



Central Pharmaceuticals Ltd.

Ibrahim Chamber (6th Floor), 95, Motijheel C/A, Dhaka-1000.
Phone: 7119404, 7119661; Fax: 088-02-9565992; e-mail: info@centralphl.com; Web: www.centralphl.com

PUBLIC ISSUE OF 14,000,000 ORDINARY SHARES OF TK. 10.00 PER SHARE TOTALING TK. 140,000,000/-

Subscription for general public:

Opening date:
May 26, 2013

Closing date:
May 30, 2013

Manager to the Issue



Janata Capital and Investment Limited
48, Motijheel C/A (3rd floor), Dhaka-1000. Bangladesh
Phone: 02-7114374, 02-7114375, Fax: 88-02-7110496
Email: info@jcil.com.bd, Web: www.jcil-bd.com

Subscription for NRB applicants:

Opening date:
May 26, 2013

Closing date:
June 08, 2013

Disclaimer

"CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2006. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER, ISSUE MANAGER, UNDERWRITER AND/OR AUDITOR."

Special Note

Please read the Prospectus carefully which includes "Risk Factors" before taking your investment decision.

An applicant cannot submit more than two applications, one in his/her own name and the other jointly with another person. In case an applicant makes more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, 15% (fifteen) of the application money will be forfeited by the Commission and the balance amount will be refunded to the applicant.

The application shall provide with the same bank account number in the application form as it is in the BO account of the applicant.

The applicants who have applied for more than two applications using same bank account, their application will not be considered for lottery and the Commission will forfeit 15% of their subscription money too.

"শেয়ারবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।"

Corporate Status and Background

The Company first got the Drug Licence from Drug Administration of Bangladesh on 12-10-1976. Then the Company applied for registration at Registrar of Joint Stock Companies & Firms of Bangladesh and accordingly the Company was incorporated on 13 November, 1980 as a 'Private' Company limited by shares and registered with the RJC under the Companies Act, 1913 vide Registration No. C-8514(353). The Company started its commercial operation from 01 December, 1980. On 20 December, 2010 the Company registered itself as a Public Limited Company under the Companies Act, 1994. The existing sponsors took over the management of the company in year 1998 and since then the company has been running smoothly fulfilling the requirement of concerned regulatory authorities.

Nature of Business

The principal activities of the Company throughout the year continued to be manufacturing and marketing of quality medicine.

Availability of Prospectus

Prospectus of Central Pharmaceuticals Ltd. may be available at the following addresses:

Name & Address	Contact Person	Tel No
Company		
Central Pharmaceuticals Ltd. Ibrahim Chamber (6th Floor), 95, Motijheel C/A, Dhaka-1000.	Mr. Munsur Ahmed Managing Director	7119404, 7119661. Fax: 088-02-9565992. e-mail: info@centralphl.com Web: www.centralphl.com
Issue Manager		
Janata Capital and Investment Limited 48, Motijheel C/A (3rd floor), Dhaka-1000. Bangladesh.	Mr. Md. Jahangir Miah Chief Executive	02-7114374 02-7114375 Fax: 88-02-7110496 e-mail: info@jcil.com.bd Web: www.jcil-bd.com
Underwriters		
Janata Capital and Investment Limited 48, Motijheel C/A (3rd floor), Dhaka-1000. Bangladesh.	Mr. Md. Jahangir Miah Chief Executive	02-7114374 02-7114375 Fax: 88-02-7110496 Web: www.jcil-bd.com
ICB Capital Management Limited BDBL Bhaban (Level-16), 8, DIT Avenue, Dhaka-1000.	Mr. Md. Moshir Rahman Chief Executive Officer	02-7160326 02-7160327
Royal Green Capital Market Limited Shah Ali Tower (2nd floor) Kawan Bazar, Tejgaon, Dhaka	Mr. Nomanur Rashid Executive Officer	02-9142823 02-8122845
Stock Exchanges		
Dhaka Stock Exchange (DSE) 9/F, Motijheel, C/A, Dhaka-1000.	DSE Library	02-9564601-7 02-9666944-8
Chittagong Stock Exchange (CSE) CSE Building, 1080, SK Mujib, Road, Agrabad C/A, Chittagong.	CSE Library	02-714632-3 02-720871-3

Prospectus is also available on the web site www.centralphl.com, www.jcil-bd.com, www.secd.org, www.dsebd.org, www.csebd.org, **Central Pharmaceuticals Ltd.** and Public Reference Room of the BSEC for reading and study.

Name and Address of the Auditor:

KAZI ZAHIR KHAN & CO.
Chartered Accountants
67/4, Kakrail, Dhaka-1000.
Phone: 8356107, 9349740, Fax: 880-2-9358166;
E-mail: kzkc_bd@yahoo.com

Use of Proceeds from IPO

Central Pharmaceuticals Ltd. will raise paid-up capital amounting to TK. 140,000,000 through Initial Public Offering (IPO) in order to repayment of its debt to enhance profitability in the following manner:

Description	Amount in Taka
a. Debt Reduction Partial Project Loan (Janata Bank Ltd., Local Office, Dhaka) repayment	128,000,000
b. Expenses for IPO (approx.)	12,000,000
Total	140,000,000

Sd/-
Munsur Ahmed
Managing Director & Director

Implementation Schedule of IPO Fund

Description	Amount in Taka	Schedule of Implementation
a. Debt Reduction Partial Project Loan (Janata Bank Ltd., Local Office, Dhaka) repayment	128,000,000	Within 30 days of getting of the IPO Proceeds
b. Expenses for IPO (approx.)	12,000,000	Within 30 days of getting of the IPO Proceeds
Total	140,000,000	

Note: As of today, the company has not made any contract with anyone in regards to utilization of this IPO fund as per rule 8B(4)(c) of Securities and Exchange Commission (Public Issue) Rules, 2006.

Sd/-
Munsur Ahmed
Managing Director & Director

Refund of subscription money

As per Bangladesh SEC notification dated Feb 09, 2010 the issuer shall refund application money to the unsuccessful Applicant of the Public offer by any of the following manner based on the option given by the applicant in the application form:

(a) Through banking channel for onward deposit of the refund money into the applicant's bank account as provided in the respective application form for subscription;

or

(b) Through issuance of refund warrant in the name and address of the applicant as provided in the respective application form for subscription;

"Provided that, in case of deposit into the applicant's bank account, the applicant will bear the applicable service charge, if any, of the applicant's banker, and the issuer shall simultaneously issue a letter of intimation to the applicant containing, among others, the date and amount remitted with details of the bank through and to which bank such remittance has been effected"

Central Pharmaceuticals Ltd.

Auditors' Report under section 135(1) and paragraph 24(1) of Part -II of Third Schedule of the Companies Act, 1994 for the period from 01 July, 2006 to 30 June, 2012

We have examined the financial statements of Central Pharmaceuticals Ltd. for the years ended 30 June, 2012, 2011, 2010, 2009, 2008 & 2007. In pursuance of Section 135(1) under Paragraph 24(1) of Part-II of Third Schedule of the Companies Act, 1994 our report is as under:

A. Statement of Assets and Liabilities:

	Amount in Taka					
	30-06-2012	30-06-2011	30-06-2010	30-06-2009	30-06-2008	30-06-2007
ASSETS						
Non-Current Assets						
Property, Plant & Equipment	608,160,133	364,426,140	95,414,349	14,211,602	14,790,034	15,463,887
Goodwill	—	—	—	5,000	5,000	5,000
Total Non-Current Assets	608,160,133	364,426,140	95,414,349	14,216,602	14,795,034	15,468,887
Current Assets						
Inventories	139,666,389	68,010,712	20,857,111	15,698,591	21,915,958	11,233,900
Spare Parts & Supplies	10,071,119	—	—	—	—	—
Machinery-in-Transit	—	13,017,312	71,783,522	—	—	—
Advances, Deposits & Pre-payments	38,514,318	41,203,324	27,303,777	11,111,783	5,921,845	10,660,776
Accounts Receivables	54,135,332	40,504,311	14,994,954	14,583,647	2,545,572	7,959,907
Cash & Bank Balances	4,641,963	13,888,045	881,775	1,912,517	1,565,048	132,470
Total Current Assets	247,029,121	176,623,524	135,821,139	44,106,538	32,997,423	29,987,053
TOTAL ASSETS	855,189,254	541,049,664	231,235,488	58,323,140	47,792,457	45,455,940
EQUITY & LIABILITIES						
Shareholders' Equity						
Share Capital	480,000,000	100,000,000	100,000,000	2,250,000	2,250,000	2,250,000
Share Money Deposit	—	200,000,000	—	—	—	—
Retained Earnings	61,207,526	23,166,534	10,716,468	7,531,262	5,832,048	4,611,441
Total Shareholders' Equity	541,207,526	323,166,534	110,716,468	9,781,262	8,082,048	6,861,441
Non-Current Liabilities						
Project-Loan-Long Term Portion	125,514,190	101,675,412	71,816,955	—	—	—
Deferred Tax Liabilities	32,746,640	15,597,302	3,551,448	—	—	—
Total Non-Current Liabilities	158,260,830	117,272,714	75,368,403	—	—	—
Current Liabilities						
Short Term Loan	93,241,707	41,984,876	41,723,205	45,896,277	38,034,799	37,815,231
Project Loan-Short Term Portion	50,035,212	46,934,868	—	—	—	—
Sundry Creditors	6,069,439	10,728,475	2,392,504	1,238,620	1,433,260	536,918
Liability for Expenses	6,374,540	962,197	1,034,908	1,406,981	242,350	242,350
Total Current Liabilities	155,720,898	100,610,196	45,150,617	48,541,878	39,710,409	38,594,499
Total Liabilities	313,981,728	217,883,130	120,519,020	48,541,878	39,710,409	38,594,499
TOTAL EQUITY & LIABILITIES	855,189,254	541,049,664	231,235,488	58,323,140	47,792,457	45,455,940

B. Statement of Operating Results:

	30-06-2012	30-06-2011	30-06-2010	30-06-2009	30-06-2008	30-06-2007
Turnover	254,566,477	146,635,571	79,175,603	33,048,357	29,377,755	29,659,289
Cost of Goods Sales	(148,774,494)	(98,211,334)	(52,958,058)	(22,241,368)	(20,020,367)	(20,221,289)
Gross Profit/(Loss)	105,791,983	48,424,237	26,217,545	10,807,289	9,357,388	9,438,000
Operating Expenses	(35,385,144)	(22,717,475)	(14,153,864)	(1,210,265)	(1,970,802)	(2,640,479)
Administrative Expenses	(9,172,786)	(5,282,525)	(2,055,409)	(1,191,765)	(1,962,302)	(2,633,119)
Selling & Distribution Expenses	(26,212,358)	(17,434,950)	(12,098,455)	(18,500)	(8,500)	(7,360)
Operating Income	70,406,839	25,706,762	12,063,681	9,597,024	7,386,586	6,797,521
Other Income	515,516	528,554	—	—	—	—
Financial Expenses	(7,013,489)	(5,319,205)	(6,712,536)	(6,733,179)	(6,165,979)	(5,930,848)
Net Profit/(Loss) before WPPF	63,908,866	20,916,111	5,351,145	2,863,845	1,220,607	866,673
Contribution to Workers' Profit Participation Fund	(3,043,279)	(996,005)	(254,816)	(136,374)	—	—
Net Profit/(Loss) before Tax	60,865,587	19,920,106	5,096,329	2,727,471	1,220,607	866,673
Income Tax Expenses	(22,824,595)	(7,470,040)	(1,911,123)	(1,028,257)	—	—
Current Tax	(5,675,257)	4,575,814	1,640,325	—	—	—
Deferred Tax	(17,149,338)	(12,045,854)	(3,551,448)	—	—	—
Net Profit/(Loss) after Tax	38,040,992	12,450,066	3,185,206	1,699,214	1,220,607	866,673

C. Cash Flow Statement

	30-06-2012	30-06-2011	30-06-2010	30-06-2009	30-06-2008	30-06-2007
Cash Flow from Operating Activities:						
Collection from Customer	241,450,792	121,126,394	78,764,296	22,059,282	33,743,090	28,260,925
Payment to Supplier, Employees & Others	(221,004,510)	(132,376,840)	(76,018,578)	(22,840,112)	(26,364,101)	(19,234,359)
Net Cash Flow Used in Operating Activities	20,446,282	(11,250,446)	2,745,718	(780,830)	7,378,989	9,026,566
Cash Flow from Investing Activities:						
Acquisition of Property, Plant & Equipment	(280,874,828)	(247,479,285)	(162,457,807)	—	—	—
Net Cash Used in Investing Activities	(280,874,828)	(247,479,075)	(162,457,807)	—	—	—
Cash Flow from Financing Activities:						
Share Capital	180,000,000	—	97,750,000	—	—	—
Share Money Deposit	—	200,000,000	—	—	—	—
Project Loan from/(Repayment)	26,939,122	76,793,325	71,816,955	—	—	—
Short Term Loan from/(Repayment)	51,256,831	261,671	4,173,072	7,861,478	219,568	(3,206,757)
Bank Interest & Financial Charges	(7,013,489)	(5,319,205)	(6,712,536)	(6,733,179)	(6,165,979)	(5,930,848)
Net Cash Generated from Financing Activities	251,182,464	271,735,791	158,681,347	1,128,299	(5,946,411)	(9,137,605)
Net Cash Inflow/(Outflow) for the year	(9,246,082)	13,006,270	(1,030,742)	347,469	1,432,578	(111,039)
Opening Cash & Bank Balances	13,888,045	881,775	1,912,517	1,565,048	132,470	243,509
Closing Cash & Bank Balances	4,641,963	13,888,045	881,775	1,512,517	1,565,048	132,470

D. Dividend:

The Company's data relating to dividend is as under:

Cash Dividend - %	Nil	Nil	Nil	Nil	Nil	Nil
Stock Dividend (Bonus shares) - %	Nil	Nil	Nil	Nil	Nil	Nil

The Company was incorporated on 13 November, 1980 as Private Limited Company. On 20 December 2010, The Company registered itself as a Public Limited Company under the Companies Act, 1994. The share of the Company is denominated from Tk. 100 to Tk. 10 at 24 December, 2009.

F. The Statement of Assets and Liabilities (Statement of Financial Position) as at 30 June, 2012, 2011 and 2010 of the Company has been duly certified by us;

G. We also certify the Statement of Operating Results (Statement of Comparative Income) for the years ended 30 June, 2012, 2011 and 2010 of the Company;

H. The Statement of Cash Flows for the years ended 30 June, 2012, 2011 and 2010 of the Company are enclosed and certified by us;

I. The Company has no subsidiaries;

K. No proceeds or part of proceeds of the issue of shares were applied directly or indirectly by the Company in the purchase of any other business;

L. The Company did not prepare any financial statements for any period subsequent to 30 June, 2012; and

M. Figures related to previous years have been rearranged wherever considered necessary.

Dated, Dhaka

10 February, 2013

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants.

RATIO ANALYSIS

Central Pharmaceuticals Ltd. Auditors' Certificate regarding calculation of EPS & Ratios

We have examined the following E