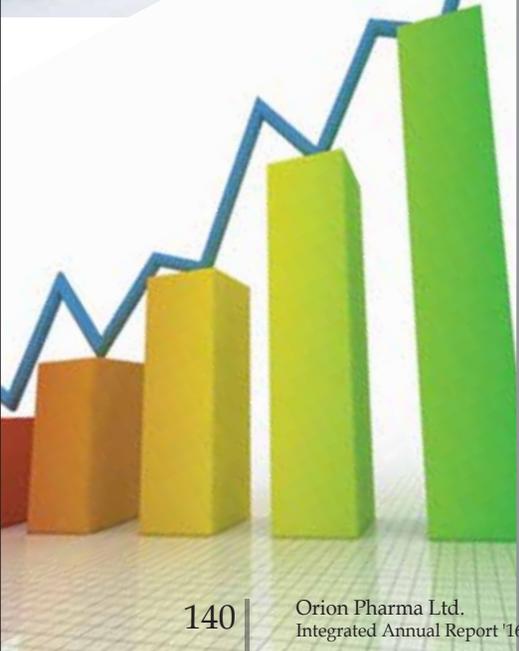




Financials

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**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS
OF
ORION PHARMA LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of Orion Pharma Limited and its subsidiaries and associates (the group), as well as the separate financial statements of Orion Pharma Limited (the company), which comprise the consolidated and separate Statement of Financial Position as at June 30, 2016 and consolidated and separate Statement of Profit or Loss and other Comprehensive Income, consolidated and separate Statement of Changes in Equity and consolidated and separate Statement of Cash Flows for the period from 01 January 2015 to 30 June 2016 then ended and a summary of significant accounting policies and other explanatory information thereon.

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) and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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 and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub paragraph (b) of the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion, the consolidated financial statements of the group and separate financial statements of the company, give a true and fair view of the financial position of the company as well as of the group as at June 30, 2016 and of their financial performance and their cash flows for the period from 01 January 2015 to 30 June 2016 then ended in accordance with Bangladesh Financial Reporting Standards (BFRS's).

Other Matter

(a) The consolidated financial statements of the group and separate financial statements of the company for the year ended December 31, 2014 were audited by another auditor who expressed unqualified opinion on those statements on May 12, 2015.

(b) The financial statements of the company's subsidiaries of Dutch Bangla Power and Associates Limited and Orion Power Meghnaghat Limited have been audited by another auditor as at June 30, 2016, and who expressed unqualified opinion on those statements on August 16, 2016.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and Bangladesh Securities and Exchange Rules 1987, 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 separate and the consolidated statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows dealt with by the report are in agreement with the books of account; and

(d) the expenditure incurred was for the purpose of the company's business.

Dated: 10 November 2016
Place: Dhaka

Sd/-
Ahmad & Akhtar
Chartered Accountants

ORION PHARMA LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

Particulars	Notes	Amount in Taka	
		30-Jun-16	31-Dec-14
Assets			
Non-current assets		18,286,613,234	19,195,721,044
Property, plant and equipments	5	14,058,343,412	14,906,497,266
Construction work in progress	6	1,591,424,708	1,210,675,986
Investment in associates	8	319,403,000	2,917,551,794
Intangible assets	9	-	2,108,590
Other investments	10	2,317,442,114	158,887,408
Current assets		8,603,292,025	6,896,605,799
Inventories	11	681,075,164	442,938,503
Trade and other receivables	12	6,807,087,245	5,126,681,612
Advances, deposits and prepayments	13	872,933,890	367,639,309
Fixed deposit with banks	14	6,757,702	570,819,288
Cash and cash equivalents	15	235,438,024	388,527,087
Total assets		26,889,905,259	26,092,326,843
Equity and liabilities			
Shareholder's equity		16,377,819,562	15,793,919,752
Share capital	16	2,340,000,000	2,340,000,000
Share premium		8,016,892,026	8,016,892,026
Reserves	17	2,083,239,547	2,013,782,754
Retained earnings	18	3,937,687,989	3,423,244,972
Non - controlling interest	19	838,306,456	758,018,457
Total equity		17,216,126,018	16,551,938,209
Non-current liabilities		5,663,366,765	6,344,129,663
Redeemable preference shares	Annexure-E	500,000,000	1,000,000,000
Provision for decommissioning of assets	Annexure-F	143,405,563	121,977,733
Long term loan	20	4,925,434,529	5,131,930,561
Employee benefits payable	21	19,989,957	16,802,277
Deferred tax liability	22	74,536,715	73,419,091
Current liabilities		4,010,412,476	3,196,258,970
Short term loan	23	833,781,938	1,406,630,738
Trade and other creditors	24	834,243,837	715,992,142
Accrued expenses	25	2,342,386,700	1,073,636,091
Total equity and liabilities		26,889,905,259	26,092,326,843
Number of shares used to compute NAV		234,000,000	234,000,000
Net asset value (NAV) including revaluation surplus		69.99	67.50
Net asset value (NAV) excluding revaluation surplus		61.34	58.25

The accompanying notes form an integral part of this financial statements and are to be read in conjunction therewith.

Sd/-
Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Signed in terms of our separate report of same date annexed.

Sd/-
Ahmad & Akhtar
Chartered Accountants

Dated: 10 November 2016

Place: Dhaka

ORION PHARMA LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

Particulars	Notes	Amount in Taka	
		30-Jun-16	31-Dec-14
Assets			
Non-current assets		9,910,680,476	9,818,864,152
Property, plant and equipment	5a	4,665,410,653	4,441,330,084
Construction work in progress	6a	1,591,424,709	1,210,675,987
Investment in subsidiaries	7	1,017,000,000	1,175,600,000
Investment in associates	8a	319,403,000	2,832,891,794
Other investments	10a	2,317,442,114	158,366,287
Current assets		5,800,753,696	5,978,969,049
Inventories	11a	299,950,084	298,358,884
Trade and other receivables	12a	4,774,886,093	4,493,486,523
Advances, deposits and prepayments	13a	685,884,662	237,379,978
Fixed deposit with banks	14	6,757,702	570,819,289
Cash and cash equivalents	15a	33,275,154	378,924,375
Total assets		15,711,434,172	15,797,833,200
Equity and liabilities			
Shareholder's equity		13,191,673,369	13,207,296,361
Share capital	16	2,340,000,000	2,340,000,000
Share premium		8,016,892,026	8,016,892,026
Reserves	17a	1,635,665,548	1,591,391,417
Retained earnings	18a	1,199,115,795	1,259,012,918
Non-current liabilities		819,728,530	327,195,939
Long Term loan	20a	725,201,858	236,974,571
Employee benefits	21	19,989,957	16,802,277
Deferred tax liability	22	74,536,715	73,419,091
Current liabilities		1,700,032,273	2,263,340,900
Short term loan	23	833,781,938	1,406,630,738
Trade and other creditors	24a	431,495,332	387,170,304
Accrued expenses	25a	434,755,003	469,539,858
Total shareholder's equity and liabilities		15,711,434,172	15,797,833,200
Number of shares used to compute NAV		234,000,000	234,000,000
Net asset value (NAV) including revaluation surplus		56.37	56.44
Net asset value (NAV) excluding revaluation surplus		50.22	49.77

The accompanying notes form an integral part of this financial statements and are to be read in conjunction therewith.

Sd/-
Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Signed in terms of our separate report of same date annexed.

Sd/-
Ahmad & Akhtar
Chartered Accountants

Dated: 10 November 2016

Place: Dhaka

ORION PHARMA LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2016

Particulars	Notes	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
Revenue from net sales	26	14,799,743,435	10,706,704,367
Cost of goods sold	27	(1,088,516,230)	(727,738,606)
Cost of power generation	28	(9,849,965,880)	(7,264,482,908)
Gross profit		3,861,261,325	2,714,482,853
Operating expenses		(979,248,400)	(673,062,366)
General and administrative expenses	29	(360,399,732)	(255,080,143)
Selling and distribution expenses	30	(618,848,668)	(417,982,223)
Profit from operation		2,882,012,925	2,041,420,487
Financial Expenses	31	(1,320,170,101)	(1,065,712,696)
Interest and other income	32	46,857,510	192,954,822
Net profit from operation		1,608,700,334	1,168,662,613
Workers profit participation fund		(14,840,296)	(21,356,652)
Net profit before tax		1,593,860,039	1,147,305,961
Income tax		(68,900,722)	(97,581,434)
Current tax expenses	33	(68,976,332)	(97,368,539)
Deferred tax income/(expense)	22	75,610	(212,895)
Net profit after tax		1,524,959,317	1,049,724,529
Share of profit from associate	8	27,234,901	92,464,041
Net profit		1,552,194,218	1,142,188,570
Less: Non controlling interest (share of operating profit)		(229,122,052)	(148,102,188)
Net profit after tax attributable to ordinary shareholders		1,323,072,165	994,086,381
Add: Other comprehensive income		155,088,898	(1,975,110)
Fair value gain on marketable securities		44,734,732	401,030
Fair value gain on investment in associates		108,339,628	5,023,193
Share of other comprehensive income		3,207,772	(7,399,333)
Deferred tax income (expenses) on revaluation surplus		(1,193,233)	12,904,216
Total comprehensive income attributable to ordinary shareholders		1,478,161,063	992,111,272
Basic earning per share (EPS)	34	5.65	4.25

The accompanying notes form an integral part of this financial statements and are to be read in conjunction therewith.

Sd/-
Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Signed in terms of our separate report of same date annexed.

Dated: 10 November 2016
Place: Dhaka

Sd/-
Ahmad & Akhtar
Chartered Accountants

ORION PHARMA LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2016

Particulars	Notes	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
Revenue from net sales	26a	2,449,956,082	1,652,879,840
Cost of goods sold	27	(1,088,516,230)	(727,738,606)
Gross profit		1,361,439,852	925,141,234
Operating expenses		(875,178,380)	(589,298,616)
General and administrative expenses	29a	(256,329,712)	(171,316,393)
Selling and distribution expenses	30	(618,848,668)	(417,982,223)
Profit from operation		486,261,472	335,842,618
Financial Expenses	31a	(221,472,787)	(80,277,693)
Interest and other income	32a	46,857,510	192,924,759
Net profit from operation		311,646,196	448,489,684
Workers profit participation fund		(14,840,295)	(21,356,652)
Net profit before tax		296,805,901	427,133,032
Income tax		(68,900,722)	(96,981,434)
Current tax expenses	33.a	(68,976,332)	(96,768,539)
Deferred tax income/(expense)	22	75,610	(212,895)
Net profit after tax		227,905,178	330,151,598
Share of profit from associate	8a	27,234,901	85,153,401
Net profit		255,140,079	415,304,999
Add: Other comprehensive income		155,088,898	11,666,146
Fair value gain of marketable securities		44,734,731	401,030
Fair value gain on investment in associates		108,339,628	3,465,080
Share of other comprehensive income		3,207,772	(5,104,180)
Deferred tax income (expenses) on revaluation surplus		(1,193,233)	12,904,216
Total comprehensive income attributable to ordinary share holder		410,228,977	426,971,144
Basic earning per share (EPS)	34a	1.09	1.77

The accompanying notes form an integral part of this financial statements and are to be read in conjunction therewith.

Sd/-
Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Signed in terms of our separate report of same date annexed.

Dated: 10 November 2016
Place: Dhaka

Sd/-
Ahmad & Akhtar
Chartered Accountants

ORION PHARMA LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2016

Particulars	Amount in Taka						
	Ordinary Share Capital	Share Premium	Retained Earnings	Reserves	Total	Non controlling Interest	Total
Balance at January 01, 2014	2,340,000,000	8,016,892,026	2,770,093,788	2,137,082,854	15,264,068,668	611,405,042	15,875,473,709
Net Profit after Tax	-	-	994,086,381	-	994,086,381	148,102,188	1,142,188,569
Dividend for thr year -2013	-	-	(351,000,000)	-	(351,000,000)	-	(351,000,000)
Prior Year Adjustments	-	-	(27,964,401)	-	(27,964,401)	(1,488,773)	(29,453,174)
Fair Value Gain on Investment in Associates	-	-	-	5,023,193	5,023,193	-	5,023,193
Share of Other Comprehensive Income	-	-	-	(7,399,333)	(7,399,333)	-	(7,399,333)
Adjustment for Sale of Marketable Securities	-	-	-	(96,200,000)	(96,200,000)	-	(96,200,000)
Fair Value Gain on Marketable Securities	-	-	-	401,030	401,030	-	401,030
Adjustment of deferred tax on Revaluation	-	-	-	12,904,215	12,904,215	-	12,904,215
Adjustment of depreciation on Revaluation	-	-	38,029,204	(38,029,204)	-	-	-
Balance at December 31, 2014	2,340,000,000	8,016,892,026	3,423,244,972	2,013,782,755	15,793,919,753	758,018,457	16,551,938,209
Balance at January 01, 2015	2,340,000,000	8,016,892,026	3,423,244,972	2,013,782,755	15,793,919,753	758,018,457	16,551,938,209
Prior year adjustment	-	-	(499,078,050)	-	(499,078,050)	(147,550,931)	(646,628,981)
Net Profit after Tax	-	-	1,323,072,165	-	1,323,072,165	229,122,052	1,552,194,218
Fair Value Gain on Investment in Associates	-	-	-	108,339,628	108,339,628	-	108,339,628
Dividend for the year 2014	-	-	(351,000,000)	-	(351,000,000)	-	(351,000,000)
Adjustment for sale of Mkt. Securities	-	-	-	9,348,624	9,348,624	-	9,348,624
Fair Value Gain on Marketable Securities	-	-	-	44,734,732	44,734,732	-	44,734,732
Share of Other Comprehensive Income	-	-	-	3,207,772	3,207,772	-	3,207,772
Adjustment of deferred tax on revaluation surplus	-	-	-	(1,193,233)	(1,193,233)	-	(1,193,233)
Depreciation on Revaluation Surplus	-	-	51,901,300	(51,901,300)	-	-	-
Adjustment for sale of Land	-	-	-	(92,062,711)	(92,062,711)	-	(92,062,711)
Adjustment for loss of control from Subsidiaries	-	-	(10,452,397)	48,983,281	38,530,884	(1,283,122)	37,247,762
Balance at June 30, 2016	2,340,000,000	8,016,892,026	3,937,687,989	2,083,239,547	16,377,819,562	838,306,456	17,216,126,018

Sd/-
Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Dated: 10 November 2016
 Place: Dhaka

ORION PHARMA LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2016

Particulars	Amount in Taka				
	Ordinary Share Capital	Share Premium	Retained Earnings	Reserve	Total
Balance at 1st January, 2014	2,340,000,000	8,016,892,026	1,172,545,795	1,698,087,396	13,227,525,217
Net Profit after tax	-	-	415,304,999	-	415,304,999
Dividend for the year 2013	-	-	(351,000,000)	-	(351,000,000)
Fair Value gain on Investment in Associates	-	-	-	3,465,080	3,465,080
Share of other comprehensive Income	-	-	-	(5,104,180)	(5,104,180)
Adjustment for sale of Mkt. Securities	-	-	-	(96,200,000)	(96,200,000)
Fair Value gain on Marketable Securities	-	-	-	401,030	401,030
Adjustment of deferred tax on revaluation Surplus	-	-	-	12,904,215	12,904,215
Adjustment for Dep on Revaluation Surplus	-	-	22,162,124	(22,162,124)	-
Balance at 31 December, 2014	2,340,000,000	8,016,892,026	1,259,012,918	1,591,391,417	13,207,296,361
Balance at January 01, 2015	2,340,000,000	8,016,892,026	1,259,012,918	1,591,391,417	13,207,296,361
Prior year adjustment	-	-	7,862,118	-	7,862,118
Net Profit after tax	-	-	255,140,079	-	255,140,079
Dividend for the year 2014	-	-	(351,000,000)	-	(351,000,000)
Fair Value gain on Investment in Associates	-	-	-	108,339,628	108,339,628
Adjustment for Sale of Land	-	-	-	(92,062,711)	(92,062,711)
Share of other comprehensive Income	-	-	-	3,207,772	3,207,772
Adjustment for sale of Mkt. Securities	-	-	-	9,348,625	9,348,625
Fair Value gain on Marketable Securities	-	-	-	44,734,731	44,734,731
Adjustment of deferred tax on revaluation Surplus	-	-	-	(1,193,233)	(1,193,233)
Adjustment for Dep on Revaluation Surplus	-	-	28,100,681	(28,100,681)	-
Balance at 30 June 2016	2,340,000,000	8,016,892,026	1,199,115,796	1,635,665,548	13,191,673,370

Sd/-
Managing Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Dated: 10 November 2016
 Place: Dhaka

ORION PHARMA LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2016

Sl.No.	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
A. Cash Flows from Operating Activities :			
	Cash Received from Customers and others	13,788,729,497	11,081,251,069
	Cash paid to Suppliers, employees and Others	(9,058,030,480)	(7,556,554,753)
	Cash Payment for Operating Expenses	(718,984,457)	-
	Cash Generated from Operation	4,011,714,560	3,524,696,316
	Cash Payment for Income Tax	(122,681,105)	(252,583,277)
	Net Cash Provided by Operating Activities	3,889,033,455	3,272,113,039
B. Cash Flows from Investing Activities :			
	Acquisition of Property, Plant & Equipment	(466,685,524)	(258,472,652)
	Capital Work in Progress	(232,011,615)	(318,095,405)
	Investment in Securities and Others	32,015,095	(794,220,555)
	Increase in other investment	6,024,809	-
	Proceeds from Investment in FDR	564,061,587	2,613,260
	Dividend Received	1,307,244	847,932
	Proceeds from sale of Marketable securities	-	111,785,390
	Proceeds from sale of PPE	159,075,000	-
	Net Cash (Used in)/Provided by Investing Activities	63,786,596	(1,255,542,030)
C. Cash Flows from Financing Activities :			
	Long Term Loan Received / (Repaid)	(1,218,823,242)	(1,442,217,385)
	Short Term Loan Received / (Repaid)	(705,819,754)	531,077,074
	Financial expenses paid	(1,144,384,986)	(1,099,179,990)
	Dividend paid	(381,498,779)	(254,324,260)
	Prior adjustment	(655,382,354)	-
	Net Cash (Used in)/Provided by Financing Activities	(4,105,909,113)	(2,264,644,561)
	Net Cash Increase/(decrease) during the period (A+B+C)	(153,089,062)	(248,073,552)
	Cash & Cash Equivalents at the beginning of the period	388,527,087	636,600,639
	Cash & Cash Equivalents at the end of the period	235,438,024	388,527,087
	Net Operating Cash Flow Per Share (NOCFPS)	16.62	13.98

Sd/-
Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Dated: 10 November 2016
Place: Dhaka

ORION PHARMA LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2016

Sl.No.	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
A.	Cash Flows from Operating Activities:		
	Cash Received from customers	2,212,521,757	1,751,268,196
	Cash paid to suppliers	(995,708,080)	(635,212,235)
	Cash payment for operating expenses	(718,984,457)	(491,782,514)
	Cash Generated from Operation	497,829,220	624,273,447
	Cash Payment for Income Tax	(122,681,105)	(252,103,277)
	Net Cash Flows from Operating Activities	375,148,115	372,170,170
B.	Cash Flows from Investing Activates:		
	Acquisition of property, plant & equipment	(460,863,107)	(228,676,462)
	Capital work in progress	(305,227,303)	(318,095,405)
	Proceeds from sale of property, plant & equipment	159,075,000	-
	Investment in securities and others	2,417,514	(794,466,556)
	Proceeds from Investment in FDR	564,061,586	2,613,260
	Dividend Received	1,307,244	847,932
	Increase other investment	6,024,809	-
	Proceed from sale of marketable securities	-	112,031,389
	Net Cash (Used In)/Provided by Investing Activities	(33,204,257)	(1,225,745,842)
C.	Cash Flows from Financing Activates:		
	Long term loan received / paid	527,584,983	-
	Short term loan received / paid	(612,206,497)	1,114,139,175
	Interest paid	(221,472,787)	(80,277,693)
	Cash dividend paid	(381,498,779)	(254,324,260)
	Net Cash (Used In)/Provided by Financing Activates	(687,593,080)	779,537,222
	Net Cash Increase/(decrease) during the period (A+B+C)	(345,649,222)	(74,038,449)
	Cash & Cash Equivalents at the beginning of the	378,924,375	452,962,824
	Cash & Cash Equivalents at the end of the period	33,275,154	378,924,375
	Net Operating Cash Flow Per Share (NOCFPS)	1.60	1.59

Sd/-
Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Dated: 10 November 2016

Place: Dhaka

ORION PHARMA LIMITED

NOTES, COMPRISING A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE PERIOD ENDED JUNE 30, 2016

1.00 Reporting entity

1.01 Background of the entity

Orion Pharma Limited, earlier called Orion Laboratories Limited was incorporated in 1965 as a private limited company. The Company was converted into a public limited company on July 24, 2010. The registered office of the company is at 153-154, Tejgaon I/A, Dhaka-1208, Bangladesh. The financial statements of the company as at and for the period ended 30 June 2016.

The Company is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE).

1.01.2 Nature of business

Orion Pharma Limited is engaged in the creation and discovery, development, manufacture and marketing of pharmaceutical products including vaccines, and health-related consumer products.

1.02 Subsidiary companies

1.02.1 Orion Power Meghnaghat Ltd.

Orion Power Meghnaghat Ltd. (IEL Consortium and Associate Ltd.) was incorporated on 30 June 2010 as a public limited company under the Companies Act, 1994 with authorized share capital of Tk. 4,000,000,000 divided into 400,000,000 Ordinary shares of Tk. 10 each. The company implemented a 100 MW HFO Power based Plant on quick rental basis in Meghnaghat, Dhaka with machineries and equipment supplied by Wartsila OY, Finland. The generated output of 105 MW electricity is being regularly supplied to national grid. Orion Pharma Ltd. holds 95% of equity share of this company directly.

1.02.2 Dutch Bangla Power & Associates Limited

Dutch Bangla Power & Associates Limited was incorporated on 1 July 2010 as a public limited company under the Companies Act, 1994 with authorized share capital of Tk 1,000,000,000 divided into 100,000,000 ordinary shares of Tk 10 each. The Company has been awarded by the Government of Bangladesh and BPDB to implement 100 MW HFO Power Plant on quick rental basis in Siddhirganj, Narayanganj with machineries and equipment supplied by Wartsila OY, Finland. The generated output of 105 MW electricity is being regularly supplied to national grid. Orion Pharma Ltd. holds 67% of equity share of this Company.

2.00 Basis of preparation of financial statements

2.01 Statement on compliance

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Financial Reporting Standards (IFRSs), the Companies Act, 1994, Securities and Exchange Rules, 1987 and other relevant local laws as applicable.

2.02 Components of the Financial Statements

According to the International Accounting Standards (IAS)-1 as adopted by ICAB as BAS-1 "Presentation of Financial Statements" the complete set of financial statements includes the following components.

- i. Statement of Financial Position as at 30 June 2016;
- ii. Statement of Profit or Loss and other Comprehensive Income for the period ended 30 June 2016;
- iii. Statement of Changes in Equity for the period ended 30 June 2016;
- iv. Statement of Cash Flows for the period ended 30 June 2016; and
- v. Notes, comprising a summary of significant accounting policies and other explanatory information for the period ended 30 June 2016.

2.03 Basis of measurement

The financial statements have been prepared on historical cost basis except for certain assets which are stated either at revalued amount or fair market value as explained in the accompanying notes.

2.04 Functional and presentation currency

The financial statements are prepared and presented in Bangladesh Taka/Tk./BDT, which is the company's functional currency. The Company earns its major revenues in BDT and all other incomes/expenses and transactions are in BDT and the competitive forces and regulations of Bangladesh determine the sale prices of its goods and services in BDT. Further, the entire funds from financing activities are generated in BDT.

2.05 Reporting period

The financial period of the companies other than the following subsidiaries and associates covers one year from 1 July to 30 June and is followed consistently.

Name of Subsidiaries / Associates	Accounting period
Orion Power Meghnaghat Ltd.	1 July to 30 June
Dutch Bangla Power & Associates Limited	1 July to 30 June
Orion Infusion Limited	1 July to 30 June

2.06 Use of Estimates and Judgments

The preparation of financial statements in conformity with Bangladesh Financial Reporting Standards requires 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 BAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

2.07 Investment in associates

An entity in which an investor has significant influence but which is neither a subsidiary nor an interest in a joint venture is classified as Investment in Associates. Equity Method have been followed in accordance with Bangladesh Accounting Standards (BASs) 28 "Investments in Associates and joint ventures" and BASs 39:"Financial Instruments recognitions and measurements"; and also in respect of certain other associates as explained in note 8.

2.08 Materiality, aggregation and off setting

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Company has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards. The values of any asset or liability as shown in the statement of financial position (balance sheet) are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the year.

3.00 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in this financial statement.

Set out below is an index of the significant accounting policies, the details of which are available on the following:

- 3.01 Revenue
- 3.02 Property, Plant and Equipment
- 3.03 Borrowing costs
- 3.04 Inventory
- 3.05 Cash and Cash Equivalents

- 3.06 Earnings per share (EPS)
- 3.07 Foreign currency transactions
- 3.08 Employee benefits
- 3.09 Provision, accrued expenses and other payables
- 3.10 Financial instruments
- 3.11 Segment reporting
- 3.12 Statement of cash flows
- 3.13 Related party disclosures
- 3.14 Income Tax
- 3.15 Contingent assets and liabilities
- 3.16 Comparative information

3.01 Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements have pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

Interest income

For all financial instruments measured at amortized cost and interest-bearing financial assets classified as available-for-sale, interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in other income in the Statement of Profit or Loss and other Comprehensive Income.

Dividends

Revenue is recognized when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Other Income

Other Income recognized on accrual basis as per frame-work of Bangladesh accounting standards (BASs).

3.02 Property, plant and equipment

Recognition and measurement

An item shall be recognized as property, plant and equipment if, and only if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably.

Property, plant and equipment are initially recognized at cost and subsequently land, buildings & civil constructions and plant & machineries are stated at fair value. The property, plant and equipment are presented at cost/fair value, net of accumulated depreciation and/or accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner. The cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term debt availed for the construction/Implementation of the PPE, if the recognition criteria are met.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the profit and loss account as 'Repair & Maintenance' when it is incurred.

Depreciation on Fixed Assets

Depreciation is provided to amortize the cost or valuation of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of BASs 16: Property, Plant and Equipment. Depreciation of an asset begins when it is available for use. Depreciation is charged on all fixed assets except land and land developments on **reducing balance method** at the following rates:

Particular of Assets	Rate of Depreciation
Factory & Office Building	10%
Plant & Machinery	15%
Furniture and Fixtures	15%
Vehicles	20%
Office Equipment	15%
Laboratory Equipment	15%

Revaluation of Property, Plant and Equipment

Land, buildings & civil constructions and plant & machineries are subsequently measured at fair value. Valuations are performed at specific intervals to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

On 31 December 2008 & 31 December 2011 the Company has made revaluation of the Company's Land and Land developments, Factory and Office Building and Plant and Machinery to reflect fair value thereof in terms Depreciated current cost thereof. Details of revaluation as on 31 December 2011 are as follows:

Particulars of the assets	Name of the Valuer	Qualification of the Valuer	Date of Revaluation	The carrying amount of Assets	Value of Assets after revaluation	Revaluation Surplus
1 . Land and Land development	Syful Shamsul Alam & Co. (Statutory auditor at that year S.F. Ahmed & Co.)	Chartered Accountants	31 December 2011	1,167,752,249	2,340,699,850	1,172,947,601
2 . Factory and Office Building				144,440,015	198,198,786	53,758,771
3 . Plant and Machinery				130,512,146	177,645,275	47,133,129
				1,442,704,410	2,716,543,911	1,273,839,501

The increase in the carrying amount of revalued assets is recognized in the separate component of equity under the head "Revaluation Surplus".

Other Fixed Assets were kept outside the scope of the revaluation works. These are expected to be realizable at written down value (WDV) thereof mentioned in the Statement of Financial Position of the Company.

Impairment

The carrying amounts of property, plant and equipment are reviewed at each Statement of Financial Position to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment loss is recorded on judgmental basis, for which provision may differ in the future years based on the actual experience.

Disposal of Property, Plant and Equipment

An item of Property, Plant and Equipment is removed from the statement of financial position when it is disposed of or when no future economic benefits are expected from its use or disposal. The gain or loss on the disposal of an item of Property, Plant and Equipment is included in the statement of income of the period in which the de-recognition occurs.

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

3.03 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.04 Inventories

Inventories are included in the financial statements at the lower of cost (including raw materials, direct labour, other direct costs and related production overheads) and net realizable value. Cost is generally determined on a first in, first out basis.

3.05 Cash and cash equivalents

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

3.06 Earnings per share (EPS)

The company calculates Earning Per Share (EPS) in accordance with BASs 33 "Earnings Per Share" which has been shown on the face of statement of profit or loss and other Comprehensive Income and the computation of EPS is stated in Note - 34 of the financial statements.

Basic Earnings

This represents earnings for the period attributable to the ordinary shareholders. As there no preference dividend, minority interest or extra ordinary items, the net profit for the year has been considered as fully attributable to ordinary shareholders. Basic earnings per has been calculated by dividing the net profit or loss by the number of ordinary share outstanding during the year.

Diluted Earnings Per Share (DEPS)

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding, for the effect of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there were no potential ordinary shares during the relevant period.

3.07 Foreign currency transactions

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period in compliance with the provision of BASs 21: The Effects of Changes in Foreign Exchange Rates.

- (a) Foreign currency monetary items are translated using the closing rate.
- (b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
- (c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in Statement of Profit or Loss and other Comprehensive Income in the period in which they arise.

3.08 Employee benefits provision

Employee's of the Company is entitled to get provident fund where the Company (employer)'s contribution is 10% which is recognized under Income - tax law.

Workers' Profit Participation Fund (WPPF)

The Company provides 80% of 5% of its profit before Tax after charging contribution to WPPF in accordance with the Bangladesh Labour Act 2006 as amendment 2013.

Remaining 20% of 5% is transferred equivalently to "Employee welfare fund" and "Bangladesh workers welfare foundation"

3.09 Provisions, accrued expenses and other payables

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

Other Payables are not interest bearing and are stated at their nominal value.

3.10 Financial instruments - initial recognition and subsequent measurement

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

Financial assets include available for sale assets, held to maturity assets, assets held for trading, loans and receivable and cash and cash equivalent.

Financial liabilities include borrowings, others financing and bank loan and accounts payables.

Recognition

An entity recognizes a financial assets or liabilities in its statement of financial position when, and only when, the entity becomes a party to the contractual provision of the instrument.

Subsequent measurement

Asset Category	Description	Measurement after initial recognition	Recognition
Available for sale Fixed Assets: 1. Investment in marketable securities. 2. Investment in Associates.	Financial assets that are either effectively designated into the category or do not fall into any other category.	Fair Value	i) Realized gain-loss/Dividend Income/Interest income to Statement of profit or loss and other comprehensive income. ii) Unrealized gain-loss to Statement of Comprehensive Income.
Held to maturity of FDR	Financial assets with fixed maturities are classified as held to maturity.	Amortized cost using the EIR	Realized gain-loss/Interest Income to Statement of profit or loss and other Comprehensive Income
Loans and receivables: 1. Trade Receivable 2. Other Receivable	Unquoted financial assets with fixed or determinable payments.	Amortized cost/cost	Realized gain-loss/Interest Income foreign currency gain loss to Statement of profit or loss and other Comprehensive Income.
Financial liabilities at cost/amortized cost : 1. Short term loan. 2. Trade creditors 3. Others payables.	All financial liabilities other than those at fair value through profit and loss.	Amortized cost	Realized gain-loss/Interest Income foreign currency gain loss to Statement of profit or loss and other Comprehensive Income.

3.11 Operating Segments

No geographical segment reporting is applicable for the Company as required by BFRS 8: "Operating Segments", as the Company operates in a single geographical area.

3.12 Statement of cash flows

The Statement of Cash Flows has been prepared in accordance with the requirements of BAS-7: Statement of Cash Flows. The cash generating 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 BAS-7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.13 Related party disclosures

As per Bangladesh Accounting Standards BAS-24: 'Related Party Disclosures', parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in notes-36 in financial statements.

3.14 Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

3.14.1 Current tax

Current tax expense has been recognized on the basis of the Finance Act 2015 and Income Tax Ordinance 1984.

3.14.2 Deferred tax

Deferred tax is calculated using the carrying amount and tax base of assets and liabilities. Deferred tax arises due to temporary difference deductible or taxable for the events or transactions recognized in the comprehensive income statement. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount / reported amount in the statement of financial position. Deferred tax asset or liability is the amount of income tax recoverable or payable in future periods recognized in the current period. The deferred tax asset / income or liability / expense do not create a legal recoverability / liability to and from the income tax authority. Deferred tax also arises due to revaluation of property, plant and equipment. The resulting impact of deferred tax assets / liabilities on revaluation surplus is included in the statement of Profit or Loss and other comprehensive income.

3.15 Contingent assets and liabilities

3.15.1 Contingent assets

A Contingent asset is disclosed when it is a possible asset that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

3.15.2 Contingent liabilities

A contingent liability is disclosed when it is a possible obligation that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The Company has no contingent assets or liabilities which require disclosures under BAS-37. Contingent assets and contingent liabilities are not recognized in the financial statements.

A contingent assets is disclosed as per BAS-37, where an inflow of or economic benefits is probable. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

3.16 Adjusting of Accounting Period based on Finance Act 2015

The accounting year of Orion Pharma Limited was for the period from January to December. To comply uniform year ending of all companies (except financial institutions) as on 30 June on the basis of amended law by section 2(35) of Income Tax Ordinance 1984 and Financial Act 2015, the Board of Directors of Orion Pharma Limited has decided to close the accounts as on 30 June. Therefore, these accounts have been prepared for the period from 1 January 2015 to 30 June 2016 (for eighteen months). Comparative figures have been presented for the period of 12 (twelve) months.

3.17 Comparative information

Comparative information has been disclosed in respect of the previous year for all numerical information in the current financial statement. Narrative and descriptive information for comparative information have also been disclosed whenever it is relevant for understanding of current year's financial statements.

4.00 General Information

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

ii) Figures for the year 2014 have been rearranged wherever considered necessary to ensure comparability with the current year.

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
5. Property, Plant and Equipment			
	Opening balance	14,906,497,266	15,325,310,033
	Add: Addition during the period	516,585,525	309,940,310
		15,423,082,791	15,635,250,343
	Less: Sales/Disposal during the period	(312,977,126)	-
		15,110,105,665	15,635,250,343
	Less: Depreciation charged during the period	(1,051,762,253)	(728,753,077)
	Written down value	14,058,343,412	14,906,497,266

Details have been presented in Annexure - A. 1

5a. Property, Plant and Equipment			
	Opening balance	4,441,330,083	4,295,619,911
	Add: Addition during the period	510,763,109	228,676,462
		4,952,093,192	4,524,296,373
	Less: Sales/Disposal during the period	(159,075,000)	-
		4,793,018,192	4,524,296,373
	Less: Depreciation charged during the period	(127,607,539)	(82,966,289)
	Written down value	4,665,410,653	4,441,330,084

Details have been presented in Annexure - A.2

6. Construction work in progress			
	Opening balance	1,210,675,986	944,048,239
	Add: Addition during the period	380,748,722	318,095,405
	Less: Transferred to Property, Plant and Equipment	-	(51,467,658)
	Closing balance	1,591,424,708	1,210,675,986

6a Construction work in progress			
	Opening balance	1,210,675,987	892,580,582
	Add: Addition during the period	380,748,722	318,095,405
	Closing balance	1,591,424,709	1,210,675,987

Payment made in relation to the construction of the factory building of Orion Pharma Limited at Siddirgonj, Narayangonj, installation of plant and machinery, their components and other fixed assets procured which is yet to be capitalized.

7. Investment in subsidiaries

Name of the Subsidiarie's company	No. of Shares	Share holding (%)		Amount in Tk.	
		2016	2014	2016	2014
Orion Holding Limited		-	99.60	-	99,600,000
Orion Power Meghnaghat Limited.	95000000	95.00	95	950,000,000	950,000,000
Orion Biocare Limited.		-	99	-	49,500,000
Orion Natural Care Limited.		-	95	-	9,500,000
Dutch Bangla Power & Associates Limited	6700000	67.00	67	67,000,000	67,000,000
Total				1,017,000,000	1,175,600,000

Investment in subsidiaries are stated at cost

During the period 2015-2016 the Company loss the control from 3 subsidiaries namely, Orion Holdings Limited., Orion Biocare Limited. and Orion Natural care Limited.

8 Investment in associates

Orion Infusion Limited

Opening balance	272,935,000	261,375,400
Add: Share of profit during the period	25,339,600	23,568,740
Less: Dividend for the period	(5,759,000)	(9,633,000)
Add/(Less): Fare value adjustment	108,339,628	5,023,193
Add: Share of other comprehensive income	3,207,772	(7,399,333)
Adjustment for losing control of Subsidiaries	(84,660,000)	-
	319,403,000	272,935,000

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
Orion Infrastructure Limited.			
	Opening balance	2,644,616,794	2,575,721,493
	Add: Share of profit during the period	1,895,301	68,895,301
		2,646,512,095	2,644,616,794
	Dispossed off	(529,302,419)	-
	Transfer to non quoted Shares	(2,117,209,676)	-
		-	2,644,616,794
		319,403,000	2,917,551,794

The investment in Orion Infrastructure Limited. treated as Non-Quoted share from associates due to loss of control during the period.

Shareholding position of associates	Holding position (%)		Amount in Taka	
	2016	2014	2016	2014
Orion Infusion Limited	21.76	31.54	44,300,000	174,058,880
Orion Infrastructure Limited.	-	23.00	-	2,500,000,000

8a Investment in associates

Orion Infusion Limited

Opening balance	188,275,000	180,301,000
Add: Share of profit during the period	25,339,600	16,258,100
Less: Dividend during the period	(5,759,000)	(6,645,000)
Add: Share of other comprehensive income	3,207,772	(5,104,180)
Add: Fair value adjustment	108,339,628	3,465,080
	319,403,000	188,275,000

Orion Infrastructure Limited

Opening balance	2,644,616,794	2,575,721,493
Add: Share of profit during the period	1,895,301	68,895,301
	2,646,512,095	2,644,616,794
Less: Disposed off	(529,302,419)	-
Less: Transfer to Non-Quoted share	(2,117,209,676)	-
	-	2,644,616,794
	319,403,000	2,832,891,794

9. Intangible asset

Opening balance	2,108,590	2,635,738
Less: Amortization during the period	-	(527,148)
Less: Adjustment for Losing control of Subsidiaries	(2,108,590)	-
Closing balance	-	2,108,590

The amount represents Ayurvedic License Fee of Orion Natural Care Ltd.. Management has decided to amortize the amount within next five periods.

10. Other investment

Investment in marketable securities (Note 10.1)	198,986,438	77,120,287
Investment of non controlling interest (Note 10.2)	-	521,120
Investment in non-Quoted Shares (Note 10.3)	2,118,455,676	81,246,000
	2,317,442,114	158,887,408

10.1 Investment on marketable securities

AB Investment Limited.	43,568,732	60,950,593
Southeast Bank Capital Services Limited.	2,915,208	2,314,704
Bank Asia Securities Limited.	14,000,298	13,854,990
Jahan Securities Limited	138,502,200	-
	198,986,438	77,120,287

Details have been presented in Annexure - B

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
10.2 Investment of non controlling interest			
	Orion Infusion Limited.	521,120	521,120
	Less: Adjustment for losing control of Subsidiaries	(521,120)	-
		<u>-</u>	<u>521,120</u>
10.3 Investment in non-quoted share			
	C & A Textile Limited.	-	50,000,000
	Olympic Accessories Limited.	-	30,000,000
	Orion Power Khulna Limited.	500,000	500,000
	Orion Power Dhaka Limited.	500,000	500,000
	ICB Islami Bank Limited	246,000	246,000
	Orion Infrastructure Limited.	2,117,209,676	-
		<u>2,118,455,676</u>	<u>81,246,000</u>
10a Other investments			
	Investment in marketable securities (Note10.1)	198,986,438	77,120,287
	Investment in non-Quoted Shares (Note 10.3)	2,118,455,676	81,246,000
		<u>2,317,442,114</u>	<u>158,366,287</u>
11. Inventories			
	Raw materials	81,447,058	93,347,483
	Packing materials	42,392,722	44,351,184
	Work-in-process	7,993,435	10,350,239
	Finished goods	124,584,082	100,973,623
	Stationary & promotional materials	5,193,229	29,658,620
	Goods in transit	51,971,277	26,834,644
	Mobil	30,762,351	14,834,874
	Spare parts	235,244,957	122,587,835
	Inventory HFO & LFO & OOSL	101,486,053	-
		<u>681,075,164</u>	<u>442,938,503</u>
11a Inventories			
	Raw materials	81,447,058	93,347,483
	Packing materials	42,392,722	44,351,184
	Work-in-process	7,993,435	10,350,239
	Finished goods	124,584,082	100,973,623
	Stationary & promotional materials	5,193,229	29,658,620
	Goods in transit	38,339,558	19,677,736
		<u>299,950,084</u>	<u>298,358,884</u>
12. Trade & other receivables			
	Trade receivables	1,618,127,644	986,466,583
	Other receivables (Note-12.1)	5,188,959,601	4,140,215,029
		<u>6,807,087,245</u>	<u>5,126,681,612</u>

Trade receivables are unsecured, considered good and recoverable within one year. Classification schedule as required by schedule XI of Companies Act 1994 are as follows:

Aging of the above balance is as follows:

	30 June, 2016	31 Dec. 2014
Below 180 days	1,618,127,644	986,466,583
Above 180 days	-	-
	<u>1,618,127,644</u>	<u>986,466,583</u>

SL	Particulars	Amount in Tk	
		30 June, 2016	31 Dec. 2014
I	Accounts receivable considered good in respect of which the company is fully secured	1,618,127,644	986,466,583
II	Accounts receivable considered good in respect of which the company holds no security other than the debtor personal security	-	-
III	Trade receivable considered doubtful or bad	-	-
IV	Trade receivable due by any director or other officer of the company	-	-
V	Trade receivable due by common management	-	-
VI	The maximum amount of receivable due by any director or other officer of the company	-	-
	Total	1,618,127,644	986,466,583

As on 30 June 2016 the company did not make any provision on the trade receivable as was no indication of impairment.

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
12.1 Other receivables			
	Claim receivables, Insurance & others	580,506,269	13,064,270
	Divided receivable	-	9,645,000
	Interest on FDR	64,920	22,745,287
	Current account with subsidiary and associates (Note. 12.1.1)	-	283,559,885
	Current account with other related companies (Note. 12.1.2)	4,608,388,412	3,811,200,587
		5,188,959,601	4,140,215,029
12.1.1 Current account with subsidiary and associates			
	Orion Infusion Limited.	-	22,524,904
	Orion Infrastructure Limited.	-	261,034,981
		-	283,559,885

This is considered good and falling due within one year. No amount was due by the directors (including Managing Director), managing agent and other officers of the company.

12.1.2 Current account with other related companies

Noakhali Gold Foods Limited.	20,000,000	42,623,713
Orion Restaurants Limited.	-	37,903,447
Orion Properties Limited.	35,845,732	23,831,532
Orion GAS Limited.	72,500,000	24,741,258
Orion Power Khulna Limited	1,021,254,094	1,013,687,671
Orion Power Dhaka Limited.	2,349,049,038	2,209,793,085
Jafflong Tea Company Limited.	-	895,243
Orion Agro Products Limited.	232,265,920	232,265,920
Interior Accom Consortium Limited.	151,995,459	5,000,000
Belhasa Accom JV Limited.	-	2,500,000
Integral Energy Limited.	-	65,000
Digital Power & Associate Limited.	90,873,689	83,642,084
Orion Sports Limited.	-	96,133,634
Rock Asset Management Limited.	-	400,000
Orion Footware Limited.	66,600,000	20,000,000
Orion oil & Shipping Limited.	43,963,331	556,000
Maple trade Limited.	-	162,000
Global Shoes Limited	-	17,000,000
Panbo Bangla Mushroom Limited	74,000,000	-
Orion Power Unit 2 Dhaka Limited.	450,041,149	-
	4,608,388,412	3,811,200,587

12a Trade & other receivable

Trade receivable	94,214,134	133,319,418
Other receivable (Note - 12a.1)	4,680,671,959	4,360,167,105
	4,774,886,093	4,493,486,523

Trade receivables are unsecured, considered good and recoverable within one year. Classification schedule as required by schedule XI of Companies Act 1994 are as follows:

Aging of the above balance is as follows:

	30 June, 2016	31 Dec. 2014
Below 180 days	94,214,134	133,319,418
Above 180 days	-	-
	94,214,134	133,319,418

Serial	Particulars	30 June, 2016	31 Dec. 2014
I	Accounts receivable considered good in respect of which the company is fully secured	94,214,134	133,319,418
II	Accounts receivable considered good in respect of which the company holds no security other than the debtor personal security	-	-
III	Trade receivable considered doubtful or bad	-	-
IV	Trade receivable due by any director or other officer of the company	-	-
V	Trade receivable due by common management	-	-
VI	The maximum amount of receivable due by any director or other officer of the company	-	-
	Total	94,214,134	133,319,418

As on 30 June 2016 the company did not make any provision on the trade receivable as was no indication of impairment.

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
12a.1 Other receivables			
	Claim receivables, Insurance & others	580,506,269	13,064,270
	Dividend receivable	-	6,645,000
	Interest on FDR	64,920	22,745,287
	Current account with subsidiary & associates (12a.1.1)	590,692,239	811,698,087
	Current account with other related companies (12a.1.2)	3,509,408,531	3,506,014,461
		4,680,671,959	4,360,167,105
12a.1.1 Current account with subsidiaries & associates			
	Orion Infusion Limited	-	22,524,904
	Dutch Bangla Power & Associates Limited	590,692,239	788,028,054
	Orion Power Meghnaghat Limited	-	1,145,129
		590,692,239	811,698,087
	This is considered good and falling due within one year. No amount was due by the directors (including Managing Director), managing agent and other officers of the company.		
12a.1.2 Current account with other related companies			
	Noakhali Gold Foods Limited.	-	42,623,713
	Orion Restaurants Limited.	-	22,841,175
	Orion Properties Limited.	20,331,532	20,331,532
	Orion GAS Limited.	-	24,741,258
	Orion Power Khulna Limited.	986,021,913	986,021,913
	Orion Power Dhaka Limited.	2,176,293,707	2,176,293,707
	Jafflong Tea Company	-	895,243
	Orion Agro Product	232,265,920	232,265,920
	Interior Accom Consortium Limited.	94,495,459	-
		3,509,408,531	3,506,014,461
13. Advances, deposits and prepayments			
	Advances:		
	Advance income tax (Note-13.1)	206,626,751	167,214,584
	Advance imprest money	206,000	259,500
	Motor cycle & car advance	22,037,740	9,682,318
	Collection advance	1,909,854	-
	Advance to C&F agents	13,298,418	2,791,753
	Advance to Supplier	89,728,155	3,945,917
	Advance against land purchase	320,000,000	-
	Advance against material loan	1,095,874	1,313,094
	Advance Office rent	3,868,361	3,533,306
	Advance against cash purchase	7,635,872	7,076,370
	Loan Director	25,000,000	-
	Other advance	65,229,008	5,821,706
		756,636,033	201,638,548
	Deposits:		
	Earnest money	165,000	165,000
	Security deposit	29,578,212	29,035,429
	Bank guarantee margin	44,860,000	67,210,000
	L/C margin	22,381,359	54,605,788
	VAT current account	324,609	255,844
	Lease deposit	14,258,361	14,023,300
		111,567,541	165,295,361
	Prepayments:		
	Insurance premium	284,215	158,467
	Security service	581,993	546,933
	Bank Gurantee Commission & Charge	3,864,108	-
		4,730,316	705,400
		872,933,890	367,639,309

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
13.1 Advance income tax			
	Opening balance	167,214,584	128,903,680
	Add: Addition during the period	41,692,167	38,310,904
		208,906,751	167,214,584
	Less: Adjustment for losing control of Subsidiaries	(2,280,000)	-
	Closing balance	206,626,751	167,214,584
13a Advances, deposits & prepayments			
	Advances:		
	Advance income tax (Note -13a.1)	206,123,413	164,619,561
	Advance imprest money	206,000	259,500
	Motor cycle advance	19,713,765	6,930,393
	Advance - car loan	2,323,975	2,443,675
	Collection advance	1,909,854	5,814,065
	Advance to C&F agents	13,298,418	2,791,753
	Advance against material loan	1,095,874	1,313,094
	Advance office rent	3,868,361	3,533,306
	Advance against land purchase	320,000,000	-
	Advance against cash purchase	3,612,489	5,963,759
		572,152,149	193,669,106
	Advance paid to suppliers:		
	Machinery & equipment	69,626,231	231,299
		69,626,231	231,299
	Deposits:		
	Earnest money	165,000	165,000
	Security deposit	29,578,212	29,035,429
	VAT current account	324,609	255,844
	Lease deposit	14,038,461	14,023,300
		44,106,282	43,479,573
		685,884,662	237,379,978
	All advances, deposits and prepayments are considered regular and recoverable in the normal course of business.		
13a.1 Advance income tax			
	Opening balance	164,619,561	126,927,153
	Addition during the period	41,503,852	37,692,408
	Closing balance	206,123,413	164,619,561
14. Fixed deposit with banks			
	Basic Bank Limited. Dhanmondi Branch, Dhaka	-	144,565,388
	Southeast Bank Limited. Satmashjid Road Branch, Dhaka	-	111,045,625
	Agrani Bank, WASA Branch, Dhaka	-	100,070,590
	Social Islami Bank Limited., Principal Branch, Dhaka.	6,757,702	215,137,686
		6,757,702	570,819,289
	Details have been presented in Annexure -C		
15. Cash & cash equivalents			
	Cash in hand (Note -15.1)	7,693,161	9,629,319
	Cash at brokerage house (Note -15.2)	65,107	20,176
	Balance with banks on account	227,679,756	378,877,593
	Short term deposit account	12,282,464	363,114,329
	Current account	215,397,292	15,763,264
		235,438,024	388,527,087
15.1 Cash in hand			
	Head office	4,463,900	7,468,945
	Depot office	3,229,261	2,160,374
		7,693,161	9,629,319

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
15.2 Cash at brokerage house			
Bank Asia Securities Limited.		5,693	7,636
Jahan Securities Limited.		12,039	12,539
Southeast Bank Capital Services Limited		47,375	-
		65,107	20,176
15a Cash and cash equivalents			
Cash in hand (Note -15a.1)		5,990,147	8,748,939
Cash at brokerage house (Note -15a.2)		65,107	20,176
		6,055,254	8,769,115
Cash at Bank:			
Short Term deposit account		12,282,464	362,553,000
Current account		14,937,436	7,602,260
Details have been presented in Annexure D		27,219,900	370,155,260
		33,275,154	378,924,375
15a.1 Cash in hand			
Head office - central cash & main cash		2,760,886	6,588,566
Depot office - petty cash		3,229,261	2,160,373
		5,990,147	8,748,939
15a.2 Cash at brokerage house			
Bank Asia Securities Limited.		5,693	7,636
Jahan Securities Limited.		12,039	12,539
Southeast Bank Capital Services Limited		47,375	-
		65,107	20,176
16. Share capital			
Authorized capital			
500,000,000 ordinary shares of Tk. 10 each		5,000,000,000	5,000,000,000
Issued, subscribed and paid-up capital			
234,000,000 ordinary shares of Tk. 10 each		2,340,000,000	2,340,000,000

Shareholding position of the company

Range of shareholding	Number of shares	Number of shareholders	30 June, 2016	31 Dec. 2014
Up to 500 Shares	5,857,130	53,502	2.50%	3.74%
501 to 5,000 Shares	14,610,990	7,732	6.24%	6.90%
5001 to 10,000 Shares	10,226,908	1,433	4.37%	4.62%
10,001 to 20,000 Shares	10,533,470	728	4.50%	4.24%
20,001 to above	192,771,502	554	82.38%	80.50%
Total	234,000,000	63,949	100%	100%

Categories of shareholders	Number of shares	Number of shareholders	Holding position (%)	
			30 June, 2016	31 Dec. 2014
Sponsors	74,841,600	5	32%	31.98%
Foreign Investor	8,150,534	423	3%	-
Financial institutions	84,395,968	316	36%	35.45%
General public	66,611,898	63,205	28%	32.57%
Total	234,000,000	63,949	100%	100%

Share holding position in subsidiary company's

Orion Holdings Limited	Number of shares	30 June, 2016		2014	
		Face value in BDT	% of total holding	Face value in BDT	% of total holding
Orion Pharma Limited	-	-	-	99,600,000	99.60%
Mohammad Obaidul Karim	2,500,000	25,000,000	25%	100,000	.10%
Mrs. Arzuda Karim	2,500,000	25,000,000	25%	100,000	.10%
Salman Obaidul Karim	2,500,000	25,000,000	25%	100,000	.10%
Mrs. Zerine Karim	2,500,000	25,000,000	25%	100,000	.10%
Total	10,000,000	100,000,000	100%	100,000,000	100%

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)

Orion Power Meghnaghat Limited.	Number of shares	30 June, 2016		2014	
		Face value in BDT	% of total holding	Face value in BDT	% of total holding
Orion Pharma Limited	95,000,000	950,000,000	95.00%	950,000,000	95.00%
Integral Energy Limited	3,000,000	30,000,000	3.00%	30,000,000	3.00%
Jafflong Tea Company Limited	500,000	5,000,000	0.50%	5,000,000	0.50%
Mr. Mohammad Obaidul Karim	500,000	5,000,000	0.50%	5,000,000	0.50%
Mr. Salman Obaidul Karim	500,000	5,000,000	0.50%	5,000,000	0.50%
Mrs. Arzuda Karim	350,000	3,500,000	0.35%	3,500,000	0.35%
Mrs. Nudrat S Karim	100,000	1,000,000	0.10%	1,000,000	0.10%
Haarhuis Generation B.V.	50,000	500,000	0.05%	500,000	0.05%
Total	100,000,000	1,000,000,000	100%	1,000,000,000	100%

Orion Biocare Limited	Number of shares	30 June, 2016		2014	
		Face value in BDT	% of total holding	Face value in BDT	% of total holding
Orion Pharma Limited	-	-	-	49,500,000	99.00%
Mohammad Obaidul Karim	2,000,000	20,000,000	40%	200,000	0.40%
Mrs. Arzuda Karim	1,000,000	10,000,000	20%	150,000	0.30%
Salman Obaidul Karim	2,000,000	20,000,000	40%	150,000	0.30%
Total	5,000,000	50,000,000	100%	50,000,000	100%

Orion Biocare Limited	Number of shares	30 June, 2016		2014	
		Face value in BDT	% of total holding	Face value in BDT	% of total holding
Orion Pharma Limited	-	-	-	9,500,000	95.00%
Mohammad Obaidul Karim	400,000	4,000,000	40%	200,000	2.00%
Mrs. Arzuda Karim	200,000	2,000,000	20%	150,000	1.50%
Salman Obaidul Karim	400,000	4,000,000	40%	150,000	1.50%
Total	1,000,000	10,000,000	100%	10,000,000	100%

Dutch Bangla Power & Associates Limited	Number of shares	2016		2014	
		Face value in BDT	% of total holding	Face value in BDT	% of total holding
Orion Pharma Limited	6,700,000	67,000,000	67.00%	67,000,000	67.00%
Dutch Bangla Power & Associates Limited	-	-	-	29,875,000	29.88%
Shenzhen Nanshan Power Co. Ltd.	50,000	500,000	0.50%	500,000	0.50%
Mohammad Obaidul Karim	100,000	1,000,000	1.00%	1,000,000	1.00%
Salman Obaidul Karim	3,087,500	30,875,000	30.88%	1,000,000	1.00%
Mrs. Nudrat S Karim	50,000	500,000	0.50%	500,000	0.50%
Jamal Uddin Ahmed Chowdhury	-	-	-	125,000	0.13%
Jafflong Tea Co. Ltd.	2,500	25,000	0.03%	-	-
Mrs. Arzuda Karim	10,000	100,000	0.10%	-	-
Total	10,000,000	100,000,000	100%	100,000,000	100%

17. Reserves

Fair value gain on investment in associates (Note -17.1)	243,395,377	86,196,341
Fair value gain / loss on marketable securities (Note -17.2)	8,782,250	(39,892,770)
Share of other comprehensive income (Note - 17.3)	5,637,403	2,305,758
Revaluation surplus on property, plant and equipment (Note -17.4)	1,825,424,517	1,965,173,425
Total	2,083,239,547	2,013,782,754

17.1 Fair value gain on investment in associates

Opening balance	86,196,341	81,173,148
Fair value gain/ (loss) during the period	108,339,628	5,023,193
Add: Adjustment for losing control of Subsidiaries	48,859,408	-
	243,395,377	86,196,341

17.2 Fair value gain/(loss) on marketable securities

Opening balance	(39,892,770)	46,326,303
Adjustment of sale of Mkt. securities	9,348,625	(96,200,000)
Fair Value gain/ (loss) on Marketable securities for the period (Note - 17.2.1)	44,734,731	401,030
Transfer to deferred tax assets/(liabilities)	(5,408,336)	9,579,897
	8,782,250	(39,892,770)

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
17.2.1	Fair value gain/(loss) on marketable securities during the period		
	Unrealized Gain/(Loss) position (Closing)	9,758,057	(44,325,300)
	Unrealized Gain/(Loss) position (Opening)	(44,325,300)	51,473,670
	Total change during the period	54,083,357	95,798,970
	Fair Value adjustment for sale of Securities (Realized Loss)	(9,348,625)	(96,200,000)
	Unrealized Gain/(Loss) during the year	44,734,731	401,030
17.3	Share of other Comprehensive income		
	Opening Balance	2,305,758	7,409,938
	Add: Addition during the period	3,207,772	(5,104,180)
	Add: Adjustment for losing control of Subsidiaries	123,873	-
		5,637,403	2,305,758
17.4	Revaluation surplus on property, plant & equipment		
	Opening balance	1,965,173,425	1,999,878,311
	Adjustment for sale of land	(92,062,711)	-
	Adjustment during the period to retained earnings	(51,901,300)	(38,029,204)
	Adjustment of deferred tax liabilities	4,215,103	3,324,319
		1,825,424,517	1,965,173,425
17a	Reserve		
	Fair value gain on investment in associates (Note - 17a.1)	243,395,377	135,055,749
	Fair value gain/(loss) on marketable securities (Note - 17a.2)	8,782,250	(39,892,770)
	Share of other comprehensive income (Note - 17a.3)	5,637,403	2,429,631
	Revaluation surplus on property, plant & equipment (Note - 17a.4)	1,377,850,518	1,493,798,807
		1,635,665,548	1,591,391,417
17a.1	Fair value gain on investment in associates		
	Opening balance	135,055,749	131,590,669
	Fair value gain/ (loss) during the year	108,339,628	3,465,080
		243,395,377	135,055,749
17a.2	Fair value gain/(loss) on marketable securities		
	Opening balance	(39,892,770)	46,326,303
	Adjustment of sale of Mkt. securities	9,348,625	(96,200,000)
	Fair Value gain/ (loss) on Marketable securities for the period (Note - 17a.2.1)	44,734,732	401,030
	Transfer to deferred tax assets/(liabilities)	(5,408,336)	9,579,897
		8,782,250	(39,892,770)
17a.2.1	Fair value gain/(loss) on marketable securities during the period		
	Unrealized Gain/(Loss) position (Closing)	9,758,057	(44,325,300)
	Unrealized Gain/(Loss) position (Opening)	(44,325,300)	51,473,670
	Fair Value adjustment for sale of Securities Realized Gain/(Loss)	(9,348,625)	(96,200,000)
	Unrealized Gain/(Loss) during the year	44,734,732	401,030
17a.3	Share of other Comprehensive income		
	Opening Balance	2,429,631	7,533,811
	Add: Addition during the period	3,207,772	(5,104,180)
		5,637,403	2,429,631
17a.4	Revaluation surplus on property, plant & equipment		
	Opening balance	1,493,798,807	1,512,636,613
	Adjustment for sale of land	(92,062,711)	-
	Adjustment during the period to retained earnings	(28,100,681)	(22,162,124)
	Adjustment of deferred tax liabilities	4,215,103	3,324,319
		1,377,850,518	1,493,798,807

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
18 Retained Earnings			
	Opening Balance	3,423,244,972	2,770,093,788
	Prior year adjustment	(499,078,050)	(27,964,401)
	Restated opening balance	2,924,166,922	2,742,129,387
	Net Profit after tax	1,323,072,165	994,086,381
	Dividend for the year	(351,000,000)	(351,000,000)
	Adjustment for Depreciation on Revaluation Surplus	51,901,300	38,029,204
	Adjustment for loss of control from Subsidiaries	(10,452,398)	-
		3,937,687,989	3,423,244,972
18.a Retained Earnings			
	Opening Balance	1,259,012,918	1,172,545,795
	Prior year adjustment	7,862,118	-
	Net Profit after tax	255,140,079	415,304,999
	Dividend for the year	(351,000,000)	(351,000,000)
	Adjustment for Depreciation on Revaluation Surplus	28,100,680	22,162,124
		1,199,115,795	1,259,012,918
19. Non controlling interest			
	Opening balance	758,018,457	611,405,042
	Prior year adjustment	(147,550,931)	(1,488,773)
		610,467,526	609,916,269
	Share of operating profit	229,122,052	148,102,188
	Less: Adjustment for losing control of Subsidiaries	(1,283,122)	-
	Closing balance	838,306,456	758,018,457
20 Long term loan			
	Syndicated loan and other long term loan (Note 20.1)	4,891,405,124	4,511,891,624
	Working capital loan (Note 20.2)	34,029,405	620,038,937
		4,925,434,529	5,131,930,561
20.1 Syndicated loan and other long term loan			
	Agrani Bank Limited. Principal Br.	150,145,341	1,841,688,534
	Janata Bank Limited.	142,984,182	899,970,280
	Rupali Bank Limited.	-	395,182,050
	Union Capital Ltd. -Term Loan	100,000,000	-
	United Leasing Co Limited.	-	40,785,993
	Bangladesh Commerce Bank Limited.	-	64,648,856
	Rupali bank SOD	-	207,593,333
	SABINCO	-	90,243,057
	Investment corporation of Bangladesh	-	700,000,000
	PAD - AB Bank	1,770,001	-
	GSP Finance Limited.	251,335,949	271,779,521
	Term Loan -Agrani Bank Limited.	522,227,290	-
	Term Loan -AB Bank	336,540,503	-
	Mashreq bank PSC	2,661,200,000	-
	BD Finance Ltd.	175,301,858	-
	International leasing and financial services ltd.	500,000,000	-
	Meridian finance & Investment Ltd.	49,900,000	-
		4,891,405,124	4,511,891,624
	Details have been presented in annexure- G		
20.2 Working capital loan			
	CC (H) ABL	34,029,405	383,064,366
	Phoenix Finance & Investment Ltd.	-	236,974,571
		34,029,405	620,038,937
20a Long term loan			
	BD Finance Limited.	175,301,858	236,974,571
	International leasing and Financial Services	500,000,000	-
	Meridian Finance & Investment Ltd.	49,900,000	-
		725,201,858	236,974,571

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
21 Employee benefits payable			
	Employee welfare fund (Note -21.1)	3,380,539	1,896,510
	Bangladesh workers welfare foundation (Note -21.2)	1,484,029	-
	Workers profit participation fund (Note -21.3)	15,125,389	14,905,767
		19,989,957	16,802,277
21.1 Employee welfare fund			
	Opening balance	1,896,510	3,199,497
	Add: Addition for the period	1,484,029	4,271,330
	Less: Payment during the period	-	(5,574,318)
		3,380,539	1,896,510
21.2 Bangladesh workers welfare foundation			
	Opening balance	-	-
	Add: Addition for the period	1,484,029	-
		1,484,029	-
21.3 Workers profit participation fund			
	Opening balance	14,905,767	15,731,589
	Add: Addition for the period	11,872,238	17,085,321
	Less: Payment during the period	(11,652,616)	(17,911,144)
		15,125,389	14,905,767

Allocation of profit @ 5% of net profit before tax after charging as per labour law 2013 (Amended), whereas 80% charge to "Workers profit participation fund" 10% to "Employee welfare fund" and 10% to "Bangladesh workers welfare foundation".

22 Deferred tax liability

Opening balance	73,419,092	86,110,411
Adjustment for deferred tax expenses /(Income) (Note-22.1)	(75,610)	212,895
Adjustment for deferred tax on revaluation surplus (Note-22.2)	1,193,233	(12,904,216)
	74,536,715	73,419,091

22.1 Deferred tax Expenses / (Income)

Particular	Tax base	Accounting base	Amount in Taka (30 June 2016)	
			Taxable temporary difference	Deferred tax liability as on 30.06.2016
Written down value of property, plant and equipment	672,289,706	714,335,644	(42,045,938)	(10,511,485)

Closing deferred tax liability	10,511,484	10,587,094
Opening deferred tax liability	10,587,094	10,374,199
Deferred tax Expenses/(income)	(75,610)	212,895

22.2 Deferred tax on revaluation surplus

	30 June 16	31 Dec. 2015	31 Dec. 2014
Deferred tax liability on revaluation surplus (Closing)	61,263,350	60,408,667	62,831,998
Deferred tax liability on revaluation surplus (Opening)	60,408,667	62,831,998	75,736,213
Prior year adjustment	(2,761,881)	-	-
Restated Opening balance	57,646,786	62,831,998	75,736,213
Deferred tax Expenses/(income)	3,616,564	(2,423,331)	(12,904,215)

23 Short term loan

Cash credit (Hypo) Agrani Bank Limited. (WASA Corp.. Branch)	340,334,628	362,629,037
Loan against marketable securities & others	121,628,723	107,280,582
SIBL - loan on L/C (Principle branch)	-	456,240,732
LTR Agrani Bank Limited. (WASA Corporate Branch, Dhaka)	99,861,873	93,237,200
SOD loan - Agrani Bank Limited. (WASA Branch)	-	103,637,927
Phoenix Finance & Investment Limited.	271,956,715	283,605,260
	833,781,938	1,406,630,738

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
24. Trade and other creditors			
	Goods suppliers & manufacturer	531,519,407	322,141,200
	Other payable	260,954,399	373,850,942
	Current account with inter company (Note -24.1)	41,770,031	20,000,000
		834,243,837	715,992,142
24.1 Current account with inter company			
	Orion Capital Limited	-	20,000,000
	Orion Infusion Limited	41,770,031	-
		41,770,031	20,000,000
	These are unsecured and payable within one year.		
24a Trade & other creditors			
	Goods suppliers & manufacturer	128,770,904	135,955,655
	Other payables	260,954,397	251,214,649
	Current account with other related company	41,770,031	-
		431,495,332	387,170,304
25. Accrued expenses			
	Salary and wages payable	61,218,835	59,777,729
	Depot expenses payable	-	1,660,693
	Director remuneration payable	10,500,667	12,060,000
	Telephone & mobile bill payable	221,563	750,263
	Payable for final settlement of employee	11,609,596	3,477,347
	Utilities payable	1,328,922	1,170,134
	Provision for income tax (Note 25.1)	392,767,473	415,710,512
	Corporeate governance audit fees	-	57,500
	Audit fee	920,000	985,000
	Motorcycle expenses	453,936	727,350
	Short term loan- director	8,096,613	23,566,325
	Bank interest payable	-	79,906,118
	Interest on preference share	148,082,194	246,931,510
	Interest on ICB	-	104,717,641
	Retention money	3,618,657	3,504,657
	Govt. revenue coll. Acc	18,830,406	22,476,884
	Retirement benefit- P.F.	12,223,134	4,466,338
	Provision for gratuity	6,210,768	1,850,020
	Lease Finance- Phonrix Finance	2,117,412	-
	Loan agency fee	-	1,556,488
	Deduction against private car	297,975	-
	Interest payable on syndicate loan	526,113,838	88,283,581
	Withholding VAT	4,406,998	-
	Withholding tax	2,354,184	-
	Orion Oil & Shipping Ltd.	14,864,865	-
	Orion capital ltd.	27,820,000	-
	Digital power & Associates Ltd.	62,561,993	-
	Orion Pharma Ltd.	590,692,239	-
	Orion Power Megnaghat Ltd.	435,074,432	-
		2,342,386,700	1,073,636,090
25.1 Provision for income tax			
	Opening balance	415,710,512	532,752,842
	Less: Prior year adjustment	(7,862,118)	-
	Restated Opening Balance	407,848,394	532,752,842
	Add: Addition during the period	68,976,332	97,368,539
	Less: Payment/AIT adjustment during the period	(81,177,253)	(214,410,869)
	Less: Adjustment for Losing Control of Subsidiary	(2,880,000)	-
		392,767,473	415,710,512

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
25a	Accrued expenses		
	Salary and wages payable	26,740,437	47,086,060
	Depot expenses payable	-	1,660,692
	Director remuneration payable	1,500,667	1,435,000
	Telephone & mobile bill payable	221,563	750,263
	Payable for final settlement of employee	11,512,004	3,477,347
	Utilities payable	1,328,922	1,170,134
	Provision for income tax (Note - 25a.1)	392,767,473	412,830,512
	Corporate governance audit fees	-	57,500
	Audit fee	230,000	345,000
	Motorcycle expenses	453,936	727,350
		434,755,003	469,539,858
	These are unsecured & is payable within one year.		
25a.1	Provision for income tax		
	Opening balance	412,830,512	530,472,842
	Less: Prior year adjustment	(7,862,118)	-
	Restated Opening Balance	404,968,394	530,472,842
	Add: Addition during the period	68,976,332	96,768,539
		473,944,726	627,241,381
	Less: Payment/AIT adjustment during the period	(81,177,253)	(214,410,869)
	Closing balance	392,767,473	412,830,512
	Opening balance of provision for income tax has been restated due to reduce the corporate tax rate.		
26.	Revenue from net sales		
	Local sales	2,342,904,106	1,585,527,110
	Export sales	106,907,545	67,352,730
	Gain / (Loss) in exchange rate fluctuation	144,431	(17,067,585)
	Revenue from power generation (Note-26.1)	12,349,787,353	9,070,892,112
		14,799,743,435	10,706,704,367
26.1	Revenue from power generation		
	Fixed rental charge	4,185,901,067	2,790,504,360
	Variable energy payment	432,986,783	314,113,947
	Hyper furnace oil (HFO)-BPDB	1,967,184,235	5,966,273,805
	Hyper furnace oil (HFO)-OOSL	5,790,774,868	-
	Gain / (Loss) on Foreign Exchange transaction	(27,059,600)	-
		12,349,787,353	9,070,892,112
26a	Revenue from net sales		
	Local sales	2,342,904,106	1,585,527,110
	Export sales	106,907,545	67,352,730
	Gain / (Loss) on Foreign Exchange transaction	144,431	-
		2,449,956,082	1,652,879,840
27	Cost of goods sold		
	Raw materials consumed (Note - 27.1)	563,866,059	357,017,126
	Packing materials consumed (Note - 27.2)	258,334,631	169,134,700
	Work in process - opening	10,350,239	4,822,814
	Less: Work in process - closing	(7,993,435)	(10,350,239)
	Total consumption	824,557,493	520,624,401
	Factory overhead (Note - 27.3)	300,884,832	212,791,697
	Cost of goods manufactured	1,125,442,326	733,416,098
	Add: Opening stock of finished goods	100,973,623	104,556,833
	Cost of goods available for sale	1,226,415,949	837,972,931
	Less: Closing stock of finished foods	(124,584,082)	(100,973,623)
	Less: Cost of physician sample	(13,315,637)	(9,260,703)
	Cost of goods sold	1,088,516,230	727,738,606

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
27.1 Raw materials consumed			
	Opening stock	93,347,483	78,215,670
	Add: Purchase during the period	551,965,634	372,148,939
	Goods Available for use	645,313,117	450,364,609
	Less: Closing stock	(81,447,058)	(93,347,483)
	Consumed during the period	563,866,059	357,017,126
27.2 Packing materials consumed			
	Opening stock	44,351,184	39,287,196
	Add: Purchase during the period	256,376,169	174,198,688
	Goods available for use	300,727,353	213,485,884
	Less: Closing stock	(42,392,722)	(44,351,184)
	Consumed during the period	258,334,631	169,134,700
27.3 Factory overhead			
	Salaries, wages & other allowances	116,980,690	90,480,558
	Travelling & conveyance	7,747,031	4,314,663
	Entertainment	2,244,103	3,191,861
	Worker's food expenses	28,321,701	18,510,061
	Uniform, liveries & others	224,750	163,465
	Godown rent	2,805,153	1,536,720
	Utilities	16,449,119	8,466,927
	Cleaning & washing	429,597	41,463
	Carrying inward	996,200	563,989
	Postage & telephone	570,457	386,265
	Fuel & lubricants	5,047,686	3,720,637
	Fees & taxes	111,503	425,345
	Books & periodicals	35,698	24,758
	Printing & stationery	7,084,543	5,242,840
	Insurance premium	1,693,330	566,490
	Repair & maintenance	10,395,191	8,651,451
	Depreciation	96,938,350	63,696,423
	Lease rent	1,621,459	712,511
	Research & development	522,759	726,178
	Spare parts	157,382	1,162,092
	Security services	508,129	207,000
		300,884,832	212,791,697
28. Cost of power generation			
	Materials		
	Hyper furnace oil (HFO)	7,998,768,834	5,966,273,805
	Mobil	210,620,635	196,296,510
		8,209,389,469	6,162,570,315
	Plant overhead		
	O & M service	201,540,134	126,090,593
	Salaries & allowances	177,737,608	97,473,983
	Entertainment	2,841,183	2,775,930
	Plant office transport	4,029,994	2,807,918
	Plant office utilities	1,439,165	1,094,656
	Plant office communication	4,440,082	1,907,757
	Stationary, accessories & supplies	1,910,575	1,599,926
	Security service	15,132,907	10,372,218
	Travelling & conveyance	-	1,877,967
	Repair & maintenance	247,091,745	191,658,286
	Insurance, taxes & duties	188,950	2,826,734
	Liquidity Demarage	31,865,066	-
	Depreciation	924,179,798	645,786,787
	Miscellaneous expenses	26,905,561	14,542,060
	Test & others	1,273,643	1,097,778
		1,640,576,411	1,101,912,593
		9,849,965,880	7,264,482,908

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
29. General and administrative expenses			
	Salaries, allowance & bonus	113,397,138	72,570,312
	Director's remuneration	44,833,002	29,220,000
	Fuel & lubricants	3,799,873	3,398,590
	Traveling & conveyance	13,483,335	6,641,540
	Entertainment	2,189,793	3,036,161
	Office rent	10,443,960	6,082,944
	Cleaning & washing	5,247,788	3,934,437
	Utilities	7,788,822	5,485,380
	Postages, telephone & fax	5,377,628	5,312,162
	Bank charges & commission	1,866,505	1,755,578
	Fees and taxes	18,275,599	3,825,398
	Fooding & other expenses	21,699,544	13,428,678
	Software consultancy & other fees	11,530,795	6,853,984
	Books & periodicals	119,984	154,925
	Printing & stationery	3,091,248	2,261,115
	Repairs & maintenance	6,492,462	6,676,006
	Depreciation	19,828,922	11,904,580
	Lease rent	11,808,820	5,637,250
	Audit fees	2,070,000	980,000
	Corporate governance audit fees	57,500	57,500
	Overseas travel & training expenses	10,120,542	7,277,936
	Insurance premium	1,539,714	318,990
	Miscellaneous expenses	91,080	97,621
	AGM expenses	1,195,167	1,180,706
	Security guard expenses	1,224,636	839,965
	Advertisement and publicity	35,825,876	40,765,380
	CSR	7,000,000	14,855,857
	Amortization of intangible asset	-	527,148
		360,399,732	255,080,143
29a General and administrative expenses			
	Salaries, allowances & bonus	113,397,138	72,452,156
	Directors remuneration	26,833,002	17,220,000
	Fuel & lubricants	3,799,873	3,398,590
	Travelling & conveyance	3,050,843	2,527,158
	Entertainment	2,189,793	3,036,161
	Office rent	10,443,960	6,082,944
	Cleaning & washing	5,247,788	3,934,437
	Utilities	7,788,822	5,485,380
	Postage & telephone	5,377,628	5,312,162
	Bank charges & commission	1,866,505	1,745,093
	Fees & taxes	5,222,786	2,763,072
	Fooding & other expenses	10,278,079	5,534,663
	Software consultancy & others	4,573,421	5,072,984
	Books & periodicals	119,984	154,925
	Printing & stationery	3,091,248	2,261,115
	Repair & maintenance	6,492,462	6,676,006
	Depreciation	19,828,922	11,904,580
	Lease rent	11,808,820	5,637,250
	Audit fees	690,000	345,000
	Corporate governance audit fees	57,500	57,500
	Overseas travel & training expenses	10,120,542	7,277,936
	Insurance premium	1,539,714	318,990
	Miscellaneous expenses	91,080	97,621
	AGM expenses	1,195,167	1,180,706
	Security services	1,224,636	839,965
		256,329,712	171,316,393

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
30. Selling and distribution expenses			
	Salaries, Allowances & Bonus	362,310,444	243,862,383
	Field Force TA/DA	74,221,327	55,061,010
	Printing & Stationery	9,876,834	7,527,160
	Postage, Telephone & Fax	14,374,641	8,081,965
	Fooding Expenses	2,310,263	1,524,086
	Product Renewal & Development	2,599,721	2,484,950
	Software Consultancy & Others	5,910,000	-
	Training & Conference	6,459,472	4,953,127
	Office Rent (Depot)	11,062,278	6,755,745
	Repair & Maintenance	1,004,775	1,305,291
	Travelling & Conveyance	1,608,579	1,008,126
	Bank Charges & Commission	2,346,821	1,177,849
	Carrying & Distribution Expenses	35,543,841	25,972,431
	Entertainment	1,217,764	1,557,005
	Promotional Materials	29,282,392	20,410,061
	Sample Expenses	13,315,636	9,260,703
	Export Expenses	2,339,999	911,762
	Misc. Expenses	-	245,007
	Depreciation	10,840,266	7,365,286
	Lease Rent	17,186,920	9,557,921
	Fuel & Lubricants	2,473,510	2,086,833
	Fees & Taxes	872,534	862,237
	Overseas Traveling & Training	1,587,569	914,764
	Security Guard Exp.	1,698,499	1,154,990
	Utilities	3,729,651	1,147,564
	Insurance Premium	3,146,457	1,440,624
	Books & Periodicals	76,290	137,011
	Advertisement & Publicity	1,452,186	1,216,332
		618,848,668	417,982,223
31. Finance cost			
	Cash Credit (H) - 48, Agrani Bank Limited. (WASA Corpt.Branch,Dhaka)	71,251,943	55,497,258
	LTR Loan - Agrani Bank Limited	21,734,157	12,262,226
	Interest on Portfolio credit & Others	13,580,072	7,890,282
	Interest on SOD loan- Agrani Bank	9,032,135	4,627,927
	Interest on Loan- BD Finance	51,874,942	-
	Interest on Loan- Phoenix Finance	23,791,203	-
	Interest on loan- ILFSL	30,208,335	-
	Interest on Syndicate loan	623,640,267	644,188,683
	Bank Charges & Commission	34,198,334	578,969
	ICB Interest	136,041,895	113,917,945
	Bank commission	32,705,385	30,246,745
	Decommissioning interest	21,427,830	17,240,978
	Agency fee long term borrowings	6,088,729	6,948,079
	Interest expenses - working capital loan	17,879,180	32,313,602
	Interest on redeemable Preference Share	226,715,692	140,000,002
		1,320,170,101	1,065,712,696
31a Financial Expenses			
	Cash credit (H) - 48, Agrani Bank Limited.(WASA corpt. Branch, Dhaka)	71,251,943	55,497,258
	LTR loan - Agrani Bank Limited.	21,734,157	12,262,226
	Interest on portfolio credit and others	13,580,072	7,890,282
	Interest on SOD loan- Agrani Bank	9,032,135	4,627,927
	Interest on Loan- Phoenix Finance	23,791,203	-
	Interest on loan- ILFSL	30,208,335	-
	Interest on Loan- BD Finance	51,874,942	-
		221,472,787	80,277,693

Notes	Particulars	Amount in Taka	
		30-Jun-16 (18 Months)	31-Dec-14 (12 Months)
32. Interest and other income			
Interest income		48,171,058	90,365,829
Interest on FDR		19,581,625	62,303,444
Bank interest		28,589,433	28,062,385
Other income		(1,313,548)	102,588,993
Dividend income		2,045,889	847,932
Insurance claim received		1,033,811	1,948,233
Sale of scrap & others		4,955,378	6,104,357
Gain/(loss) on sale of marketable securities		(9,348,625)	93,688,471
Total		46,857,510	192,954,822
32a Interest and other income			
Interest income		48,171,058	90,335,766
Interest on FDR		19,581,625	62,303,444
Bank interest		28,589,433	28,032,322
Others income		(1,313,548)	102,588,993
Dividend income		2,045,889	847,932
Insurance claim received		1,033,811	1,948,233
Sale of scrap & others		4,955,378	6,104,357
Gain/(loss) on sale of marketable securities		(9,348,625)	93,688,471
Total		46,857,510	192,924,759
33 Income tax provision			
	Particulars	Taxable income	Tax amount
25% income tax on taxable profit		255,857,303	63,964,326
Half of 25% Income tax on export net profit		40,902,709	5,112,839
5% tax on gain/(loss) on sale of marketable securities		-	-
20% income tax on dividend received		2,045,889	409,178
		298,805,901	68,976,332
33a Income tax provision			
	Particulars	Taxable income	Tax amount
25% income tax on taxable profit		255,857,303	63,964,326
Half of 25% Income tax on export net profit		40,902,709	5,112,839
5% tax on gain/(loss) on sale of marketable securities		-	-
20% income tax on dividend received		2,045,889	409,178
		298,805,901	68,976,332
34. Earnings per share (EPS)			
The computation is given below:			
Basic EPS			
Net profit after tax		1,323,072,165	994,086,381
Weighted average ordinary shares outstanding during the period		234,000,000	234,000,000
Earning per share		5.65	4.25
34a Earnings per share			
Basic EPS :			
The computation is given below:			
Net profit after tax		255,140,079	415,304,999
Weighted average ordinary shares outstanding during the period		234,000,000	234,000,000
Basic Earnings per share		1.09	1.77

During the reporting period the company didn't issued any share. Hence no required to calculate weighted average.

35. Segmental information

The Groups Operational Segments are pharmaceuticals, power, and investments. The Operational segments results are as follows:

Particulars	Pharmaceuticals	Power	Totals
Revenue from sales	2,449,956,082	12,349,787,353	14,799,743,435
Expenses	(1,963,694,610)	(9,954,035,900)	(11,917,730,510)
Segment result	486,261,472	2,395,751,453	2,882,012,925
Capital expenditure			
Additions to property, plant & equipment	510,763,109	5,822,417	516,585,525
Other segment information			
Interest & other income	46,857,510	-	46,857,510
Financial cost	221,472,787	1,098,697,314	1,320,170,101
Provision for income tax	(68,976,332)	-	(68,976,332)
Share of profit from associate	27,234,901	-	27,234,901
Depreciation expenses	127,607,539	924,154,714	1,051,762,253
Segment assets	14,103,741,933	12,786,163,325	26,889,905,258
Segment liabilities	2,519,760,803	7,744,710,673	10,264,471,476

36. Related party transactions

The Company has entered into transactions with other entities that fall within the definition of related party as contained in BAS-24 "Related Party Disclosures". The Company opines that terms of related party transactions do not significantly differ from those that could have been obtained from third parties. Total transactions of the significant related parties as at 30 June 2016 are as follows:

Name of Related Party	Relationship	Nature of Transaction	Opening Balance as on 01.01.2015	Addition	Adjustment	Closing Balance as on 30.06.2016
Orion Holding Limited (99,60,000 Ordinary Shares @ TK. 10 each)	Subsidiary	Investment in Shares	99,600,000	-	(99,600,000)	-
Orion Power Meghnaghat Ltd. (95,00,000 Ordinary Shares @ TK. 10 Each)	Subsidiary	Investment in Shares	950,000,000	-	-	950,000,000
Orion Biocare Ltd. (49,50,000 Ordinary Shares @ Tk. 10 Each)	Subsidiary	Investment in Shares	49,500,000	-	(49,500,000)	-
Orion Natural care Ltd. (9,50,000 Ordinary Shares @ Tk. 10 Each)	Subsidiary	Investment in Shares	9,500,000	-	(9,500,000)	-
Dutch Bangla Power & Associates Ltd. (6,700,000 Ordinary Shares @ Tk. 10 Each)	Subsidiary	Investment in Shares	67,000,000	-	-	67,000,000
Orion Infusion Limited (44,30,000 Ordinary Shares @ TK. 10 each)	Associate	Investment in Shares	44,300,000	-	-	44,300,000
Orion Power Khulna Limited (50,000 Ordinary Shares @ TK. 10 each)	Trade Investment	Investment in Shares	500,000	-	-	500,000
Orion Power Dhaka Limited (50,000 Ordinary Shares @ TK. 10 each)	Trade Investment	Investment in Shares	500,000	-	-	500,000
Orion Infrastructure Limited (200,00,000 Ordinary Shares @ TK. 10 each)	Trade Investment	Investment in Shares	-	2,117,209,676	-	2,117,209,676
Orion Infusion Limited.	Associate	Inter Company Current A/C	22,524,904	-	(64,294,935)	(41,770,031)
Orion Power Meghnaghat Ltd.	Subsidiary	Inter-company Current Account	1,145,129	-	(1,145,129)	-
Dutch Bangla Power & Associate Ltd.	Subsidiary	Inter-company Current Account	788,028,054	-	(197,335,815)	590,692,239
Noakhali Gold Foods Ltd.	Common Director/ Shareholders	Inter Company Current A/C	42,623,713	-	(42,623,713)	-

Name of Related Party	Relationship	Nature of Transaction	Opening Balance as on 01.01.2015	Addition	Adjustment	Closing Balance as on 30.06.2016
Orion Restaurants Ltd.	Common Director/ Shareholders	Inter Company Current A/C	22,841,175	-	(22,841,175)	-
Orion Properties Ltd.	Common Director/ Shareholders	Inter Company Current A/C	20,331,532	-	-	20,331,532
Orion Gas Ltd.	Common Director/ Shareholders	Inter Company Current A/C	24,741,258	-	(24,741,258)	-
Orion Power Khulna Limited	Trade Investment	Inter Company Current A/C	986,021,913	-	-	986,021,913
Orion Power Dhaka Ltd	Trade Investment	Inter Company Current A/C	2,176,293,707	-	-	2,176,293,707
Jafflong Tea Company Ltd.	Common Director/ Shareholders	Inter-company Current Account	895,243	-	(895,243)	-
Orion Agro Product Ltd.	Common Director/ Shareholders	Inter Company Current A/C	232,265,920	-	-	232,265,920
Interior Accom Consortium Ltd.	Common Director/ Shareholders	Inter Company Current A/C	-	94,495,459	-	94,495,459
Total:			5,538,612,548	2,211,705,135	(512,477,268)	7,237,840,415

ORION PHARMA LIMITED
AS AT JUNE 30, 2016

No.	Particulars	Value in Tk.
(a)	Managerial Remuneration paid or payable during the year (i.e 18 months) to the directors, including managing directors, a managing agent or manager	26,833,002
(b)	Expenses reimbursed to Managing Agent	-
(c)	Commission or Remuneration payable separately to a managing agent or his associate	-
(d)	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company	-
(e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.	-
(f)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	-
(g)	Other allowances and commission including guarantee commission	-
(h)	Pensions etc.	-
	(i) Pensions	-
	(ii) Gratuities	-
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	-
(i)	Share Based payments	-

37. **Production capacity**

Item	Unit	Production Capacity		Yearly Production		Capacity Utilization	
		2016	2014	2016	2014	2016	2014
Tablet & capsule	Million Pcs	1287.03	545.02	703.32	380.20	54.65%	69.76%
Oral liquid, injection, powder for suspension, cream & ointment	Million Pcs	44.75	27.09	22.3	12.47	49.83%	46.03%

38. **General**

38.01 **Capital expenditure commitment**

There was capital expenditure contracted but not incurred or provided as on 30.06.16 and material capital expenditure authorized by the board.

38.02 **Claims not acknowledged**

There is no claim against the Company not acknowledged as debt as on 30.06.16

38.03 **Credit facilities not availed**

There is no credit facilities available to the Company but not availed of as on 30.06.16 under any contract, other than trade credit available in the ordinary course of business.

38.04 **Director's responsibility statements**

The Board of Directors take the responsibility for the preparation and presentation of these financial statements.

38.05 **Employee details**

i) During the period, there were 1,688 employees employed for the full year and 1,842 employees less than the full period at a remuneration of Taka 3,000 per month and above.

ii) At the end of the period, there were 2,223 employees in the Company.

38.06 **Rounding off**

Amounts appearing in these financial statements have been rounded off to the nearest Taka and, wherever considered necessary.

38.07 **Authorization for issue of the financial statements**

The financial statements of the company placed before the board for adoption as on 10 November 2016.

38.08 **Events after the reporting period**

The Board of Directors meeting held on 10 November 2016 had recommended 15% cash dividend for the period ended 30 June 2016 for placement before the Shareholder's for approval at AGM of the company. There is no material events after the reporting date that are not adjusting events came to management attention which may be needful for the stakeholders.

Sd/-
Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

ORION PHARMA LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED SCHEDULE OF NON-CURRENT ASSETS

As at 30 June 2016

Annexure-A. 1

Particulars	WDV as at 01.01.15	Additions during the year	Sale /Disposal During the year	Total as on 30.06.2016	Rate of Dep.(%)	Depreciation charged during the year	WDV as at 30.06.2016
Land & land development	2,774,545,653	1,144,471	(67,012,289)	2,708,677,835	-	-	2,708,677,835
Factory & office building	804,074,146	2,197,649	(51,467,658)	754,804,137	10%	124,540,044	630,264,093
Plant & machinery	9,036,456,137	440,320,198	(94,815,504)	9,381,960,831	15%	827,599,195	8,554,361,636
Furniture & fixtures	41,913,708	3,281,574	(7,312,104)	37,883,178	15%	8,367,775	29,515,403
Office equipment	39,366,988	10,818,265	(281,780)	49,903,473	15%	16,354,384	33,549,089
Vehicles	31,967,336	8,923,368	-	40,890,704	20%	12,058,284	28,832,420
Laboratory equipment	14,997,637	-	-	14,997,637	15%	3,205,745	11,791,892
Sub-total:	12,743,321,605	466,685,525	(220,889,335)	12,989,117,795		992,125,427	11,996,992,368

At Revaluation

Land & land development	1,691,763,192	-	(92,087,791)	1,599,675,401		-	1,599,675,401
Factory & office building	141,042,838	-	-	141,042,838	10%	19,268,745	121,774,093
Plant & machinery	330,369,631	-	-	330,369,631	15%	35,378,081	294,991,550
Sub-total:	2,163,175,661	-	(92,087,791)	2,071,087,870		54,646,826	2,016,441,044

Leased Assets

Vehicle	-	49,900,000	-	49,900,000	20%	4,990,000	44,910,000
Sub-total:	-	49,900,000	-	49,900,000		4,990,000	44,910,000

Balance as at 30 June 2016	14,906,497,266	516,585,525	(312,977,126)	15,110,105,665		1,051,762,253	14,058,343,412
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Balance as at 31 Dec. 2014	15,325,310,033	309,940,310	-	15,635,250,343		728,753,077	14,906,497,266
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ORION PHARMA LIMITED
SCHEDULE OF NON-CURRENT ASSETS
As at 30 June 2016

Annexure-A.2

	Particulars	Written down value as at 01.01.2015	Addition during the year	Disposal / Sale	Balance as on 30.06.2016	Rate of Dep. (%)	Dep. Charged during the year	Balance as at 30.06.2016
1	Land & Land Development	2,531,132,887	1,144,471	67,012,289	2,465,265,069	-	-	2,465,265,069
2	Factory & Office Building	44,663,577	2,094,150	-	46,757,727	10%	6,731,588	40,026,139
3	Plant & Machinery	202,834,191	439,070,198	-	641,904,389	15%	61,143,397	580,760,992
4	Furniture & Fixtures	30,797,691	3,141,914	-	33,939,605	15%	6,944,084	26,995,521
5	Office Equipment	27,124,443	8,688,008	-	35,812,451	15%	7,164,187	28,648,265
6	Vehicles	28,716,323	6,724,368	-	35,440,691	20%	9,327,856	26,112,835
7	Laboratory Equipment	14,997,636	-	-	14,997,636	15%	3,205,745	11,791,891
	A. Sub-Total	2,880,266,748	460,863,109	67,012,289	3,274,117,568		94,516,856	3,179,600,712

At Revaluation

1	Land & Land Development	1,390,791,440		92,062,711	1,298,728,729	-	-	1,298,728,729
2	Factory & Office Building	120,653,615		-	120,653,615	10%	17,494,775	103,158,841
3	Plant & Machinery	49,618,280		-	49,618,280	15%	10,605,909	39,012,371
	B. Sub-Total	1,561,063,335	-	92,062,711	1,469,000,624		28,100,683	1,440,899,941

Leased Assets

1	Vehicle	-	49,900,000		49,900,000	20%	4,990,000	44,910,000
	Sub-total:	-	49,900,000	-	49,900,000		4,990,000	44,910,000
	Balance as at 30 June 2016	4,441,330,083	510,763,109	159,075,000	4,793,018,192		127,607,539	4,665,410,653
	Balance as at 31 Dec. 2014	4,295,619,911	228,676,462	-	4,524,296,372		82,966,289	4,441,330,083

Depreciation on machinery addition costing Tk. 30,89,00,000.00 has not been charged because it was procured for our new plant, which is under construction.

ORION PHARMA LIMITED
Investment in Marketable Securities
As at June 30, 2016

Annexure-B
Amount in BDT

Particulars	2016		2014 (At Cost)
	Market Value	Cost	
AB Investment Limited			
Aamra Technologies Ltd	-	-	1,937,422.33
Apex foods ltd	-	-	5,265,424.71
Apex Tannery Ltd	-	-	217,509
AFC Agro biotech ltd.	15,047,230	17,596,854	-
Apex Footwear Ltd.	8,623,800	11,314,398	18,465,380
Bangladesh Export Import Ltd	863,880	1,196,435	3,267,873
Bangladesh Thai Aluminium Ltd	-	-	1,083,757
Bank Asia Ltd	1,408,720	2,151,422	2,151,438
Bata Shoe Company (Bd) Ltd.	-	-	696,008
Bay Leasing & Investment Ltd	494,109	3,372,130	3,372,130
Central Pharmaceuticals Ltd.	-	-	505,613
Delta Life Insurance Com	-	-	2,041,877
Far Chemical Industries Ltd.	495,250	547,911	-
Fareast Islami Life Insurance Ltd	531,444	1,410,265	1,410,319
Fas Finance & Investment Ltd	954,598	3,073,164	3,073,164
Fuwang Foods Limited	-	-	122,515
Green Delta Insurance Co	1,227,630	4,719,399	4,749,979
I.F.I.C Bank Ltd	865,006	2,783,350	3,969,929
ICB AMCL 2nd nrb mutual fund	810,000	2,360,709	2,360,709
Islamic Finance & Investment Ltd	510,073	1,686,639	1,686,639
Karnafuli Insurance Co. Ltd	144,207	1,097,799	1,097,799
Linde Bangladesh Ltd	-	-	1,998,159
Mithun Kniting and Dyeing Ltd	2,426,921	3,041,424	16,032
NC C Bank Ltd	512,117	1,564,937	1,564,945
Progressive Life Insurance Ltd	486,512	1,589,957	1,590,059
R N Spinning Mills Ltd	7,778	19,273	19,273
Reliance Insurance Ltd	2,791,947	4,588,310	4,588,343
Rupali Life Insurance co Ltd	3,176,750	7,635,300	7,635,359
Samorita Hospital Ltd	-	-	2,238,623
Shinepukur Ceramics Ltd	669,178	4,651,177	4,651,177
Sunlife Insurance Co.	1,521,582	3,344,672	3,344,672
The Ibn Sina Pharmaceuticals Ltd	-	-	1,515,714
Trust bank ltd	-	-	3,523,543
Sub- total	43,568,732	79,745,523	90,161,381

Southeast Bank Capital Services

Green Delta Mutual Fund	2,900,000	5,000,000	5,000,000
Bangladesh Submarine Cable	15,208	3,471	3,486
Sub- total	2,915,208	5,003,471	5,003,486

Bank Asia Securities Ltd

Prime Textile Spinning mills Ltd	1,487,800	2,733,400	1,327,770
Active Fine Chemicals	-	-	22,056
Rupali Bank Ltd	1,549	5,375	5,375
Anwar Galvanizing Ltd	-	-	2,261,688
Paramount Textile Limited	130,085	266,135	266,135
Khulna Printing & Packaging Ltd.	990,000	3,627,800	3,627,800
Ambee Pharmaceuticals Ltd.	467,704	445,094	-
Fine Foods Ltd	95,033	1,224,573	1,224,573
Beach Hechary Ltd	-	-	2,437,079
Eastern Housing Ltd	95,242	325,849	325,855
Rahima Food Industries Ltd	2,164,000	3,015,080	3,015,080
Renata Limited	-	-	149,766
Khulna Power Company Ltd	-	-	150,751
Islami bank Bangladesh Ltd	-	-	3,582
Trust bank ltd	944	1,978	1,977
Northern General Insurance Ltd	69,881	155,239	155,252
Shinepukur Ceramics Ltd	401,509	3,126,750	3,126,750
APEX Foods Ltd.	1,030,140	1,334,403	-
GPH Ispat Limited	-	-	1,144,200
National Housing Finance Ltd.	157,500	205,280	-
National Tubes Ltd.	-	-	-
Unique Hotels & Resorts Ltd.	73,786	78,341	-
Anlima Yarn And Dyeing Ltd	-	-	3,386,740
Fu-Wang Ceramic ind Ltd	5,378	12,653	12,654
RAK Ceramics (Bangladesh Ltd)	-	-	1,208,640
Pragati Insurance Ltd	214,438	1,193,915	1,193,915
Apex Spinning & knitting Ltd.	2,807,650	3,137,519	-
Peoples Leasing & Finance Ltd.	-	-	698,700
Stylecraft Limited	3,807,660	3,590,004	534,380
Sub- total	14,000,298	24,479,387	26,280,719

Jahan Securities Ltd

CNATEX	54,079,200	50,000,000	-
OAL	84,423,000	30,000,000	-
Sub- total	138,502,200	80,000,000	-

Grand Total

198,986,438	189,228,381	121,445,586
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Fair Value Adjustments

Cost Price	189,228,381
Market Price	198,986,438
Unrealized Gain	9,758,057

ORION PHARMA LIMITED
Fixed deposit with banks
For the period ended 30 June 2016

Annexure-C

Sl. No.	Name of Bank	Instrument no.	FDR -2014	Addition During the year	Interest Income		FDR - 30.06.2016
					Income during the period	Accrued during the period	
01	Basic Bank Ltd	2818-01-0001077	144,565,388	-	2,624,612	-	
02	Southeast Bank Ltd	5324500000069	111,045,625	-	1,459,270	-	
03	Agrani Bank Ltd	0089094/116-8	100,070,590	-	4,626,311	-	
04	SIBL -MTDR	0025311263757	1,292,826	-	255,145	5,345	1,446,835
05	SIBL -MTDR	0025311260179	1,997,304	-	256,348	16,516	2,235,240
06	SIBL -MTDR	0025311255512	2,742,177	-	264,072	43,059	3,075,627
07	SIBL -MTDR	0025331253005	111,250,000	-	4,981,724	-	
08	SIBL -MTDR	0025321253915	33,185,190	-	2,011,228	-	
09	SIBL -MTDR	0025321254005	33,185,190	-	1,176,702	-	
10	SIBL -MTDR	0025321254163	31,485,000	-	1,926,213	-	
	Total		570,819,290	-	19,581,625	64,920	6,757,702

Amount in Taka

ORION PHARMA LIMITED
Balance with Banks on Account
As at June 30, 2016

Annexure-D

Amount in Taka

Sl.No	Name of Bank	Name of Branch	Account Number	30-Jun-16	31.12.2014
Current Account (Main)					
1	Pubali Bank Ltd.	Tejgaon Branch,Dhaka	125	35,797	38,362
3	Sonali Bank Ltd.	Tejgaon Branch,Dhaka	275/4	47,201	48,501
4	Agrani Bank Ltd.	Tejgaon Branch,Dhaka	11437	-	945
5	Agrani Bank Ltd.	Wasa Branch, Dhaka	7757	96,579	789,683
6	Rupali Bank Ltd.	TCB Branch, Dhaka	7088	23,997	25,642
7	National Bank Ltd.	Mohakhali Branch	7329/5	6,101	7,134
8	ICB Islami Bank	Principal Office,Dhaka	2127	2,907,017	2,909,897
9	The City Bank Ltd.	Principal Branch, Dhaka	110558491	5,000	5,000
11	The City Bank Ltd.	Gulshan Branch,Dhaka	32526	7,360	8,395
12	Social Islami Bank	Principal Branch, Dhaka	5583-0	3,081,617	3,303
14	Bank Al-Falah Ltd.	Motijheel Branch,Dhaka	2965	8,500	8,500
16	Agrani Bank Ltd.	Principal Branch,Dhaka	15118-1	497,500	694,725
19	Sonali Bank Ltd.	Farmgate Branch	33010919	457,723	166,987
21	AB Bank Ltd	Principal Branch	4005-784715-000	2,072,351	36,570
22	The Premier Bank Ltd	Gulshan Branch	448	98,070	-
23	Brac Bank Ltd	Gulshan Branch	250001	2,052,434	1,989,522
Sub Total (i)				11,397,247	6,733,166
Current Account (Collection)					
23	Agrani Bank Ltd.	Chittagong Branch,Ctg.	363	15,979	15,979
24	Agrani Bank Ltd.	Bogra Branch,Bogra	1233	11,659	11,659
25	Agrani Bank Ltd.	Khulna Branch,Khulna	3228	27,574	22,763
26	Agrani Bank Ltd.	Barisal Branch,Barisal	1804	318	318
27	Agrani Bank Ltd.	Sylhet Branch,Sylhet	1866/1314	7,303	7,303
28	Agrani Bank Ltd.	Narayangong Branch	6103	226,893	17,745
29	Agrani Bank Ltd.	Rangpur Branch,Rangpur	4405	68	68
30	Agrani Bank Ltd.	Monoharpur Br.Comilla	5304	70	70
31	Agrani Bank Ltd.	Faridpur Branch,Faridpur	7539	753,577	11,205
32	National Bank Ltd.	Bogra Branch,Bogra	2743-5	140,801	204,885
33	National Bank Ltd.	Barisal Branch,Barisal	2859-9	793,250	46,969
34	National Bank Ltd.	Subid Bazar Branch,Syl	3093	93,132	59,489
35	National Bank Ltd.	Mymensingh Branch	1298	55,154	155,532
36	National Bank Ltd.	Rangpur Branch,Rangpur	39447	27,422	30,930
37	National Bank Ltd.	Babu Bazar Branch,Dhaka	2378	19,016	20,051
38	Sonali Bank Ltd.	Rajshahi	1546	128,079	37,905
39	Agrani Bank Ltd.	Chowmohani Branch	3563	325,019	8,988
40	ICB Islami Bank	Chittagong	2978	13,744	13,744
41	National Bank Ltd.	Gonestala Road, Dinajpur	8733	81,628	26,841
42	National Bank Ltd.	Tangail	3233	37,454	10,442
43	National Bank Ltd.	Moulavibazar	1175-6	340,036	3,207
44	Agrani Bank Ltd.	Kustia	2983	219,627	867
45	National Bank Ltd.	Cox's Bazar	13962	197,229	12,733
46	Agrani Bank Ltd.	BSCIC Comilla	4275	20,253	65,364
47	National Bank Ltd.	CDA, Chittagong	556	4,904	84,037
Sub Total (ii)				3,540,189	869,094

STD Account

48	ICB Islami Bank			-	-
49	National Bank Ltd.	Mohakhali	789	66,976	197,200
50	Bank Asia	Mohakhali	38	544,335	528,058
51	Agrani Bank Ltd.	WASA Branch	949	2,884,119	124,539
52	Social Islmi Bnk Ltd	Principal Branch	1464	103,516	874,503
53	AB Bank Ltd	Principal Branch	430	8,643,979	360,828,700
50	Bank Asia	Mohakhali	190	39,539	-
Sub Total (iii)				12,282,464	362,553,000
Total Balance in Current & STD Account (i+ii+iii)				27,219,900	363,422,094

ORION PHARMA LIMITED AND ITS SUBSIDIARIES
Redeemable Preference Share
As at 30 June, 2016

Annexure - E

Name of the company	Amount in Taka	
	2016	2014
Orion Power Megnaghat Limited	-	500,000,000
Dutch Bangla Power & Associates Limited	500,000,000	500,000,000
	<u>500,000,000</u>	<u>1,000,000,000</u>

The redeemable preference share bearing interest @ 15% per annum were issued by Agrani Bank. As per BAS 32: "Financial Instruments: Presentation" the substance of a financial instrument rather than its legal form governs its classification on the entity's financial statements. Accordingly, the redeemable preference shares which, in substance, meet the conditions of a financial liability, have been classified as liabilities in the financial statements.

ORION PHARMA LIMITED AND ITS SUBSIDIARIES
Provision for Decommissioning of Assets
As at 30 June 2016

Annexure - F

Particulars	Amount in Taka		
	30-Jun-16	2015	2014
Plant & machinery	59,922,594	57,397,919	50,968,888
Building	83,482,969	79,965,644	71,008,845
	143,405,563	137,363,563	121,977,733

Orion Power Megnaghat Ltd. has established its electricity generating plant on government land and assumed that after the contract period it may have to remove from the land. The company has recognised a provision for decommission obligations associated the electricity generating facility. In determine the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site and the expected timing of those costs. The carrying amount of the provision as at June 30, 2016 was BDT 143,405,563.

ORION PHARMA LIMITED AND ITS SUBSIDIARIES

**Term Loan
As at 30 June 2016**

Annexure - G

SI No	Particulars	Amount in Taka	
		2016	2014
1. Orion Power Meghnaghat Ltd.			
	Syndicated Loan	2,661,200,000	1,632,112,851
	Working Capital Loan from bank	-	186,819,323
	Loan from others		700,000,000
		2,661,200,000	2,518,932,174
	Syndicated Loan	2,661,200,000	1,632,112,851
	Agrani Bank Limited - Principal Branch	-	901,227,559
	Rupali Bank Ltd.- Principal Branch	-	395,182,050
	United Leasing Company Ltd.	-	20,240,246
	SABINCO	-	43,220,807
	Bangladesh Commerce Bank Ltd.	-	64,648,856
	Rupali Bank Ltd.-SOD	-	207,593,333
	Term loan -Mashreq bank	2,661,200,000	-
		2,661,200,000	1,632,112,851
2. Dutch Bangla Power and Associates Ltd.			
	Syndicated Loan	1,505,003,266	2,179,778,773
	Working Capital Loan	34,029,405	196,245,043
	Less: Current portion	-	-
		1,539,032,671	2,376,023,816
	Syndicated loan	1,505,003,266	2,179,778,773
	Long term Borrowings		
	Agrani Bank Limited - Principal Branch	150,145,341	940,460,975
	Janata Bank Limited	142,984,182	899,970,280
	United Leasing Company Limited	-	20,545,747
	Term Loan GSP Finance	251,335,949	271,779,521
	SABINCO	-	47,022,250
	Term Loan - Agrani Bank Limited.	522,227,290	-
	PAD-AB bank	1,770,001	-
	Term loan -Union Capital	100,000,000	-
	Term Loan - AB Bank Limited.	336,540,503	-
		1,505,003,266	2,179,778,773

The Syndicated loan bearing interest @ 15% per annum and repayable in 60 equated monthly installments starting from August 21, 2011.

The loans from banks are secured first ranking fixed charge over land, buildings and civil constructions, plant & machineries of the Company, a first ranking floating charge over the stocks, receivables, revenue/sale proceeds, proceeds of accounts, insurance proceeds in favour of the term loan lenders on pari passu and pro rata basis. The Company has also assigned benefits under all insurance policies on pari passu basis to the lenders.

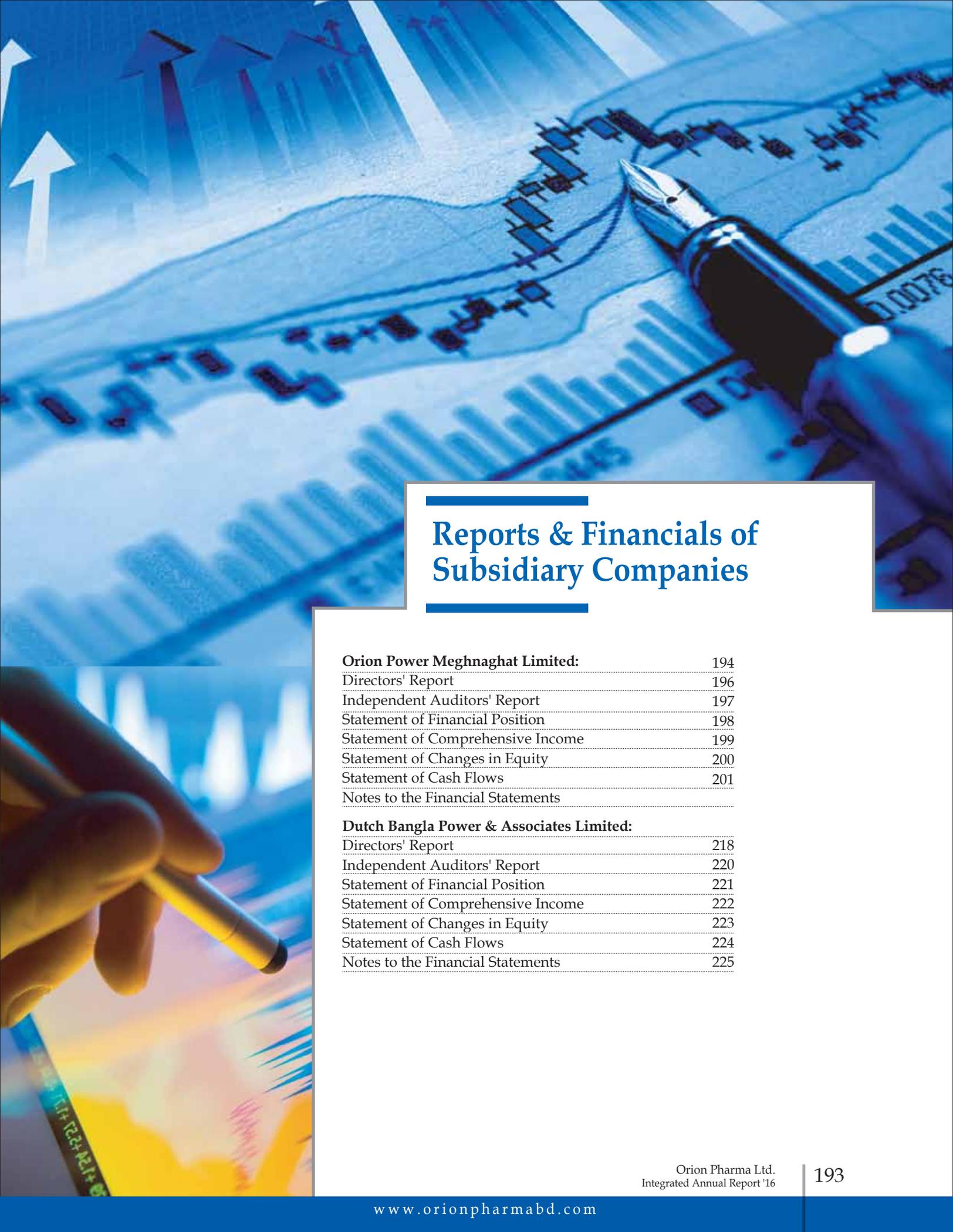
The loans are also secured by personal guarantee of all directors of the Company and lien of initial paid up capital of the Promoters of the Company.

The sponsors have also given an undertaking to retain the majority share of the project during the tenor of the loan, to be in control of the management of the Company and to inject necessary equity fund to finance any cost overrun of the project and to maintain all the covenants unless otherwise mutually agreed between the lenders and the Company.

Working capital loan

Agrani Bank Limited - Principal Branch	34,029,405	196,245,043
Less: Current Portion	-	-
	<u>34,029,405</u>	<u>196,245,043</u>

Working capital loan under syndication loan arrangement bearing interest @ 15.5% per annum are repayable in 43 equated monthly installments starting from November 08, 2012.



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ORION POWER MEGHNAGHAT LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Stakeholders,

Reference to the provisions of Section 184 of the Companies Act 1994, and IAS codes, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), it is a pleasure and privilege on the part of the Board of Directors to submit the Directors' Report to the Shareholders together with the audited financial statements containing only Statement of Financial Position, Comprehensive Income, Change of Equity and Cash Flows for the 9 months period ended on June 30, 2016 at this annual meeting.

Operations

The company, which was incorporated on June 30, 2010 as "IEL Consortium and Associates Ltd.", changed the name to "Orion Power Meghnaghat Limited" (OPML) on January 18, 2012. OPML has completed implementation of a 100 MW HFO Power based plant on quick rental basis in Meghnaghat, Dhaka and has been in commercial operation since May 08, 2011. It has been in profitable operations all over the years till date. Orion Pharma Ltd. holds 95% of equity share of this company.

Financial Position & Performance

The summary of the comparative analysis of results of 2016 and 2015 is as follows:

Amount in BDT

	9 months upto Jun 30 2016	12 months upto Sep 30 2015 (Restated)
Revenue	2,827,092,543	4,260,562,374
Net Profit Before Tax	309,643,844	404,093,012
Net Profit after Tax	309,643,844	404,093,012
Total assets	6,592,621,897	7,456,663,037
Shareholders' Equity	2,948,776,259	2,639,132,415
Earnings per Share	3.10	4.04
Net Asset Value per Share	29.49	26.39

Shareholding Structure

The present shareholding pattern of the company is as follows:

Shareholders' Name	No. of Shares Held	% of Holding
Orion Pharma Limited	95,000,000	95.00
Integral Energy Limited	3,000,000	3.00
Jafflong Tea Company Limited	500,000	0.50
Mr. Mohammad Obaidul Karim	500,000	0.50
Mr. Salman Obaidul Karim	500,000	0.50
Mrs. Arzuda Karim	350,000	0.35
Mrs. Nudrat S Karim	100,000	0.10
Haarhuis Genertoren B.V.	50,000	0.05
	100,000,000	100.00

Board of Directors

The following persons are the members of the Board of Directors of the Company:

Mr. Mohammad Obaidul Karim	Chairman
Mr. Salman Obaidul Karim	Managing Director
Mrs. Arzuda Karim	Director
Mrs. Nudrat S Karim	Director
Mr. Golam Mohiuddin	Nominated Director

Appointment of Auditors

The Auditor's, S. F. Ahmed & Co., Chartered Accountants, who were appointed as the statutory auditor of the Company in the last Annual General Meeting, will retire in the ensuring AGM and have confirmed their eligibility and willingness to accept their office for the forthcoming financial year, if re-appointed.

Acknowledgement

The Board of Directors thankfully acknowledge the contribution made and support & co-operation given by the Officers, Workers, Customers, Creditors, Banks, Insurance Companies, Utility Providers, and the Government in particular and look forward to a bright future for all of us.

Sd/-

Mohammad Obaidul Karim

Chairman



INDEPENDENT AUDITORS' REPORT

To the Shareholders of Orion Power Meghnaghat Ltd.

We have audited the accompanying financial statements of Orion Power Meghnaghat Ltd., which comprise the statement of financial position as at 30 June 2016 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and other applicable laws and regulations in Bangladesh. The management also responsible 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 (BSA). 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating 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 present fairly, in all material respects, the financial position of Orion Power Meghnaghat Ltd. as at 30 June 2016, and its financial performance and its cash flows for the period then ended in accordance with Bangladesh Financial Reporting Standards and comply with the Companies Act, 1994 and other applicable laws and regulations in Bangladesh.

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 these books;
- c) the company's statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditure incurred was for the purposes of the company's business.

Dated, Dhaka;
16 August 2016

Sd/-
S. F. Ahmed & Co.
Chartered Accountants

ORION POWER MEGHNAGHAT LTD.
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Notes	Amount in BDT		
		30 June 2016	30 September 2015 (Restated)	01 October 2014 (Restated)
ASSETS				
Non-current assets				
Property, plant and equipment	4	4,368,465,716	4,628,215,841	4,960,602,204
		4,368,465,716	4,628,215,841	4,960,602,204
Current assets				
Inventories	5	236,651,985	184,671,555	85,570,078
Trade receivables	6	803,365,908	1,407,533,522	305,659,380
Advances, deposits and prepayments	7	113,389,929	102,059,941	168,931,493
Other receivables	8	874,884,469	1,057,997,932	375,471,064
Cash and cash equivalents	9	195,863,889	76,184,246	1,456,683
		2,224,156,181	2,828,447,196	937,088,698
TOTAL ASSETS		6,592,621,897	7,456,663,037	5,897,690,902
EQUITY AND LIABILITIES				
Equity				
Share capital	10	1,000,000,000	1,000,000,000	1,000,000,000
Revaluation surplus on property, plant and equipment		221,350,948	232,061,479	246,342,188
Retained earnings		1,727,425,311	1,407,070,936	988,697,216
		2,948,776,259	2,639,132,415	2,235,039,404
Non-current liabilities				
Long term borrowings	11	2,661,200,000	2,532,070,108	2,459,465,597
Provision for decommission of assets	12	143,405,563	133,738,363	118,352,533
preference share	13		500,000,000	500,000,000
		2,804,605,563	3,165,808,471	3,077,818,130
Current liabilities				
Trade payables	14	689,609,427	1,058,884,043	106,647,251
Accruals & other payables	15	149,630,648	592,838,108	478,186,117
		839,240,075	1,651,722,151	584,833,368
TOTAL EQUITY AND LIABILITIES		6,592,621,897	7,456,663,037	5,897,690,902

The annexed notes form an integral part of this financial statement.

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Company Secretary

Signed in terms of our separate report of even date annexed.

Dated, Dhaka;
16 August 2016

Sd/-
S. F. Ahmed & Co.
Chartered Accountants

ORION POWER MEGHNAGHAT LTD.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2016

	Notes	Amount in BDT	
		01 October 2015 to 30 June 2016	01 October 2014 to 30 September 2015 (Restated)
Revenue	16	2,827,092,543	4,260,562,374
Total revenue		2,827,092,543	4,260,562,374
Consumption of mobil & HFO	17	1,718,248,879	2,850,940,025
Operation & maintenance expenses	18	59,317,558	75,895,682
Other expenses	19	119,950,989	140,574,961
Depreciation	4	260,524,385	333,655,550
Finance cost	20	359,406,888	455,403,145
Total expenses		2,517,448,699	3,856,469,362
Net profit before tax		309,643,844	404,093,012
Income tax expenses			-
Profit after tax		309,643,844	404,093,012
Other comprehensive income			-
Total comprehensive income for the Period		309,643,844	404,093,012
Basic Earning Per Share (EPS)	21	3.10	4.04

The annexed notes form an integral part of this financial statement.

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Company Secretary

Signed in terms of our separate report of even date annexed.

Dated, Dhaka;
16 August 2016

Sd/-
S. F. Ahmed & Co.
Chartered Accountants

ORION POWER MEGHNAGHAT LTD.
STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2016

	Amount in BDT			Total
	Share Capital	Revaluation Surplus on fixed assets	Retained Earnings	
Balance at 01 October 2014	1,000,000,000	246,342,187	1,122,197,983	2,368,540,171
Prior year adjustment (retrospective effect BAS-8)(Note-23)	-	-	(133,500,767)	(133,500,767)
Restated opening balance	1,000,000,000	246,342,187	988,697,216	2,235,039,403
Transfer of depreciation on revaluation surplus to retained earnings	-	(14,280,708)	14,280,708	-
Net profit after tax	-	-	404,093,012	404,093,012
Balance at 30 September 2015 (Restated)	1,000,000,000	232,061,479	1,407,070,936	2,639,132,415
Balance at 01 October 2015 (Restated)	1,000,000,000	232,061,479	1,407,070,936	2,639,132,415
Transfer of depreciation on revaluation surplus to retained earnings	-	(10,710,531)	10,710,531	-
Net profit after tax	-	-	309,643,844	309,643,844
Balance at 30 June 2016	1,000,000,000	221,350,948	1,727,425,311	2,948,776,259

ORION POWER MEGHNAGHAT LTD.
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2016

	Amount in BDT	
	01 October 2015 to 30 June 2016	01 October 2014 to 30 September 2015
A. Cash flows from operating activities		
Cash receipts from customers and others	3,431,260,157	3,158,688,233
Cash paid to suppliers, employees and other parties	(2,317,243,886)	(2,136,711,762)
Net cash provided by operating activities	1,114,016,270	1,021,976,471
B. Cash flows from investing activities		
Property, plant and equipment	(774,260)	(1,269,187)
Net cash used in investing activities	(774,260)	(1,269,187)
C. Cash flows from financing activities		
Proceed from/(Repayment of) long term borrowings	(370,870,108)	72,604,511
Prior year adjustment	-	(133,500,767)
Repayment of short term borrowings	203,262,613	(666,547,002)
Payment against finance cost	(825,954,874)	(219,552,281)
Net cash used in financing activities	(993,562,369)	(946,995,540)
Net changes in cash and cash equivalents (A+B+C)	119,679,641	73,711,743
Cash and cash equivalents at 01 October 2015	76,184,247	2,472,504
Cash and cash equivalents at 30 June 2016	195,863,889	76,184,247

ORION POWER MEGHNAGHAT LTD.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD ENDED 30 JUNE 2016

1. Corporate information

Orion Power Meghnaghat Ltd. was incorporated on June 30, 2010 as "IEL Consortium and Associates Ltd." a public limited in Bangladesh and obtained the certificate of commencement of business on June 30, 2010. On January 18, 2012, the name of the company has been changed to Orion Power Meghnaghat Ltd. The registered office of the company is at 153-154, Tejgaon Industrial Area, Dhaka-1208, Bangladesh.

1.1 Nature of business

The Company has set up a 100 MW HFO Power Plant on quick rental basis in Meghnaghat, Dhaka with machineries and equipments supplied by Wartsila Finland OY for generation and supply of electricity. The Company has signed the contract with Bangladesh Power Development Board (hereinafter referred as BPDB) acting as an off taker to supply power to them solely under the contract No. 09755 executed on June 30, 2010. According to the said Contract, the Government will purchase the power for a period of 5 years commencing from May 08, 2011. As per memo no. 1418- BPDB (Sectt)/ Dev- 175/2009, dated 21 May 2006, OPML received permission to continue operation until the signing of the amended agreement is signed.

2. Basis of preparation of financial statements

2.1 Reporting framework and compliance thereof

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994 and other relevant local laws and regulations, and in accordance with the Bangladesh Financial Reporting Standards (BFRSs) and Bangladesh Accounting Standards (BASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

2.2 Measurement of the elements of financial statements

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the statement of financial position and profit or loss and other comprehensive income. The measurement basis adopted by the company is historical cost except for land, buildings & civil constructions and plant and machinery which are stated at fair value. Under the historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation.

2.3 Functional and presentation currency

The functional and presentation currency of the Company is Bangladeshi Taka (BDT). The Company earns its revenues in United State Dollars (US\$), however, all other incomes/expenses and transactions are in Bangladesh Taka (BDT) and the competitive forces and regulations of Bangladesh determine the sale prices of its goods and services. Further, the entire funds from financing activities are generated in BDT and the receipts from operating activities are retained in BDT.

2.4 Going concern

When preparing financial statements, management shall make an assessment of an entity's ability to continue as a going concern. The company prepares its financial statements on a going concern basis as the company has adequate resources to continue its operation for the foreseeable future and management does not intend to liquidate the entity or to cease trading, or has no realistic alternative but to do so.

2.5 Accrual basis of accounting

The company prepares its financial statements, except for cash flow information, using the accrual basis of accounting. When the accrual basis of accounting is used, an entity recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the Framework.

2.6 Materiality and aggregation

The company presents separately each material class of similar items and items of a dissimilar nature or function unless they are immaterial. Financial statements result from processing large numbers of transactions or other events that are aggregated into classes according to their nature or function.

2.7 Offsetting

The company does not offset assets and liabilities or income and expenses, unless required or permitted by a BFRS.

2.8 Statement of cash flows

The Statement of Cash Flows has been prepared under 'Direct Method' in accordance with the requirements of BAS 7: Statement of Cash Flows.

2.9 Reporting period

The Financial period of the company covers nine months period from 01 October 2015 to 30 June 2016.

2.10 Comparative information and rearrangement thereof

Comparative information has been disclosed in respect of the one year period from 01 October 2014 to 30 September 2015 for all numeric 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 period ended on 30 September 2015 have been rearranged wherever considered necessary to ensure comparability with the current period.

2.11 Use of estimates and judgments

The preparation of financial statements in conformity with Bangladesh Financial Reporting Standards requires 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 given prospective effect in the financial statements as required by BAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

3. Significant accounting policies

The accounting policies set out below have been applied for the period presented in these financial statements.

3.1 Property, plant and equipment (PPE)

Recognition and measurement

An item shall be recognized as property, plant and equipment if, and only if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably.

Property, plant and equipment were initially stated at cost and subsequently buildings & civil constructions and plant & machineries were revalued and shown at fair value in 2011, since then the assets were depreciated from the revalued amount. All property, plant and equipment are presented, net of accumulated depreciation and/or accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner. The cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term debt availed for the construction/Implementation of the PPE, if the recognition criteria are met.

Subsequent costs

When significant parts of property, plant and equipment are required to be replaced at intervals, the company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognized in the income statement as incurred.

Revaluation

Valuations are performed at specific intervals to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. On each reporting date, management assesses the fair value of the assets to ensure that fair value of revalued assets does not differ materially from its carrying amount. At 31 December 2011, the company made revaluation of its Building & Civil Constructions and Plant and Machineries by Syful Shamsul Alam & Co., Chartered Accountants to reflect fair value thereof in terms of depreciated current cost.

Any revaluation surplus on property, plant and equipment is recorded in other comprehensive income and hence, credited to the revaluation surplus on property, plant and equipment in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the income statement, in which case, the increase is recognized in the income statement. A revaluation deficit is recognized in the income statement, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

A transfer from the revaluation surplus on property, plant and equipment to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the assets and depreciation based on the asset's original cost on each reporting date. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to the retained earnings.

Depreciation

Depreciation of an asset begins when it's get ready for use. Depreciation is charged on all property plant and equipment other than land and land developments, on a straight line basis over the expected economic lives as follows:

<u>Group of PPE</u>	<u>Expected economic life</u>
Building & civil construction	20 years
Vehicles	5 years
Office equipments	5 years
Furniture & fixtures	6 to 7 years
Plant & machineries	2 to 20 years

Impairment

At each year end, the company assesses whether there is any indication that the carrying amount of an asset exceeds its recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs to sell and its value in use. An impairment loss is recognized as an expense in the statement of profit or loss and other comprehensive income in accordance with the provision of Bangladesh Accounting Standards (BAS)- 36 unless the asset is revalued in accordance with BAS 16; in this case, the impairment is also recognized in other comprehensive income up to the amount of any previous revaluation. No such assets have been impaired during the year and for this reason no provision has been made for impairment of assets.

An assessment is made at each reporting date whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the assets or CGUs recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. Such reversal is recognized in the statement of profit or loss and other comprehensive income unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Retirements and disposals

An asset is derecognized upon disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain or loss from disposal of asset under other income in the statement of profit or loss and other comprehensive income.

3.2 Foreign currency transactions

Transactions in foreign currencies are initially recorded by the company at the functional currency spot rates on the date on which the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange at the reporting date. All differences arising on settlement or translation of monetary items are taken to the statement of profit or loss and other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

3.3 Inventories

Inventories stated at lower of cost and net realizable value as per BAS-2: Inventories. Costs incurred in bringing each product to its present location and conditions are accounted for on a First in First out (FIFO) basis. Costs comprise of expenditure incurred in the normal course of business in bringing out such inventories to its location and conditions.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.4 Provisions, accrued expenses and other payables

Provisions and accrued expenses are recognized in the financial statements in line with the Bangladesh Accounting Standard (BAS) 37 "Provisions, Contingent Liabilities and Contingent Assets" when

- the Company has a legal or constructive obligation as a result of past event.
- it is probable that an outflow of economic benefit will be required to settle the obligation.
- a reliable estimate can be made of the amount of the obligation.

Other payables are not interest bearing and are stated at their nominal value.

3.5 Provision for decommissioning costs

Orion Power Meghnaghat Ltd. has established its electricity generating plant in government land and assumed that after the contract period it may have to remove the plant from the land. The company has recognized a provision for decommission obligations associated the electricity generating facility. In determine the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site and the expected timing of those costs. The caring amount of the provision as at June 30, 2016 was BDT 143,405,563.

3.6 Revenue recognition

Revenue is recognized in the statement of profit or loss and other comprehensive income upon supply of electricity, quantum of which is determined by survey of meter reading. Revenue is measured at fair value of consideration received or receivable. Revenue under Power Purchase Agreement (PPA) comprises capacity payments and energy payments. Capacity payments are recognized according to the terms set out in the PPA. Energy payments are calculated based on electricity delivered to BPDB.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

3.7 Taxation

Current tax

As per sec. 52N of Income Tax Ordinance 1984, 4% tax is payable at the time of rental received as TDS which shall be treated final discharge of tax liability. Bangladesh Power Development Board (BPDB) shall be responsible for payment of income taxes, VAT, duties, levies, all other charges imposed or incurred inside Bangladesh on any payment made by BPDB to Orion Power Meghnaghat Ltd. or the importation (on a re-exportable basis) of any plant /equipment (excluding consumable) and /or spare parts before commercial operation date and /or replacement equipment and spare parts for operation throughout the contract period as per contract No.09756 article-17. As 4% TDS is directly paid by BPDB on the invoice amount. So tax amount is not recognized either income or expenses in the statement of profit or loss and other comprehensive income.

Deferred tax

Since 4% Tax deducted at source is the final discharge of tax liability and there is no deductible or taxable temporary difference, so deferred tax is not recognized and considered.

3.8 Borrowing cost

In compliance with the requirement of BAS-23 (borrowing cost), borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of the asset and, therefore capitalized. Other borrowing costs are recognized in the statement of profit or loss and other comprehensive income as finance cost.

3.9 Finance cost

Finance costs comprise interest on long term borrowings, interest on redeemable preference shares and bank charges. All finance costs are recognized in the statement of profit or loss and other comprehensive income except to the extent that are capitalized as per BAS - 23.

3.10 Financial instrument

Financial assets

Financial Instrument within the scope of BAS 39: "Recognition and Measurement" the company initially recognizes receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the date at which company becomes a party to the contractual provisions of the transaction. All financial assets are recognized initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

The company assesses, at each reporting date, whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Financial assets carried in the statement of financial position include cash and cash equivalents, trade and other receivables, advance and deposits.

(a) Cash and cash equivalents

Cash and cash equivalents consists of cash in hand 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.

(b) Trade receivables

Trade receivables consist of unpaid bill amounts receivable from Bangladesh Power Development Board (BPDB). Invoice is raised on a monthly basis and trade receivable is recognized after netting of the energy payment for Hyper Furnace Oil (HFO) deducted by BPDB as per contract.

Financial liabilities

As per BAS 39 "Financial Instrument: Recognition and Measurement" the company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognized initially on the transaction date at which company becomes a party to the contractual provisions of the liability. All financial liabilities are recognized initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include loans and borrowings, accounts payable and other payables.

(a) Loans and borrowings

Principal amounts of the loans and borrowings are stated at their amortized cost. Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

(b) Trade payables

The company recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow of resources from the entity.

(c) Redeemable preference share

The company had issued redeemable preference shares in November 2011. As per BAS 32: Financial Instruments: Presentation, the substance of a financial instrument rather than its legal form governs its classification on the entity's financial statements. Accordingly, the redeemable preference shares which, in substance, meet the conditions of a financial liability have been classified as liabilities in these financial statements.

The company was not a party to any derivative contract that needs to disclose as per IFRS-7 "Financial Instruments: Disclosure".

3.11 Segment reporting

No geographical and operational segment reporting is applicable for the company as required by BFRS 8 "Operating Segment", as the company operates in single operation in a single geographical area.

3.12 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the period attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year (Note-21).

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there were no potential dilutive ordinary shares during the relevant periods.

3.13 Prior period adjustments

Certain comparative amounts in the prior period's financial statements have been restated by giving retrospective effect where necessary as per BAS 8 'Accounting Policies, Changes in Accounting Estimates and Error'.

3.14 Events after reporting date

There have not been any significant events since the reporting date to the date of issue of the financial statements, which could affect the figures stated in the financial statements.

3.15 Commitments and contingencies

Contingencies arising from claim, litigation assessment, fines, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can reasonably be measured.

Capital commitments

The Company has no commitment of capital expenditure as at June 30, 2016.

Guarantees

The company has given a bank guarantee of BDT 22,430,000 (BDT 22,430,000; 2015) to BPDB.

4. Property, plant and equipment

Sl. No.	Group of PPE	COST				Depreciation			Written Down Value as at 30.06.2016
		Balance as at 01.10.2015	Addition during the year	Balance as at 30.06.2016	Balance as at 01.10.2015	Charged during the year	Balance as at 30.06.2016		
								Amount in BDT	
A. At historical Cost									
	Building & civil construction	541,035,963		541,035,963	255,502,035	44,333,928	299,835,963		241,200,000
	Plant & machineries	5,294,483,768	490,000	5,294,973,768	1,191,079,433	201,641,312	1,392,720,745		3,902,253,023
	Vehicles	9,396,948		9,396,948	7,623,888	1,284,808	8,908,696		488,252
	Office equipments	14,053,958	144,600	14,198,558	10,348,703	2,130,794	12,479,497		1,719,061
	Furniture & fixtures	3,665,117	139,660	3,804,777	1,927,334	423,012	2,350,346		1,454,431
	Sub Total	5,862,635,754	774,260	5,863,410,014	1,466,481,393	249,813,854	1,716,295,247		4,147,114,767
B. Revaluation									
1	Building & civil construction	16,547,715	-	16,547,715	3,102,699	620,541	3,723,240		12,824,475
2	Plant & machineries	269,066,416	-	269,066,416	50,449,952	10,089,990	60,539,942		208,526,474
	Sub Total	285,614,131	-	285,614,131	53,552,651	10,710,531	64,263,182		221,350,949
	Total 30 June 2016 (A+B)	6,148,249,885	774,260	6,149,024,145	1,520,034,044	260,524,385	1,780,558,429		4,368,465,716
	Total 30 September 2015	6,146,980,698	1,269,187	6,148,249,885	1,186,378,494	333,655,550	1,520,034,044		4,628,215,841

	Amount in BDT	
	30 June 2016	30 September 2015 (Restated)
5 Inventories		
Mobil & Chemical	12,681,633	4,278,919
Spare parts	147,853,473	64,766,369
Inventory - HFO & LFO	70,774,587	107,948,853
Goods in transit	5,342,292	7,677,414
	236,651,985	184,671,555
6 Trade receivables		
Receivables from BPDB	803,365,908	1,407,533,522
	803,365,908	1,407,533,522
7 Advances, deposits and prepayments		
Advances (Note- 7.1)	84,708,566	68,766,534
Deposits (Note- 7.2)	27,852,949	33,161,503
Prepayments (Note- 7.3)	828,414	131,904
	113,389,929	102,059,941
7.1 Advances		
Advance against cash purchase	2,967,987	1,891,144
Advance salary	-	-
Advance to supplier	16,120,995	11,304,603
Advance income tax	390,577	341,778
Advance - others	65,229,008	55,229,009
	84,708,566	68,766,534
7.2 Deposits		
Bank guarantee	22,430,000	22,430,000
L/C Margin account	5,422,949	10,731,503
	27,852,949	33,161,503
7.3 Prepayments		
Bank guarantee Commission	627,216	-
Insurance premium	201,198	131,904
	828,414	131,904
8 Other receivables		
Dutch Bangla Power and Associates Ltd.	435,074,432	530,477,183
Panboo Bangla Mushroom Ltd.	25,000,000	25,024,685
Orion Gas Limited	20,000,000	20,000,000
Orion Footwear Ltd.	40,600,000	40,600,000
Orion Oil & Shiping Ltd.	43,963,331	25,070,934
Orion Power Unit 2 Dhaka Ltd.	246,719,071	375,355,597
Orion Power Dhaka Ltd.	42,513,435	36,269,533
Interior Accom Consortium Limited	15,000,000	-
Orion Properties Ltd.	6,014,200	5,200,000
	874,884,469	1,057,997,932

		Amount in BDT	
		30 June 2016	30 September 2015 (Restated)
11.2	Loan from others		
	Investment corporation of Bangladesh	-	700,000,000
			700,000,000
12	Provision for decommission of assets		
	Plant & machinery	59,922,594	55,883,114
	Building	83,482,969	77,855,249
		143,405,563	133,738,363
13	Preference Share		
	Agrani Bank Limited	-	500,000,000
			500,000,000
14	Trade payables		
	Accounts payable - suppliers	689,609,427	1,058,884,043
		689,609,427	1,058,884,043
15	Accruals & other payables		
	Salary and other allowance	15,199,340	11,946,670
	Directors remuneration	4,500,000	1,125,000
	Provident fund	6,517,948	4,426,458
	Bank interest payable (Note- 15.1)	-	222,803,586
	Interest on preference share	-	186,319,137
	Interest on ICB	-	67,092,463
	Retention money	2,089,606	2,089,606
	Withholding VAT	10,128,959	9,030,901
	Withholding tax	8,701,446	7,252,002
	Audit fees	345,000	345,000
	Provision for gratuity	3,274,176	2,294,188
	Inter-company current account (Note- 15.2)	90,381,993	70,232,843
	Accounts payable - employee	97,592	237,155
	Deduction against private car	297,975	297,975
	Other payable	8,096,613	7,345,125
		149,630,648	592,838,108
15.1	Bank interest payable		
	Agrani Bank Limited	-	142,248,920
	Rupali Bank Ltd.	-	57,265,698
	United Leasing Company Ltd.	-	98,205
	Bangladesh Commerce Bank Ltd.	-	8,495,190
	Agrani Bank Limited - (Working Capital Purpose)	-	8,408,923
	SABINCO	-	5,535,161
	Agency fee on syndication loan	-	751,488
15.2	Inter-company current account	-	222,803,586
	Orion Pharma Limited	-	-
	Orion Infrastructure Ltd.	-	-
	Orion Power Khulna Ltd.	-	27,104,131
	Orion Capital Limited	27,820,000	18,420,000
	Digital Power and Associates Ltd.	62,561,993	24,708,712
		90,381,993	70,232,843

	Amount in BDT	
	30 June 2016	30 September 2015 (Restated)
16 Revenue		
Reference rental price	1,029,086,907	1,396,156,960
Reference energy price (Variable - O&M)	113,064,995	130,588,618
Salaes Revenue - HFO OOSL	1,407,631,472	1,445,787,035
HFO received from BPDB	285,808,227	1,293,874,014
Foreign exchange gain /(Loss)	(8,499,058)	(5,844,253)
	2,827,092,543	4,260,562,374
17 Consumption of mobil & HFO		
Mobil	48,960,380	71,602,800
Hyper furnace oil (HFO) - OOSL	1,383,480,272	1,485,463,211
Hyper furnace oil (HFO) - BPDB	285,808,227	1,293,874,014
	1,718,248,879	2,850,940,025
18 Operation & maintenance expenses		
O & M service	35,399,833	36,371,773
Repair & maintenance	23,917,725	39,523,909
	59,317,558	75,895,682
19 Other expenses		
Salaries & allowances	49,119,129	63,077,351
Director remuneration	4,500,000	6,000,000
Advertisement	4,059,760	21,281,436
Entertainment	1,701,843	2,057,171
Fooding expenses	2,371,690	1,929,819
Plant office transport	1,981,007	2,603,095
Plant office utilities	333,450	454,860
Plant office communication	1,660,290	1,584,506
Fees & taxes	5,875,202	440,386
Stationary, accessories & supplies	964,690	696,817
Security service	4,001,516	5,008,416
Tours & travel	2,471,028	7,155,912
Consultancy fees	2,411,860	3,480,514
Insurance, taxes & duties	106,170.00	-
Fuel test fees	168,000	1,105,643
Audit fee	345,000	345,000
Expenses for CSR	-	1,000,000
Liquidity demarage	26,685,748	5,179,318
Land rent	4,289,887	4,650,321
Miscellaneous expenses	6,904,719	12,524,394
	119,950,989	140,574,961
20 Finance cost		
Interest on long term borrowings (Note-20.1)	184,474,071	237,735,087
Interest on preference share	54,298,030	89,595,208
Interest expenses-ICB	68,921,503	102,345,833
Interest on assets decommissioning liability	9,667,200	15,385,830
Agency Fee on Syndicate Loan	6,088,729	-
Bank commission	9,534,030	9,986,935
Bank charges	26,423,325	354,253
	359,406,888	455,403,145

Amount in BDT	
30 June 2016	30 September 2015 (Restated)

20.1 Interest on long term borrowings

Agrani Bank Limited	113,183,983	120,223,746
Rupali Bank Limited	18,859,122	56,689,356
SABINCO	1,782,040	5,949,605
Interest Expense - Mashreq PSC	22,252,892	
Agrani Bank Limited - (Working Capital Purpose)	3,951,518	20,608,614
Interest Expenses - SOD Rupali Bank	21,892,597	22,583,333
United Leasing Company Ltd.	-	2,383,289
Bangladesh Commerce Bank Ltd.	2,551,920	9,297,144
	184,474,071	237,735,087

21 Earning per share

The computation is given below:

Profit after tax	309,643,844	404,093,012
Number of ordinary shares outstanding during the period	100,000,000	100,000,000
Basic earning per share (EPS)	3.10	4.04

22. Financial risk management objectives and policies

The company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company has trade receivables, and cash and bank balances that arrive directly from its operations.

Financial instruments give rise to cash flow interest rate risk, foreign currency risk, other price risk, credit risk, and liquidity risk. Information on how these risks arise is set out below, as are the objectives, policies and processes agreed by the board for their management and the methods used to measure each risk.

The company's senior management oversees the management of these risks. The senior management ensures that the financial risk-taking activities are governed by appropriate policies and procedures and those financial risks are identified, measured and managed in accordance with policies and risk appetite.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As a policy, the company has decided to obtain all its borrowings at fixed interest rates. Hence there is no exposure to the risk of changes in market interest rates.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The company's earnings and cash flows are significantly influenced by US dollars (USD) since USD is the currency in which the company's sales are denominated. The financial position and results of the company can be affected significantly by movements in the BDT / USD exchange rates. Presently, the company does not hedge any exposure on account of foreign currency risk.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its.

Trade receivables

At present all output of the company is sold to a single customer and trade receivable as on the reporting dates represents amounts receivable from the said customer. The party is a government.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the company's treasury department in accordance with the company's policy. Investments of surplus funds are made only with approved.

Liquidity risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price.

The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed.

The table below summarizes the maturity profile of the financial liabilities based on contractual undiscounted payments.

As at June 30, 2016:

Long term borrowings	Provision for Decommission of Assets	Redeemable preference share	Trade payables	Accruals and other payables	Total
-	-	-	689,609,427	149,630,648	839,240,075
2,661,200,000	143,405,563	-	-	-	2,804,605,563

Amount repayable within 1 year

Amount repayable within 2 to 5 years

23 Correction of prior year errors

"a. Under charged bank interest payable for the income year up to 2011-2014 amounting to Tk. 120,624,031 has been provided during the year 2014-2015, and for the income year 2014-2015 amounting to Tk. 34,839,762 has been provided during the year 2014-2015, and restated the figures as correction of as per BAS 8.b. Revenue and Receivables were overstated by Tk. 1,015,821 during the year ended 2013-2014. It was restated as per BAS-08.

c. Under charged preference share interest payable for the income year up to 2011-2014 amounting to Tk. 11,860,915 has been provided during the year 2014-2015, and for the income year 2014-2015 amounting to Tk. 24,595,208 has been provided during the year 2014-2015, and restated the figures as correction of as per BAS 8."

The following table summarizes the adjustment made to the Statement of Financial Position regarding the correction of error:

	Amount in BDT			
	Receivables	Bank interest payable	Preference share interest payable	Retained earnings
Balance at 01 October 2014, as previously reported	306,675,201	66,412,592	114,863,014	1,122,197,983
Impact of the correction of under charged bank interest.	-	120,624,031	-	(120,624,031)
Impact of the correction of under charged interest on Preference Share	-	-	11,860,915	(11,860,915)
Impact of overstated receivables	(1,015,821)	-	-	(1,015,821)
Restated balance at 01 October 2014	305,659,380	187,036,623	126,723,929	988,697,216
Balance at 30 September 2015, as previously reported	1,407,533,522	67,339,792	149,863,014	1,598,990,852
Impact of the correction of under charged bank interest at 01 October 2014	-	120,624,031	-	(120,624,031)
Impact of the correction of under charged Preference Share interest at 01 October 2014	-	-	11,860,915	(11,860,915)
Impact of the correction of under charged bank interest during 2014-2015	-	34,839,762	-	(34,839,762)
Impact of the correction of under charged Preference Share interest during 2014-2015	-	-	24,595,208	(24,595,208)
Restated balance at 30 September 2015	1,407,533,522	222,803,585	186,319,137	1,407,070,936

Impact on statement of profit or loss and other comprehensive income (increase/decrease) in profit for the year:

	Amount in BDT
Net profit after tax, as previously reported	463,527,982
Increase in finance cost	59,434,970
Restated Net Profit after tax	404,093,012

The change did not have an impact on Company's cash flows.

The company has entered into transactions with other entities that fall within the definition of related party as contained in BAS-24 "Related Party Disclosures". Total transactions of the significant related party as at 30 June 2016 are as follows:

Name of related party	Relationship	Nature of transaction	Opening balance as on 01.10.2015	Addition	Adjustment	Closing balance as on 30.06.2016
Orion Pharma Limited	Holding Company	Investment in Share Capital	(950,000,000)	-	-	(950,000,000)
Dutch Bangla Power & Associates Limited	Common director/ Share holding	Intercompany Current A/C	530,477,183	105,089,030	(200,491,781)	435,074,432
Panbo Bangla Mushroom Ltd.	Common director/ Share holding	Intercompany Current A/C	25,024,685	-	(24,685)	25,000,000
Interior Accom Consortium Limited	Common director/ Share holding	Intercompany Current A/C	-	15,000,000	-	15,000,000
Orion Gas Limited	Common director/ Share holding	Intercompany Current A/C	20,000,000	-	-	20,000,000
Digital Power & Associates Ltd	Common director/ Share holding	Intercompany Current A/C	(24,708,712)	(41,056,773.16)	3,203,492	(62,561,993)
Orion Power Dhaka Ltd.	Common director/ Share holding	Intercompany Current A/C	36,269,533	6,243,903	-	42,513,435
Orion Power Khuina Ltd.	Common director/ Share holding	Intercompany Current A/C	(27,104,131)	-	27,104,131	-
Orion Properties Ltd.	Common director/ Share holding	Intercompany Current A/C	5,200,000	814,200	-	6,014,200
Orion Capital Ltd.	Common director/ Share holding	Intercompany Current A/C	(18,420,000)	(9,400,000)	-	(27,820,000)
Orion Footwear Ltd.	Common director/ Share holding	Intercompany Current A/C	40,600,000	-	-	40,600,000
Orion Oil & Shipping Ltd.	Common director/ Share holding	Intercompany Current A/C	25,070,934	39,299,548	(20,407,151)	43,963,331
Orion Power Unit 2 Dhaka Ltd.	Common director/ Share holding	Intercompany Current A/C	375,455,597	254,266,937	(383,003,463)	246,719,071

Particulars	Value in BDT
Managerial remuneration paid or payable during the period to the directors, including managing directors, a managing agent or manager	4,500,000
Expenses reimbursed to managing agent	-
Commission or remuneration payable separately to a managing agent or his associate	-
Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company	-
The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the period.	-
Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	-
Other allowances and commission including guarantee commission	-
Pensions etc.	-
(i) Pensions	-
(ii) Gratuities	-
(iii) Payments from a provident funds, in excess of own subscription and interest thereon	-
Share Based payments	-

25 Capacity utilization

Licensed capacity	Installed capacity	Plant factor 2016	Plant factor 2015
		(% on licensed capacity)	(% on licensed capacity)
100 MW	106.80 MW	Average 55.00% Max. 79%	Average 49.33.% Max. 63.77%

26 Employee details

During the period, there were 122 employees employed for the full year and the end of the period, there were 122 employees in the company with remuneration of BDT 4,800 per month and above.

27 Rounding off

Amounts appearing in these financial statements have been rounded off to the nearest BDT.

28 Authorisation of financial statements to issue

The financial statements were authorised for issue by the Board of Directors on 16 August 2016.

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Company Secretary

DUTCH BANGLA POWER & ASSOCIATES LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Stakeholders,

Reference to the provisions of Section 184 of the Companies Act 1994, and IAS codes, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), it is a pleasure and privilege on the part of the Board of Directors to submit the Directors' Report to the Shareholders together with the audited financial statements containing only Statement of Financial Position, Comprehensive Income, Change of Equity and Cash Flows for the 9 months period ended on June 30, 2016 at this annual meeting.

Operations

The company has set up a 100 MW HFO power plant on quick rental basis and commenced its sale of power to the Government of Bangladesh from July 21, 2011 for a period of 5 years. Now, the term to supply electricity is to be extended for next five years. The plant has been in profitable operations all over the years till date. Orion Pharma Ltd. holds 67% of equity share of this company.

Financial Position & Performance

The financial position and operational performance during the year 2016 and 2015 are as follows:

Amount in BDT

	9 months upto Jun 30 2016	12 months upto Sep 30 2015 (Restated)
Revenue	2,726,994,984	4,426,583,466
Net Profit Before Tax	184,599,770	267,039,198
Net Profit after Tax	184,599,770	267,039,198
Total assets	6,628,615,860	7,264,131,083
Shareholders' Equity	2,092,676,392	1,908,076,622
Earnings per Share	18.46	26.70
Net Asset Value per Share	209.27	190.81

Shareholding Structure

The present shareholding pattern of the company is as follows:

Shareholders' Name	No. of Shares Held	% of Holding
Orion Pharma Limited	6,700,000	67.00
Mr. Mohammad Obaidul Karim	100,000	1.00
Mr. Salman Obaidul Karim	3,087,500	30.88
Mrs. Nudrat S Karim	50,000	0.50
Shenzen Nanshan Power Co. Ltd.	50,000	0.50
Mrs. Arzuda Karim	10,000	0.10
Jamal Uddin Ahmed Chowdhury	2,500	0.03
	10,000,000	100.00

Board of Directors

The following persons are the members of the Board of Directors of the Company:

Mr. Mohammad Obaidul Karim	Chairman
Mr. Salman Obaidul Karim	Managing Director
Mrs. Arzuda Karim	Nominated Director
Mrs. Nudrat S Karim	Director
Mr. Golam Mohiuddin	Nominated Director

Appointment of Auditors

The Auditor's, S. F. Ahmed & Co., Chartered Accountants, who were appointed as the statutory auditor of the Company in the last Annual General Meeting, will retire in the ensuring AGM and have confirmed their eligibility and willingness to accept their office for the forthcoming financial year, if re-appointed.

Acknowledgement

The Board of Directors thankfully acknowledge the contribution made and support & co-operation given by the Officers, Workers, Customers, Creditors, Banks, Insurance Companies, Utility Providers, and the Government in particular and look forward to a bright future for all of us.

Sd/-

Mohammad Obaidul Karim
Chairman



INDEPENDENT AUDITORS' REPORT

To the Shareholders of Dutch Bangla Power and Associates Ltd.

We have audited the accompanying financial statements of Dutch Bangla Power and Associates Ltd., which comprise the statement of financial position as at 30 June 2016 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and other applicable laws and regulations in Bangladesh. The management also responsible 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 (BSA). 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating 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 present fairly, in all material respects, the financial position of Dutch Bangla Power and Associates Ltd. as at 30 June 2016, and its financial performance and its cash flows for the period then ended in accordance with Bangladesh Financial Reporting Standards and comply with the Companies Act, 1994 and other applicable laws and regulations in Bangladesh.

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 these books;
- c) the company's statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditure incurred was for the purposes of the company's business.

Dated, Dhaka;
16 August 2016

Sd/-
S. F. Ahmed & Co.
Chartered Accountants

Dutch Bangla Power and Associates Ltd.
Statement of Financial Position
As At 30 June 2016

	Notes	Amount in BDT		
		30 June 2016	30 September 2015 (Restated)	01 October 2014 (Restated)
ASSETS				
Non-current assets				
Property, plant and equipment	4	5,024,467,040	5,218,393,710	5,512,300,079
		5,024,467,040	5,218,393,710	5,512,300,079
Current assets				
Inventories	5	144,473,096	138,050,711	66,097,183
Trade receivables	6	720,547,602	1,296,644,715	317,531,566
Advances, deposit and prepayments	7	73,659,298	59,679,749	68,070,714
Other receivables	8	659,169,844	549,306,082	245,885,796
Cash and cash equivalents	9	6,298,981	2,056,115	5,754,450
		1,604,148,820	2,045,737,373	703,339,709
TOTAL ASSETS		6,628,615,860	7,264,131,083	6,215,639,788
EQUITY AND LIABILITIES				
Equity				
Share capital	10	100,000,000	100,000,000	100,000,000
Revaluation surplus on property, plant and equipment		354,165,074	356,740,155	360,173,597
Retained earnings		1,638,511,319	1,451,336,467	1,180,863,827
		2,092,676,392	1,908,076,622	1,641,037,424
Non-current liabilities				
Long term borrowings	11	1,539,032,671	2,229,696,004	2,457,079,232
Preference share	12	500,000,000	500,000,000	500,000,000
		2,039,032,671	2,729,696,004	2,957,079,232
Current liabilities				
Trade creditors	13	738,905,747	989,365,672	94,627,223
Accruals & other payables	14	1,758,001,049	1,636,992,785	1,522,895,909
		2,496,906,797	2,626,358,458	1,617,523,132
TOTAL EQUITY AND LIABILITIES		6,628,615,860	7,264,131,083	6,215,639,788

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

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Company Secretary

Signed in terms of our separate report of even date annexed.

Dated, Dhaka;
16 August 2016

Sd/-
S. F. Ahmed & Co.
Chartered Accountants

Dutch Bangla Power and Associates Ltd.
Statement of Profit or Loss and Other Comprehensive Income
For The Period Ended 30 June 2016

	Notes	Amount in BDT	
		01 October 2015 to 30 June 2016	01 October 2014 to 30 September 2015 (Restated)
Revenue	15	2,726,994,984	4,426,583,466
Total revenue		2,726,994,984	4,426,583,466
Consumption of Mobil & HFO	16	1,709,367,307	3,105,105,085
Operation and maintenance expenses	17	188,289,508	123,577,463
Other expenses	18	71,797,740	107,576,803
Depreciation	4	197,058,171	295,374,526
Finance cost	19	375,882,488	527,910,390
Total expenses		2,542,395,214	4,159,544,268
Profit before tax		184,599,770	267,039,198
Income tax expenses		-	-
Profit after tax		184,599,770	267,039,198
Other comprehensive income		-	-
Total comprehensive income for the period		184,599,770	267,039,198
Basic Earning Per Share (EPS)	20	18.46	26.70

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

Sd/-
Chairman

Sd/-
Managing Director

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Company Secretary

Signed in terms of our separate report of even date annexed.

Dated, Dhaka;
16 August 2016

Sd/-
S. F. Ahmed & Co.
Chartered Accountants

Dutch Bangla Power and Associates Ltd.

Statement of Changes In Equity For The Period Ended 30 June 2016

	Amount in BDT			
	Share Capital	Retained Earnings	Revaluation Surplus	Total
Balance at 01 October 2014	100,000,000	1,352,298,201	360,173,597	1,812,471,798
Prior year adjustment (retrospective effect BAS-8)	-	(171,434,374)	-	(171,434,374)
Restated opening balance	100,000,000	1,180,863,827	360,173,597	1,641,037,424
Transfer of depreciation on revaluation surplus to retained earnings	-	3,433,442	(3,433,442)	-
Net profit after tax	-	267,039,198	-	267,039,198
Balance at 30 September 2015 (Restated)	100,000,000	1,451,336,467	356,740,155	1,908,076,622
Balance at 01 October 2015 (Restated)	100,000,000	1,451,336,467	356,740,155	1,908,076,622
Transfer of depreciation on revaluation surplus to retained earnings	-	2,575,082	(2,575,082)	-
Net profit after tax	-	184,599,770	-	184,599,770
Balance at 30 June 2016	100,000,000	1,638,511,319	354,165,074	2,092,676,392

Dutch Bangla Power and Associates Ltd.

Statement of Cash Flows

For The Period Ended 30 June 2016

	Amount in BDT	
	01 October 2015 to 30 June 2016	01 October 2014 to 30 September 2015
A. Cash flows from operating activities		
Cash receipts from customers and others	3,303,092,098	3,447,470,317
Cash paid to suppliers, employees and other parties	(2,229,362,508)	(2,505,694,272)
Net cash provided by operating activities	1,073,729,590	941,776,045
B. Cash flows from investing activities		
Acquisition of property, plant and equipment	(3,131,500)	(1,468,157)
Net cash used in investing activities	(3,131,500)	(1,468,157)
C. Cash flows from financing activities		
(Repayment of)/Proceeds from long term borrowings	(690,663,333)	(227,383,228)
Finance cost	(221,630,444)	(169,526,820)
(Repayment of)/Proceeds from short term borrowing	(154,061,448)	(374,645,978)
Prior year adjustment	—	(171,434,374)
Net cash used in financing activities	(1,066,355,225)	(942,990,400)
Net changes in cash and cash equivalents (A+B+C)	4,242,864	(2,682,513)
Cash and cash equivalents at 01 October 2015	2,056,116	4,738,629
Cash and cash equivalents at 30 June 2016	6,298,981	2,056,116

Dutch Bangla Power and Associates Ltd.

Notes To The Financial Statements

As At and For The Year Ended 30 June 2016

1. Corporate information

Dutch Bangla Power and Associates Ltd. was incorporated on 01 July 2010 as a public limited company in Bangladesh and obtained the certificate of commencement of business under the Companies Act 1994, on the same date. The registered office of the company is at Orion House, 153-154 Tejgaon, Dhaka.

1.1 Nature of business

The company has set up a 100 MW HFO Power Plant on quick rental basis in Siddirgoanj, Dhaka with machineries and equipments supplied by Wartsila Finland OY for generation and supply of electricity. The company has signed the contract with Bangladesh Power Development Board (hereinafter referred as BPDB) acting as an off taker to supply power to them solely under the contract No. 09756 executed on July 01, 2010. According to the said contract, the Government will purchase the power for a period of 5 years commencing from July 21, 2011. As per memo no. 2148- BPDB (Sectt)/ Dev- 175/2009 dated 28 July 2016, DBPAL received permission to continue operation until the signing of the amended agreement is signed.

2. Basis of preparation of financial statements

2.1. Reporting framework and compliance thereof

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994 and other relevant local laws and regulations, and in accordance with the Bangladesh Financial Reporting Standards (BFRSs) and Bangladesh Accounting Standards (BASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

2.2 Measurement of the elements of financial statements

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the statement of financial position and profit or loss and other comprehensive income. The measurement basis adopted by the company is historical cost except for land, buildings & civil constructions and plant and machinery which are stated at fair value. Under the historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation.

2.3 Functional and presentation currency

The functional and presentation currency of the company is Bangladeshi Taka (BDT). The company earns its revenues in United State Dollars (US\$), however, all other incomes/expenses and transactions are in Bangladeshi Taka (BDT) and the competitive forces and regulations of Bangladesh determine the sale prices of its goods and services. Further, the entire funds from financing activities are generated in BDT and the receipts from operating activities are retained in BDT.

2.4 Going concern

When preparing financial statements, management shall make an assessment of an entity's ability to continue as a going concern. The company prepares its financial statements on a going concern basis as the company has adequate resources to continue its operation for the foreseeable future and management does not intend to liquidate the entity or to cease trading, or has no realistic alternative but to do so.

2.5 Accrual basis of accounting

The company prepares its financial statements, except for cash flow information, using the accrual basis of accounting. When the accrual basis of accounting is used, an entity recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the Framework.

2.6 Materiality and aggregation

The company presents separately each material class of similar items and items of a dissimilar nature or function unless they are immaterial. Financial statements result from processing large numbers of transactions or other events that are aggregated into classes according to their nature or function.

2.7 Offsetting

The company does not offset assets and liabilities or income and expenses, unless required or permitted by a BFRS.

2.8 Statement of cash flows

The Statement of Cash Flows has been prepared under 'Direct Method' in accordance with the requirements of BAS 7: Statement of Cash Flows.

2.9 Reporting period

The Financial period of the company covers nine months period from 01 October 2015 to 30 June 2016.

2.10 Comparative information and rearrangement thereof

Comparative information has been disclosed in respect of the one year period from 01 October 2014 to 30 September 2015 for all numeric 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 period ended on 30 September 2015 have been rearranged wherever considered necessary to ensure comparability with the current period.

2.11 Use of estimates and judgments

The preparation of financial statements in conformity with Bangladesh Financial Reporting Standards (BFRS) requires 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 given prospective effect in the financial statements as required by BAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

3. Significant accounting policies

The accounting policies set out below have been applied for the period presented in these financial statements.

3.1 Property, plant and equipment (PPE)

Recognition and measurement

An item shall be recognized as property, plant and equipment if, and only if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably.

Property, plant and equipment were initially stated at cost and subsequently buildings & civil constructions and plant & machineries were revalued and shown at fair value in 2011, since then the assets were depreciated from the revalued amount.

The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner. The cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term debt availed for the construction/Implementation of the PPE, if the recognition criteria are met.

Subsequent costs

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the income statement as incurred.

Revaluation

Valuations are performed at specific intervals to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. On each reporting date, management assess the fair value of the assets to ensure that fair value of revalued assets does not differ materially from its carrying amount. At 31 December 2011, the Company made revaluation of its Land and Land developments, Buildings and Plant and Machinery by Syful Shamsul Alam & Co., Chartered Accountants to reflect fair value thereof in terms of Depreciated current cost.

Any revaluation surplus on property, plant and equipment is recorded in the statement of profit or loss and other comprehensive income and hence, credited to the revaluation surplus on property, plant and equipment in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the income statement, in which case, the increase is recognized in the statement of profit or loss and other comprehensive income. A revaluation deficit is recognized in the statement of profit or loss and other comprehensive income, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

A transfer from the revaluation surplus on property, plant and equipment to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the assets and depreciation based on the asset's original cost on each reporting date. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to the retained earnings.

Depreciation

Depreciation of an asset begins when it's get ready for use. Depreciation is charged on all property plant and equipment other than land and land developments, on a straight line basis over the expected economic lives as follows:

<u>Group of PPE</u>	<u>Expected economic life</u>
Building & Civil Construction	20 years
Vehicles	5 years
Office Equipments	5 years
Furniture & Fixtures	6 to 7 years
Plant & Machineries	2 to 20 years

Impairment

At each year end, the company assesses whether there is any indication that the carrying amount of an asset exceeds its recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs to sell and its value in use. An impairment loss is recognized as an expense in the statement of profit or loss and other comprehensive income in accordance with the provision of Bangladesh Accounting Standards BAS 36 unless the asset is revalued in accordance with BAS 16, in this case, the impairment is also recognized in the statement of profit or loss and other comprehensive income up to the amount of any previous revaluation. No such assets have been impaired during the year and for this reason no provision has been made for impairment of assets.

An assessment is made at each reporting date whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the assets or CGUs recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. Such reversal is recognized in the statement of profit or loss and other comprehensive income unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Retirements and disposals

An asset is derecognized upon disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain or loss from disposal of asset under other income in the statement of profit or loss and other comprehensive income.

3.2 Foreign currency transactions

Transactions in foreign currencies are initially recorded by the company at the functional currency spot rates on the date on which the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange at the reporting date. All differences arising on settlement or translation of monetary items are taken to the statement of profit or loss and other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

3.3 Inventories

Inventories stated at lower of cost and net realizable value as per BAS-2: Inventories. Costs incurred in bringing each product to its present location and conditions are accounted for on a First in First out (FIFO) basis. Costs comprise of expenditure incurred in the normal course of business in bringing out such inventories to its location and conditions.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.4 Provisions, accrued expenses and other payables

Provisions and accrued expenses are recognized in the financial statements in line with the Bangladesh Accounting Standard (BAS) 37 "Provisions, Contingent Liabilities and Contingent Assets" when

- the Company has a legal or constructive obligation as a result of past event.
- it is probable that an outflow of economic benefit will be required to settle the obligation.
- a reliable estimate can be made of the amount of the obligation.

Other Payables are not interest bearing and are stated at their nominal value.

3.5 Revenue Recognition

Revenue is recognized in the statement of profit or loss and other comprehensive income upon supply of electricity, quantum of which is determined by survey of meter reading. Revenue is measured at fair value of consideration received or receivable. Revenue under Power Purchase Agreement (PPA) comprises capacity payments and energy payments. Capacity payments are recognized according to the terms set out in the PPA. Energy payments are calculated based on electricity delivered to BPDB.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

3.6 Taxation

Current tax

As per sec. 52N of Income Tax Ordinance 1984, 4% tax is payable at the time of rental received as TDS which shall be treated final discharge of tax liability. Bangladesh Power Development Board (BPDB) shall be responsible for payment of income taxes, VAT, duties, levies, all other charges imposed or incurred inside Bangladesh on any payment made by BPDB to Dutch-Bangla Power and Associates Ltd. or the importation (on a re exportable basis) of any plant /equipment (excluding consumable) and /or spare parts before Commercial Operation Date and /or replacement equipment and spare parts for operation throughout the contract period as per contract No.09756 article-17. As 4% TDS is directly paid by BPDB on the invoice amount. So tax amount is not recognized either income or expenses in the statement of profit or loss and other comprehensive income.

Deferred tax

Since 4% Tax deducted at source is the final discharge of tax liability and there is no deductible or taxable temporary difference, so deferred tax is not recognized and considered.

3.7 **Borrowing cost**

In compliance with the requirement of BAS-23 (borrowing cost), borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of the asset and, therefore capitalized. Other borrowing costs are recognized in the statement of profit or loss and other comprehensive income as finance cost.

3.8 **Finance cost**

Finance costs comprise interest on long term borrowings, dividend on preference shares and bank charges. All finance costs are recognized in the statement of profit or loss and other comprehensive income except to the extent that are capitalized as per BAS - 23.

3.9 **Financial instrument**

Financial assets

Financial Instrument within the scope of BAS 39: "Recognition and Measurement" the company initially recognizes receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the date at which company becomes a party to the contractual provisions of the transaction. All financial assets are recognized initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

The company assesses, at each reporting date, whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Financial assets carried in the statement of financial position include cash and cash equivalents, trade and other receivables, advance and deposits.

(a) Cash and cash equivalents

Cash and cash equivalents consists of cash on hand 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.

(b) Trade receivables

Trade receivables consist of unpaid bill amounts receivable from Bangladesh Power Development Board (BPDB). Invoice is raised on a monthly basis and trade receivable is recognized after netting of the energy payment for Hyper Furnace Oil (HFO) deducted by BPDB as per contract.

Financial liabilities

As per BAS 39 "Financial Instrument: Recognition and Measurement" the company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognized initially on the transaction date at which company becomes a party to the contractual provisions of the liability. All financial liabilities are recognized initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include loans and borrowings, accounts payable and other payables.

(a) Loans and borrowings

Principal amounts of the loans and borrowings are stated at their amortized cost. Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

(b) Trade payables

The Company recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow of resources from the entity.

(c) Redeemable preference share

The Company had issued redeemable preference shares in June 2011. As per BAS 32: Financial Instruments: Presentation, the substance of a financial instrument rather than its legal form governs its classification on the entity's financial statements. Accordingly, the redeemable preference shares which, in substance, meet the conditions of a financial liability have been classified as liabilities in these financial statements.

3.10 Segment reporting

No geographical and operational segment reporting is applicable for the Company as required by BFRS 8 "Operating Segment", as the Company operates in single operation in a single geographical area.

3.11 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the period attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year (Note-20).

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there were no potential dilutive ordinary shares during the relevant periods.

3.12 Events after reporting date

There have not been any significant events since the reporting date to the date of issue of the financial statements, which could affect the figures stated in the financial statements.

3.13 Prior period adjustments

Certain comparative amounts in the prior period's financial statements have been restated by giving retrospective effect where necessary as per BAS 8 'Accounting Policies, Changes in Accounting Estimates and Error'.

3.14 Commitments and contingencies

Contingencies arising from claim, litigation assessment, fines, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can reasonably be measured.

Capital commitments

The Company has no commitment of capital expenditure as at June 30, 2016.

Guarantees

The Company has given a bank guarantee of BDT 22,430,000 (BDT 22,430,000; 2015) to BPDB.

4. Property, plant and equipment

Sl. No.	Group of PPE	Amount in BDT					
		COST		Depreciation		Written Down Value as at 30.06.2016	
		Balance as at 01.10.2015	Addition during the year	Balance as at 30.06.2016	Charged during the year		Balance as at 30.06.2016
A. At historical cost							
1	Land	243,412,766	-	243,412,766	-	243,412,766	
2	Building & civil construction	440,050,552	77,002,710	440,050,552	13,984,808	90,987,518	
3	Plant & machineries	5,385,453,177	760,000	5,386,213,177	177,570,339	1,314,865,558	
4	Vehicles	1,940,557	2,199,000	4,139,557	258,744	1,908,224	
5	Office equipments	17,864,194	172,500	18,036,694	2,392,326	14,854,931	
6	Furniture & fixtures	2,768,718	-	2,768,718	276,872	1,703,267	
Sub Total		6,091,489,964	3,131,500	6,094,621,464	194,483,089	1,424,319,498	
B. Revaluation							
1	Land	300,946,672	-	300,946,672	-	300,946,672	
2	Building & civil construction	7,439,607	-	7,439,607	278,984	1,673,908	
3	Plant & machineries	61,229,292	-	61,229,292	2,296,098	13,776,590	
Sub Total		369,615,571	-	369,615,571	2,575,082	15,450,498	
Total 30 June 2016 (A+B)		6,461,105,535	3,131,500	6,464,237,035	197,058,171	5,024,467,040	
Total 30 September 2015		6,459,637,378	1,468,157	6,461,105,535	295,374,526	5,218,393,710	

Amount in BDT	
30 June 2016	30 September 2015 (Restated)

5 Inventories

Mobil	18,080,718	4,753,150
Goods in transit	8,289,427	1,506,764
HFO inventory - OOSL	30,711,466	73,943,420
Spare parts	87,391,484	57,847,377
	144,473,096	138,050,711

6 Trade receivables

Receivables from BPDB	720,547,602	1,296,644,715
	720,547,602	1,296,644,715

7 Advances, deposit and prepayments

Advances (Note 7.1)	47,327,396	33,455,472
Deposits (Note 7.2)	22,430,000	22,430,000
Prepayments (Note 7.3)	3,901,902	3,794,277
	73,659,298	59,679,749

7.1 Advances

Advance against cash purchase	1,055,396	2,403,345
Advance to supplier	3,980,929	2,872,319
Advance income tax	112,761	74,135
TDR - Phoneix Finance(DM 20-9033)	219,900	
Advance - others	25,000,000	20,804,626
LC margin A/c	16,958,410	7,301,048
	47,327,396	33,455,472

7.2 Deposits

Bank guarantee-PDB	22,430,000	22,430,000
	22,430,000	22,430,000

7.3 Prepayments

Insurance premium	83,017	
Bank guaranty charge	3,236,892	3,226,308
Security service	581,993	567,969
	3,901,902	3,794,277

Amount in BDT	
30 June 2016	30 September 2015 (Restated)

8 Other receivables

Digital Power and Associates Ltd.	90,873,689	69,155,366
Belhasa Accom (JV) Limited	-	5,500,000
Orion Gas	52,500,000	20,000,000
Orion Footwear Ltd.	26,000,000	20,000,000
Panbo Bangla Mushroom Ltd.	49,000,000	42,500,000
Orion Power Unit 2 Dhaka Ltd.	203,322,078	232,222,272
Noakhali Gold Food Ltd.	20,000,000	20,000,000
Interior Accom Consortium Limited	42,500,000	
Orion Power Dhaka Ltd	130,241,896	124,479,370
Orion Power Khulna Ltd	35,232,181	5,949,074
Orion Properties Limited	9,500,000	9,500,000
	659,169,844	549,306,082

9 Cash and cash equivalents

Cash in hand	186,855	443,530
Cash at bank (Note-9.1)	6,112,126	1,612,585
	6,298,981	2,056,115

9.1 Cash at bank

Agrani Bank Limited Pr. Branch-020000051380- (101506810)	506,289	58,234
Bank Asia Ltd.2836000111	244,212	114,732
AB Bank Ltd.- 4005-788422	1,668,536	6,550
SIBL - 9021330449659	3,278,976	719,060
UCB 0951101000009438	100,000	-
Agrani Bank Limited, A/c No. 0200000264032 (Escrow A/C)	314,113	714,010
	6,112,126	1,612,585

Amount in BDT	
30 June 2016	30 September 2015 (Restated)

10 Share capital

Authorised capital

100,000,000 Ordinary shares of TK. 10/- each	1,000,000,000	1,000,000,000
	1,000,000,000	1,000,000,000

Issued, subscribed, called - up & paid up capital

10,000,000 Ordinary Shares of Tk 10/- each	100,000,000	100,000,000
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The shareholding position of the company are as under:

Name	No. of Share	30 June 2016	30 September 2015
			BDT
Orion Pharma Limited	6,700,000	67,000,000	67,000,000
Shenzhen Nanshan Power Company Ltd.	50,000	500,000	500,000
Mohammad Obaidul Karim	100,000	1,000,000	1,000,000
Salman Obaidul Karim	3,087,500	30,875,000	30,875,000
Mrs. Nudrat S Karim	50,000	500,000	500,000
Jaflong Tea Company Ltd.	2,500	25,000	25,000
Mrs. Arzuda Karim	10,000	100,000	100,000
	10,000,000	100,000,000	100,000,000

11 Long term borrowings

Agrani Bank Limited	150,145,341	622,710,830
Janata Bank Limited	142,984,182	595,898,707
Agrani Bank Limited - (Working Capital purpose)	34,029,405	131,202,266
Term Loan - AB Bank Ltd.	336,540,503	—
PAD - AB Bank Ltd.	1,770,001	—
Term Loan - Union Capital Ltd.	100,000,000	—
Term Loan - Agrani Bank Limited	522,227,290	655,000,000
GSP Finance Company (BD) Ltd. - Term Loan	251,335,949	224,884,201
	1,539,032,671	2,229,696,004

12 Preference share

Agrani Bank Limited	500,000,000	500,000,000
	500,000,000	500,000,000

13 Trade creditors

Accounts payable - suppliers	738,905,747	989,365,672
	738,905,747	989,365,672

Amount in BDT	
30 June 2016	30 September 2015 (Restated)

14 Accruals & other payables

Interest payable on syndicate loan	526,113,838	373,163,164
Salary	19,279,058	7,126,720
Director remuneration	4,500,000	1,125,000
Interest payable on preference share	148,082,194	146,780,824
Retention money	1,529,051	1,529,051
Withholding VAT	4,406,998	3,997,884
Withholding tax	2,354,184	1,982,895
Other payable	-	7,500,000
Audit Fee	345,000	345,000
Lease Finance	2,117,412	-
Provision for gratuity	2,936,592	1,967,948
Provided fund	5,705,186	3,698,364
Accounts payable - employee		2,946,713
Inter company current A/C (14.1)	1,040,631,536	1,084,829,222
	1,758,001,049	1,636,992,785

14.1 Inter company current A/C

Orion Pharma Ltd.	590,692,239	554,352,039
Orion Oil & Shipping Ltd.	14,864,865	
Orion Power Meghnaghat Ltd.	435,074,432	530,477,183
	1,040,631,536	1,084,829,222

15 Revenue

Reference rental price	1,058,985,000	1,399,890,000
Reference energy price (Variable-O&M)	111,170,084	139,277,357
HFO received from BPPD	158,370,224	1,385,313,649
Sales Revenue HFO - OOSL	1,406,638,379	1,508,007,615
Foreign exchange gain/(loss)	(8,168,703)	(5,905,155)
	2,726,994,984	4,426,583,466

16 Consumption of mobil & HFO

Mobil	53,850,090	77,818,745
HFO - OOSL	1,497,146,993	1,641,972,691
HFO - BPDB	158,370,224	1,385,313,649
	1,709,367,307	3,105,105,085

	Amount in BDT	
	30 June 2016	30 September 2015 (Restated)
17 Operation and maintenance expenses		
O & M service	77,307,689	42,346,426
Repair & maintenance	110,981,819	81,231,037
	188,289,508	123,577,463
18 Other expenses		
Salaries & allowances	38,937,665	44,223,840
Directors remuneration	4,500,000	6,000,000
CSR	5,000,000	5,473,500
Advertisement	1,729,400	16,047,200
Fooding and Entertainment	4,121,460	4,724,312
Office utilities	410,065	567,750
Office communication	703,386	935,020
Fees & taxes	4,600,172	4,835,605
Stationary, accessories & supplies	334,050	466,105
Security service	3,496,287	5,088,979
Travelling & conveyance	1,215,467	1,313,134
Insurance	32,536	45,285
Professional and consultancy fees	830,000	1,070,000
Audit fee	345,000	345,000
Miscellaneous Exp.	5,542,253	16,441,074
	71,797,740	107,576,803
19 Finance cost		
Interest on long term borrowings	307,465,283	413,413,923
Interest on redeemable preference share	56,301,370	75,000,000
Bank charges, commission and fees	12,115,835	39,496,467
	375,882,488	527,910,390
20 Earning per share		
The computation is given below:		
Profit after tax	184,599,770	267,039,198
Weighted average number of ordinary shares outstanding during the period	10,000,000	10,000,000
Basic earning per share (EPS)	18.46	26.70

21 Correction of prior year errors

"a. Under charged bank interest payable for the income year upto 2011-2014 amounting to Tk. 172,450,195 has been provided during the year 2014-2015, and for the income year 2014-2015 amounting to Tk.138,567,915 has been provided during the year 2014-2015, and restated the figures as prior year correction as per BAS 8.

b. Revenue and Receivables were understated by Tk. 1,015,821 during the year ended 2013-2014. It was restated as per BAS-08.

The following table summarise the adjustment made to the Statement of Financial Position regarding the correction of error:

	Receivables	Bank interest payable	Retained earnings
Balance at 01 October 2014, as previously reported	316,515,745	64,779,594	1,352,298,201
Impact of the correction of under charged bank interest.	-	172,450,195	(172,450,195)
Impact of understated receivables	1,015,821	-	1,015,821
Restated balance at 01 October 2014	317,531,566	237,229,789	1,180,863,827
Balance at 30 September 2015, as previously reported	1,296,644,715	62,145,054	1,762,354,576
Impact of the correction of under charged bank interest at 01 October 2014	-	172,450,195	(172,450,195)
Impact of the correction of under charged bank interest during 2014-2015	-	138,567,915	(138,567,915)
Restated balance at 30 September 2015	1,296,644,715	373,163,164	1,451,336,467

Impact on statement of profit or loss and other comprehensive income (increase/decrease) in profit for the year:

Net profit after tax, as previously reported
 Increase in finance cost
Restated Net Profit after tax

01 October 2014-30 June 2015 (Restated)
405607113
138,567,915
267,039,198

The change did not have any impact on Company's cash flows.

22. Financial risk management objectives and policies

The company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The Company has trade receivables, and cash and bank balances that arrive directly from its operations.

Financial instruments give rise to cash flow interest rate risk, foreign currency risk, other price risk, credit risk, and liquidity risk. Information on how these risks arise is set out below, as are the objectives, policies and processes agreed by the board for their management and the methods used to measure each risk.

The company's senior management oversees the management of these risks. The senior management ensures that the financial risk-taking activities are governed by appropriate policies and procedures and those financial risks are identified, measured and managed in accordance with policies and risk appetite.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As a policy, the Company has decided to obtain all its borrowings at fixed interest rates. Hence there is no exposure to the risk of changes in market interest rates.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The company's earnings and cash flows are significantly influenced by US dollars (USD) since USD is the currency in which the company's sales are denominated. The financial position and results of the company can be affected significantly by movements in the BDT / USD exchange rates. Presently, the company does not hedge any exposure on account of foreign currency risk.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

At present all output of the company is sold to a single customer and trade receivable as on the reporting dates represents amounts receivable from the said customer. The party is a Government owned undertaking and the management does not foresee any risk relating to the credit quality of the customer.

The company evaluates the concentration of risk with respect to trade receivables as low irrespective of the fact that the company's trade receivables are related to a single customer. The above conclusion has been made since the entire receivable is from BPDB which is a Government of Bangladesh undertaking.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties. Counterparty credit limits are reviewed by the company's Board of Directors on regular basis, and may be updated throughout the year subject to approval of the Board of Directors. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counterparty's failure.

Liquidity risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price.

The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. The table below summarizes the maturity profile of the financial liabilities based on contractual undiscounted payments.

	Long term borrowings	Redeemable preference share	Trade payables	Accruals and other payables	Total
Amount repayable within 1 year	-	-	738,905,747	1,758,001,049	2,496,906,797
Amount repayable within 2 to 5 years	1,539,032,671	500,000,000	-	-	2,039,032,671

23. Related party transactions

The company has entered into transactions with other entities that fall within the definition of related party as contained in BAS-24 "Related Party Disclosures". Total transactions of the significant related party as at 30 June 2016 are as follows:

Name of Related Party	Relationship	Nature of Transaction	Opening Balance as on 01.10.2015	Addition	Adjustment	Closing Balance as on 30.06.2016
Orion Pharma Ltd.(Share Capital)	Holding Company	Investment in Share Capital	(67,000,000)	-	-	(67,000,000)
Orion Pharma Limited	Holding Company	Intercompany Current A/C	(554,352,039)	(136,452,673)	100,112,473	(590,692,239)
Orion Power Meghnaghat Ltd.	Common Director/Share holding	Intercompany Current A/C	(530,477,183)	(105,089,030)	200,491,781	(435,074,432)
Panbo Bangla Mushroom Ltd.	Common Director/Share holding	Intercompany Current A/C	42,500,000	6,500,000	-	49,000,000
Digital Power & Associates Ltd.	Common Director/Share holding	Intercompany Current A/C	69,155,366	76,732,697	(55,014,375)	90,873,689
Belhasa Accom (JV) Limited	Common Director/Share holding	Intercompany Current A/C	5,500,000	-	-	5,500,000
Orion Gas	Common Director/Share holding	Intercompany Current A/C	20,000,000	32,500,000	-	52,500,000
Orion Power Dhaka Ltd	Common Director/Share holding	Intercompany Current A/C	124,479,370	5,762,526	-	130,241,896
Orion Power Khulna Ltd.	Common Director/Share holding	Intercompany Current A/C	5,949,074	29,283,107	-	35,232,181
Noakhali Gold Food Ltd.	Common Director/Share holding	Intercompany Current A/C	20,000,000	-	-	20,000,000
Orion Properties Ltd.	Common Director/Share holding	Intercompany Current A/C	9,500,000	-	-	9,500,000
Orion Oil & Shipping Ltd.	Common Director/Share holding	Intercompany Current A/C	-	(35,334,130)	50,198,995	14,864,865
Orion Footwear Ltd.	Common Director/Share holding	Intercompany Current A/C	20,000,000	6,000,000	-	26,000,000
Orion Power Unit Dhaka - 2	Common Director/Share holding	Intercompany Current A/C	232,222,272	256,722,078	(285,622,272)	203,322,078

Transaction with Key Management Personnel:

Particulars	Value in BDT
Managerial Remuneration paid or payable during the period to the directors, including managing directors, a managing agent or manager	4,500,000
Expenses reimbursed to Managing Agent	-
Commission or Remuneration payable separately to a managing agent or his associate	-
Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company	-
The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the period.	-
Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	-
Other allowances and commission including guarantee commission	-
Pensions etc.	-
(i) Pensions	-
(ii) Gratuities	-
(iii) Payments from a provident funds, in excess of own subscription and interest thereon	-
Share Based payments	-

24 Capacity utilization

Licensed capacity	Installed capacity	Plant factor 2016	Plant factor 2015
		(% on licensed capacity)	(% on licensed capacity)
100 MW	106.80 MW	Average 55.00% Max. 69.00%	Average 55.81.% Max. 76.03%

25 Employee details

During the period, there were 109 employees employed for the full year and the end of the year with remuneration of BDT 4,800 per month and above.

26 Rounding off

Amounts appearing in these financial statements have been rounded off to the nearest BDT.

27 Authorisation of financial statements to issue

The financial statements were authorised for issue by the Board of Directors on 16 August 2016.

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Company Secretary

SAFA Criteria Checklist (General)

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SAFA Criteria Checklist (Integrated Reporting)

Summary checklist for Integrated Reporting

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GLOSSARY

AGM	Annual General Meeting (AGM) is a mandatory annual meeting of shareholders. At the AGM, company presents its financial statements before the shareholders so that they can raise any queries regarding the financial position of the company.
Associate Company	An associate company (or associate) in accounting and business valuation is a company in which another company owns a significant portion of voting shares, usually 20–50%. In this case, an owner does not consolidate the associate's financial statements.
Authorized Capital	The authorized capital of a company is the maximum amount of share capital that the company is authorised by its constitutional documents to issue (allocate) to shareholders.
BAS	International Accounting Standards (IASs) of the International Accounting Standards Committee. And the IASs adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) are called Bangladesh Accounting Standards (BASs).
BFRS	International Financial Reporting Standards (IFRSs) of the International Accounting Standards Board. Since 2001, the new set of standards has been known as IFRS. And the IFRSs adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) are called Bangladesh Financial Reporting Standards (BFRSs).
Carbon Emissions	Emissions of CO ₂ and other greenhouse gases from fuel combustion and electricity used in Orion Pharma's own operations in tonnes.
Carbon Footprint	The total amount of greenhouse gases produced to directly and indirectly support human activities, usually expressed in equivalent tons of carbon dioxide (CO ₂).
Consumer	A person who purchases medicines and drugs of Orion Pharma Ltd. for personal use.

Corporate Governance	The framework of rules and practices by which a board of directors ensures accountability, fairness, and transparency in a company's relationship with its all stakeholders.
CSR	Corporate social responsibility (CSR) refers to business practices involving initiatives that benefit society.
Customer	Chemist shops that sell Orion Pharma's products directly to consumers and in case of export, local companies of exporting countries who purchase medicines from Orion Pharma Ltd.
Due Diligence	Due diligence is an investigation or audit of a potential investment to confirm all facts, such as reviewing all financial records, plus anything else deemed material.
EPS	Earnings per share (EPS) is the net result attributable to shareholders divided by the weighted average number of ordinary shares in issue during the year.
EBIT	Earnings before interest and tax (EBIT) is an indicator of a company's profitability, calculated as revenue minus expenses, excluding tax and interest.
EBITDA	Earnings before interest, tax, depreciation and amortization (EBITDA) is a measure of a company's operating performance. It is a way to evaluate a company's performance without having to factor in financing decisions, accounting decisions or tax environments.
ETP	Effluent Treatment Plant (ETP), a process to convert wastewater - which is water no longer needed or suitable for its most recent use - into an effluent that can be either returned to the water cycle with minimal environmental issues or reused.
GRI	Global Reporting Initiative (GRI), global standard for sustainability reporting.
Independent Director	An Independent director is a director (member) of a board of directors who does not have a material or pecuniary relationship with company or related persons, except sitting fees and would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

Integrated Annual Report	An integrated annual report is a concise communication about how an organization's strategy, governance, performance and prospects lead to the creation of value over the short, medium and long term.
IPO	An initial public offering (IPO) is the first time that the shares of a private company is offered to the public.
Market Capitalization	Market capitalization (market cap) is the market value at a point in time of the shares outstanding of a publicly traded company, being equal to the share price at that point of time times the number of shares outstanding.
Non-Controlling Interest	Non-controlling interest (NCI) is the portion of equity ownership in a subsidiary not attributable to the parent company, who has a controlling interest (greater than 50% but less than 100%) and consolidates the subsidiary's financial results with its own.
Paid-up Capital	Paid-up capital is the amount of money a company has received from shareholders in exchange for shares of stock.
Related Party Transactions	A related-party transaction is a business deal or arrangement between two parties who are joined by a special relationship prior to the deal.
Stakeholder	A person, group or organization that has interest or concern in an organization. Stakeholders can affect or be affected by the organization's actions, objectives and policies. Some examples of key stakeholders are creditors, directors, employees, government (and its agencies), owners (shareholders), suppliers, unions, and the community from which the business draws its resources.
Subsidiary Company	A subsidiary company is a business entity that is controlled by another organization through ownership of more than 50% of its voting stock.
Succession Planning	The process that employers use to hire, develop, and manage employees who become "successors" to the incumbents vacating positions within an organization.



Thank You

Firstly, a huge thanks to everyone who has helped Orion Pharma Ltd. for achieving such "consistence performance" during the reporting period. We acknowledge the continued commitment and invincible enthusiasm received from our community, healthcare professionals and chemists which have allowed us to achieve this great accomplishment. We would like to extend our wholehearted thanks and gratitude to the host Government, regulatory bodies, shareholders, valued customers, financial institutions and well-wishers for their co-operation and support in the development of the Company. We also like to express our appreciation to the Board of Directors for their guidance, co-operation and support to drive the Company in the right direction. We would also like to express heartfelt appreciation to all the workers and employees of the Company who rendered their devoted services for the welfare of the Company. Without your support OPL could not be such a success. We hope that the years ahead will see all of you supporting us with the same zeal and enthusiasm to achieve targets and transcend them as well and eventually to raise standards to a new level.



ORION PHARMA LIMITED

153-154, Tejgaon Industrial Area, Dhaka-1208.

PROXY FORM

I/We _____ of _____ being a member of Orion Pharma Limited hereby appoint Mr./Mrs. _____ of _____ as my proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Tuesday, 20th December, 2016 at 10:30 a.m. at Officers Club, 26, Baily Road, Ramna, Dhaka-1000, Bangladesh, and at any adjournment thereof.

As witness my/our hand this _____ day of _____ 2016 signed by the said in presence of _____

(Signature of the Proxy)

Signature of Witness

Revenue
Stamp
Tk. 20.00/-

Signature of the Shareholder(s)
Register Folio No. _____
BO No. _____
Dated _____

Note:

A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her stead. The proxy form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time appointed for the meeting.

Signature Verified

Authorised Signatory
Orion Pharma Ltd.



ORION PHARMA LIMITED

SHAREHOLDERS' ATTENDANCE SLIP

I/We hereby record my attendance at the Annual General Meeting of the Company to be held on Tuesday, 20th December, 2016 at 10:30 a.m. at Officers Club, 26, Baily Road, Ramna, Dhaka-1000, Bangladesh.

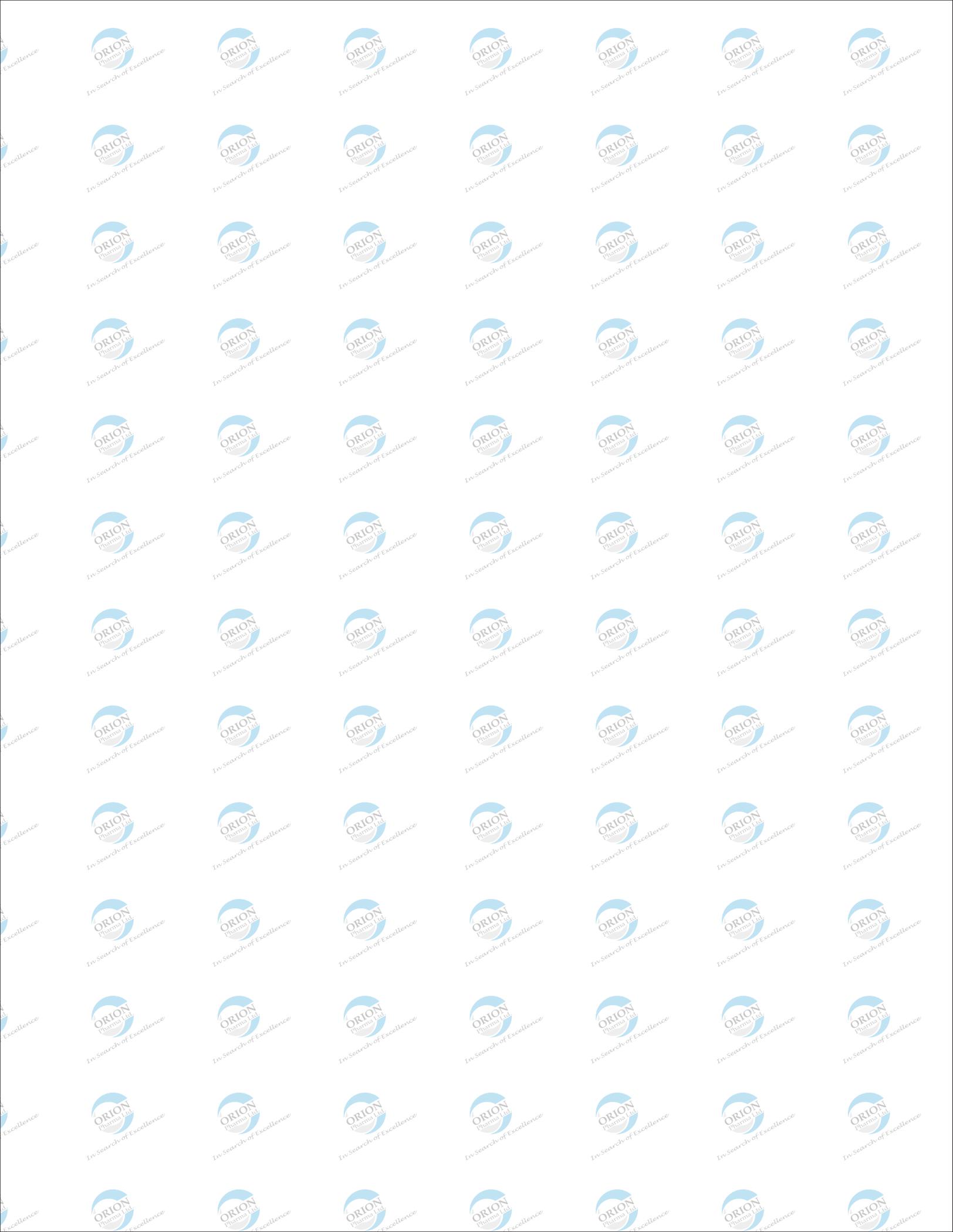
Name of Member(s) Proxy _____ Register Folio / BO No. _____
holding of _____ ordinary Shares of Orion Pharma Limited.

(Signature of the Proxy)

Signature of the Shareholder(s)

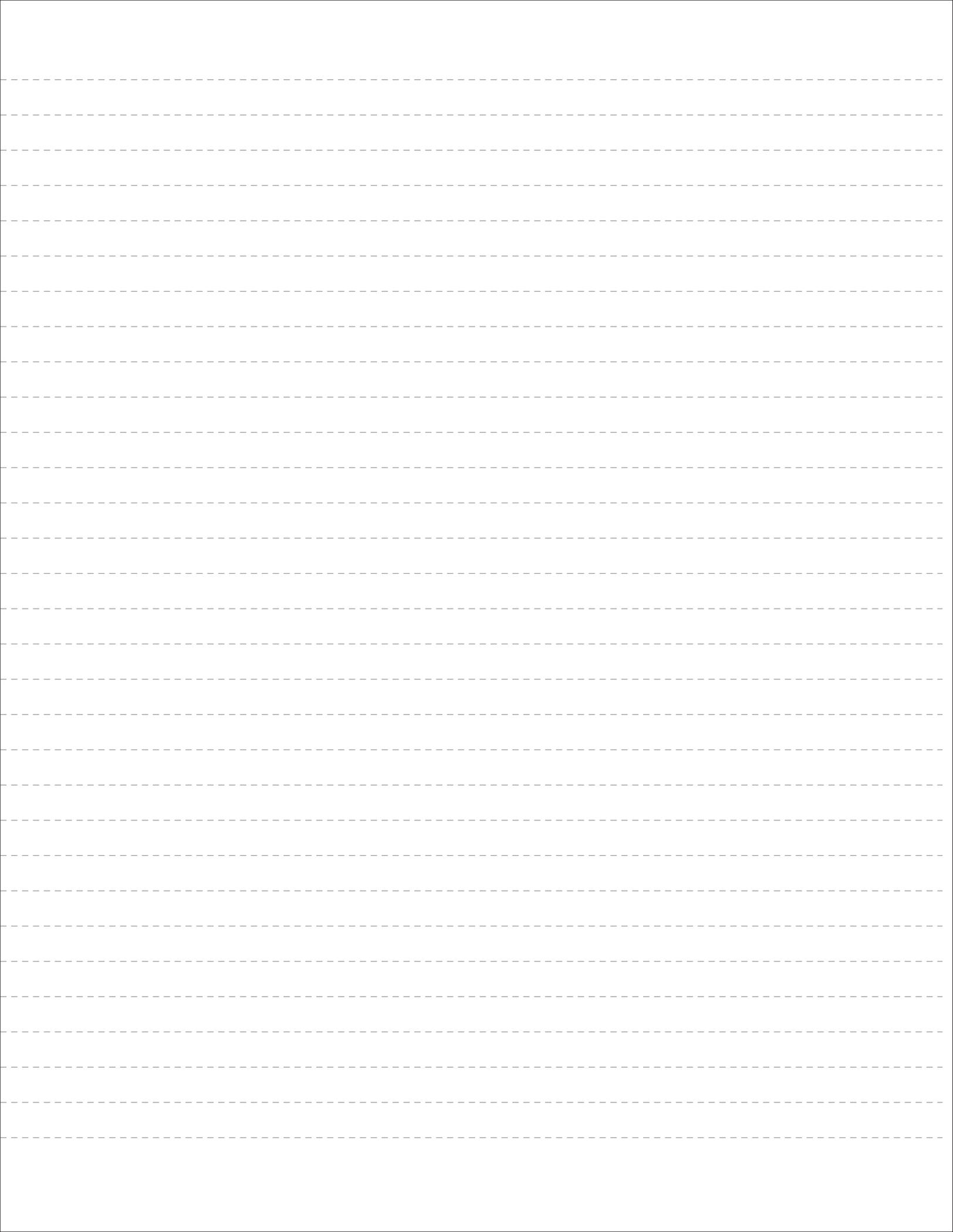
N.B.

1. Please note that AGM can only be attended by the honourable shareholder or properly constituted proxy. Therefore, any friend or children accompanying with honourable shareholder or proxy cannot be allowed into the meeting.
2. Please present this slip at the reception Desk.



Notes

A series of horizontal dashed lines for writing notes.





ORION Pharma Ltd.



In Search of Excellence

ORION
Pharma Ltd.
Dhaka, Bangladesh

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