

Auditors' Report To The Shareholders of BEXIMCO PHARMACEUTICALS LIMITED

We have audited the accompanying Balance Sheet of the Beximco Pharmaceuticals Limited as of December 31, 2008 and the related Profit and Loss Account, Statement of Changes in Equity and Statement of Cash Flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

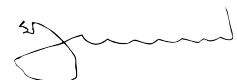
We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating presentation of the overall financial statement. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements prepared in accordance with International Financial Reporting Standards (IFRSs), including International Accounting Standards (IASs), give a true and fair view of the state of the company's affairs as of December 31, 2008 and of the results of its operations and its cash flows for the year then ended and comply with the applicable sections of the Companies Act 1994, the Securities and Exchange Rules 1987 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 ;
- (c) the company's balance sheet and profit and loss account dealt with by the report are in agreement with the books of account ; and
- (d) the expenditure incurred was for the purposes of the company's business.

Dhaka
30 April, 2009



M. J. ABEDIN & CO.
Chartered Accountants

BEXIMCO PHARMACEUTICALS LIMITED
Balance Sheet
As at 31 December 2008

	Notes	2008	2007
ASSETS			
<i>Non-Current Assets</i>			
Property, Plant and Equipment- Carrying Value	20 (a)	11,921,072,697	8,992,942,392
Investment in Shares	21	36,701,090	36,701,090
<i>Current Assets</i>			
Inventories	22	1,505,288,093	1,470,152,242
Spares & Supplies	23	234,530,326	182,328,049
Accounts Receivable	24	503,916,401	499,680,792
Loans, Advances and Deposits	25	544,509,106	685,915,465
Cash and Cash Equivalents	26	73,647,728	85,698,910
TOTAL ASSETS	Tk.	14,819,665,441	11,953,418,940
SHAREHOLDERS' EQUITY AND LIABILITIES			
<i>Shareholders' Equity</i>			
Issued Share Capital	27	1,259,577,470	1,145,070,430
Share Premium		1,489,750,000	1,489,750,000
Excess of Issue Price over Face Value of GDRs	28	1,689,636,958	1,689,636,958
Capital Reserve on Merger		294,950,950	294,950,950
Revaluation Surplus	20(b)	1,711,174,747	-
Tax-Holiday Reserve	29	-	442,354,953
Retained Earnings		4,005,112,020	3,189,176,356
<i>Non-Current Liabilities</i>			
Long Term Borrowing-Net off Current Maturity (Secured)	30	1,446,600,500	1,776,449,778
Liability for Gratuity & WPPF	31	274,419,253	246,704,610
Deferred Tax Liability	32	46,411,276	51,351,969
<i>Current Liabilities and Provisions</i>			
Short Term Borrowings	33	1,461,666,227	907,582,327
Long Term Borrowing-Current Maturity	34	648,165,841	343,604,498
Creditors and Other Payables	35	263,176,822	271,814,118
Accrued Expenses	36	81,776,450	60,052,739
Dividend Payable		3,169,568	3,285,324
Income Tax Payable	37	144,077,359	41,633,930
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	Tk.	14,819,665,441	11,953,418,940

The Notes are integral part of the Financial Statements.

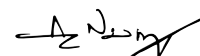
Approved and authorised for issue by the board of directors on 30 April, 2009 and signed for and on behalf of the Board :



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Ali Nawaz
Chief Finance Officer

Dhaka
30 April, 2009

Per our report of even date.



M. J. Abedin & Co.
Chartered Accountants

BEXIMCO PHARMACEUTICALS LIMITED
Profit and Loss Account
For the year ended 31 December 2008

	Notes	2008	2007
Net Sales Revenue	38	4,010,167,059	3,597,024,812
Cost of Goods Sold	39	(2,002,871,181)	(1,967,509,975)
Gross Profit		2,007,295,878	1,629,514,837
Operating Expenses :		(1,008,501,030)	(974,736,690)
Administrative Expenses	42	(153,464,243)	(145,544,701)
Selling, Marketing and Distribution Expenses	43	(855,036,787)	(829,191,989)
Profit from Operations		998,794,848	654,778,147
Other Income	44	686,510	19,625,795
Finance Cost	45	(249,654,298)	(254,742,392)
Profit Before Contribution to WPPF		749,827,060	419,661,550
Contribution to Workers' Profit Participation/ Welfare Funds	46	(35,706,050)	(19,983,883)
Profit Before Tax		714,121,010	399,677,667
Income Tax Expense	19.5 & 47	(168,779,737)	(46,609,789)
Current Tax		(173,720,430)	(57,661,278)
Deferred Tax Income/(Expense)		4,940,693	11,051,489
Profit After Tax Transferred to Statement of Changes in Equity		545,341,273	353,067,878
Earnings Per Share (of Tk. 10 /- each) (Adjusted EPS of 2007)	48	4.33	2.80
Number of Shares used to compute EPS		125,957,747	125,957,747

The Notes are integral part of the Financial Statements.

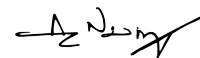
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A S F Rahman
Chairman




Salman F Rahman
Vice Chairman



Ali Nawaz
Chief Finance Officer

Dhaka
30 April, 2009

Per our report of even date.



M. J. Abedin & Co.
Chartered Accountants

BEXIMCO PHARMACEUTICALS LIMITED
Statement of Changes in Equity
For the year ended 31 December 2008

	Share Capital	Share Premium	Excess of Issue Price over Face Value of GDRs	Tax Holiday Reserve	Capital Reserve on Merger	Revaluation Surplus	Retained Earnings	Total
Opening Balance	1,145,070,430	1,489,750,000	1,689,636,958	442,354,953	294,950,950	-	3,189,176,356	8,250,939,647
Revaluation Surplus	-	-	-	-	-	1,711,174,747	-	1,711,174,747
Profit after tax for 2008	-	-	-	-	-	-	545,341,273	545,341,273
Tax Holiday Reserve no longer required	-	-	-	(442,354,953)	-	-	442,354,953	-
Cash Dividend of Previous Year (2007)	-	-	-	-	-	-	(57,253,522)	(57,253,522)
Bonus Share of Previous Year (2007)	114,507,040	-	-	-	-	-	(114,507,040)	-
Closing Balance	Tk. 1,259,577,470	1,489,750,000	1,689,636,958	-	294,950,950	1,711,174,747	4,005,112,020	10,450,202,145

Total Number of shares	125,957,747
Shareholders' Equity per share	Tk. 82.97

The Notes are integral part of the Financial Statements.

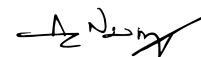
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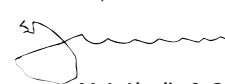
Salman F Rahman
Vice Chairman



Ali Nawaz
Chief Finance Officer

Dhaka
30 April, 2009

Per our report of even date.



M. J. Abedin & Co.
Chartered Accountants

BEXIMCO PHARMACEUTICALS LIMITED
Cash Flow Statement
For the year ended 31 December 2008

Cash Flows from Operating Activities :	2008	2007
Cash Receipts from Customers and Others	4,006,684,717	3,542,690,128
Cash Paid to Suppliers and Employees	(2,840,612,734)	(2,947,335,836)
Cash Generated from Operations	1,166,071,983	595,354,292
Interest Paid	(214,066,707)	(222,581,780)
Income Tax Paid	(71,277,001)	(32,303,532)
Net Cash Generated from Operating Activities	880,728,275	340,468,980
Cash Flows from Investing Activities :		
Acquisition of Property, Plant and Equipment (Note : 49)	(1,180,445,241)	(460,904,187)
Sales of Shares in Bextex Ltd.	-	9,730,325
Disposal of Property, Plant and Equipment	61,600	1,928,598
Net Cash Used in Investing Activities	(1,180,383,641)	(449,245,264)
Cash Flows from Financing Activities :		
Net Increase / (Decrease) in Long Term Borrowings	(209,110,438)	70,386,381
Net (Decrease)/Increase in Short Term Borrowings	554,083,900	(395,234,653)
Dividend Paid	(57,369,278)	(61,775,479)
Net cash Generated from Financing Activities	287,604,184	(386,623,751)
(Decrease) / Increase in Cash and Cash Equivalents	(12,051,182)	(495,400,035)
Cash and Cash Equivalents at Beginning of Year	85,698,910	581,098,945
Cash and Cash Equivalents at End of Year	Tk. 73,647,728	85,698,910

The Notes are integral part of the Financial Statements.

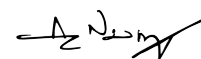
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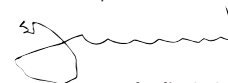
Salman F Rahman
Vice Chairman



Ali Nawaz
Chief Finance Officer

Dhaka
30 April, 2009

Per our report of even date.



M. J. Abedin & Co.
Chartered Accountants

BEXIMCO PHARMACEUTICALS LIMITED
Notes to the Financial Statements
As at and For the year ended 31 December 2008

1. Background Information and Principal Activities

Beximco Pharmaceuticals Limited (BPL/ the Company) was incorporated in Bangladesh in 1976 under the Companies Act, 1913 as a Public Limited Company. It commenced its manufacturing operation in 1980. The company was listed with Dhaka Stock Exchange in 1985 and with Chittagong Stock Exchange in 1995 on its debut.

In 2005, BPL was enlisted with the Alternative Investment Market (AIM) of the London Stock Exchange.

The shares of the Company are now traded in Dhaka and Chittagong Stock Exchanges of Bangladesh and also in the AIM of the London Stock Exchange.

Also in 2005, the company took over, under a Scheme of Amalgamation, Beximco Infusions Ltd., a listed company of the Beximco Group engaged in manufacturing and marketing of intravenous fluids.

The registered office of the company is located at House No. 17, Road No. 2, Dhanmondi R/A, Dhaka. The industrial units are located at Tongi and Kaliakoir under Gazipur district - a close vicinity of the capital city.

The company is engaged in manufacturing and marketing of pharmaceuticals finished Formulation Products, Active Pharmaceutical Ingredients (APIs) and life saving Intravenous (I.V) Fluids which it sells in the local as well as international markets. The company also provides contract manufacturing services.

2. Accounting Basis

The financial statements have been prepared on the Historical Cost Basis except land, building and plant and machinery, and therefore, do not take into consideration the effect of inflation.

3. Compliance with Local Laws and Regulations

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1994: the Securities & Exchange Rules 1987: the Listing Regulations of Dhaka and Chittagong Stock Exchanges and other relevant local laws as applicable.

4. Compliance of International Financial Reporting Standards (IFRSs)

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs), including International Accounting Standards (IASs).

5. Presentation of Financial Statements

The presentation of these financial statements are in accordance with the guidelines provided by IAS 1 : *Presentation of Financial Statements*.

6. Reporting Period

The financial period of the company covers one calendar year from *1st January to 31st December* consistently.

7. Approval of Financial Statements

The financial statements were approved by the Board of Directors on 30 April, 2009.

8. Reporting Currency

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

9. Comparative Information and Rearrangement Thereof

Comparative information has been disclosed in respect of the year 2007 for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

Figures for the year 2007 have been re-arranged wherever considered necessary to ensure better comparability with the current year.

10. Risk and Uncertainty For Use of Estimates and judgments

The preparation of financial statements in conformity with the IFRSs including IASs require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by IAS 8 : *Accounting Policies, Changes in Accounting Estimates and Errors*.

11. Accrued Expenses and Other Payables

Liabilities for the goods and services received have been accounted for. Payables are not interest bearing and are stated at their nominal value.

12. 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.

13. Financial Instruments

Non-derivative financial instruments comprise accounts and other receivables, cash and cash equivalents, borrowings and other payables and are shown at transaction cost.

14. Impairment

In accordance with the provisions of IAS 36 : *Impairment of Assets*, the carrying amount of non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in profit and loss account. No such indication of impairment has been observed till to date.

15. Segment Reporting

No segment reporting is applicable for the company as required by IAS 14 : *Segment Reporting* as its revenue from external customers and from transactions with internal customers (other segments) is not 10% or more of total revenue of all segments.

16. Statement of Cash Flows

The Statement of Cash Flow has been prepared in accordance with the requirements of IAS 7: *Statement of Cash Flows*.

The cash generated from operating activities has been reported using the *Direct Method* as prescribed by the Securities and Exchange Rules, 1987 and as the benchmark treatment of IAS 7, whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

17. Related Party Disclosures

The company carried out a number of transactions with related parties in the normal course of business and on arm's length basis.

The information as required by IAS 24 : *Related party Disclosures* has been disclosed in a separate note to the accounts.

18. Events after the Reporting Period

In compliance with the requirements of IAS 10 : *Events After the Reporting Period*, post balance sheet adjusting events that provide additional information about the company's position at the balance sheet date are reflected in the financial statements and events after the balance sheet date that are not adjusting events are disclosed in the notes when material.

19. Significant Accounting Policies

The accounting policies in respect of material items of financial statements set out below have been applied consistently to all periods presented in these financial statements.

19.1 Revenue Recognition

In compliance with the requirements of *IAS 18 : Revenue*, revenue from receipts from customers against sales is recognized when products are dispatched to customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

Revenue from sales is exclusive of VAT.

Cash dividend income on investment in shares is recognized on approval of said dividend in the annual general meeting . Stock dividend income (Bonus Shares) is not considered as revenue.

19.2 Property, Plant and Equipment

19.2.1 Recognition and Measurement

This has been stated at cost or revalued amount less accumulated depreciation in compliance with the requirements of *IAS 16: Property, Plant and Equipment*. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

19.2.2 Pre-Operating Expenses and Borrowing Costs

In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing cost considering the requirement of *IAS 23: Borrowing Costs*.

19.2.3 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.

19.2.4 Depreciation on Fixed Assets

Depreciation is provided to amortise the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of *IAS 16: Property, Plant and Equipment*. Depreciation is provided for the period in use of the assets. Depreciation is provided at the following rates on reducing balance basis:

Building and Other Construction	5% to 10%
Plant and Machinery	7.5% to 15%
Furniture & Fixtures	10%
Transport & Vehicle	20%
Office Equipment	10% to 15%

19.3 Inventories

Inventories are carried at the lower of cost and net realizable value as prescribed by *IAS 2: Inventories*. Cost is determined on weighted average cost basis. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

19.4 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, in transit and with banks on current and deposit accounts which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

19.5 Income Tax Expense

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit and loss account and accounted for in accordance with the requirements of IAS 12 : Income Tax.

Current Tax

Current tax is the expected tax payable on the taxable income for the year, and any adjustment to tax payable in respect of previous years. The company qualifies as a "Publicly Traded Company", hence the applicable Tax Rate is 27.50%.

Deferred Tax

The company has recognized deferred tax using balance sheet method in compliance with the provisions of IAS 12 : Income Taxes. The company's policy of recognition of deferred tax assets/ liabilities is based on temporary differences (Taxable or deductible) between the carrying amount (Book value) of assets and liabilities for financial reporting purpose and its tax base, and accordingly, deferred tax income/expenses has been considered to determine net profit after tax and earnings per shares (EPS).

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

19.6 Lease Assets

In compliance with the *IAS 17 : Leases*, cost of assets acquired under finance lease along with related obligation have been accounted for as assets and liabilities respectively of the company, and the interest element has been charged as expenses.

19.7 Lease Payment

Lease payments made under finance leases are apportioned between the finance expenses and the reduction of the outstanding liability.

19.8 Employee Benefits

The company has accounted for and disclosed of employee benefits in compliance with the provisions of IAS 19: Employee Benefits.

The cost of employee benefits are charged off as revenue expenditure in the period to which the contributions relate.

The company's employee benefits includes the following :

(a) Defined Contribution Plan

This represents recognized contributory provident fund for all its permanent employees. Assets of provident fund are held in a separate trustee administered fund as per the relevant rules and is funded by contributions from both the employees and the company at pre-determined rates.

(b) Defined Benefits Plan

This represents unfunded gratuity scheme for its permanent employees. Employees are entitled to gratuity benefit after completion of minimum five years of service in the company. The gratuity is calculated on the latest applicable basic pay and is payable at the rate of one month basic pay for every completed year of service.

Though no valuation was done to quantify actuarial liabilities as per the *IAS 19 : Employee Benefits*, such valuation is not likely to yield a result significantly different from the current provision.

(c) Contribution To Workers' Profit Participation/ Welfare Funds

This represents 5% of net profit before tax contributed by the company as per provisions of the Bangladesh Labor Law, 2006 and is payable to workers as defined in the said scheme.

(d) Insurance Scheme

Employees of the company are covered under group life insurance scheme.

19.9 Share Premium

The Share Premium shall be utilized in accordance with the provisions of the Companies Act, 1994 and as directed by the Securities and Exchange Commission in this respect.

19.10 Tax Holiday Reserve

This was created out of profit of units enjoying tax holiday status to invest in the same undertaking or in any new industrial undertaking or in stocks and shares of listed companies or in government bonds or securities or for other purposes as required by the Income Tax Ordinance, 1984.

As the tax holiday expired, tax holiday reserve being no longer required are released and transferred to retained earnings.

19.11 Proposed Dividend

The amount of proposed dividend has not been accounted for but disclosed in the notes to the accounts along with dividend per share in accordance with the requirements of the Para 125 of *International Accounting Standard (IAS) 1: Presentation of Financial Statements*. Also, the proposed dividend has not been considered as "Liability" in accordance with the requirements of the Para 12 & 13 of *International Accounting Standard (IAS) 10: Events After The Reporting Period*, because no obligation exists at the time of approval of accounts and recommendation of dividend by the Board of Directors.

19.12 Earnings Per Share (EPS)

This has been calculated in compliance with the requirements of IAS 33 : Earnings Per Share by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

Basic Earnings

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

Weighted Average Number of Ordinary Shares Outstanding during the year

Current Year (2008)

The Bonus Shares issued during the year 2008 were treated as if they always had been in issue. Hence, in computing the Basic EPS of 2008, the total no. of shares including the said bonus shares has been considered as the Weighted Average No. of Shares Outstanding during the year 2008.

Earlier Year (2007)

The number of shares outstanding before the bonus issue has been adjusted for the proportionate change in the number of shares outstanding as if the bonus issue had occurred at the beginning of the earliest period reported (2007), and accordingly, in calculating the adjusted EPS of 2007, the total number of shares including the subsequent bonus issue in 2008 has been considered as the Weighted Average number of Shares Outstanding during the year 2007.

The basis of computation of number of shares as states above is in line with the provisions of IAS 33 " Earning Per Share ". The logic behind this basis, as stated in the said IAS is, that the bonus Shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding in increased without an increase in resources generating new earnings.

Diluted Earnings Per Share

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

19.13 Foreign Currency Transactions

Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date.

The monetary assets and liabilities, if any, denominated in foreign currencies at the balance sheet date are translated at the applicable rates of exchanges ruling at that date. Exchange differences are charged off as revenue expenditure in compliance with the provisions of IAS 21 : *The Effects of Changes in Foreign Exchange Rates*.

The rates of relevant foreign exchanges at year end are :

	<u>2008</u>	<u>2007</u>
1 US Dollar \$	= Tk. 69.4500	69.2000

20 (a). Property, Plant and Equipment - Tk. 11,921,072,697

Particulars	Land	Building and Other Constructions	Plant and Machinery	Furniture and Fixtures	Transport and Vehicle	Office Equipment	Total
Cost							
At 31 December, 2007	1,236,071,399	1,047,308,070	1,448,468,239	65,120,113	126,376,416	228,590,676	4,151,934,913
Additions during the year	570,463,551	1,113,983	49,721,930	6,472,328	273,550	4,642,060	632,687,402
Transferred & Capitalized	20,433,395	201,830,246	586,662,040	-	-	5,094,784	814,020,465
Disposal during the year	-	-	-	(150,000)	(747,395)	-	(897,395)
Cost at 31 December, 2008	Tk. 1,826,968,345	1,250,252,299	2,084,852,209	71,442,441	125,902,571	238,327,520	5,597,745,385
Accumulated Depreciation							
At 31 December, 2007	-	408,355,856	858,580,427	30,783,529	81,094,114	144,273,813	1,523,087,739
Depreciation during the year	-	41,707,916	79,317,045	4,068,305	9,087,528	13,003,035	147,183,829
Adjustment for assets disposed off	-	-	-	(47,940)	(721,098)	-	(769,038)
Accumulated Depreciation at 31 December, 2008	-	450,063,772	937,897,472	34,803,894	89,460,544	157,276,848	1,669,502,530
Net Book Value							
31 December, 2008 at Historical Cost	Tk. 1,826,968,345	800,188,527	1,146,954,737	36,638,547	36,442,027	81,050,672	3,928,242,855
Revaluation Surplus	1,450,537,655	171,212,434	89,424,658	-	-	-	1,711,174,747
Net Book Value							
31 December, 2008 at Current Cost	Tk. 3,277,506,000	971,400,961	1,236,379,395	36,638,547	36,442,027	81,050,672	5,639,417,602
Capital Work in Progress	Tk.						6,281,655,095
Carrying Value as on 31 December, 2008	Tk.						11,921,072,697

Assets include lease hold assets of Tk. 757,585,540 at current cost and Tk. 665,143,852 at depreciated current cost.

Capital Work in Progress is arrived at as follows :

	2008	2007
Opening Balance	6,364,095,218	5,960,713,895
Addition during the year	731,580,342	540,788,449
	<u>7,095,675,560</u>	<u>6,501,502,344</u>
Transferred & Capitalized	(814,020,465)	(137,407,126)
Land	(20,433,395)	-
Building and Other Constructions	(201,830,246)	(112,346,818)
Plant & Machinery	(586,662,040)	(25,060,308)
Office Equipment	(5,094,784)	-
	<u>Tk. 6,281,655,095</u>	<u>6,364,095,218</u>

20 (b). Revaluation Surplus - Tk. 1,711,174,747

S.F. Ahmed & Co, Chartered Accountants and valuers have revalued the land, building and plant & machinery of the Company as of 31 December 2008, following "Current cost method". Such revaluation has resulted into a revaluation surplus aggregating Tk. 1,711,174,747.

21. Investment in Shares - Tk. 36,701,090

This Consists of :	2008	2007
a) 3,268,991 Shares of Tk. 10 each of Bextex Limited (former Padma Textile Mills Ltd.)	25,701,090	25,701,090
b) 100,000 Shares of BPL Power Company Ltd. of Tk. 100 each	10,000,000	10,000,000
c) 1 Share of Tk.1,000,000 each of Central Depository Bangladesh Ltd. (CDBL)	1,000,000	1,000,000
	Tk. <u>36,701,090</u>	<u>36,701,090</u>

The shares of the Bextex Limited are listed in the Dhaka and Chittagong Stock Exchanges. The market value of each share of Bextex Ltd. as on 30 December, 2008 was Tk. 23.90 (on 30-12-07 Tk. 18.90) in the Dhaka Stock Exchange Ltd. and Tk. 23.80 (on 30-12-07 Tk. 19.00) in the Chittagong Stock Exchange Ltd.

22. Inventories - Tk. 1,505,288,093

This consists of as follows :

Finished Goods	358,010,498	331,438,214
Work in Process	171,647,779	142,743,433
Raw Material	554,338,294	607,643,749
Packing Material	187,608,219	188,571,634
Laboratory Chemical	3,719,853	2,673,958
Physician Sample	23,037,101	18,397,570
Raw & Packing Material in Transit	206,926,349	178,683,684
	Tk. <u>1,505,288,093</u>	<u>1,470,152,242</u>

23. Spares & Supplies - Tk. 234,530,326

This consists of as follows :

Spares & Accessories	163,413,187	131,125,554
Stock of Stationery	4,092,814	2,162,958
Literature & Promotional Material	67,024,325	49,039,537
	Tk. <u>234,530,326</u>	<u>182,328,049</u>

24. Accounts Receivable - Tk. 503,916,401

This is unsecured, considered good and is falling due within one year.

This includes receivable of Tk. 24,604,636 equivalent to US\$ 356,495 (on 31-12-2007 Tk. 27,811,796 equivalent to US \$ 399,645) against export sales.

This also includes Tk. 405,920,613 (on 31-12-2007 Tk. 427,386,197) due from I & I Services Ltd., the local distributor of the pharmaceutical products of the Company and a "Related Party". The maximum amount due from that company during the year was Tk. 450,520,014 on 30-06-08 (on 28-06-07 Tk. 566,999,130).

No amount was due from the directors, managing agent, managers and other officers of the company and any of them severally or jointly with any other person.

25. Loans, Advances and Deposits - Tk. 544,509,106

This is unsecured, considered good and consists of as follows :

	2008	2007
Clearing & Forwarding	13,060,361	15,908,958
VAT	130,500,392	103,793,763
Claim Receivable	17,153,650	15,214,568
Security Deposit & Earnest Money	15,592,487	19,044,921
Lease Deposit	15,547,359	15,458,331
Capital Expenditure/ Project Expenses	79,535,888	158,660,096
Bank Guarantee Margin	196,946	341,414
Advance against Salary	44,927,912	27,672,341
Rent Advance	1,111,267	1,468,303
Motor Cycle	56,936,121	62,295,492
Raw & Packing Material	75,600,892	189,924,320
Others	68,612,836	49,649,557
Tk.	<u>544,509,106</u>	<u>685,915,465</u>

- (a) The maximum amount due from the officers during the year was Tk.46,332,043 on 31.10.2008.
- (b) No amount was due from the directors, managing agent, managers and other officers of the company and any of them severally or jointly with any other person, except as stated above.
- (c) No amount was due from any related party.

26. Cash and Cash Equivalents - Tk. 73,647,728

This consists of as follows :

(a) Cash in Hand, Transit & Bank	72,656,579	84,296,510
(b) Imprest Cash	991,149	1,402,400
Tk.	<u>73,647,728</u>	<u>85,698,910</u>

27. Issued Share Capital - Tk. 1,259,577,470

This represents :

Authorized :

<u>200,000,000</u> Ordinary Shares of Tk. 10/- each	Tk. <u>2,000,000,000</u>	<u>2,000,000,000</u>
---	---------------------------------	-----------------------------

Issued, Subscribed and Paid-up :

51,775,750 Ordinary Shares (2007: 51,775,750) of Tk. 10/- each fully paid-up in cash	517,757,500	517,757,500
68,230,747 Bonus Shares (2007: 56,780,043) of Tk. 10/- each	682,307,470	567,800,430
<u>5,951,250</u> Shares of Tk. 10/- each issued in Exchange of Shares of Beximco Infusions Ltd.	<u>59,512,500</u>	<u>59,512,500</u>
<u>125,957,747</u> Shares	Tk. <u>1,259,577,470</u>	<u>1,145,070,430</u>

The movement of issued shares during the year 2008 is as follows :

	Number of Shares	Amount in Taka
(a) Balance as on 01-01-2008	114,507,043	1,145,070,430
Bonus Share issued as dividend of 2007	11,450,704	114,507,040
Balance as on 31-12-2008	<u>125,957,747</u>	<u>1,259,577,470</u>

(b) Composition of Shareholding :

Sponsors
 Foreign Investors
 ICB including ICB Investors Account
 General Public and Institutions

2008		2007	
No. of shares	%	No. of shares	%
25,981,079	20.63	23,619,165	20.63
35,889,219	28.49	38,303,493	33.45
12,882,399	10.23	12,881,852	11.25
51,205,050	40.65	39,702,533	34.67
125,957,747	100.00	114,507,043	100.00

(c) Distribution Schedule :

Range of Holdings In number of shares	No. of Shareholders		% of Shareholders		No. of Shares		% of Share Capital	
	2008	2007	2008	2007	2008	2007	2008	2007
1 to 499	53,098	42,754	81.00%	79.33%	6,312,797	5,267,925	5.01%	4.60%
500 to 5,000	11,448	10,201	17.45%	18.93%	14,168,303	13,121,792	11.25%	11.46%
5,001 to 10,000	541	541	0.83%	1.00%	3,812,607	3,729,112	3.03%	3.26%
10,001 to 20,000	234	204	0.36%	0.38%	3,227,093	2,844,702	2.56%	2.48%
20,001 to 30,000	79	60	0.12%	0.11%	1,934,231	1,437,596	1.54%	1.26%
30,001 to 40,000	34	30	0.05%	0.06%	1,168,786	1,076,154	0.93%	0.94%
40,001 to 50,000	11	18	0.02%	0.03%	505,241	802,656	0.40%	0.70%
50,001 to 100,000	46	32	0.07%	0.06%	3,120,082	2,215,866	2.48%	1.94%
100,001 to 1,000,000	50	38	0.08%	0.07%	14,569,334	13,175,792	11.57%	11.51%
Over 1,000,000	15	14	0.02%	0.03%	77,139,273	70,835,448	61.23%	61.85%
Total	65,556	53,892	100.00%	100.00%	125,957,747	114,507,043	100.00%	100.00%

(d) Market Price :

The shares are listed in Dhaka, Chittagong and London Stock Exchanges. On the last working day of the year, each share was quoted at Tk. 167.70 (in 2007 Tk. 58.90) in the Dhaka Stock Exchange Ltd., Tk. 167.90 (in 2007 Tk. 59.30) in the Chittagong Stock Exchange Ltd., and GBP 0.13 in London Stock Exchange (in 2007 GBP 0.37).

28. Excess of Issue Price over Face Value of GDRs - Tk. 1,689,636,958

This represents the issue price of 28,175,750 GDRs at Tk. 2,244,080,670 net off face value of underlying shares against GDRs and following GDR issue expenses :

Fees & Expenses for Libertas Capital (Issue Manager / Nominated Advisor)	151,950,630
Expenses for accounting / management due diligence by Ernst & Young , UK	39,942,350
Fees & expenses for legal due diligence by Jones day, UK & others	32,980,508
Fees & expenses for Depository - Bank of New York.	3,695,007
Printing, Publication and other listing related expenses	9,822,040
Road show & other expenses	34,295,677
Tk.	<u>272,686,212</u>

29. Tax-Holiday Reserve - Tk. Nil

This is arrived at as follows : :

	2008	2007
Opening Balance	442,354,953	394,834,828
Add: Provided during the year	-	78,154,622
Less : Transferred to Retained Earning (as no longer required)	(442,354,953)	(30,634,497)
Tk.	<u>-</u>	<u>442,354,953</u>

30. Long Term Borrowing - Net off Current Maturity (Secured) - Tk. 1,446,600,500

This Consists of :

(a) Project Loan	1,292,229,846	1,516,920,475
(b) Interest and PAD Block	143,151,541	223,810,664
(c) Obligation Under Finance Leases	11,219,113	35,718,639
Tk.	<u>1,446,600,500</u>	<u>1,776,449,778</u>

(a) Project Loan

This loan was sanctioned under the consortium arrangement of Janata Bank, Sonali Bank, Agrani Bank, Rupali Bank and United Commercial Bank Ltd. for the US FDA standard oral solid dosages facility of the company. Janata Bank is the lead bank to the consortium.

This Loan is secured against :

- First (registered mortgage) charge on paripassu basis with the participating banks on 1,112.82 decimals of land along with the building and other construction to be built thereon at Kathaldia, Aushpara of Gazipur; and
- First paripassu charge by way of hypothecation on all assets of the company both present and future.
- This Loan, carrying interest at 12.5% to 14% per annum, is repayable in quarterly installments ending by 2012.

(b) Interest and PAD Block

This represents blocked PAD and blocked interest of Janata Bank to be paid in quarterly/monthly installments ending latest by 30-04-2011.

31. Liability for Gratuity & WPPF - Tk. 274,419,253

This consists of payable to the permanent employees at the time of separation from the company and Loan from Workers' Profit Participation/Welfare Funds as detailed below :

(a) Gratuity Payable

Opening Balance	102,444,429	94,836,599
Provided during the year	23,460,000	17,558,748
	<u>125,904,429</u>	<u>112,395,347</u>
Paid during the year	(10,598,904)	(9,950,918)
Tk.	<u>115,305,525</u>	<u>102,444,429</u>

(b) Loan from Workers' Profit Participation/Welfare Funds

	<u>159,113,728</u>	<u>144,260,181</u>
Tk.	<u>274,419,253</u>	<u>246,704,610</u>

32. Deferred Tax Liability - Tk. 46,411,276**2008****2007**

This is arrived at as follows :

Opening Balance

51,351,969

62,403,458

Deferred Tax (Income)/Expense for the year (Note : 47)

(4,940,693)

(11,051,489)

Tk. 46,411,27651,351,969**33. Short Term Borrowings - Tk. 1,461,666,227**

This represents :

(a) Janata Bank :

Cash Credit-Pledge

155,058,129

149,972,531

Cash Credit-Hypothecation

960,682,217

666,029,415

PAD

35,018,033

-

(b) Citibank NA

39,199,326

41,570,459

(c) Standard Chartered Bank

(15,079)

9,922

(d) IPDC

50,716,933

50,000,000

(e) Loan From Beximco Holdings Ltd.

221,006,668

-

Tk. 1,461,666,227907,582,327**34. Long Term Borrowing-Current Maturity - Tk. 648,165,841**

This consists of as follows and is payable within next twelve months from the Balance Sheet date :

Project Loan

479,020,757

152,025,355

Interest & PAD Block

143,658,000

159,478,000

Obligation under Finance Leases

25,487,084

32,101,143

Tk. 648,165,841343,604,498**35. Creditors and other Payables - Tk. 263,176,822**

This consists of :

Goods & Services

58,382,776

112,027,880

Provident Fund

191,013,499

149,723,824

Capital Expenditure

3,269,279

5,051,325

Advance Against Export

2,368,551

1,705,718

Others

8,142,717

3,305,371

Tk. 263,176,822271,814,118

These are unsecured, and falling due within one year.

36. Accrued Expenses - Tk. 81,776,450

This is unsecured, falling due within one year and consists of as follows :

For expenses

46,070,400

40,068,856

Workers' Profit Participation/ Welfare Funds (current year's provision)

35,706,050

19,983,883

Tk. 81,776,45060,052,739

37. Income Tax Payable - Tk. 144,077,359

	2008	2007
This is arrived at as follows :		
Opening Balance	41,633,930	16,276,184
Tax provided (Note - 47)	173,720,430	57,661,278
	215,354,360	73,937,462
Tax paid (including Advance Income Tax) during the year	(71,277,001)	(32,303,532)
Tk.	<u>144,077,359</u>	<u>41,633,930</u>

38. Net Sales Revenue - Tk. 4,010,167,059

This represents net sales and consists of as follows :

Local Sales	3,839,563,510	3,474,272,775
Export Sales-US\$ 2,501,084 (in 2007 US\$ 1,777,322)	170,603,549	122,752,037
Tk.	<u>4,010,167,059</u>	<u>3,597,024,812</u>

Sales represent :

Solid. Liquid & Inhalation Formulations	Pcs	2,171,705,929	1,768,179,996
Basic Chemicals	Kg.	26,790	9,040
IV Fluids	Bottles	6,364,302	6,565,071

39. Cost of Goods Sold - Tk. 2,002,871,181

This is made-up as follows :

	Notes		
Work-in-Process (Opening)		142,743,433	178,713,956
Materials Consumed	40	1,680,187,263	1,486,392,827
Factory Overhead	41	418,030,710	414,930,167
		2,240,961,406	2,080,036,950
Work-in-Process (Closing)		(171,647,779)	(142,743,433)
COST OF PRODUCTION		2,069,313,627	1,937,293,517
Finished Goods (Opening)		331,438,214	398,102,771
Finished Goods available		2,400,751,841	2,335,396,288
Finished Goods (Closing)		(358,010,498)	(331,438,214)
		2,042,741,343	2,003,958,074
Cost of Physician Sample		(39,870,162)	(36,448,099)
Tk.		<u>2,002,871,181</u>	<u>1,967,509,975</u>

Item wise quantity and value of Finished Goods Stock are as follows :

Item	Unit	Quantity	Value
Stock as on 01-01-08			
Solid. Liquid & Inhalation Formulations	Pcs	312,870,267	307,290,151
IV Fluids	Bottles	960,630	24,148,063
Tk.			<u>331,438,214</u>
Stock as on 31-12-08			
Solid. Liquid & Inhalation Formulations	Pcs	435,894,863	323,481,781
IV Fluids	Bottles	1,037,201	23,587,639
Basic Chemicals	Kg.	3,464	10,941,078
Tk.			<u>358,010,498</u>

40. Materials Consumed - Tk. 1,680,187,263

This is made-up as follows :

	2008	2007
Opening Stock	798,889,341	825,628,628
Purchase	1,626,964,288	1,459,653,540
Closing Stock	(745,666,366)	(798,889,341)
Tk.	<u>1,680,187,263</u>	<u>1,486,392,827</u>

41. Factory Overhead - Tk. 418,030,710

This consists of as follows :

Salary & Allowances	178,633,988	164,122,324
Repairs & Maintenance	52,239,401	51,683,025
Insurance Premium	3,739,078	2,746,192
Municipal Tax & Land Revenue	1,576,304	243,532
Advertisement & Subscription	210,780	95,103
Traveling & Conveyance	1,132,515	1,220,706
Entertainment	405,432	290,292
Research and Development	3,341,369	5,408,921
Printing & Stationery	4,326,436	5,392,708
Telephone & Postage	1,779,948	2,353,985
Toll Charge/ (income) - Net	14,015,468	14,240,267
Electricity, Gas & Water	17,521,600	19,876,997
Other Expenses	8,114,783	8,765,408
Depreciation	130,993,608	138,490,707
Tk.	<u>418,030,710</u>	<u>414,930,167</u>

- Salary and allowances include Company's Contribution to provident fund of Tk. 2,917,908 (in 2007 Tk. 2,411,504).
- In 2008, all the factory employees received annual salary and allowances of Tk. 36,000 and above.
- The value of imported stores and spares consumed is Tk. 14,059,370 (in 2007 Tk.12,577,281) is included in repairs & maintenance.
- Other expenses does not include any item exceeding 1% of total revenue.

42. Administrative Expenses - Tk. 153,464,243

	2008	2007
This consists of as follows :		
Salary & Allowances	84,200,344	76,563,948
Rent Expenses	7,300,078	5,505,570
Repairs & Maintenance	8,275,689	6,283,565
Donation & Subscription	738,391	1,560,457
Traveling & Conveyance	9,503,179	10,921,693
Entertainment	1,287,515	1,093,769
Printing & Stationery	1,167,878	1,068,943
Auditors' Remuneration	522,500	365,750
Telephone & Postage	3,412,609	3,330,813
Electricity, Gas & Water	5,156,735	3,688,841
Legal & Consultancy Fee	2,506,406	2,059,086
AGM, Company Secretarial Expenses and Regulatory Fees	15,151,730	18,433,038
Other Expenses	8,246,900	7,896,605
Training	106,936	477,591
Depreciation	5,887,353	6,295,032
	Tk. 153,464,243	145,544,701

- (a) Salary and allowances include provident fund contribution of Tk. 2,466,064 (in 2007 Tk. 2,265,163).
- (b) In 2008, all the employees of Administrative and General Management received annual salary and allowances of Tk. 36,000 and above.
- (c) Auditors' remuneration represents audit fee including VAT for auditing the accounts for the year 2008.

43. Selling, Marketing and Distribution Expenses - Tk. 855,036,787

This consists of as follows :		
Salary & Allowances	291,723,125	267,944,701
Rent Expenses	8,305,000	13,005,628
Repairs & Maintenance	10,620,026	14,696,235
Traveling & Conveyance	144,538,948	138,760,988
Entertainment	1,590,918	663,066
Printing & Stationery	11,441,995	10,189,762
Telephone & Postage	7,716,905	7,147,739
Electricity, Gas & Water	3,025,764	2,719,882
Market Research & New Products	8,180,930	20,434,120
Training & Conference	22,998,344	21,498,705
Sample Expenses	58,267,732	53,540,434
Promotional Expenses	95,159,738	88,106,570
Literature/News Letter	45,148,618	47,070,903
Export Freight, Insurance & C&F Expense	12,332,087	14,952,132
Delivery Commission	114,180,696	106,083,796
Depreciation	10,302,868	12,590,064
Other Expenses	9,503,093	9,787,264
	Tk. 855,036,787	829,191,989

- (a) Salary and allowances include provident fund contribution of Tk 9,278,354 (in 2007 Tk. 7,784,687).
- (b) In 2008, all the employees related to selling, marketing and distribution received annual salary and allowances of Tk. 36,000 and above.
- (c) Delivery commission represents 3% of local sales of Formulation & IV Fluids which has been paid to the I & I Services Ltd., the local distributor of the company and a related party.

44. Other Income - Tk. 686,510

This is arrived at as follows :

	2008	2007
Interest Income	753,267	15,169,014
Exchange gain (loss) on retention quota (F.C.) accounts	-	(63,001)
Gain on Sale of shares in Bextex Ltd.	-	4,448,575
(Loss) / Profit on Sale of Fixed Assets (Note - 51)	(66,757)	71,207
Tk.	<u>686,510</u>	<u>19,625,795</u>

45. Finance Cost - Tk. 249,654,298

This is arrived at as follows :

Interest on Cash Credit and others	214,066,707	222,581,780
Interest on loan from PF and WPP/Welfare Fund	35,587,591	32,160,612
Tk.	<u>249,654,298</u>	<u>254,742,392</u>

46. Contribution To Workers' Profit Participation / Welfare Funds - Tk. 35,706,050

This represents 5% of net profit before tax after charging the contribution as per provisions of the Bangladesh Labour law-2006.

47. Income Tax Expenses - Tk. 168,779,737

This consists of as follows :

(i) Current Tax for the year under review	173,720,430	57,661,278
(ii) Deferred Tax (Income)/Expense (Note 19.5)	(4,940,693)	(11,051,489)
Tk.	<u>168,779,737</u>	<u>46,609,789</u>

48. Earnings Per Share (EPS) :

(a) Earnings attributable to the Ordinary Shareholders (Net profit after Tax)	Tk. 545,341,273	353,067,878
(b) Weighted average number of Ordinary Shares outstanding during the year	<u>125,957,747</u>	<u>125,957,747</u>
Earnings Per Share (EPS) (Adjusted EPS of 2007)	<u>Tk. 4.33</u>	<u>2.80</u>

49. Acquisition of Property, Plant and Equipment - Tk. 1,180,445,241

This is net of Interest During Construction Period (IDCP) amounting Tk.183,822,503 (in 2007 Tk. 178,135,018).

50. Related Party Disclosures :

The Company carried out a number of transactions with related parties in the normal course of business and on arms length basis. The nature of transactions and their total value is shown below :

Name of Related Parties	Nature of Transactions	Value of Transaction in 2008	Balance at year end
(a) I & I Services Ltd.	(a) Local Delivery	4,362,397,229	405,920,613
(b) I & I Services Ltd.	(b) Delivery Commission	114,180,696	-
(c) Bangladesh Online Ltd.	(c) Internet Bill	1,446,157	-
(d) Beximco Holdings Ltd.	(d) Short Term Borrowing	221,006,668	221,006,668

Nature of Relationship :

The Company and the parties are subject to common control from same source i.e., Beximco Group.

51. Particulars of Disposal of Property, Plant and Equipment :

The following assets were disposed off during the year ended 31-12-08 :

Particulars of Assets	Cost	Dep.Upto 31-12-07	W.D.V. as on 31-12-07	Sales Price	Profit/(Loss)	Mode of Disposal	Name of the Parties
Furniture	150,000	47,940	102,060	40,000	(62,060)	Negotiation	Mr. Sadequul Islam
Transport & Vehicle	747,395	721,098	26,297	21,600	(4,697)	Tender	-
Total	Tk. 897,395	769,038	128,357	61,600	(66,757)		

52. Payment/Perquisites to Directors and Managers :

2008

2007

- (a) The aggregate amounts paid to/ provided for the Directors & Managers of the company is disclosed below :

Remuneration	40,524,160	35,788,874
Gratuity	2,592,405	2,302,025
Contribution to Provident Fund	3,110,886	2,253,984
Bonus	5,184,810	4,604,050
Transport	13,453,596	9,719,924
Medical	2,967,284	2,979,925
Telephone	2,876,941	3,160,179
Electricity, Gas & Water	2,132,551	2,160,518
Total	Tk. 72,842,633	62,969,479

- (b) No compensation was allowed by the company to the Directors of the company.
(c) No amount of money was expended by the company for compensating any member of the board for special services rendered.
(d) No board meeting attendance fee was paid to the directors of the company.

53. Production Capacity, Actual Production in 2008 :

Unit	Production Capacity		Actual Production		Excess/(Shortfall)	
	2008	2007	2008	2007	2008	2007
Tablet & Capsule (in million pcs)	1,742	1,742	2,371	1,774	629	32
Bottle, Tube & Cans (in million pcs)	39	39	34	36	(5)	(3)
Bottle-IV (in million pcs)	14	14	6	10	(8)	(4)

54. Capital Expenditure Commitment :

There was no capital expenditure contracted but not incurred or provided for at 31 December 2008.

55. Finance Lease Commitment :

At 31December, 2008, the company had annual commitment under finance leases as set out below :

Leases expiring within 1 year	25,487,084
Leases expiring within 2-5 years (inclusive)	11,219,113
	Tk. <u>36,706,197</u>

56. Claim not Acknowledged as Debt :

There was no claim against the company not acknowledged as debt as on 31-12-08.

57. Un-availed Credit Facilities :

There is no credit facilities available to the company under any contract, other than trade credit available in the ordinary course of business and not availed of as on 31-12-2008.

58. Payments Made in Foreign Currency :

	<u>Foreign Currency (Equivalent US\$)</u>	<u>Taka</u>
Import of Machinery, Equipments & Spares	1,395,326	95,815,336
Import of Raw & Packing material	18,342,295	1,273,432,201
Regulatory fees & other expenses	603,954	41,316,734

No other expenses including royalty, technical expert and professional advisory fee, interest, etc. was incurred or paid in foreign currencies except as stated above.

59. Dividend Paid to the Non-resident Shareholders in 2008 :

- (i) Dividend for 2007 was approved on 21 August, 2008 and therefore, dividend for 2007 was paid in 2008.
- (ii) Dividend of Tk. 13,501,053 was paid to 13 non-resident shareholders against 33,752,632 shares held by them.
- (iii) No dividend was remitted in foreign currency but paid in local currency to their local custodian banks.

60. Foreign Exchange Earned :

- (a) Export Sales of US\$ 2,501,084 (in 2007 US\$ 1,777,322).
- (b) No other income including royalty, technical assistance and professional advisory fee, interest and dividend was earned or received in foreign currency.

61. Commission / Brokerage to selling agent :

No commission was incurred or paid to any sales agent nor any brokerage or discount other than conventional trade discount was incurred or paid against sales.

62. Contingent Liability :

The company has a contingent liability to the extent of Tk. 2,127,691,200 (Yen 2,693,280,000) for third party corporate guarantee issued to Marubeni Corporation, Tokyo in favor of Bextex Limited, a member of Beximco Group.

63. Events After The Reporting Period :

Following events have occurred since the Balance Sheet date:

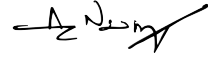
- (a) The directors recommended 10% cash dividend and 20% Stock dividend (Bonus Share). The dividend proposal is subject to shareholders' approval at the forthcoming annual general meeting.
- (b) Except the fact stated above, no circumstances have arisen since the balance sheet date which would require adjustment to, or disclosure in, the financial statements or notes thereto.



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Ali Nawaz
Chief Finance Officer

Dhaka
30 April, 2009