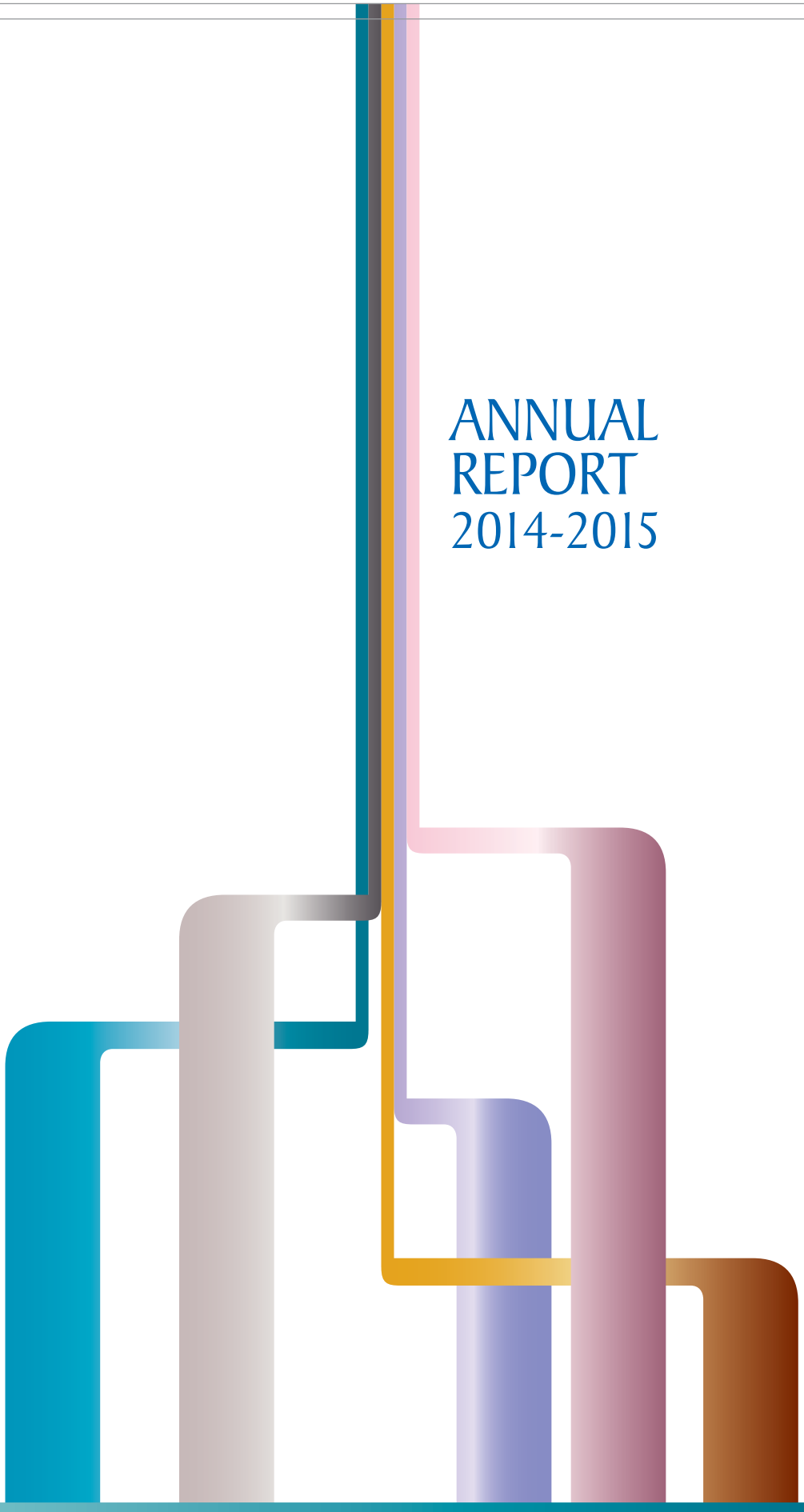
ANNUAL REPORT 2014-2015



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

Sub : Annual Report for the year ended 30 June 2015.

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 2015, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year ended 30 June 2015 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: 03 December, 2015

NOTICE OF THE 8TH ANNUAL GENERAL MEETING

Notice is hereby given that the 8th Annual General Meeting of the shareholders of Delta Pharma Limited will be held on Thursday, the 24 December 2015, at 10:00 am at Marriott Convention Center Ltd., Happy Arcade (5th Floor), House# 3, Road# 3, Dhanmondi, Dhaka-1205 to transact the following business:

AGENDA

1-0 To receive, consider and adopt the Audited Accounts for the year ended 30 June 2015 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 2015;

4-0 To appoint Auditor(s) for the year ended 30 June 2016 and fix their remuneration;

Agenda and Proposed Special Resolution

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

Issuance of Rights Share

Resolved that, "For expanding the existing business as well as creating new business (API, Herbal & Nutriceuticals), land purchase and for making payment to Bank and leasing company. The proposal, to raise paid up capital through issuance of right share 10:1R (1 right share against 10 ordinary shares) basis per share value of Tk. 100 be and hereby approved and addopted as special resolution".

By order of the Board

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

Dated: 03 December, 2015

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.

It is great pleasure to welcome you all to the 8th Annual General Meeting of Delta Pharma Limited. In 2014-2015 the Company earned profit and from that the Board of Directors recommended 10% dividend (5% cash & 5% stock). This is a proud achievement for all of us. Despite political turmoil, the Company managed to achieve the steady growth. With our continued focus on research and development to strengthen the production line, strategic priority on business and investment to enhance our manufacturing, marketing and supply chain capabilities, the Company continues to progress in the right direction to deliver sustainable returns for the shareholders.

We have experienced intense challenges and uncertainties throughout the year 2014-2015. The Pharma sector faced stiff market competition. Despite the pressure of the competitive environment Delta Pharma continued to focus on enhancing quality products, innovation and driving market expansion. I take this opportunity to review our performance during the financial year 2014-2015. From the business operation, we have earned profit of more than TK. 2.76 Crore during the year which is a significant growth compared to the previous year.

We expect 2015-2016 to be marked as a year to push ahead for growth through change. The management of the company under the leadership of Managing Director has been trying tirelessly to grow the business activities both in local and foreign market. We are thankful to our valued shareholders, prescribers, employees, workers, suppliers and other stakeholders for their valued support to achieve our main goal.

I would like to conclude my statement by conveying my personal appreciation to all our shareholders for their continued support at all times and special thanks to all our employees for their dedication and hard work that have made Delta Pharma what it is today.

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.

Welcome you all in this Annual General Meeting on behalf of the Board and the company management. Company has gained it's double digit growth and profit along with the declaration of dividend for the shareholders for the consecutive second year, which is only possible by your generous support and confidence on us. Please accept our heartfelt thanks and congratulation for this wonderful achievement.

In it's 11 years of business operation, our company has been consistently delivering on its promise of performance. From the humble beginning as a small company, today it has become a leading manufacturer of pharmaceutical products in the country. The company has achieved this by staying focused on creating value for all its customers and shareholders. On this august occasion, we would like to recognize and acknowledge the contribution of the sponsor shareholders and the entrepreneurs, especially our beloved late Managing Director Dr. M. Omar Faruque, who have rebuilt the company and the manufacturing plant and started the business operation on 21 November 2004. We always honor the support, contribution and the involvement of our shareholders, prescribers, employees and the chemists for their kind and generous support and cooperation to the company.

Through 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 by January 2016. These hospitals are giving the opportunity to expand our business, ensure the product availability and also gradually helping our shareholders and employees in getting quality medical and hospital service at an affordable cost. Application has been called to allot API plant at the API Park, at Gazaria of Munshigonj and we are in the process to apply for that.

Political turbulence and headwinds in the country during the first quarter of 2015, has seriously disrupted our business activities. Despite all the challenges, we were able to register a growth of 11.01% in domestic business. In the year we added 08 new products to our portfolio. Key to all our efforts has always been to offer the best possible solutions to our patients and to make them affordable. In the highly competitive market, we have maintained our strong position in key therapeutic segments like analgesics, anti-rheumatic, respiratory and lipid lowering categories with excellent growth rate in each segment. We have also performed well with our gastrointestinal and cardiovascular range.

We have strengthened our presence in several Asian and African countries and we are actively evaluating opportunities to extend our geographic footprint by replicating our successful model in other emerging markets. Although our current export turnover is still low and contributes little to the overall sales, we strongly believe there is ample opportunity to expand our export business.

Working in healthcare or a pharmaceutical company is always an honor and a privilege for a health care professional. To perform the responsibility with dignity and honor, I can't think of any better place than Delta Pharma. This is an excellent experience to work with the wonderful and talented people who have also given me the opportunity to grow as a professional along with them. I always feel proud to be able to lead a company which continues to make a difference by providing newer, better solutions for the patients at an affordable cost.

Putting patients at the heart of our business has always remained our guiding principle. Our mission is to ensure health and wellbeing of the people by providing quality medicines at an affordable. We always strive to align our initiatives to our objectives and as we continue to grow they are clearly directed towards value creation for our shareholders.

As our vision statement encapsulates - we aspire to be among the most admired companies in the country, and that is only possible with your continued support and trust. My sincere gratitude to all the shareholders of the company for being with us in our journey. I would also like to extend my thanks to each and every employee of Delta Pharma for their dedication and hard work and I want them to take on new challenges for the eventual benefit of the company. I'm sure together we will continue to deliver strong results and accomplish our long term goals.

In conclusion, I want to restate our strong aspiration 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 as a leading pharmaceutical company in Bangladesh is producing quality generic medicines at an affordable price, which also gained the trust of the physicians and patients within Bangladesh and also to the exporting countries.

Delta Pharma Limited has started its operation in 2005 with the present management and is striving 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, life saving drugs and also first time in Bangladesh type of products in the market. Along with the domestic business, the company is strengthening its global business steadily.

We always believe that, honesty, loyalty, dedication and commitment, integrity, 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 well wishers.

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	:	275 Million
Number of Total Shareholders	:	1,296 (at book closure date 24-26 November, 2015)
Number of Employees	:	1,219 As on 30 June 2015 (Permanent 1106, Casual 109 and Contractual 4)

Doxobid

Doxophylline 400 mg Tablet

Breathing well, Living well

- Shows better efficacy than theophylline
- Remarkably reduces the bronchial airway inflammation
- Unique Structural Superiority ensures maximum safety profile
- Lower drug-drug interaction than theophylline

Delta Pharma Limited

ISO 9001:2008 CERTIFIED COMPANY

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.
AB Bank Ltd.
National Bank
Sonali Bank

OUR MANUFACTURING FACILITY

Manufacturing Plant of Delta Pharma is built with strict compliance to WHO cGMP standards and also to meet the requirements of Drug Administration Authority. Through the impressive strategies of the company DPL is committed to ensure optimum productivity performing all its activities with quality people, materials, machinery and products. DPL is continuously searching in diversifying the ranges of new products and services with all the major therapeutic areas. Delta Pharma is continuously creating innovative idea to its every step of operation to add distinctiveness and competitiveness to the products and services.

Delta Pharma adopting the most modern technology to formulate and to produce generic formulation ensuring the highest quality products compared to the international brands.

To fulfill the market requirement at home and abroad we have extended our facilities (factory area, production area and capacity) by purchasing new machinery and equipments with increasing the skill of manpower and by improving the best available technology.

Now our plant is capable to produce the products worth Taka 132 Crore yearly. We have fully trust on our quality products which can comply with the national and international regulatory standards.

Facility Expansion & Capacity

SL No.	Fiscal Year	Production Capacity	Covered Area
01.	2013-2014	122 Crore (In BDT)	35,200 sft.
02.	2014-2015	132 Crore (In BDT)	40,152 sft.

Production Department

Delta Pharma limited manufactures the unique quality medicines through effective implementation of cGMP with continual improvement. The highly skilled and experienced team is dedicated in producing medicinal products with consistent quality under clearly defined Standard Operating Procedure (SOP) in compliance with the instructions of ISO 9001: 2008 quality management system. The manufacturing unit includes the facilities of Tablets, Capsules, Oral liquids and powder for suspensions. The highest quality products are produced by using the most modern and sophisticated machinery, maintaining man-material flow and prevent cross-contamination through HVAC system. Maximum output is ensured by maintaining production plan and proper utilization of manpower. Currently we have established a separate production area for Methotrexate with dedicated facilities. We are continually upgrading and standardizing our facilities, equipment and processes to meet the both national & international standard.

Production

Quality Control

Microbiology

Product Development

Quality Control Department

Quality Control Department is going with a group of highly educated, well trained, dynamic and professionally competent personnel. Quality control department is designed with Physical, Chemical, Instrumental and Microbiological Laboratory.

Quality control department is highly equipped with the most modern and sophisticated equipments. Example for Atomic Absorption Spectrophotometer (AAS), High Performance Liquid Chromatography (HPLC) Isocratic and Binary gradient, Fourier Transform Infrared Spectrophotometer (FTIR), Real Time Stability Chamber, UV-Visible Spectrophotometer, Digital Potentiometer, Digital Dissolution Tester, Digital Karl-Fischer Titrator, Digital Polarimeter, Digital Refractometer, Digital Melting Point meter, Emergency eye wash, pH meter, Hardness Tester, Disintegration Tester, Friability Tester, Digital Moisture Analyzer etc.

The Microbiology Laboratory has been facilitated with separate HVAC System & sandwich panel and equipped with Digital Zone reader, Digital Colony counter, Digital Incubator, Digital Autoclave, Laminar Air flow cabinet, Digital Microscope, etc.

Analysis system of Quality control department is followed by the guideline of British Pharmacopoeia (BP), United States Pharmacopeia (USP), WHO cGMP, FDA & ISO Guideline.

Quality Assurance Department

Quality Assurance is the totality of the arrangements which ensure that pharmaceutical products are of the quality required for their intended use. It is a major public health challenge, particularly in light of growing cross-border health issues. Quality assurance activities are planning the overall process for assuring quality. Its purpose is to design a quality assurance plan and monitor problems and drawbacks.

The team members of Quality Assurance department of Delta Pharma Limited are highly qualified, professionally skilled and well trained personnel. Quality Assurance team of Delta Pharma plays the vigilant role of controlling, ensuring and maintaining the consistent quality of products by following WHO guideline and maintaining ISO 9001:2008 Quality Management System.

Product Development Department

Delta Pharma established it's Product Development Department with the advancement of state-of-the-art pharmaceutical technology for the development of innovative products with a focus to create unique market opportunities. The objective of this department is to develop new drug by compliance with standard pharmacopoeia (BP, USP-NF, EP etc) which supports the valued customers with advanced & quality medicines at affordable prices. Our Product Development Department delivered various dosage forms like Solid formulation (e.g. chewable, immediate release, effervescent, sustained release & delayed release tablet), Capsule formulation (e.g. delayed release , sustained release & immediate release capsule), Powder formulation (e.g. powder for suspension) and Liquid formulation (e.g. syrup, suspension & solution) in different therapeutic segments by conforming to the Quality Management System set by ISO and strictly maintains the guideline of WHO cGMP.

The activities are given below-

1. Pre-formulation studies of new drugs product.
2. Formulation Development & Improvement.
3. Lab batch manufacturing and standardize process sheet.
4. Analytical method develop and validation through Q.C department.
5. Stability study following ICH guide-line and prediction of shelf life.
6. Packaging component development & Improvement.
7. Trial batch manufacturing and manufacturing document prepared.
8. Process validation.

Engineering and Maintenance Department

Engineering Department of Delta Pharma Limited has established a workshop with modern heavy duty machinery and engineering store. We have also recruited a good number of skilled professionals including B.Sc Engineer, Diploma Engineers, Trained mechanics of Electrical, mechanical and Air-conditioning /HVAC. This department is entrusted for the smooth functioning and regular maintenance of the Production machinery, QC/QA Equipments, Power house (generator with underground reserve tank, Sub-station with transformer and dedicated main distribution system), Air compressor system, HVAC system, Water treatment system and ETP.

Warehouse Department

The warehouse of Delta Pharma is to offer high quality professional service in an environment of cooperation, integrity and excellence to support our others department, providing the highest standards in internal service with maintaining WHO guideline and ISO 9001:2008 Quality Management System.

We have Raw materials of general section and also isolated Cephalosporin section. We have the liquid RM, flammable solvent store and two Heat sensitive RM store (temperature maintained between 2°c to 8°c and 8°c to 15°c). 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. Suitable fire fighting equipments exhaust system and proper fast-aid facilities are established in the department. Return and reject materials/goods to the appropriate storage location as per procedure.

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 are maintaining regularly.

HUMAN RESOURCES DEVELOPMENT

We care our people in our business. 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.

The development of the people of the company is our highest priority. We are equal opportunity employer. The company also believes their selection development and deployment can lead to a competitive advantage in a changing business environment. We provide a working environment to unleash the full potential of the employees and a performance based career progression.

The company currently employs 1,219 number of employees which include doctors, pharmacists, chemists, microbiologists, engineers 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

Being a reputed, quality pharmaceutical manufacturer DPL is committed to satisfy its valued customers by rendering effective services from skilled company personnels continually receiving customized in-house, outsource and overseas training. A well-defined Training Department is in work round the year in this purpose.

- 192 MPOs,in 9 batches, received 45 days foundation training prior to their appointment.
- In addition to this, 97 experienced recruits (MPOs) were trained up through 20 batches of short-training program.
- Newly appointed 07 Field Managers were induced 5-day orientation training in a single batch.
- At plant, 174 personnels (Workers, Officers, Executives) had participated in 31 various training programs conducted by (Plant) departmental managers/corporate representatives (HR & Training).
- 58 Officers/Executives/Managers, seven from Plant and fifty one from Corporate, HR, IBO, PMD and Sales had received training via 18 outsource (customized) courses.
- Training handouts of MPOs foundation training have been served as a single volume (as bounded book) for the first time.
- Month end one day strategic workshop on sales achievement for MPOs at 18 regions were conducted regularly.
- A number of routine workshops/training programs remained pending due to unrest law-order situations prevailed throughout the country.

BUSINESS OPERATIONS

Comparative Growth Sales

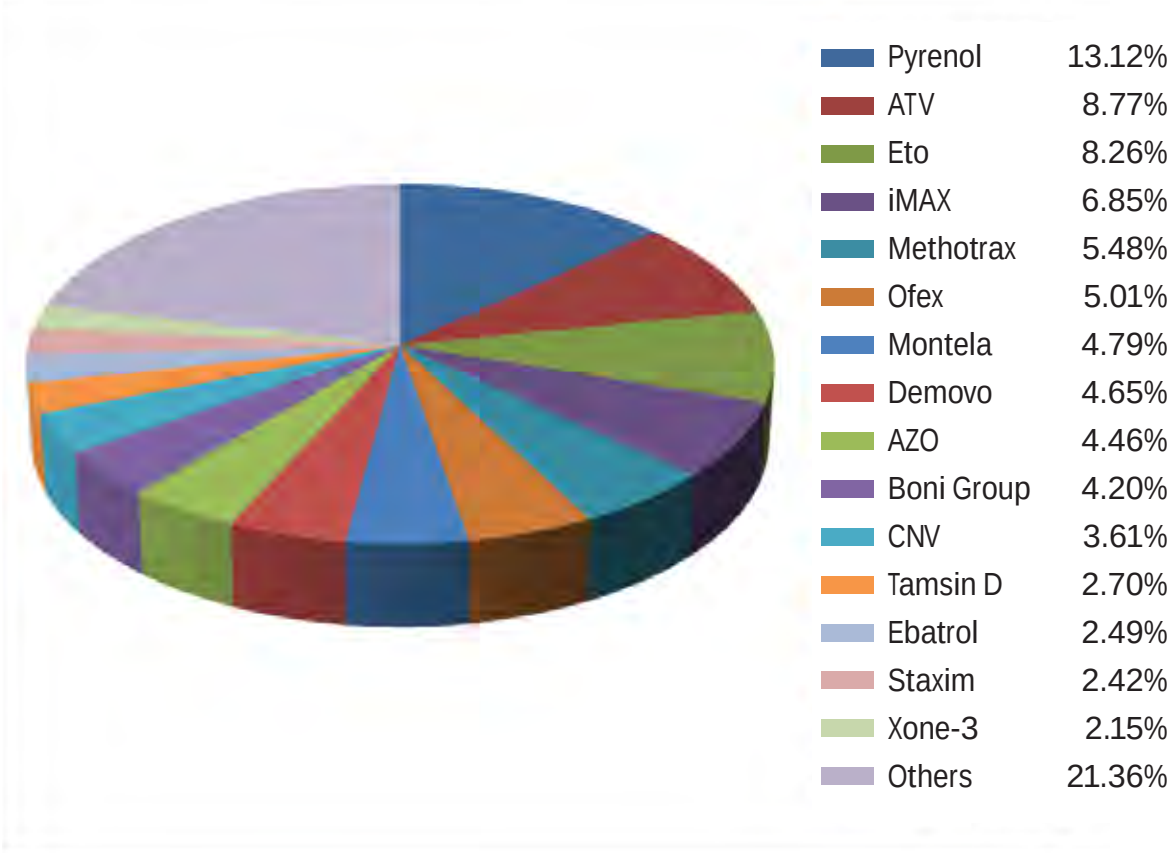
The overall sales growth of Delta Pharma was 10.69% over the previous financial year, where the local sales contributed a bit more than the export sales. The growth of local sales is 11.01% where the growth from export sales was 5.82%

Sales	Sales (Tk.)		
	2014-15	2013-14	Growth
Local Sales	631,735,452	569,066,727	11.01%
Export Sales	39,475,342	37,304,541	5.82%
Total Sales	671,210,794	606,371,268	10.69%

Products

In this fiscal year (2014-2015), Delta Pharma is running with 70 Brands (104 Dosage form) in which 8 products have launched in this fiscal year. Methotrax is the Brand Leader from 2004 to till date. Pyrenol is in the 3rd position and Eto in the 4th position in IMS 3rd Quarter, 2015.

Among all the brands of Delta Pharma, Pyrenol still holds the first place in the fiscal year of 2014-2015 in terms value sales, which is followed by ATV, Eto and iMAX.



Among the Top 15 brands, only Pyrenol and CNV are the OTC brands, other 13 brands are from prescription segment. ATV became the second contributing brand (8.77%) of Delta in last fiscal year which was 5th in previous fiscal year (2013-14). At the same time iMAX placed 4th (6.85%) which was in 6th position in 2013-14 fiscal year.

Marketing Strategies

We have implemented a meticulous marketing strategy in this year by classifying all the brands into different segments.

ICON Brands: In this year, we have selected ATV, iMAX and Ofex as ICON brands after thoroughly analyzing the market. These three brands have been promoted under a comprehensive marketing plan. As a result these three brands are now the top contributing brands of Delta Pharma. As per the prescription share done by the independent survey, ATV is the 4th brand in 3rd Quarter 2015. We hope ATV will be the 3rd brand as per prescription share by the end of 2015. As per IMS report (3rd Quarter 2015), ATV is the 6th brand in terms of value sales, which was in 7th position in previous year.

Priority Brands: Azo, Boni Group, Demovo, Eto, Ebatrol, Methotrax, Montela and Tamsin D are the brands in this segment. After Icon brands, these brands get the highest priority in promotional activities.

Injectable Brands: We have two injectable brands Xone-3 and Ket 30. We have maintained the highest quality injectable brand. 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).

Marketing Executives: We have introduced a new marketing group "Marketing Executives" to take care of our Chronic Care Brands. They have totally different work plan for developing prescribers for Chronic Care Brands.

Chronic Care Brands: We always promote Chronic Care Brands under special promotional strategies. We have a very special promotional strategy for Chronic Care Brands and that is, we will always keep the economical price in Chronic Care Brands. The honorable shareholders of Delta Pharma Limited always motivate us to launch more Chronic Care Brands especially in Anti-diabetic and Anti-hypertensive therapeutic class. To honor their recommendations, we have already launched Nebinor (Nebivolol 5 mg tablet), Linatin (Linagliptin 5 mg tablet), and RTV (Rosuvastatin 5 & 10 mg tablet). We have also launched Anti-Gout product Febulas (Febuxostat 40 mg tablet).

We have recently launched Anti diabetic combination product Sitalia M (Sitagliptin + Metformin Hydrochloride tablet) and Doxobid (Doxophylline 400 mg tablet).

PPI Group: We have a plan to fulfill our Proton Pump Inhibitor basket. To fulfill the basket we have already launched Rmax (Rabeprazole 20 mg capsule) and we are also going to launch Pentoprazole in January 2016.

New Product Launched:

Product Launching from July '14 to June '15

Sl No.	Brand Name	Pack Size	Launching Date
1	Nebinor 5 Tablet	30's	August, 2014
2	Linatin Tablet	20's	October, 2014
3	Febulas 40 Tablet	30's	December, 2014
4	Plezer 30 Tablet	8's	January, 2015
5	Rmax 20 Capsule	50's	April, 2015
6	RTV 5 Tablet	30's	June, 2015
7	RTV 10 Tablet	20's	June, 2015
8	Xtrafen Tablet	50's	June, 2015

Institutional Business Operation

During this fiscal year (2014-15) we did business with CMSD, BGB, Islamic Mission, Civil Surgeon Office of Cox's Bazar, Kurmitola General Hospital, Faridpur Medical Collage Hospital, BGMEA Hospitals, Mymensingh Agricultural University after successfully bidding in the tender. We are also exploring opportunities in other government and big private institutes to expend our business in this segment.

CME Program

As a part of our promotional campaign we have arranged CME Programs in different regions throughout the country. This type of program is very much helpful for us to develop rapport with the doctors and to promote the image of the company also. We are also arranging educational Programs for Non qualified doctors from this year.

INTERNATIONAL BUSINESS OPERATION

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 Vietnam. We already introduced a new buyer for our company in Vietnam. We are also registering some of our products through that buyer and this year we made a shipment to this buyer. We are trying to renew our existing products and also are trying to introduce new products in those markets. Simultaneously, we are improving the quality of our documentation and dossiers for getting a clean one step registration from those countries. In Vietnam the regulatory requirements changes continuously. We are also informing happily that our company is now a registered company in Vietnam Drug Administration, Cambodian Ministry of Health, FDA Philippines, FDA Myanmar, NMRA Sri Lanka and PPB Kenya. We are also registered with Ministry of Health of Sudan as a Food Supplement Manufacturer.

Regarding the Philippines, we had a steady growth in business but not up to our desired level. Now in Philippines, we need to submit Bio-Equivalence (BE) Study report or Bio-waiver Application with dissolution profile which is necessary for the purpose of re-registration our registered products. Our goal is also to submit these reports within shortest possible time. We are arranging a GMP inspection according to the requirement of Philippines FDA.

During 2014-2015 our key objective was to stabilize and expand the business in Sri Lanka, Myanmar and Cambodia. We can say that we are partially successful in Cambodia and already made a successful start and it seems promising. We are yet to get the results from Sir Lanka and Myanmar. But it is under process and we are confident that it will be reflected in our next year's business In-Sha-Allah. We had changed some buyers of Sri Lanka because our previous buyers were not giving business at our expected level. Our two buyers of Myanmar had lack of resources and import registration, which they had overcome now. We are now getting business from Myanmar.

We introduced a new buyer from Guatemala. We are registering our products and also selling those products to Guatemala at the same time. It is just starting of the business in Guatemala for this the order quantity is low in respective to other countries.

In the coming days, we will be focusing to the African region. We are in the process of registration in SUDAN and have a plan to explore Tanzania, Somalia and Nigeria. We are trying to establish a contact in Cyprus (EU) for some of our products. We will definitely try our best to en-cash the golden opportunity.

Comparative business scenario major revenue earning Countries like Philippines, Vietnam and Cambodia are given below for FY 2013-2014 and FY 2014-2015.

Name of Country	2014-2015		2013-2014		Growth
	USD	BDT	USD	BDT	
Philippines	191,910.64	14,810,475	144,776.00	11,114,810.00	33.25%
Vietnam	200,945.00	15,531,234	189,351.00	14,565,855.00	6.63%
Cambodia	58,205.00	4,484,188	-	-	-

iMAX 20

Esomeprazole 20 mg Capsule

Inhibition Maximum...

- Ensures better acid control
- Maintains prolonged intragastric pH >4
- FDA approved OTC PPI

Delta Pharma Limited

DELTA

FUTURE PLAN

Delta Herbal and Nutraceuticals Ltd.: We are planning to extend our business in alternative medicine sector. We have primarily selected some Probiotic combinations and some other unique herbal and Nutraceuticals preparations for this purpose, which will be visible soon.

API Project: The API plot (in Gazaria, Munshigonj) is going to be allocated to the applicants very soon. We have started our ground work to make the project feasible and profitable for Delta. As a part of this ground work we have made some meeting with different technical persons and we have taken initiative to train and educate some of our officials for this project from outside Bangladesh.

2014-2015 HIGHLIGHTS

- Introduced 08 new products in the existing line in different dosages forms.
- We have expanded our production facility by installing some machineries and equipments. A dedicated production facility for manufacturing Methotrax tablet has been established as per the regulatory requirement of Director General of Drug Administration (DGDA). Besides the existing Quality Assurance department, a dedicated QA & QC facility has also been established for Methotrax tablet production.
- We have registered products in Cambodia and we are getting significant business from there.

POST BALANCE SHEET DEVELOPMENTS

In the first quarter of FY 2015-16, we have launched 03 number new products in our product line and another 05 products are in process for launching.

Sl No.	Brand Name	Pack Size	Launching Date
1	Xtrafen SR Tablet	30's	August, 2015
2	Sitalia M 500 TAblet	12's	October, 2015
3	Doxobid 400 mg Tablet	30's	November, 2015

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.

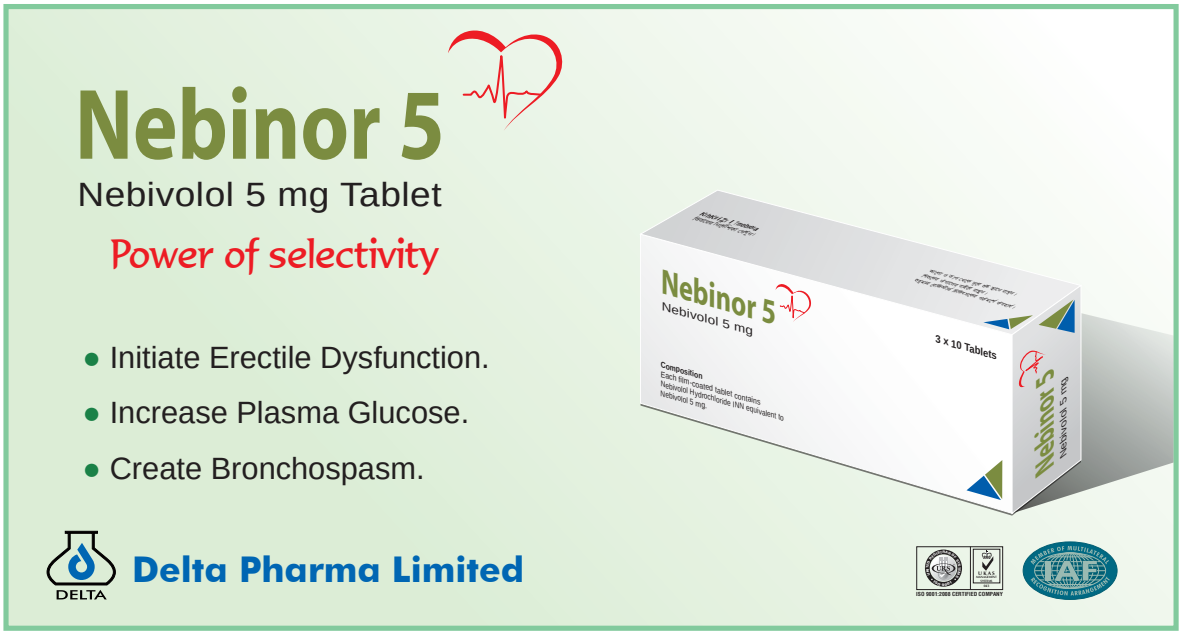
CORPORATE SOCIAL RESPONSIBILITIES

As a corporate citizen, we aim to take the initiative to address social issues in fields where we can leverage our strengths. Delta Pharma is committed to creating corporate value by developing outstanding pharmaceutical products and conducting corporate citizenship activities. At the same time, we also work to sustain corporate value through business processes that are grounded in integrity. As a part of CSR program we are giving support in the following ways:

- Free Medical Camp
- Sponsoring different scientific Seminars and CMEs
- Sponsoring national and international programs conducted by different medical societies
- Free Medicine supply to the poor patients
- Donation for conference of different professional societies
- National day celebration
- Building of Hospitals & Mosque.

BENEVOLENT FUND FOR EMPLOYEES

The Benevolent fund that has been created last year to support the employees of Delta Pharma is now active and has already given support to some of employees. This fund is totally financed by the employees of Delta Pharma Ltd. Every month they are contributing a very small portion of their salary to the fund. This account of the fund is maintained by a trusty board formed by the senior officials of Delta Pharma Ltd.



DIRECTORS' REPORT

Dear Shareholders,

As-Salamu-Alaiqum.

On behalf of the Board and Management, I welcome you all at the 8th Annual General Meeting of Delta Pharma Limited. We have the pleasure to place herewith the Director's Report and the Auditors' Report together with the Audited Financial Statements of the company for the year ended 30 June 2015 for your valued consideration, approval and adoption.

Operating Performance

Business Outlook- A General Overview

The Bangladesh economy after struggling the political disturbances recovered well and grew around 6%. Gains made in agriculture, services, foreign trade and remittances helped achieve this growth despite the fact that industrial growth slumped in 2014. Inflation based on Consumer Price Index declined with a fall in food prices being the primary factor. The exemptions on pharmaceutical product patents granted to the least developed countries are set to expire by end of 2015. In February this year, the LDCs led by Bangladesh, applied for extension of the exemption period till their graduation from the LDC status. It should be noted here that, WTO-TRIPs council in 2013 granted extension of the general exemptions to the LDCs for protecting IP rights for a period of 8 years till July 1, 2021. Recently TRIPS facilities for exemption on pharmaceuticals products patents has been extended for a period of 17 years till 31 of December 2032 to the LDCS. Additionally, Bangladesh has established a strong base for manufacturing pharmaceutical products and the industry has earned reputation as manufacturer of quality medicine. Thus there is opportunity for the companies to achieve accelerated growth through local sales & exports. The reemergence of political instability remains a risk to maintaining growth going forwards.

Sales and Profitability

The domestic sales of the Company in 2014-2015, for the first time crossed Tk. 631 million. This is an appreciable 11.013% growth over in 2013-2014. Domestic sales continued to be the major contributor to revenue with 94% of sales being made in our local market. The revenue from export sales in 2014-2015 was Tk. 39.47 million. This is higher than exports of 2013-2014. During the year, we are trying to enter into new foreign markets.

Corporate Governance

Delta Pharma believes that good corporate governance is the background of an upright business entity. Accordingly, Delta Pharma emphasizes on stronger diligence to business, all operations being transparent and invites larger involvement of the stakeholders. And aspiring on that, the Company has always strive to maintain the highest standards of corporate governance and business conduct so as create and maintain value of shareholder and safeguard stakeholders' interest. With this end in view, Delta Pharma has been providing and maintaining quality products and best value to its consumers. To attain these objectives the Board of Directors of the company is dedicated to ensuring highest standards of corporate governance to keep the Company's business integrity and

performance on the right track. Being a responsible corporate entity, Delta Pharma maintains adequate transparency and encourages sound business conduct both in its in-house practices and in its external relationship with the community as well as suppliers, consumers and business partner.

Board of Directors:

Constitution:

The Delta Pharma Board is comprised of 8 (eight) Directors. We believe that our Board has the optimum level of knowledge, composure and healthcare understanding about the Company's business which, combined with its diversity of culture and background, stands as the perfect to perform and deliver.

Role & Responsibilities:

The Directors of the Board are appointed by the shareholders at the Annual General Meeting and accountable to the shareholders. The Board is responsible for ensuring that the business activities are soundly administered and effectively controlled. The Directors keep themselves informed about the Company's financial position and ensure that its activities, accounts and asset management are subject to adequate monitoring and control. The Board also ensures that the Company's policies & procedures and Codes of Conduct are understood, implemented and maintained at all levels and the Company adheres to generally accepted principles for good governance and effective control of Company activities.

Board Meetings and Attendance

The Articles of Association (AOA) of the Company requires the Board to meet at least four times or more in a tear when duly called in writing. Dates for Board meetings in a year are decided in advance and notice of each Board Meeting is served in writing well ahead of the meeting. Such notice contains detailed statement of business to be transacted at each meeting. The Board meets for both scheduled meetings and on other occasions to deal with urgent and important matters that require attention. Total 8 meetings of the Board of Directors were held during the year (1st July 2014 to 30th June 2015).

The attendance record of the Directors is as follows:

Name of Directors	Meeting Attended
Mrs. Ferdousi Akhter	6
Dr. Md. Zakir Hossain	8
Mrs. Nadira Begum	7
Mrs. Nazneen Akhter	8
Prof. Dr. Abdul Bayes Bhuiyan	8
Mrs. Monira Jahan	7
Mr. Golam Farook	8
Mrs. Rifat Hossain	8

Delegation of Authority for the Chairman and Managing Director

The roles of the Chairman and Managing Director are separate and delineation of responsibilities is clearly established and agreed by the Board to ensure transparency and

better corporate governance. The Managing Director is the authoritative head for day-to-day management in the Company. He acts reasonably to ensure that Delta Pharma operates business as per the Articles of Association, decisions made by the Board and Shareholder, as well as according to Company's policies and procedures and applicable regulatory laws and legislation.

Access to Information

The Board recognizes that the decision-making process is highly dependent on the quality of Information furnished. In furtherance to this, every Director has access to all information within the Company. Throughout their tenure in office, the Directors are continually updated on the Company's business and the regulatory and industry specific environment in which it operates. These updates are given by way of written briefings and meetings with senior executives and, where appropriate, external sources.

Board Committees

For better, quicker and furnished flow of information and thereby exercising effective governance, the Board has also constituted a number of Committees and has delegated certain responsibilities to the Committees to assist the Board in the discharge of its responsibilities. The role of Board Committees is to review and appraise in the respective areas and then to advise and make recommendations to the Board. Each Committee operates in accordance with the Terms of Reference (ToR) approved by the Board. The Board reviews the ToR of the committees from time to time. The Board appoints the members and Chairman of each committee. A brief description of each Committee is presented below:

Audit Committee

The Audit Committee as a sub-committee of the Board and has jurisdiction all over the Company. The Audit Committee is comprised of 6 members of the Board. The Audit Committee assists the Board in discharging its supervisory responsibilities with respect to internal control, financial reporting, risk management, auditing matters and Company's processes of monitoring compliance with applicable legal & regulatory requirements and the Code of Conduct. The Audit Committee ToR, as approved by the Board, defines the purpose, authority, composition, meetings, duties and responsibilities of the Audit Committee.

The Audit Committee met One time during the year 2015 (1st July 14 to 30th June 15) and attendance of the Committee members in the meetings was as follows:

Name Of Directors	Attendance
Prof. Dr. Abdul Bayes Bhuiyan	1
Dr. Md. Zakir Hossain	1
Mrs. Nadira Begum	0
Mrs. Nazneen Akhter	1
Mr. Golam Farook	1
Mrs. Rifat Hossain	1

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.

Annual Business Plan Evaluation Committee

This sub-committee of the Board has been formed with six members from the Board of Directors and is 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 2014-2015 fiscal year.

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.

Financial Reporting

Delta Pharma has strong financial reporting procedures. Financial statements are prepared in accordance with International/Bangladesh Financial Reporting Standards (IFRS/BFRS), the Companies Act 1994, and other applicable financial legislations. These financial statements, once prepared, are reviewed initially by Head of Finance and MD and then by the Audit Committee on a regular basis. The annual audit is conducted by the external auditors, who are appointed by the Board of Directors followed by the Shareholders' approval in the Annual General Meeting.

Related Party Transactions

If any party casts significant influence over the day to day affairs/matters and also holds the controlling power of the management affairs of the Company and any transaction made during the year with the party related therewith is termed as related party transaction as per BAS-24 "Related Party Disclosure". During the year under report there are no such related party transactions that exist having influence to the company's business.

Election of Directors

As per Article 113 & 114 of the Articles of Association of the company, Mrs. Ferdousi Akhter, Mrs. Nazneen Akhter, Mrs. Rifat Hossain 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 2015 and the recommendation of the Audit Committee, the Board of Director recommended total 10% (5% stock dividend and 5% cash dividend) for the year ended 30 June 2015 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 2015-2016 and re-fixation of their remuneration.

Issuance of Rights Share

For expanding the existing business as well as creating new business (API, Herbal & Nutriceuticals), land purchase and for making payment of Bank and leasing company, the Board of Directors decided in its 64th Board meeting held on 3rd December 2015 to raise paid up capital through issuance of right share on 10:1R (1 right share against 10 ordinary shares) basis per share value of Tk. 100. This is placed before the share holders for their 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, Bangladesh 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 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 to your continued support and cooperation in the future as well.

With sincere regards,

On behalf of the Board of Directors

F. akhter

Mrs. Ferdousi Akhter
Chairman

FINANCIAL HIGHLIGHTS

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
Gross Turnover	671,210,794	606,371,268	577,325,721	525,839,356	407,265,415
COGS	295,359,823	274,560,919	257,908,865	246,392,341	208,025,953
Gross Profit	375,850,971	331,810,349	319,416,856	279,447,015	199,239,462
Net Profit after Tax	27,641,321	25,050,684	2,154,396	1,750,926	387,240

Contribution to the National Exchequer

During the year (July'14 to June'15) Tk. 120 million paid to the National Exchequer in the form of Value Added Tax (VAT), Advance Income Tax (AIT) etc.

Sitalia M 500

Sitagliptin 50 mg & Metformin Hydrochloride 500 mg

...a key to success for type-2 diabetes management

- Improves 3 core defects of Type-2 Diabetes
- More effective than monotherapies in glycemic control
- Excellent safety profile
- Pregnancy category B
- DMF grade raw material & procuring from FDA approved source

DELTA Delta Pharma Limited

Rmax 20

Rabeprazole Sodium 20 mg Capsule

Rapid and Maximum inhibition

Rmax 20 capsule ensures,

- Faster dissolution
- Quicker absorption and
- Drug of choice for chronic disease patients

Rabeprazole in capsule form only @ Tk. 4.00

DELTA **Delta Pharma Limited**

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 2015, 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 (BFRSs), 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' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, 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 2015 and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs) and comply with the Companies Act 1994 and other applicable laws and regulations.

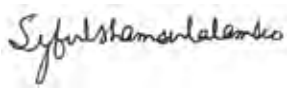
We also report that:

(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
3 December, 2015



Syful Shamsul Alam & Co.
Chartered Accountants

Delta Pharma Limited

STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

Particulars	Notes	Amount in Taka 30 June 2015	Amount in Taka 30 June 2014
Assets			
Non-current assets			
Property, plant and equipments	4.00	204,194,439	173,861,807
Capital work-in-progress	5.00	59,545,431	34,149,561
Intangible assets-development phase	6.00	59,237,313	52,016,615
Investment	7.00	37,500,000	10,000,000
Total non-current assets		360,477,183	270,027,983
Current Assets			
Inventories	8.00	250,840,637	223,719,521
Trade receivables	9.00	61,627,613	41,885,953
Advances, deposits and pre-payments	10.00	75,764,435	63,691,460
Cash and cash equivalent	11.00	2,846,771	2,146,836
Total current assets		391,079,456	331,443,770
Total assets		751,556,639	601,471,753
Equity and liabilities:			
Shareholders' equity			
Share capital	12.00	275,000,000	250,000,000
Share money deposit		19,730,000	-
Retained earnings	13.00	(88,976,778)	(91,618,099)
Total shareholders' equity		205,753,222	158,381,901
Liabilities			
Non-current liabilities			
Long term loan & lease obligation (net-off current portion)	14.00	112,371,307	105,592,731
Deferred tax liabilities	15.00	17,963,493	16,434,936
Total non-current liabilities		130,334,800	122,027,667
Current Liabilities			
Accounts payable	16.00	40,798,181	31,553,793
Short term loan	17.00	218,481,029	164,121,540
Current portion of long term loan	18.00	53,772,789	52,646,655
Interest payable	19.00	21,859,729	17,820,913
Liabilities for expenses	20.00	69,535,958	46,954,396
Provision for income tax of the Company	21.00	11,020,931	7,964,888
Total current liabilities		415,468,617	321,062,185
Total liabilities		545,803,417	443,089,852
Total equity and liabilities		751,556,639	601,471,753

The annexed notes 01 to 29 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: 03 December, 2015

Syful Shamsul Alam & Co.
Chartered Accountants

Delta Pharma Limited

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2015

Particulars	Notes	Amount in Taka 30 June 2015	Amount in Taka 30 June 2014
Revenue	23.00	671,210,794	606,371,268
Cost of sales	24.00	(295,359,823)	(274,560,919)
Gross profit		375,850,971	31,810,349
Other income / (expenses)		-	268,151
Administrative, selling and distribution expenses	25.00	(281,292,530)	(263,433,558)
Profit from operation		94,558,441	68,644,942
Finance costs	26.00	(56,350,162)	(35,629,370)
Profit before income tax		38,208,279	33,015,572
Income tax expense		(10,566,958)	(9,108,052)
Current Tax	27.00	(9,038,401)	(7,964,888)
Deferred Tax	27.00	(1,528,557)	(1,143,164)
Net profit/(loss) after tax		27,641,321	23,907,520
Basic Earnings Per Share (per value Tk.100)	28.00	10.05	9.56

The annexed notes 01 to 29 form an integral part of these financial statements.

F. akhter
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: 03 December, 2015

Syful Shamsul Alam & Co.
Chartered Accountants

Delta Pharma Limited

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2015

Particulars	Share Capital	Retained Earnings	Total
Balance at 30 June 2013	250,000,000	(100,233,847)	149,766,153
Net profit for the year	-	23,907,520	23,907,520
Prior year adjustment (Deferred tax)	-	(15,291,772)	(15,291,772)
Balance at 30 June 2014	250,000,000	(91,618,099)	158,381,901
Balance at 30 June 2014	250,000,000	(91,618,099)	158,281,901
Net profit for the year	-	27,641,321	27,641,321
10% Stock dividend	25,000,000	(25,000,000)	-
Balance at 30 June 2015	275,000,000	(88,976,778)	186,023,222

The annexed notes 01 to 29 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: 03 December, 2015

Delta Pharma Limited

STATEMENT OF CASH FLOWS

For the year ended 30 June 2015

Particulars		Amount in Taka 30 June 2015	Amount in Taka 30 June 2014
Cash flows from operating activities			
Receipt from customers		651,469,134	604,192,835
Payment to suppliers		(288,189,259)	(316,508,517)
Payment to employees & others		(267,784,575)	(248,453,327)
Net cash generated from operating activities		95,495,299	39,230,990
Interest paid		(52,311,346)	(33,643,467)
Income tax paid		(5,982,358)	(2,804,464)
Net cash generated from operating activities	A	37,201,595	2,783,059
Cash flows from investing activities			
Acquisition of property, plant & equipment		(47,975,968)	(26,179,960)
Additional Capital work-in-progress		(25,395,870)	(23,289,632)
Investment		(27,500,000)	(3,000,000)
Development expenses		(17,624,021)	(18,280,582)
Miscellaneous income		-	268,151
Net cash used in investing activities	B	(118,495,859)	(70,482,023)
Cash flows from financing activities			
Receipt/(Re-payment) of long term loan		7,904,710	54,077,986
Receipt/(Re-payment) of short term loan		54,359,489	9,884,086
Share capital and deposit for share		19,730,000	-
Net cash (used in)/ Provided by financing activities	C	81,994,199	63,962,072
Net Increase/(decrease) in cash and cash equivalent (A+B+C)		699,935	(3,736,892)
Cash and cash equivalent at the beginning of the year		2,146,836	5,883,728
Cash and cash equivalent at the end of the year		2,846,771	2,146,836

The annexed notes 01 to 29 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: 03 December, 2015

Delta Pharma Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

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. From 2007, the company is operating as 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. 275,000,000 divided into 2,750,000 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, Kishoreganj in it's own land.

2.00 Basis of preparation of the financial statements

2.01 Statement of compliance

The Financial Statements has been prepared in compliance with the requirements of the Companies Act, 1994 and other relevant local laws as applicable. Cash flows from operating activities are computed under Direct Method as prescribed by the Securities and Exchange Rules 1987.

2.02 Statement on Compliance of BFRS & BAS:

The Financial Statements has been prepared in accordance with the applicable Bangladesh Accounting Standard (BASs) and Bangladesh Financial Reporting Standard (BFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

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

BAS - 1	Presentation of Financial Statements
BAS - 2	Inventories
BAS - 7	Statement of Cash Flows
BAS - 8	Accounting Policies, Changes in Accounting Estimates and Errors
BAS - 10	Events after the Reporting Period
BAS - 12	Income Taxes
BAS - 16	Property, Plant and Equipment
BAS - 18	Revenue
BAS - 19	Employee Benefits
BAS - 24	Related Party Disclosures
BAS - 27	Separate Financial Statements
BAS - 32	Financial Instruments: Presentation
BAS - 33	Earnings Per Share
BAS - 37	Provisions, Contingent Liabilities and Contingent Assets
BAS - 38	Intangible Assets
BAS - 39	Financial Instruments: Recognition and Measurement
BFRS- 7	Financial instrument: Disclosures
BFRS- 13	Fair Value Measurement

2.03 Other regulatory compliances:

The company is required to comply with the following major laws and regulations along with the Companies Act 1994:
The Income Tax Ordinance, 1984
The Income Tax Rules, 1984
The Value Added Tax Act, 1991
The Value Added Tax Rules, 1991
The Customs Act, 1969
Bangladesh Labor Law, 2006 (as ammended in 2013)

2.04 Date of authorization for issue of the financial statements

On 03 December, 2015 the Board of Directors reviewed the financial statements and authorized them for issue.

2.05 Basis of measurement

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

2.06 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.

2.07 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 on going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.08 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 Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity in accordance with the requirement of BAS 12: Income Tax.

3.8.1 Current tax

Current tax the expected tax payable on the taxable income for the year, using tax rate enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The company qualifies as a "Publicly Non-traded Company" and accordingly the rate of income tax applied for the year is 35%. Provision for tax has been made on the basis of Finance Act 2015.

3.8.2 Deferred tax

Deferred tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact of changes on the account in the deferred tax assets and liabilities has also been recognised in the profit and loss account as per BAS-12 “Income Taxes”.

3.09 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.

3.10 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 direct method.

3.11 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.

3.12 Revenue recognition

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.

3.13 Financial expenses

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

3.14 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.

3.15 Comparative information and re-arrangement thereof

Financial statements have been restated for the year ended 30 June 2014 to incorporate deferred tax in the financial statements in accordance BAS-12 (Income Taxes) and ensuring compliance with BAS-8 (Accounting Policies, Changes in Accounting Estimates and Errors).

Relevant comparative information has been presented in the financial statements. Previous year's figures have been rearranged/reclassified and restated wherever possible and considered necessary to conform to current year's presentation.

3.16 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.

3.17 Reporting period

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

3.18 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 2015.
(ii) Statement of Comprehensive Income for the year ended 30 June 2015.
(iii) Statement of Changes in Equity for the year ended 30 June 2015.
(iv) Statement of Cash Flows for the year ended 30 June 2015.

3.19 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.

3.20 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

3.21 Earning per share (EPS)

The company calculates earning per share (EPS) in accordiance 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.

3.22 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.

3.23 Group insurance

Tha Company has also a group Insurance scheme for its permenent employees, premium for which is being charged to income statement annually as per the insurance policy.

		Amount in Taka 30 June 2015	Amount in Taka 30 June 2014
4.00	**Property , plant & equipments :**		
	A.Cost		
	Land & land development	35,431,161	26,926,912
	Factory building	56,810,836	43,870,499
	Plant & machinery	105,760,692	96,564,622
	Electric equipments	5,104,074	4,819,425
	Furniture & fixture	13,478,055	13,086,672
	Automobiles & vehicles	68,232,184	60,077,850
	Generator	9,098,123	8,887,623
	Office equipment	35,393,775	28,215,200
	Electric installation	4,167,193	4,110,985
	Spares & accessories	4,024,049	2,964,386
		337,500,142	289,524,174
	B.Accumulated depreciation	133,305,703	115,662,367
	C.Written down value(A-B)	204,194,439	173,861,807
	(Schedule of property, plant and equipments are given in annexure-A)		
5.00	**Capital work-in progress :**		
	Land and Land Development	25,640,003	7,406,329
	Building/Civil work	33,905,428	26,743,232
	Total	59,545,431	34,149,561
5.01	**This is made up as follows :**		
	Opening balance	34,149,561	10,859,929
	Add: Addition during the Year	33,900,119	36,015,092
	Sub total	68,049,680	46,875,021
	Less: Transferred to fixed assets during the year	8,504,249	12,725,460
	Total	59,545,431	34,149,561
6.00	**Intangible assets- development phase :**		
	This is made up as follows :		
	Govt. and other license fee	3,084,228	2,780,013
	Product testing and Design	8,015,815	7,225,170
	Accessories QC	5,859,554	5,281,593
	Research development and others	35,709,722	30,809,684
	Product registration & others	6,567,994	5,920,155
	Total	59,237,313	52,016,615
	Addition to development expenses will be amortized within 5 years starting from the next year 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 :**		
	Trade Investment (7.01)	37,500,000	10,000,000
7.01	**Trade Investment :**		
	Investment in share :		
	Delta Health Care-Mirpur	8,500,000	4,000,000
	Delta Health Care-Chittagong	2,000,000	2,000,000
	Delta Limited	10,500,000	1,000,000

		Amount in Taka 30 June 2015	Amount in Taka 30 June 2014
	Delta Health Care- Rampura	1,000,000	1,000,000
	Delta Health Care-Mymensingh	8,000,000	1,000,000
	Delta Health Care-Jatrabari	7,500,000	1,000,000
	Total	37,500,000	10,000,000
8.00	**Inventories :**		
	This is made up as follows :		
	Raw materials	81,570,583	74,209,644
	Packing materials	41,664,823	41,525,130
	Work-in-process	6,930,314	6,796,153
	Finished goods	66,823,360	62,032,590
	Physician sample	7,727,565	7,952,593
	Literature & printed materials	13,234,912	12,040,797
	Laboratory chemicals	355,060	355,060
	Material in transit	32,534,020	18,807,554
	Total	250,840,637	223,719,521
9.00	**Trade receivables :**		
	This is made up as follows :		
	Accounts receivable-trade (Note-9.01)	61,627,613	41,885,953
	Total	61,627,613	41,885,953
9.01	**Accounts receivables-Trade :**		
	This is made up as follows :		
	Accounts receivable (trade)-local (Note-9.02)	59,057,798	40,362,653
	Accounts receivable (trade)-foreign (Note-9.03)	2,569,815	1,523,300
	Total	61,627,613	41,885,953
9.02	**Accounts receivable (trade)-Local :**		
	This is made up as follows :		
	Opening balance	40,362,653	32,915,370
	Add : Credit sales during the Year	739,130,479	665,618,382
		779,493,132	698,533,752
	Less : Collection during the year	720,435,334	658,171,099
	Closing balance	59,057,798	40,362,653
9.03	**Accounts receivable (trade)-Foreign :**		
	This is made up as follows :		
	Opening balance	1,523,300	6,792,150
	Add :Sales during the Year	39,475,342	37,304,541
		40,998,642	44,096,691
	Less : Collection during the Year	38,428,827	42,573,391
	Closing balance	2,569,815	1,523,300
10.00	**Advances, deposits & prepayments :**		
	This is made up as follows :		
	Office working & others	19,591,581	13,257,296
	Suppliers	29,657,255	25,298,862
	AIT & VAT	19,915,422	19,151,695
	Office rent	1,904,463	2,031,463
	Deposits & prepayments	4,695,714	3,952,144
	Total	75,764,435	63,691,460

		Amount in Taka 30 June 2015	Amount in Taka 30 June 2014
11.00	**Cash & cash equivalent :**		
	This is made up as follows :		
	Cash in hand	1,006,146	1,068,268
	Cash at bank	1,840,625	1,078,568
	Total	2,846,771	2,146,836
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 :**		
	2,750,000 ordinary shares of Tk. 100/- each	275,000,000	250,000,000
13.00	**Retained earnings :**		
	This is made up as follows :		
	Opening balance	(91,618,099)	(100,233,847)
	Add : Addition during the year	27,641,321	23,907,520
	Prior year adjustment (Deferred tax)	-	(15,291,772)
	Less: 10% stock dividend	(25,000,000)	-
	Balance transferred to B/S	(88,976,779)	(91,618,099)
14.00	**Long term loan & lease obligation (net-off current portion) :**		
	This is made up as follows :		
	Islami Bank Bangladesh Ltd. Mouchak Br: (HPSM)	16,926,224	14,657,757
	Shahjalal Islami Bank Ltd. (HPSM)	1,563,331	-
	AB Bank Ltd. Kakrail Br: (Term Loan)	59,543,910	80,954,285
	Obligation under finance lease -UFIL	34,337,842	9,980,689
	Total	112,371,307	105,592,731
15.00	**Deferred tax liabilities :**		
	Deferred tax liabilities recognized in accordance with the provisions of BAS 12: Income taxes, is arrived as follows:		
	Balance as at 1 July, 2014	16,434,936	-
	Addition during the year	1,528,557	16,434,936
	Balance as at 30 June, 2015	17,963,493	16,434,936
16.00	**Accounts payable:**		
	This is made up as follows :		
	Suppliers & others	40,798,181	31,553,793
	Total	40,798,181	31,553,793
17.00	**Short term loan :**		
	Banks and Lease	197,481,029	164,121,540
	Short Term Loan-others	21,000,000	-
		218,481,029	164,121,540
18.00	**Current portion of long term loan :**		
	This is made up as follows :		
	Islami Bank Bangladesh Ltd. Mouchak Br: (HPSM)	11,444,033	11,139,656
	Shahjalal Islami Bank Ltd. (HPSM)	1,111,514	-
	AB Bank Ltd. Kakrail Br: (Term Loan)	22,584,956	28,502,863
	Obligation under finance lease -UFIL	18,632,285	13,004,136
	Total	53,772,789	52,646,655

		Amount in Taka 30 June 2015	Amount in Taka 30 June 2014
19.00	**Interest payable :**		
	This is made up as follows :		
	Islami Bank Bangladesh Ltd., Mouchak Br: Interest on MPIT, MTR	21,859,729	17,820,913
	Total	21,859,729	17,820,913
20.00	**Liabilities for expenses :**		
	This is made up as follows :		
	Accrued expenses, suppliers & others	69,385,958	46,829,396
	Audit Fees	150,000	125,000
	Total	69,535,958	46,954,396
21.00	**Provision for income tax of the Company :**		
	Opening balance	7,964,888	2,804,464
	Add: Addition during the year(Note-21.01)	9,038,401	7,964,888
		17,003,289	10,769,352
	Less: Adjustment during the year	(5,982,358)	(2,804,464)
	Closing balance	11,020,931	7,964,888
21.01	**Provision for income tax during the year :**		
	1. 35% Income Tax on Taxable Profit of Tk.14,968,284	5,238,899	4,374,326
	2. Half of 35% Income Tax on Export Net Profit of Tk.2,17,11,438	3,799,502	3,590,562
	Total	9,038,401	7,964,888
22.00	**Net Asset Value (NAV) per share :**		
	Total Assets (A)	751,556,639	601,471,753
	Less:		
	Current Liabilities	415,468,617	321,062,185
	Non Current Liabilities	130,334,800	122,027,667
	Total Liabilities (B)	545,803,417	443,089,852
	Net Asset Value (NAV) (A-B)	205,753,222	158,381,901
	Total number of ordinary shares	2,750,000	2,500,000
	Net Asset Value per share	74.82	63.35
23.00	**Revenue :**		
	This is made up as follows :		
	Local sales	631,735,452	569,066,727
	Export	39,475,342	37,304,541
		671,210,794	606,371,268
		671,210,794	606,371,268
24.00	**Cost of sales :**		
	This is made up as follows :		
	Opening stock of finished goods	62,032,590	56,673,708
	Add : Cost of goods manufactured (Note-24.01)	307,964,298	284,968,121
	Finished goods available for sales	369,996,888	341,641,829
	Less :		
	Closing stock of finished goods	66,823,360	62,032,590
	Cost of physician sample	7,813,705	5,048,320
	Cost of sales	295,359,823	274,560,919

		Amount in Taka 30 June 2015	Amount in Taka 30 June 2014
24.01	**Cost of goods manufactured :**		
	This is made up as follows :		
	Opening work-in-process	6,796,153	11,641,743
	Add: Cost of raw materials consumed (Note-24.02)	165,626,166	144,801,103
	Cost of packing materials consumed (Note-24.03)	65,806,670	61,268,657
		238,228,989	217,711,503
	Less : Closing work-in-process	6,930,314	6,796,153
	Total cost of materials	231,298,675	210,915,350
	Manufacturing overhead (Note-24.04)	76,665,623	74,052,771
	Total cost of goods manufactured	307,964,298	284,968,121
24.02	**Cost of raw materials consumed :**		
	This is made up as follows :		
	Opening stock	74,209,644	39,392,434
	Add: Purchase	172,987,105	179,618,313
	Raw materials available for use	247,196,749	219,010,747
	Less: Closing stock	81,570,583	74,209,644
	Cost of raw materials consumed	165,626,166	144,801,103
24.03	**Cost of packing materials consumed :**		
	This is made up as follows :		
	Opening stock	41,525,130	19,692,478
	Add: Purchase	65,946,363	83,101,309
	Packing materials available for use	107,471,493	102,793,787
	Less: Closing stock	41,664,823	41,525,130
	Cost of packing materials consumed	65,806,670	61,268,657
24.04	**Manufacturing overhead :**		
	This is made up as follows :		
	Automobiles & vehicles expenses	783,677	801,540
	Bank charge	7,531	14,242
	Carriage inwards	549,417	1,371,453
	Casual wages	5,959,500	7,280,809
	Computer expenses	19,740	139,400
	Conveyance expenses	213,538	168,875
	Donation & subscription	65,690	136,453
	Depreciation expenses	14,643,969	14,011,881
	Generator expenses	3,949,728	3,894,683
	Insurance expenses	378,151	413,718
	Laboratory chemicals supply	151,835	130,050
	Medical expenses	49,853	85,468
	Mobile bill	176,364	220,104
	Non- Inventory product supply	69,700	57,346
	Overtime premium	706,872	1,239,666
	Postage, telephone & fax	19,885	2,446
	Printing & stationery	489,646	643,769
	Repair & maintenance	2,008,100	1,911,565
	Renewal & registration	-	89,824
	Salary & allowances expenses	26,723,512	23,493,978
	Subs. books & periodicals	3,520	21,672
	Training expenses	70,750	15,000

		Amount in Taka 30 June 2015	Amount in Taka 30 June 2014
	Toll charge	2,001,749	2,777,616
	Uniform & cleaning	240,069	230,516
	Water, electricity & gas	4,262,864	3,673,987
	Welfare & recreation	2,716,640	2,792,701
	Development expenses written off (Amortization Exp.)	10,403,323	8,434,009
	Total	76,665,623	74,052,771

25.00 Administrative, selling and distribution expenses :

This is made up as follows :

	AGM expenses	313,366	225,185
	Audit fees	150,000	125,000
	Automobiles & vehicles exp.	6,116,028	6,178,904
	Bank charge	654,226	572,186
	Corporate affairs	810,840	482,024
	Casual wages	934,826	898,485
	Carriage outwards	8,956,595	10,367,562
	Computer expenses	478,930	238,485
	Conveyance expenses	2,264,746	2,088,482
	Depreciation expenses	2,999,367	2,869,903
	Export expenses	4,133,996	5,570,319
	Generator expenses	140,460	149,869
	Insurance premium	782,331	1,345,088
	Internet bill	331,282	307,222
	Legal & professional fees	75,200	89,700
	Medical expenses	63,244	18,095
	Mobile bill	4,764,961	5,655,427
	Overtime premium	145,048	320,000
	Pad, Brochure, Logo etc. expenses	11,014,968	9,788,708
	Physician sample cost	2,878,747	1,759,555
	Physician sample packing cost	64,226	405,990
	Physician sample processing & delivery cost	526,199	321,625
	Product development expenses	1,466,154	1,165,593
	Postage, telephone & fax	86,284	102,182
	Printing & stationery	5,265,954	4,725,514
	Promotional expenses	19,047,767	22,549,842
	Rent, rates & taxes	8,094,329	6,046,297
	Renewal & registration	224,907	352,263
	Repair & maintenance	940,025	1,153,446
	Salary & allowances exp.	192,746,415	173,434,841
	Subs. books & periodicals	1,580	1,475
	Training expenses	326,857	302,863
	Water, electricity & gas	1,694,270	1,727,368
	Welfare & recreation	2,198,403	2,094,06
	Total	281,292,530	263,433,558

26.00 Finance costs :

This is made up as follows :

	Interest on bank loan (MTR &MPIT)	23,858,492	22,362,668
	Interest on bank loan (HPSM)	3,079,244	2,970,358

	Amount in Taka 30 June 2015	Amount in Taka 30 June 2014
Interest on lease (Uttara Finance & Investments Ltd.)	18,971,070	5,791,952
Interest on term loan	10,441,356	4,504,392
Total	56,350,162	35,629,370

27.00 Income tax expense :

Current tax	9,038,401	7,964,888
Deferred Tax (Income) / Expenses related to the Origination and reversal of temporary differences	1,528,557	1,143,164
Total	10,566,958	9,108,052

28.00 Earning per share (EPS) :

The composition of EPS is given below :

Profit attributable to the shareholders during the year	27,641,321	23,907,520
weighted average number of shares outstanding at the end of the period (2,750,000 ordinary shares of Tk. 100 each)	2,750,000	2,500,000
Basic Earnings Per Share (per value Tk.100)	10.05	9.56

29.00 Events after the statement of financial position date :

The board of directors in its meeting held on 03 December, 2015 recommended 10% dividend (5% cash & 5% stock) per share for the year 2014-2015 which is subject to the approval at the forthcoming AGM.

Delta Pharma Limited

Annexure-A

SCHEDULE OF PROPERTY, PLANT & EQUIPMENTS

As at 30 June 2015

Property, Plant & Equipment :

Amount in Taka

Particulars	Cost				Rate of Dep. (%)	Depreciation				Written down value as on 30 June 2015	Written down value as on 30 June 2014
	Balance as on 1 July 2014	Addition during the year	Disposal/ Adjust	Balance as on 30 June 2015		Balance as on 1 July 2014	Charged during the year	Disposal/ Adjust	Balance as on 30 June 2015		
Land & land development	26,926,912	8,504,249	-	35,431,161	0%	-	-	-	-	**35,431,161**	**26,926,912**
Factory building	43,870,499	12,940,337	-	56,810,836	5%	13,482,870	1,842,890	-	15,325,760	**41,485,076**	**30,387,629**
Plant & machinery	96,564,622	9,196,070	-	105,760,692	10%	34,938,464	6,622,419	-	41,560,884	**64,199,808**	**61,626,158**
Electric equipments	4,819,425	284,649	-	5,104,074	20%	3,942,593	203,831	-	4,146,424	**957,650**	**876,832**
Furniture & fixture	13,086,672	391,383	-	13,478,055	10%	4,485,826	879,654	-	5,365,480	**8,112,575**	**8,600,846**
Automobiles & vehicles	60,077,850	8,154,334	-	68,232,184	20%	42,375,049	4,355,994	-	46,731,043	**21,501,141**	**17,702,801**
Generator	8,887,623	210,500	-	9,098,123	20%	5,643,073	669,960	-	6,313,033	**2,785,090**	**3,244,550**
Office equipment	28,215,200	7,178,575	-	35,393,775	10%	7,801,403	2,400,308	-	10,201,711	**25,192,064**	**20,413,797**
Electric installation	4,110,985	56,208	-	4,167,193	10%	1,541,450	259,764	-	1,801,214	**2,365,979**	**2,569,535**
Spares & accessories	2,964,386	1,059,663		4,024,049	20%	1,451,639	408,516	-	1,860,154	**2,163,895**	**1,512,747**
Total of 30 June, 2015	**289,524,174**	**47,975,968**	**-**	**337,500,142**		**115,662,368**	**17,643,336**	**-**	**133,305,703**	**204,194,439**	**173,861,807**
Total of 30 June, 2014	**263,344,214**	**26,179,960**	**-**	**289,524,174**		**98,780,583**	**16,881,784**		**115,662,367**	**173,861,807**	**164,563,631**

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 8th Annual General Meeting of the shareholders of Delta Pharma Limited will be held on Thursday, the 24 December 2015, at 10:00 am at Marriott Convention Center Ltd., Happy Arcade (5th Floor) House # 3, Road # 3, Dhanmondi, Dhaka-1205

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.

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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 8th Annual General Meeting of the shareholders of Delta Pharma Limited will be held on Thursday, the 24 December 2015, at 10:00 am at Marriott Convention Center Ltd., Happy Arcade (5th Floor) House # 3, Road # 3, Dhanmondi, Dhaka-1205 and at any adjournment thereof.

As witness my/our hand this _____ day of _____ 2015.

_____ _____

Signature of the Member Signature of the Proxy

Register Folio No. .....

No of shares held: .....

Revenue Stamp Tk. 10.00

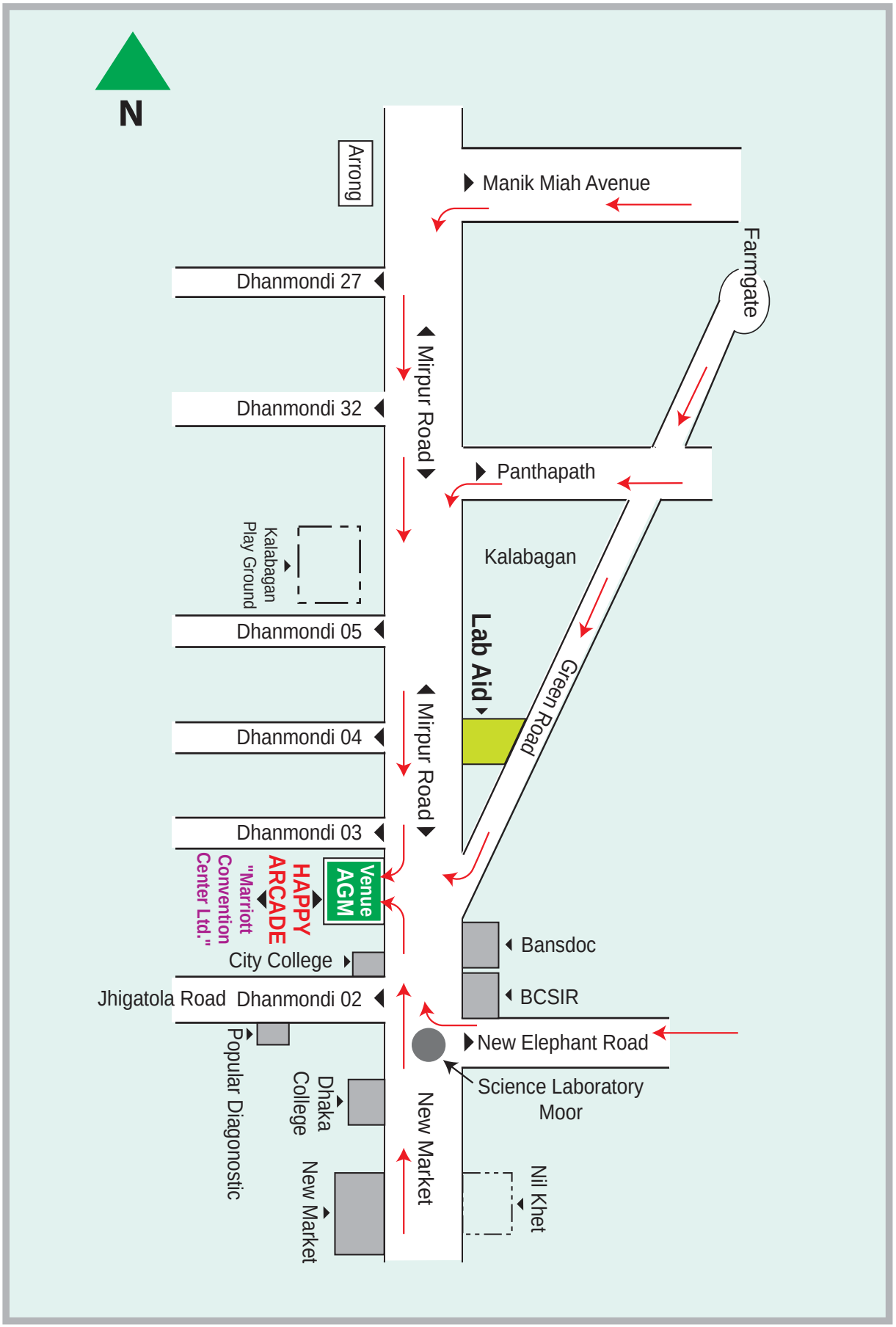
Signature Verified

_____

Authorized Signature

Note: A member entitled to attend and vote at the 8th Annual General Meeting 2015 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



ATV

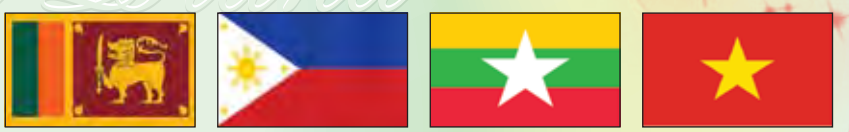
Atorvastatin

10 mg, 20 mg & 40 mg tablet

Bioequivalent Atorvastatin in Bangladesh

Global Brand

Global Brand



Sri-lanka | Philippines | Myanmar | Vietnam

Delta Pharma Ltd. is Exporting ATV in Sri-lanka, Philippines, Myanmar & Vietnam

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