesh" Products

Introducing innovative molecules and "First Time in Bangladesh" brands was another recommendation of Shareholders of Delta Pharma. Keeping their recommendation in mind, Delta Pharma always strives for searching new and unique molecules especially recently FDA approved products. As a result of our all-out effort in this regard, we have launched **Tamsin D**, a combination of Tamsulosin and Dutasteride this year for the first time in Bangladesh.

New Product Launched

Sl	Product Name	Generic Name and Strength
1	**iMAX 20** capsule (Re-launched)	**Esomeprazole** 20 mg
2	**Meera SR** tablet	**Butamirate Citrate** 50 mg
3	**Xone-3** (500 mg) IM injection	**Ceftriaxone** 500 mg
4	**Xone-3** (500 mg) IV injection	**Ceftriaxone** 500 mg
5	**Xone-3** (1gm) IV injection	**Ceftriaxone** 1 gm
6	**Xone-3** (2gm) IV injection	**Ceftriaxone** 2 gm
7	**Ket 30** injection	**Ketorolac Tromethamine** 30 mg
8	**Tamsin D** capsule	**Tamsulosin HCl** 0.4 mg **& Dutasteride** 0.5 mg

Expanding the Business Operation in Institutes

To expand the business volume, we always search for the new arena of business. As a result of this effort, we have started our business in different Government supplies, corporations, NGOs and big private institutes. This year we have supplied medicine in DDS kits of Family Planning, CMSD, BGB hospitals, Islamic Mission hospitals, Hazz Medical Mission, Islamic Foundation, Civil Surgeon Office of Chapai-Nawabgonj and Cox's Bazar, Faridpur Medical Collage Hospital and BGMEA hospitals after successfully bidding in the tender. We are also processing for enlistment of our company in some other different government and private institutes for expanding our institution business further more.

Chain Hospitals of Delta

To spread the brand name "DELTA" in the business of health sector, we have diversified our involvement and investment from pharmaceutical to Hospital and diagnostic centers by establishing five chain hospitals throughout the country. These are

1. Delta Health Care, Mirpur Limited
2. Delta Health Care, Mymensingh Limited
3. Delta Health Care, Jatrabari Limited
4. Delta Health Care, Chittagong Limited
5. Delta Health Care, Rampura Limited

All of these hospitals except Delta Health Care, Rampura Limited have already started their operation in this year. These hospitals are operating under the same operational guidelines of Delta Limited, the umbrella company of these hospitals.

Delta Health Care, Mymensingh Limited

Delta Health Care, Mirpur Limited

Delta Health Care, Jatrabari Limited

Delta Health Care, Chittagong Limited

Delta Health Care, Rampura Limited

INTERNATIONAL BUSINESS OPERATION FY 2013-2014

The International business Operation department of the company is exploring the market opportunity at different parts of the globe, especially in the semi and moderately regulated markets namely ASEAN and African Markets. With our sincere and consistent effort, we could enter into some of the countries of those regions but the challenge is to reach at a desired level. Gradually the registration process is becoming stringent and new rules and system is imposed for drug registration in many countries including our markets also. As some of our products registration got expired and we have applied for renewal of those products through the new system, so we are loosing some part of business from there, especially in VIATNAM. We are trying to renew our existing products and also are trying to introduce new products in those markets and this strategy gave us some insignificant growth compared to the last year. Simultaneously, we have improved the quality of our documentation and dossiers for getting a clean one step registration from those countries. We expect that in near future we will be able to overcome this situation.

During 2013-2014 our prime objective was to consolidate the business in Sri Lanka, Myanmar and Cambodia. To achieve it, our international business professionals have visited those countries several times and the delegates from Myanmar and Cambodia have also visited us in Bangladesh and also have visited our plant. This will create confidence among them about us and also about our products and will help to develop the business there. It is worth to be mentioned that we are growing our brands in Cambodia already.

Regarding the Philippines, we had a steady growth in business but not upto our desired level. Last year, our major export sales deficit was from Afghanistan and from African markets. This year, we have identified another distributor in Afghanistan and they are on the process of product registration. We are actively searching for a suitable alternative distributing agents in Kenya and Nigeria. These two countries are most potential markets among the African markets.

In the coming days, we need to concentrate more on African and CIS markets as the regulatory system of the ASEAN region is becoming stringent. The mandatory Bio-Equivalence (BE) Study from the accredited CRO's (Contract Research Organization) for registration of many of the products is the most costly event and challenge for the product registration in the ASEAN region from our side. There is also huge price competition from the neighboring countries. Facing all this challenges, we become successful in getting registration of some of our Antibiotics (Staxim, Azo and Ofex) in Sri Lanka and in VIETNAM after providing the BE Study that we had done previously.

Comparative business scenario of Philippines, Vietnam, Myanmar and Sri Lanka are given below for FY 2012- 2013 and FY 2013-2014.

Name of Country	2013-2014		2012-13		Growth
	USD	BDT	USD	BDT	
Philippines	144,776.00	11,114,810.00	53,268.30	4,123,065.00	169.58%
Vietnam	189,351.00	14,565,855.00	161,448.00	12,658,169.00	15.07%
Myanmar	39,140.00	3,012,281.00	20,815.00	1,662,312.00	81.21%
Srilanka	68,689.00	5,291,768.00	1,275.00	98,274.00	5284.71%

Comparative Sales Growth in FY 2012-13 & 2013-14

Beside these potential markets, we are also focusing on Cambodia. We had got registration of our company in Cambodia. Eight products are already registered and another 10 products are under registration process. We expect that in coming days we will be able to get a good business from Cambodia.

Due to some unavoidable circumstances, we had not been able to establish our markets in Africa (Mainly Kenya and Nigeria). We are trying to overcome the situation and going to start a fresh business in Kenya and Nigeria. Due to problems of spurious medicinal products from this region, Peru has made their registration process stringent for importation of medicine from Asian countries and we are stuck up with the process but trying to overcome in the coming days.

Our new search for development that we had started already is CIS countries and Latin American Countries along with Continuous development in the existing markets. For doing better in the area of International business we need to increase our product portfolio. Specially newer dosage forms and also some common essential molecule along with some chronic care medications for getting a better business volume in the coming years. We are confident that we will do better in future Insha Allah.

Future Plan

We have a plan to launch some other High potent Anti- cancer molecules as we are making dedicated manufacturing facility for potent drugs in our plant.

We have a plan to established a plant of API (Active Pharmaceutical Ingredient) in the API park of Gazaria, Munshigonj as soon as we get the plot from the Government.

We are searching for some new innovative high tech products of foreign origin for adding them in our local market sales business.

The Grand Celebration of 10 Years of the Company

By grace of the Almighty Allah, the Delta Pharma Limited has completed it's glorious 10 years of business operation. On this occasion we have organized "10 years celebration programs" in district, divisional and national level where the leading prescribers and shareholders were present to celebrate the happy moment. We have successfully arranged 150 programs of "10 years celebration" throughout the country where about 5,000 doctors and shareholders were present and enjoyed the programs.

Some Glorius Moments of the Grand Celebration of 10 Years of the Company

Glory of 10 Years Celebration on 23rd November 2014 at Corporate Office

Guests at Delta Pharma Limited Corporate Office

Guest at Delta Pharma Ltd. Plant yard

Celebration at Sarmin Clinic, Bogra

Enthrall event at Narayangonj Diabetic Hospital

Bewitched celebration at Dhaka Shishu Hospital, Dhaka

Some Glorius Moments of the Grand Celebration of 10 Years of the Company

Magnificent moment at Padma Diagnosis Center Mouchak, Dhaka

Illustrious event at Asna Diagnosis Center, Narayanganj

Glory of 10 Years Celebration at Laxmipur.

10 Years Carnival at Delta Health Care, Mymensingh

10 Years Festival at Anwar Khan Modern Medical College Hospital, Dhaka

At Insaf Baraka Kidney & General Hospital, Dhaka

Some Glorius Moments of the Grand Celebration of 10 Years of the Company

Glory of 10 Years Celebration at Shapla Diagnostic Centre, Rajshahi

10 Years Celebration at Noakhali

Doctors of Kurmitola General Hospital, Dhaka

Warm celebration at Delta Health Care Limited, Jatrabari

Doctors at Dhaka Shishu Hospital, Dhaka

Doctors are enjoying the glorius events at BIHS, Mirpur

Some Glorius Moments of the Grand Celebration of 10 Years of the Company

Catchy moment at Lab Aid Hospital, Dhanmondi, Dhaka.

Colorful event at Habib Diagnosis Center. Bhola

Celebration of 10 year at Khulna

Glory of 10 Years Celebration
at Delta Health Care, Chittagong Limited

Hearty celebration at Feni Maternity Hospital, Feni

Celebration of 10 year at Chapainawabganj

2013-2014 Highlights

- During the year 2013-2014, we have introduced 08 new products in our product line including Injectables.
- We have improved our production facility by installing some machineries and equipments such as Double Cone Blender and HVAC. We have also developed our Quality Assurance department by installing FTIR, Spectrometer and Moister Analyzer etc.
- As a shareholder of Delta Health Care, Mirpur Limited, Delta Health Care, Jatrabari Limited, Delta Health Care, Mymensingh Limited, Delta Health Care, Chittagong Limited and Delta Health Care, Rampura Limited, Delta Pharma Limited is playing a vital role to complete the health care projects smoothly. With the active support from Delta Pharma Limited, finance of all health care has been smoothly arranged. We gladly inform you that Delta Health Care, Chittagong Limited and Delta Health Care, Jatrabari Limited have been started their operation since June 2014. By September 2014, Delta Health Care, Jatrabari Limited and Delta Health Care, Mymensingh Limited will be started their operation. As a sponsor shareholder Delta Pharma Limited will always represent itself as the Director of each Board of the Delta health Care.
- We have registered products in Cambodia and we are getting significant business from this country.

Post Balance Sheet Developments

- As per the present regulatory requirement of Director General of Drug Administration, we have established a dedicated production facility for Methotrax tablet.
- We have registered 08 numbers of products in Cambodia and another 10 products are under registration process. We have also started our business exploration journey in CIS countries and Latin American Countries.
- After June 2014, we have launched 04 number new products in our product line and another 05 products are in process for launching.

Corporate Social Responsibilities

Generating Sales and Making profit is not the only business of Delta Pharma. We always provide professional supports in different societies, professional bodies and institutions as a part of our CSR program. We have dedicated department who provides this professional support. We are giving support in the following ways:

- Free Medical Camp
- Sponsoring different scientific Seminars and CMEs
- Free Medicine supply to the poor patients
- Donation for conference of different professional societies
- Building of Mosque.

Benevolent Fund

We have created a Benevolent fund to support the employees of Delta Pharma, when they need financial help in critical situations. All employees donate a very small portion of their basic salary every month to build this fund. All employees will be treated with same importance while giving support from this fund.

DIRECTORS' REPORT

Dear Shareholders,

As-Salamu-Alaiqum.

Heartiest welcome to you all at the 7th Annual General Meeting of Delta Pharma Limited We, the Board of Directors of the company are pleased to present the report to you together with the audited accounts of the company for the year ended 30 June 2014 along with the Auditor's Report for your consideration and approval.

We are presenting some major highlights of the company operation for your better understanding.

Corporate Governance

The Board of Directors of our company leads the Corporate Governance through it's decision making processes. These decision making tiers may be categorized into three major areas, as policy & strategic, operational and execution, performance evaluation and awarding. These components are operationalised by the Board of Directors, it's Committees, Management Committee and the Operational Participants of the company. Everyone in the company have been trying to achieve the common goal of Delta Pharma Ltd. "Good governance practices" have been accepted as ethically and morally acceptable standards within our entire corporate governance efforts.

Board of Directors:

Constitution:

The Board of Directors through which the corporate governance functions are guided, consist of eight members with a diversified range of educational and professional background, which provides a balancing character in decision making process.

Role & Responsibilities:

The main role of the Board of Directors, which is the highest level of authority, is to provide policy and strategic guidelines, oversee the operations and control the affairs of the company through appropriate delegation and accountability processes. The Board of Directors holds the ultimate responsibility 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 holds meetings regularly and provides appropriate decisions/directions to the Executive Management, to discharge their duties and responsibilities.

Such meetings usually consider the annual business plan with it's operational performance, review of budgets & capital expenditure proposals, diversification of business line, arrangement of funds by issue of shares or borrowing, procurement of major plant machinery, promotion and recruitment of officers, adopt audited accounts and other interest of the stakeholders including the employees

and workers. The Board of Directors takes special care for creating different avenue to promote our products and in designing, 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 Meetings and Attendance

A total of 6 meetings of the Board of Directors meetings were held during the year (1st July 2013 to 30th June 2014). The attendance record of the Directors is as follows:

Name of Directors	Meeting Attended
Mrs. Ferdousi Akhter	4
Dr. Md. Zakir Hossain	6
Mrs. Nadira Begum	6
Mrs. Nazneen Akhter	6
Prof. Dr. Abdul Bayes Bhuiyan	6
Mrs. Monira Jahan	6
Mr. Golam Farook	5
Mrs. Rifat Hossain	6

Annual Business Plan Evaluation Committee

This sub-committee of the Board has been formed with six members from the Board of Directors and are entrusted to review the Annual Business plan, recommend to the Board for approval, regular monitoring and supervision of the progress of the business operation and also the overall development of the company. They have the responsibility of analyzing the productivity, profitability, product inclusion and phase-out and also to monitor the other parameters of sales activities like, product availability, chemist coverage, shelving status and doctor visit etc. This committee is holding regular meetings have met two times within 2013-2014 fiscal year.

Audit Committee

The Board of Directors has constituted an Audit Committee of the Board consisting of Six Directors. The audit committee reviews the financial and accounting system of the company and also reviews the internal financial control mechanism. The Audit Committee meeting is held on regularly and has also considered the Annual Financial Statements for the year ended 30 June 2014.

As per the guideline of the Audit Committee, an internal Audit team visits the plant and depot offices on regular basis. They submit a compiled audit report to the Audit Committee. The Audit Committee ensures that adequate internal checks & balances supported by adequate MIS are in place for detection of errors and other deficiencies.

Executive Management

The Executive Management is led by the Managing Director 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 professionals of well educated, trained and experienced team consisting of General Managers, Assistant General Managers and Senior Managers in the hierarchy of management. The Board reviews 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 budget and annual business plans for every division and departments and are held accountable for performance to the Board. The Executive Management is aided by committee(s)/sub-committee(s) in carrying out its functions.

Election of Directors

As per Article 113 & 114 of the Articles of Association of the company, Mrs. Monira Jahan and Mr. Golam Farook will retire in this AGM and as per Article 115 of the Articles of Association of the company, being eligible, have offered themselves for re-election and the Board of Directors also recommended for the same.

Dividend

As per the audited financial statement for the year ended on 30 June 2014 and the recommendation of the Audit Committee, the Board of Director recommended 10% (Ten percent) stock dividend for the year ended 30 June 2014 for the shareholders of the company and this is placed for your consideration.

Appointment of Auditor

Syful Shamsul Alam & Co., Chartered Accountants, Auditor(s) of the Company, retire at this Annual General Meeting and being eligible offer themselves for appointment as Auditor(s) for the year 2014-2015 and re-fixation of their remuneration.

Re-appointment of Managing Director

The 5 year tenure of the Managing Director was expired on 23rd October 2014 and considering his performance and qualification the Board of Director in its 55th meeting re-appointed Dr. Md. Zakir Hossain as the Managing Director of the Company for another 5 year term with effect from 24th October 2014. His emolument package will be determined by the Board of Director from time to time and this is placed for the consideration.

Issuance of Rights Share

For expanding the existing business operation, expanding the production capacity, procurement of some fixed asset, investment in the API park and also for the payment of the bank and lease payment, the Board of Directors decided in its 55th meeting held on 13th September 2014 to raise paid up capital from Tk. 25,00,00,000/- to Tk. 30,00,00,000/- by issuing further fresh 5,00,000 (5:1) ordinary shares as right share per share value Tk. 100/- with total nominal value of Tk. 5,00,00,000/- (Five crore). This is placed before the share holders for consideration as special resolution.

MANAGEMENT APPRECIATION

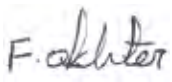
We, the Board of Directors of Delta Pharma Limited want to express our heartfelt thanks and gratitude to all of our valued shareholders, well-wishers, practitioners, officials of Drug Administration, other Government officials, Medical Institutions, Chemists, Banks & Financial Institutions, Securities and Exchange Commission, Registrar of Joint Stock Companies & Firms, Insurance Companies, Suppliers and all employees of the Delta Pharma Limited. We are indebted to them for their relentless support.

At the end, we want to reiterate our commitment for ethical and professional business and also thankful to our honorable shareholders for keeping trust on us. We once again, recall our pledge for establishing the Delta Pharma Limited as an ethical professional health care organization of international standard.

We want to express our sincere thanks to you all and looking forward for your continued support and cooperation in the future as well.

With sincere regards,

On behalf of the Board of Directors



Mrs. Ferdousi Akhter
Chairman

Financial Highlights

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Gross Turnover	606,371,268	577,325,721	525,839,356	407,265,415	366,369,031
CGS	274,560,919	257,908,865	246,392,341	208,025,953	198,377,195
Gross Profit	331,810,349	319,416,856	279,447,015	199,239,462	167,991,836
Net Profit after Tax	**25,050,684**	**2,154,396**	**1,750,926**	**387,240**	**(19,218,547)**

Contribution to the National Exchequer

During the year (July'13 to June'14) Tk. 102 million paid to the National Exchequer in the form of Value Added Tax (VAT), Advance Income Tax (AIT) etc.

AUDITORS' REPORT
TO
THE SHAREHOLDERS OF DELTA PHARMA LIMITED

We have audited the accompanying financial statements of Delta Pharma Limited, which comprise the Statement of financial position as at 30 June 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then 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), 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.

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 about 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' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements that give a true and fair view 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 Delta Pharma Limited as at 30 June 2014 and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS) and comply with the Companies Act 1994 and other applicable laws and regulations.

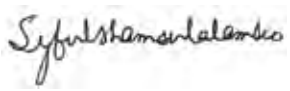
We also report that:

(a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Company's statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account.

Dated, Dhaka
4 November, 2014



Syful Shamsul Alam & Co.
Chartered Accountants

Delta Pharma Limited

STATEMENT OF FINANCIAL POSITION

As at 30 June 2014

Particulars	Notes	Amount in Taka 30 June 2014	Amount in Taka 30 June 2013
Assets			
Non-current assets			
Property, plant and equipments	**4.00**	173,861,807	164,563,631
Capital work -in - progress	**5.00**	34,149,561	10,859,929
Intangible assets- development phase	**6.00**	52,016,616	42,170,043
Investment	**7.00**	10,000,000	7,000,000
Total non-current assets		**270,027,984**	**224,593,603**
Current assets			
Inventories	**8.00**	223,719,521	156,383,558
Trade receivables	**9.00**	41,885,953	39,707,520
Advances, deposits and pre-payments	**10.00**	63,691,460	62,109,484
Cash and cash equivalents	**11.00**	2,146,836	5,883,728
Total current assets		**331,443,770**	**264,084,290**
Total assets		**601,471,754**	**488,677,893**
Equity and liabilities:			
Shareholders' equity			
Share capital	**12.00**	250,000,000	250,000,000
Retained earnings	**13.00**	(75,183,163)	(100,233,847)
Total shareholders' equity		**174,816,837**	**149,766,153**
Liabilities			
Non-current liabilities			
Term loan & lease obligation	**14.00**	105,592,731	66,035,249
Total non-current liabilities		**105,592,731**	**66,035,249**
Current liabilities			
Accounts payable	**15.00**	31,553,793	28,611,318
Short term loan	**16.00**	164,121,540	154,237,453
Term loan and lease - Current portion	**17.00**	52,646,655	38,126,151
Interest payable	**18.00**	17,820,913	15,835,010
Liabilities for expenses	**19.00**	46,954,396	33,262,093
Provision for taxation	**20.00**	7,964,888	2,804,464
Total current liabilities		**321,062,185**	**272,876,490**
Total liabilities		**426,654,916**	**338,911,739**
Total equity and liabilities		**601,471,753**	**488,677,893**

The accounting policies and explanatory notes form an integral part of these financial statements.

Mrs. Ferdousi Akhter
Chairman

Dr. Md. Zakir Hossain
Managing Director

Dr. A. K. M. Muslem Uddin
General Manager (Commercial)
&
Company Secretary (In-charge)

This is the Statement of Financial Position referred to in our report of even date annexed.

Dated, Dhaka: 4 November, 2014

Syful Shamsul Alam & Co.
Chartered Accountants

Delta Pharma Limited

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2014

Particulars	Notes	Amount in Taka 30 June 2014	Amount in Taka 30 June 2013
Revenue	**21.00**	606,371,268	577,325,721
Cost of sales	**22.00**	(274,560,919)	(257,908,865)
Gross profit		**331,810,349**	**319,416,856**
Other income / (expenses)		268,151	633,540
Administrative, selling and distribution expenses	**23.00**	(263,433,558)	(279,638,035)
Profit from operation		**68,644,942**	**40,412,360**
Finance costs	**24.00**	(35,629,370)	(35,218,322)
Loss on disposal of fixed assets		-	(235,178)
Profit before income tax		**33,015,572**	**4,958,860**
Current tax expenses	**20.00**	(7,964,888)	(2,804,464)
Net profit/(loss) after tax		**25,050,684**	**2,154,396**
Basic earnings per share (par value of Tk. 100)	**25.00**	10.02	0.86

The accounting policies and explanatory notes form an integral part of these financial statements.

Mrs. Ferdousi Akhter
Chairman

Dr. Md. Zakir Hossain
Managing Director

Dr. A. K. M. Muslem Uddin
General Manager (Commercial)
&
Company Secretary (In-charge)

This is the statement of comprehensive income referred to in our report of even date annexed.

Dated, Dhaka: 4 November, 2014

Syful Shamsul Alam & Co.
Chartered Accountants

Delta Pharma Limited

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2014

Particulars	Share Capital	Retained Earnings	Total
Balance at 30 June 2012	250,000,000	(102,388,243)	147,611,757
Net profit for the year	-	2,154,396	2,154,396
Balance at 30 June 2013	**250,000,000**	**(100,233,847)**	**149,766,153**
Balance at 30 June 2013	250,000,000	(100,233,847)	149,766,153
Net profit for the year	-	25,050,684	25,050,684
Balance at 30 June 2014	**250,000,000**	**(75,183,163)**	**174,816,837**

The accounting policies and explanatory notes form an integral part of these financial statements.

Mrs. Ferdousi Akhter
Chairman

Dr. Md. Zakir Hossain
Managing Director

Dr. A. K. M. Muslem Uddin
General Manager (Commercial)
&
Company Secretary (In-charge)

This is the Statement of Changes in Equity referred to in our even dated report to the shareholders.

Dated, Dhaka: 4 November, 2014

Delta Pharma Limited

STATEMENT OF CASH FLOWS

For the year ended 30 June 2014

Particulars	Amount in Taka 30 June 2014	Amount in Taka 30 June 2013
Cash flows from operating activities:		
Profit/(loss) before taxation	**33,015,572**	**4,958,860**
Adjustment for:		
Depreciation	16,881,784	16,418,572
Amortization expenses	8,434,009	8,070,120
Interest expenses	35,629,370	35,218,322
(Increase)/ Decrease in Accounts receivables	(2,178,433)	(16,432,942)
(Increase)/ Decrease in Inventories	(67,335,964)	(26,062,986)
Increase/ (Decrease) in Accounts payable	2,942,475	6,531,286
Increase/ (Decrease) in Liabilities for expenses	18,852,727	6,823,654
(Increase)/ Decrease in Advance, deposit & prepayments	(1,581,976)	(9,793,990)
Income taxes paid	(7,964,888)	(2,804,464)
Interest paid	(33,643,467)	(33,020,153)
Net cash from operating activities:	**3,051,208**	**(10,093,721)**
Cash flows from investing activities:		
Purchase of property, plant and equipments etc.	(26,179,960)	(13,884,322)
Capital work in progress	(23,289,632)	(6,654,797)
Intangible assets- Development expenses	(18,280,582)	(9,889,564)
Net cash from investing activities:	**(67,750,174)**	**(30,428,683)**
Cash flows from financing activities:		
Increase/ (Decrease) in investment	(3,000,000)	-
Increase/ (Decrease) in lease & loan	63,962,073	41,776,597
Net cash from financing activities:	**60,962,073**	**41,776,597**
Net Increase/(Decrease) in cash and cash equivalents	**(3,736,893)**	**1,254,194**
Cash and cash equivalents at beginning of period	**5,883,728**	**4,629,534**
Cash and cash equivalents at end of period	**2,146,835**	**5,883,728**

Mrs. Ferdousi Akhter
Chairman

Dr. Md. Zakir Hossain
Managing Director

Dr. A. K. M. Muslem Uddin
General Manager (Commercial)
&
Company Secretary (In-charge)

This is the statement of cash flows referred to in our even dated report to the shareholders.

Dated, Dhaka: 4 November, 2014

Delta Pharma Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2014

1.00 The reporting entity and it's nature of business

Delta Pharma Limited (The Company) was incorporated in Bangladesh on 17th June 1964 as a Private Limited Company under The Companies Act, VII of 1913. Now the company is a public limited company (non listed) registered under the Companies Act, 1994 and Authorized Share Capital is Tk. 1,000,000,000 divided into 10,000,000 ordinary shares of Tk. 100 each and Paid Up Capital is Tk. 250,000,000 divided into 2,500,000 ordinary shares of Tk. 100 each.

The company manufactures various drugs and medicines both allopathic & indigenous and sells these in the local and foreign markets.

The factory of the Company is situated at Pakundia, Kishorgonj in it's own land

2.00 Basis of preparation of the financial statements

2.01 Statement of compliance

These financial statements have been prepared in accordance with applicable International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs), Companies Act 1994 and other applicable laws and regulations in Bangladesh.

2.02 Date of authorization for issue of the financial statements

On 04 November 2014 the Board of Directors reviewed the financial statements and authorized them for issue.

2.03 Basis of measurement

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

2.04 Functional and presentational (Reporting) currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented in Taka have been rounded off to the nearest Taka.

2.05 Use of estimates and judgments

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues and expenses, assets and liabilities at the date of the reporting period. Due to the inherent uncertainty involved in making estimates, actual results may differ from these estimates.

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

2.06 Going concern

The company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business and operations.

3.00 Significant accounting policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all periods presented in these financial statements.

3.01 Foreign currency

Transactions in foreign currencies are translated to Bangladesh Taka at the foreign exchange rate ruling at the date of transaction. Monetary assets and liabilities are converted at the rates prevailing at the balance sheet date. Non-monetary assets and liabilities are reported using the exchange rate at the date of transaction. Differences arising on conversion are charged or credited to the profit and loss account.

3.02 Financial instrument

Non-derivative financial instrument comprising accounts and other receivables, cash and cash equivalent, loans and borrowings, and other payables are shown at transaction costs.

3.03 Property, plant and equipment

These are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its working condition for its intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

3.3.1 Depreciation of property, plant and equipment

No depreciation is charged on Land & Land development. Depreciation on all other fixed assets is computed using the reducing balance method so as to write off the assets over their expected useful lives.

Half year's depreciation has been charged on additions irrespective of the date when the related assets are put into use.

After considering the useful life of assets as per BAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management:

Category of PPE	Rate of depreciation (%)
Factory building	5%
Plant & machinery	10%
Electric equipments	20%
Furniture & fixture	10%
Automobiles & vehicles	20%
Generator	20%
Office equipment	10%
Electric Installation	10%
Spares & accessories	20%

3.04 Capital work-in-progress

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

3.05 Intangible assets - Development phase

An intangible assets arising from development shall be recognized if an entity can demonstrate the following:

a) the technical feasibility of completing the intangible assets so that it will be available for use.

b) its intention to complete the intangible assets and use or sell it.

c) its ability to use or sell the intangible assets.

d) how the intangible assets will generate probable future economic benefit.

e) the ability of adequate technical financial and other resources to complete the developments and to use or sell the intangible assets.

f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

3.06 Inventories

Stocks are valued at lower of cost and net realizable value except for goods in transit which are valued at cost

Cost of raw materials and packing materials are valued by using FIFO formula.

Cost of work-in-progress and finished stocks are arrived at by using FIFO cost formula including allocation of manufacturing overheads related to bringing the inventories to their present condition. The company uses standard cost method for measurement of cost of finished goods.

3.07 Impairment of assets

All fixed assets have been reviewed and it was confirmed that no fixed assets have been impaired during the year and for this reason no provision has been made for impairment of assets.

3.08 Cash and cash equivalents

Cash in hand and cash at banks have been considered as Cash and Cash Equivalents for the preparation of these financial statements, which were held and available for use by company without any restriction and there was insignificant risk of changes in value of the same.

3.09 Cash flow statement

Cash Flow Statement is prepared principally in accordance with BAS-7 “Cash Flow Statement” and the cash flows from the operating activities have been presented under indirect method.

3.10 Taxation

The company qualifies as a "Publicly Non-traded Company" and accordingly the rate of income tax applied for the year is 35%.

3.11 Deferred tax

The company has adopted deferred tax accounting policy as per BAS-12. After considering all the temporary timing differences arising between the tax base of the assets and liabilities and their carrying value for financial reporting purposes including unused tax losses a deferred tax asset has been created. Therefore the management has decided not to recognise the deferred tax income in these financial statements as per BAS-12.

3.12 Provisions

In accordance with the guidelines as prescribed by BAS-37: Provisions, Contingent liabilities and Contingent assets, provisions are recognized in the following situations:

a.when the company has an obligation (legal or constructive) as a result of past events;

b.when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

c.reliable estimates can be made of the amount of the obligation.

3.13 Revenue

Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net or returns and allowances, trade discounts and volume rebates.

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership has been transferred to the buyer, the company has no managerial involvement of ownership of the goods, the amount of revenue and the cost of the transaction can be measured reliably and it is probable that the economic benefit associated with the transactions will flow to the company.

3.14 Financial expenses

Financial expenses (Borrowing Costs) incurred during the year was recognized as revenue expenses in accordance with BAS-23: “Borrowing Cost”.

3.15 Software

Softwares are generally charged off as revenue expenditure. Purchase of software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

3.16 Comparative information and re-arrangement thereof

In accordance with the provisions of BAS-34: Interim Financial Reporting, comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in these financial statements.

3.17 Segmental reporting

No segmental reporting is applicable for the company as the company operates in a single industry segment and within a single geographical segment.

3.18 Reporting period

The period of these financial statements covers from 1st July to 30th June consistently.

3.19 Events after the statement of financial position date

In compliance with the requirements of BAS 10: Events after the statement of financial position date, post the statement of financial position events that provide additional information about the company's position at the statement of financial position date are reflected in these financial statements. Events after the statement of financial position date that are non-adjusting events are disclosed in the notes when material.

3.20 Components of the Financial Statement

According to the International Accounting Standrad (IAS)-1 adopted by ICAB as BAS-1 "Presentation of Financial Statements" the Complete set of Financial Statements includes the components are stated below:

(I) Statement of Financial Position as at 30 June 2014.
(ii) Statement of Comprehensive Income for the year ended 30 June 2014.
(iii) Statement of Changes in Equity for the year ended 30 June 2014.
(iv) Statement of Cash Flows for the year ended 30 June 2014.
(v) Notes to the financial statements.

3.21 Disposal of fixed assets:

On disposal of fixed assets, 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.

3.22 Related party transaction

Related party transaction is a transfer of resources, services or obligations between related parties regardless of whether a price is charged

a) Significant contracts where company is a party and where directors have interest -----Nil

b) Shares issued to directors and Executives without consideration or at discount -----Nil

c) During the audit period short term loan of Tk. 1.5 Crore from Delta Limited still remain in the company which was taken in previous financial year and during the audit period short term loan of Tk. 10 lac taken from DHC, Jatrabari still remain in the company.

3.23 Earning per share (EPS)

The company calculates earning per share (EPS) in accordance with BAS 33 "Earning Per Share" which has shown on the face of "Income Statement".

Basis of EPS

This has been calculated by dividing the basic earnings by the number of ordinary shares outstanding during the year. Previous years' EPS has been adjusted as per the requirement of BAS 33.

3.24 Provident fund

The company has introduced contributory provident fund scheme effective from January 2010 for its permanent employees. The provident fund is administered by a board of trustees and is funded by equal contribution from the employees and the company at 10 % of basic pay. The process of taking recognition with NBR is going on.

3.25 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.

		Amount in Taka	
		30-Jun-14	30-Jun-13
4.00	**Property, Plant & Equipments :**		
	A.Cost		
	Land & land development	26,926,912	21,553,312
	Factory building	43,870,499	35,076,065
	Plant & machinery	96,564,622	89,934,133
	Electric equipments	4,819,425	4,819,425
	Furniture & fixture	13,086,672	13,024,672
	Automobiles & vehicles	60,077,850	60,077,850
	Generator	8,887,623	8,777,623
	Office equipment	28,215,200	23,036,015
	Electric installation	4,110,985	4,110,985
	Spares & accessories	2,964,386	2,934,134
		289,524,174	**263,344,214**
	B.Accumulated depreciation	115,662,367	98,780,583
	C.Written down value(A-B)	**173,861,807**	**164,563,631**
	(Schedule of property, plant and equipment are given in annexure -A)		
5.00	**Capital work-in progress :**		
	Land and Land Development	7,406,329	5,164,696
	Building/Civil work	26,743,232	5,695,233
	Total	**34,149,561**	**10,859,929**
5.01	**Capital work-in progress :**		
	Opening balance	10,859,929	4,344,696
	Add: Addition during the Year	36,015,092	6,654,797
	Sub total	**46,875,021**	**10,999,493**
	Less: Transferred to fixed assets during the year	12,725,460	139,564
	Total	**34,149,561**	**10,859,929**
6.00	**Intangible assets- development phase :**		
	Govt and other license fee	2,780,013	2,253,766
	Product testing and Design	7,225,170	5,857,469
	Accessories QC	5,281,593	4,281,805
	Research development and others	30,809,684	24,977,513
	Product registration & others	5,920,156	4,799,490
	Total	**52,016,616**	**42,170,043**
	Addition to development phase will be amortized @ 20% as per the decision of the Board of Directors. During the year amotrization expenses have been charged @ 20% of opening Intangible Assets (Development phase)		
7.00	**Investment**		
	Investment in share : (7.01)	**10,000,000**	**7,000,000**
7.01	**Investment in share :**		
	Delta Health Care, Mirpur Limited	4,000,000	1,000,000
	Delta Health Care, CTG Limited	2,000,000	2,000,000
	Delta Limited	1,000,000	1,000,000
	Delta Health Care, Rampura Limited	1,000,000	1,000,000
	Delta Health Care, Mymensingh Limited	1,000,000	1,000,000
	Delta Health Care, Jatrabari Limited	1,000,000	1,000,000
		10,000,000	**7,000,000**

		Amount in Taka	
		30-Jun-14	30-Jun-13
8.00	**Inventories :**		
	Raw materials	74,209,644	39,392,434
	Packing materials	41,525,130	19,692,478
	Work-in-process	6,796,153	11,641,743
	Finished goods	62,032,590	56,673,708
	Physician sample	7,952,593	6,488,499
	Literature & printed materials	7,894,736	6,397,340
	Promotional & gift materials	4,146,061	3,407,551
	Laboratory chemicals	355,060	294,560
	Materials in transit	18,807,554	12,395,244
	Total	**223,719,521**	**156,383,558**
9.00	**Trade receivables**		
	Accounts receivable -trade (Note-9.01)	41,885,953	39,707,520
	Total	**41,885,953**	**39,707,520**
9.01	**Accounts receivables-Trade :**		
	Accounts receivable (trade) -local (Note-9.02)	40,362,653	32,915,370
	Accounts receivable (trade) -foreign (Note-9.03)	1,523,300	6,792,150
	Total	**41,885,953**	**39,707,520**
9.02	**Accounts receivable (trade) -Local :**		
	Opening balance	32,915,370	23,274,578
	Add : Sales during the Year	665,618,382	639,258,054
		698,533,752	**662,532,632**
	Less : Collection during the year	658,171,099	629,617,262
	Closing balance	**40,362,653**	**32,915,370**
9.03	**Accounts receivable (trade) -Foreign :**		
	Opening balance	6,792,150	-
	Add :Sales during the Year	37,304,541	30,664,649
		44,096,691	**30,664,649**
	Less : Collection during the Year	42,573,391	23,872,499
	Closing balance	**1,523,300**	**6,792,150**
10.00	**Advances, deposits & prepayments:**		
	Office working & others	13,257,296	28,995,383
	Suppliers	25,298,862	9,764,722
	AIT & VAT	19,151,695	16,864,461
	Office rent	2,031,463	2,202,463
	Deposits & pre-payments	3,952,144	4,282,455
	Total	**63,691,460**	**62,109,484**
11.00	**Cash & cash equivalents :**		
	Cash in hand	1,068,268	885,283
	Cash at bank	1,078,568	4,998,445
	Total	**2,146,836**	**5,883,728**

		Amount in Taka	
		30-Jun-14	30-Jun-13
12.00	**Share capital :**		
12.01	**Authorized capital :**		
	10,000,000 ordinary shares of Tk. 100/- each	**1,000,000,000**	**1,000,000,000**
12.02	**Issued, subscribed, called-up & paid-up capital :**		
	2,500,000 ordinary shares of Tk. 100/- each	250,000,000	250,000,000
13.00	**Retained earnings:**		
	Opening balance	(100,233,847)	(102,388,243)
	Add : Addition during the year	25,050,684	2,154,396
	Balance transferred to B/S	**(75,183,163)**	**(100,233,847)**
14.00	**Term loan & lease obligation**		
	Bank loan (HPSM)	14,657,757	22,406,337
	Bank loan (Term)	80,954,285	-
	Obligation under finance lease	9,980,689	43,628,912
	Total	**105,592,731**	**66,035,249**
15.00	**Accounts payable:**		
	Suppliers & others	31,553,793	28,611,318
	Total	**31,553,793**	**28,611,318**
16.00	**Short term loan**		
	Bank loan (MPIT, MTR) & others	164,121,540	154,237,453
		164,121,540	**154,237,453**
17.00	**Term loan and lease - Current portion**		
	Bank loan (HPSM)	11,139,656	14,419,835
	Bank loan (Term)	28,502,863	-
	Obligation under finance lease	13,004,136	23,706,316
	Total	**52,646,655**	**38,126,151**
18.00	**Interest payable :**		
	Interest on MPIT, MTR	17,820,913	15,835,010
	Total	**17,820,913**	**15,835,010**
19.00	**Liabilities for expenses:**		
	Accrued expenses, suppliers & others	46,829,396	33,142,093
	Audit Fees	125,000	120,000
	Total	**46,954,396**	**33,262,093**
20.00	**Provision for income tax of the Company**		
	Opening balance	2,804,464	-
	Addition during the year (Note-20.01)	7,964,888	2,804,464
		10,769,352	**2,804,464**
	Less: Paid / adjust during the year	(2,804,464)	-
	Closing balance	**7,964,888**	**2,804,464**

		Amount in Taka	
		30-Jun-14	30-Jun-13
20.01	**Provision for Income Tax during the year**		
	1) 35% Income Tax on Taxable Profit of Tk. 12,498,074	4,374,326	-
	2) Half of 35% Income Tax on Export Net Profit of Tk. 20,517,498	3,590,562	-
	Total	**7,964,888**	**2,804,464**
21.00	**Turnover-net off VAT:**		
	Local sales	569,066,727	546,661,072
	Export	37,304,541	30,664,649
	Total	**606,371,268**	**577,325,721**
22.00	**Cost of sales :**		
	Opening stock of finished goods	56,673,708	39,974,530
	Add : Cost of goods manufactured (Note-22.01)	284,968,121	280,111,588
	Finished goods available for sales	**341,641,829**	**320,086,119**
	Less : Closing stock of finished goods	62,032,590	56,673,708
	Cost of physician sample	5,048,320	5,503,545
	Cost of sales	**274,560,919**	**257,908,865**
22.01	**Cost of goods manufactured :**		
	Opening work-in-process	11,641,743	9,557,227
	Add: Cost of raw materials consumed (Note-22.02)	144,801,103	147,819,250
	Cost of packing materials consumed (Note-22.03)	61,268,657	57,781,235
		217,711,503	**215,157,712**
	Less : Closing work-in-process	6,796,153	11,641,743
	Total cost of materials	**210,915,350**	**203,515,969**
	Manufacturing overhead (Note-22.04)	74,052,771	76,595,620
	Total cost of goods manufactured	**284,968,121**	**280,111,588**
22.02	**Cost of raw materials consumed:**		
	Opening stock	39,392,434	35,728,694
	Add: Purchase	179,618,313	151,482,990
	Raw materials available for use	**219,010,747**	**187,211,684**
	Less: Closing stock	74,209,644	39,392,434
	Cost of raw materials consumed	**144,801,103**	**147,819,250**
22.03	**Cost of packing materials consumed:**		
	Opening stock	19,692,478	18,037,563
	Add: Purchase	83,101,309	59,436,150
	Packing materials available for use	**102,793,787**	**77,473,713**
	Less: Closing stock	41,525,130	19,692,478
	Cost of packing materials consumed	**61,268,657**	**57,781,235**
22.04	**Manufacturing overhead:**		
	Automobiles & vehicles expenses	801,540	1,149,679
	Bank charge	14,242	12,900
	Carriage Inwards	1,371,453	5,155,025
	Casual wages	7,280,809	7,297,473
	Computer expenses	139,400	140,794
	Conveyance expenses	168,875	133,693

		Amount in Taka	
		30-Jun-14	30-Jun-13
	Donation & subscription	136,453	1,485,250
	Depreciation expenses	14,011,881	14,434,741
	Generator expenses	3,894,683	5,260,199
	Insurance expenses	413,718	463,164
	Laboratory chemicals supply	130,050	164,941
	Medical expenses	85,468	49,800
	Mobile bill	220,104	137,237
	Non-Inventory product supply	57,346	43,400
	Overtime premium	1,239,666	1,382,455
	Postage, telephone & fax	2,446	7,627
	Printing & stationery	643,769	1,336,998
	Repair & maintenance	1,911,565	2,503,962
	Renewal & registration	89,824	-
	Salary & allowances expenses	23,493,978	19,860,893
	Subs. books & periodicals	21,672	2,684
	Training expenses	15,000	196,525
	Traveling expenses	-	94,800
	Toll Charge	2,777,616	-
	Uniform & cleaning	230,516	355,992
	Water, electricity & gas	3,673,987	3,129,770
	Welfare & recreation	2,792,701	3,725,498
	Development expenses written off	8,434,009	8,070,120
	Total	**74,052,771**	**76,595,620**
23.00	**Administrative, selling and distribution expenses:**		
	AGM expenses	225,185	2,550,152
	Audit fees	125,000	120,000
	Automobiles & vehicles exp.	6,178,904	6,351,239
	Bank charge	572,186	448,766
	Corporate affairs	482,024	548,875
	Casual wages	898,485	3,222,453
	Carriage outwards	10,367,562	18,234,406
	Computer expenses	238,485	215,145
	Conveyance expenses	2,088,482	4,153,514
	Depreciation expenses	2,869,903	2,956,513
	Donation & subscription	-	234,000
	Export expenses	5,570,319	6,430,877
	Generator expenses	149,869	494,162
	Insurance premium	1,345,088	1,460,859
	Internet bill	307,222	304,844
	Legal & professional fees	89,700	199,610
	Medical expenses	18,095	40,299
	Mobile bill	5,655,427	4,636,577
	Overtime premium	320,000	1,220,122
	Pad, Brochure, Logo etc. expenses	9,788,708	11,957,703
	Physician sample cost	1,759,555	2,149,439

		Amount in Taka	
		30-Jun-14	30-Jun-13
	Physician sample packing cost	405,990	495,950
	Physician sample processing & delivery cost	321,625	392,891
	Product development	1,165,593	1,091,506
	Postage, telephone & fax	102,182	1,624,872
	Printing & stationery	4,725,514	5,021,678
	Promotional expenses	22,549,842	29,434,623
	Rent, rates & taxes	6,046,297	5,514,915
	Renewal & registration	352,263	255,352
	Repair & maintenance	1,153,446	1,618,245
	Salary & allowances exp.	173,434,841	161,561,882
	Subs. books & periodicals	1,475	3,740
	Training expenses	302,863	347,515
	Water, electricity & gas	1,727,368	1,329,274
	Welfare & recreation	2,094,060	3,016,037
	Total	**263,433,558**	**279,638,035**
24.00	**Financial expenses**		
	Interest on bank loan (MTR &MPIT)	22,362,668	17,935,342
	Interest on bank loan (HPSM)	2,970,358	5,715,298
	Interest on lease obligation	5,791,952	11,567,682
	Interest on term loan	4,504,392	-
	Total	**35,629,370**	**35,218,322**
25.00	**Earning per share (EPS) :**		
		10.02	0.86

The composition of EPS is given below :

a) Earning attribute during the year to the ordinary share holder Tk. 25,050,684 and previous year Tk. 2,154,396

b) The number of ordinary shares at the close of business during the year (2013-2014) are 2,500,000 and previous the year (up to 30 June' 2013) were 2,500,000.

Delta Pharma Limited

Annexure-A

SCHEDULE OF PROPERTY, PLANT & EQUIPMENTS

As at 30 June 2014

Property, Plant & Equipment :

Amount in Taka

Particulars	Cost				Rate of Dep. (%)	Depreciation				Written down value as on 30 June 2014	Written down value as on 30 June 2013
	Balance as on 1 July 2013	Addition during the year	Disposal/ Adjust	Balance as on 30 June 2014		Balance as on 1 July 2013	Charged during the year	Disposal/ Adjust	Balance as on 30 June 2014		
Land & land development	21,553,312	5,373,600	-	**26,926,912**	**0%**	-	-	-	**-**	**26,926,912**	**21,553,312**
Factory building	35,076,065	8,794,434	-	**43,870,499**	**5%**	12,114,954	1,367,916	-	**13,482,870**	**30,387,629**	**22,961,111**
Plant & machinery	89,934,133	6,630,489	-	**96,564,622**	**10%**	28,459,474	6,478,990	-	**34,938,464**	**61,626,158**	**61,474,659**
Electric equipments	4,819,425	-	-	**4,819,425**	**20%**	3,723,385	219,208	-	**3,942,593**	**876,832**	**1,096,040**
Furniture & fixture	13,024,672	62,000	-	**13,086,672**	**10%**	3,533,621	952,205	-	**4,485,826**	**8,600,846**	**9,491,051**
Automobiles & vehicles	60,077,850	-	-	**60,077,850**	**20%**	37,949,348	4,425,700	-	**42,375,049**	**17,702,801**	**22,128,502**
Generator	8,777,623	110,000	-	**8,887,623**	**20%**	4,845,685	797,388	-	**5,643,073**	**3,244,550**	**3,931,938**
Office equipment	23,036,015	5,179,185	-	**28,215,200**	**10%**	5,820,935	1,980,467	-	**7,801,403**	**20,413,797**	**17,215,080**
Electric installation	4,110,985	-	-	**4,110,985**	**10%**	1,255,947	285,504	-	**1,541,450**	**2,569,535**	**2,855,039**
Spares & accessories	2,934,134	30,252		**2,964,386**	**20%**	1,077,233	374,405	-	**1,451,638**	**1,512,748**	**1,856,901**
Total	**263,344,214**	**26,179,960**	**-**	**289,524,174**		**98,780,583**	**16,881,784**	**-**	**115,662,367**	**173,861,807**	**164,563,631**

During the year

83% of total Depriciation charged on determining cost of goods sold.

17% of depriciation charged as administrative expenses.

Linatin

Linagliptin 5 mg Tablet

...initiates legendary living

- Cardiac, renal & hepatic friendly antihyperglycemic agent
- Greater inhibitory potency than other DPP-4 inhibitor
- Pregnancy category B
- FDA approved drug
- Once daily dosing
- Also effective in combination with Metformin, Sulfonylurea & Insulin
- Low incidence of hypoglycemia than sulfonylurea
- No chances of weight gain like sulfonylurea

DELTA **Delta Pharma Limited**

Nebinor 5

Nebivolol 5 mg Tablet

Power of selectivity

- Initiate Erectile Dysfunction.
- Increase Plasma Glucose.
- Create Bronchospasm.

DELTA **Delta Pharma Limited**

Delta Pharma Limited

Registered Office : Tarakandi, Pakundia, Kishoreganj
Dhaka Office : House # 501, Road # 34, New DOHS
Mohakhali, Dhaka-1206. Phone : 9892192, 8711645-7

Attendance Slip

I/We hereby record my attendance at the 7th Annual General Meeting of the shareholders of Delta Pharma Limited will be held on Thursday, the 25 December 2014, at 10:00 am at Conference Hall (1st Floor), LGED Bhaban, Agargaon, Dhaka, Bangladesh.

Name of the Member/Proxy _____

Register Folio No. _____ holding of _____ Ordinary Shares.

_____ _____

Signature of the Member /Proxy Signature verified by

Note: Members are requested to present the Attendance Slip at the Registration Desk.

Delta Pharma Limited

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PROXY FORM

I/We _____ of _____ being a member of Delta Pharma Limited do hereby appoint Mr./Ms. _____ as my/our Proxy to attend and vote for me/us on my/our behalf at the 7th Annual General Meeting of the shareholders of Delta Pharma Limited will be held on Thursday, the 25 December 2014, at 10:00 am at Conference Hall (1st Floor), LGED Bhaban, Agargaon, Dhaka, Bangladesh and at any adjournment thereof.

As witness my/our hand this _____ day of _____ 2014.

_____ _____

Signature of the Member Signature of the Proxy

Register Folio No. .....

No of shares held: .....

Signature Verified

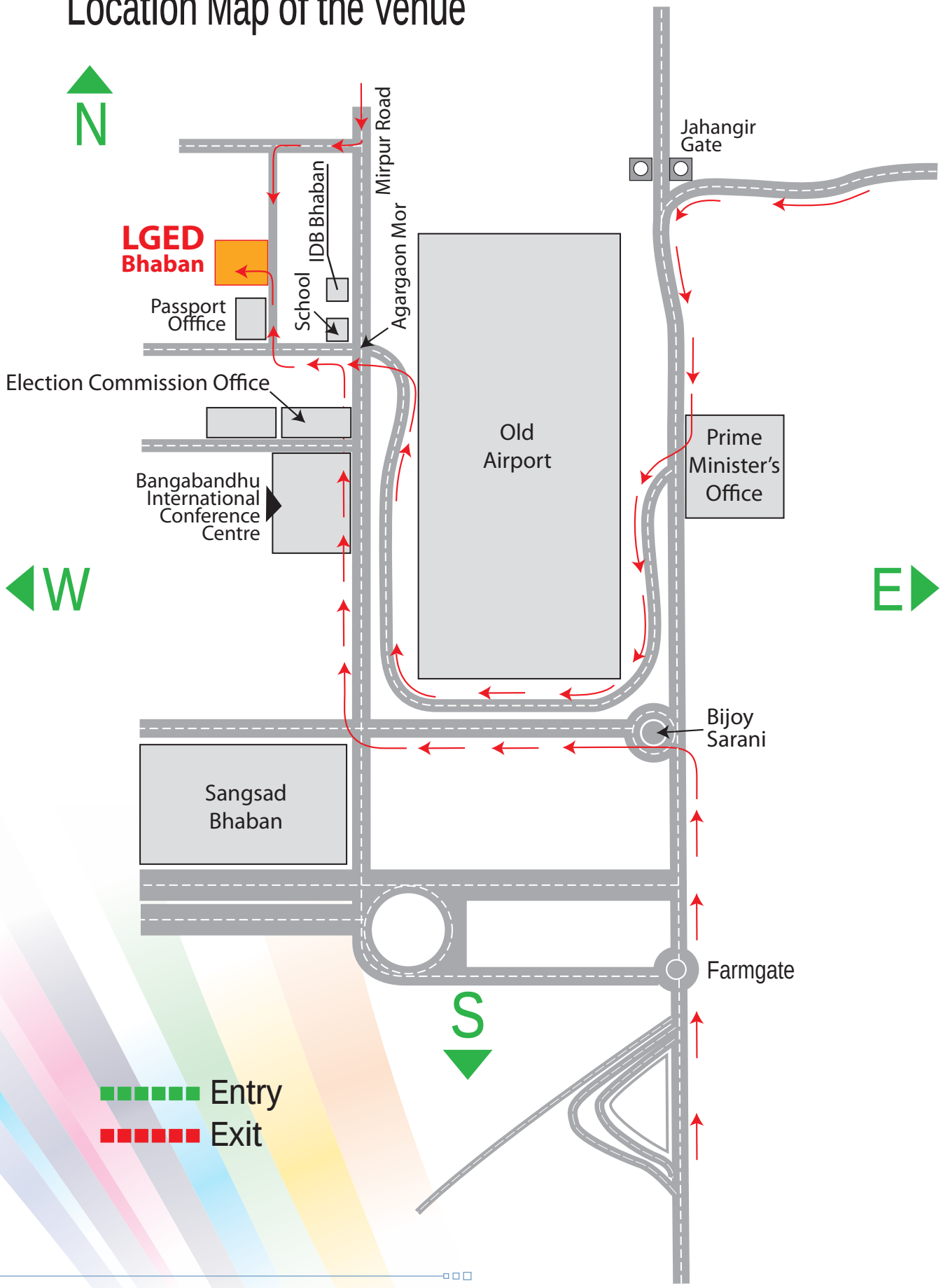
Revenue Stamp Tk. 10.00

_____

Authorized Signature

Note: A member entitled to attend and vote at the 7th Annual General Meeting 2014 may appoint a Proxy to attend and vote on his/her behalf. The Proxy form, duly stamped, must be deposited at the above mentioned Dhaka Office of the Company at least 48 hours before the time fixed for the meeting.

Location Map of the Venue



Xone-3

Ceftriaxone 500 mg IM, 500 mg IV
1 gm IV & 2 gm IV Injection

3G Cephalosporin

The Drug of Choice in...

- Surgical prophylaxis
- Typhoid fever
- Septicemia
- Meningitis
- Pneumonia

DELTA **Delta Pharma Limited**

Delta Pharma Limited

House # 501, Road # 34, New DOHS, Mohakhali, Dhaka-1206, Bangladesh
Tel : +88-02-9892192, Fax : +88-02-8750959, Web : www.deltapharmabd.com

ISO 9001:2008 CERTIFIED COMPANY