

Auditors' Report
to the Shareholder of
JMI Syringes & Medical Devices Limited

We have audited the accompanying financial statements of JMI Syringes & Medical Devices Limited ("the Company") which comprise the statement of financial position as at 31 December 2014, and the related statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other relevant explanatory notes 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 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 the 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, 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 prepared in accordance with the Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the financial position of JMI Syringes & Medical Devices Limited as at 31 December 2014, and of its financial performance and its cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

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

Date: 29th April, 2015
Dhaka




G. Kibria & Co.
Chartered Accountants

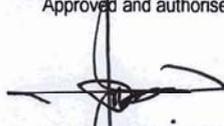
JMI Syringes & Medical Devices Ltd.
Statement of Financial Position

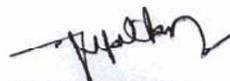
As at 31st December, 2014

Particulars	Notes	31st Dec, 2014 Taka.	31st Dec, 2013 Taka.
Assets			
Non Current Assets		1,049,076,976	1,077,988,576
Property, Plant & Equipment	4 (a)	1,049,076,976	1,077,988,576
Current Assets:		794,736,156	840,371,506
Cash and Cash Equivalents	5	45,227,668	103,095,985
Inventories	6	475,865,683	432,135,982
Advance Deposit & Prepayments	7	49,183,190	52,743,249
Advance Income Tax	8	93,889,228	70,459,766
Accounts Receivable	9	130,570,387	181,936,524
Total Assets		1,843,813,132	1,918,360,082
Equity & Liabilities			
Equity		537,505,033	506,321,665
Share Capital	10	110,000,000	110,000,000
Tax Holiday Reserve	11	12,119,070	12,119,070
Retained Earnings		84,746,274	43,932,942
Revaluation Reserve	4 (d)	330,639,690	340,269,653
Non Current Liabilities		653,277,756	162,167,422
Project & Term Loan (Non current maturity)	12	551,228,652	85,374,618
Lease Finance (Non current maturity)	13	79,288,314	61,064,768
Deferred Tax Liability	14	22,760,790	15,728,036
Current Liabilities		653,030,342	1,249,870,995
Project & Term Loan (Current maturity)	12	113,299,802	78,858,594
Lease Finance (Current maturity)	13	45,645,301	41,486,203
Short Term Loan	15	247,763,789	573,343,746
Directors & Sister Concern Loan	16	41,415,960	380,410,925
Dividend Payable	17	3,149,605	2,587,780
Accrued Interest Payable	18	68,869,050	-
Creditors and Other Payables	19	132,886,835	173,183,748
Total Equity & Liabilities		1,843,813,132	1,918,360,082
Net Assets Value Per Share (NAVPS)		48.86	46.03

The Notes are an integral part of the Financial Statements

Approved and authorised for issue by the Board of Directors on 29th April, 2015 and signed for and on behalf of the Board:


Muhammad Tarek Hossain Khan
Chief Financial Officer


Md. Javed Iqbal Pathan
Chairman


Md. Abdur Razzaq
Managing Director


G. Kibria & Co.
Chartered Accountants

Date: 29th April, 2015

Place: Dhaka.



JMI Syringes & Medical Devices Ltd.
Statement of Comprehensive Income
For the Year ended 31st December, 2014

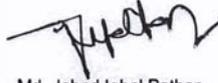
Particulars	Notes	31-Dec-14	31-Dec-13
Revenue from Net Sales	20.00	1,199,135,889	839,284,712
Local Sales		657,945,099	622,207,121
Export Sales		541,190,790	217,077,591
Less: Cost of Goods Sold	21.00	830,279,284	572,976,011
Gross Profit		368,856,605	266,308,701
<u>Less: Operating Expenses</u>		102,780,678	82,411,031
Administrative Expenses	24.00	52,327,254	46,968,184
Selling, Marketing and Distribution Expenses	25.00	50,453,424	35,442,847
Operating Profit		266,075,928	183,897,670
Add: Other Income	26.00	1,694,552	2,683,047
		267,770,480	186,580,717
Less: Finance Cost	27.00	193,008,017	137,854,140
Net Income before adjustment of WPPF		74,762,463	48,726,577
Less: Workers Profit Participation Fund	28.00	3,560,117	2,436,329
Net Profit before adjustment of Income Tax		71,202,345	46,290,249
Less: Income Tax Expenses for the year	29.00	22,194,857	13,871,181
Net Profit After Tax		49,007,488	32,419,068
Other Comprehensive Income			
Total Comprehensive Income for the period		49,007,488	32,419,068
Earnings Per Share (EPS)	30.00	4.46	2.95

The Notes are an integral part of the Financial Statements.

Approved and authorised for issue by the Board of Directors on 29th April, 2015 and signed for and on behalf of the Board:



Muhammad Tarek Hossain Khan
Chief Financial Officer



Md. Javed Iqbal Pathan
Chairman



Md. Abdur Razzaq
Managing Director



G. Kibria & Co.
Chartered Accountants

Date: 29th April, 2015
Place: Dhaka.



JMI Syringes & Medical Devices Ltd.
Statement of Changes in Equity
For the Year ended 31st December, 2014

Particulars	Share Capital	Tax Holiday Reserve	Revaluation Surplus	Retained Earnings	Amount in Taka
At the beginning of the period	110,000,000	12,119,070	340,269,653	43,932,942	506,321,665
Net Profit after Tax				49,007,488	49,007,488
Prior year adjustment					
Revaluation Reserve Adjustment			(9,629,963)	9,629,963	
Tax on Revaluation adjustment				(1,324,120)	(1,324,120)
Dividend for the year-2013				(16,500,000)	(16,500,000)
At the end of the period	110,000,000	12,119,070	330,639,690	84,746,274	537,505,033

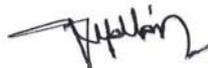
JMI Syringes & Medical Devices Ltd.
Statement of Changes in Equity
For the Year ended 31st December, 2013

Particulars	Share Capital	Tax Holiday Reserve	Revaluation Surplus	Retained Earnings	Amount in Taka
At the beginning of the period	110,000,000	12,119,070	350,406,456	31,695,195	504,220,721
Net Profit after Tax	-	-	-	32,419,068	32,419,068
Tax on Revaluation adjustment				(15,728,036)	(15,728,036)
Written Off of Deferred Expenses				(3,051,694)	(3,051,694)
Written Off of Pre-operating Expenses				(1,902,919)	(1,902,919)
Prior Year's adjustment (Income Tax up to 2011-2012)				(9,635,474)	(9,635,474)
Revaluation Reserve Adjustment	-	-	(10,136,804)	10,136,804	
At the end of the period	110,000,000	12,119,070	340,269,652	43,932,942	506,321,664

The Notes are an integral part of the Financial Statements.

Approved and authorised for issue by the Board of Directors on 29th April, 2015 and signed for and on behalf of the Board:


 Muhammad Tarek Hossain Khan
 Chief Financial Officer


 Md. Jabeel Iqbal Pathan
 Chairman


 Md. Abdur Razzaq
 Managing Director


 G. Kibria & Co.
 Chartered Accountants

Date: 29th April, 2015

Place: Dhaka.

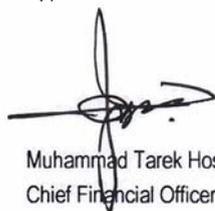


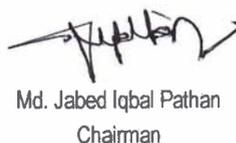
JMI Syringes & Medical Devices Ltd.
Cash Flow Statement
For the Year ended 31st December, 2014

Particulars	31-Dec-14	31-Dec-13
Cash Flow from Operating Activities		
Collection from Customers & Others	1,251,889,895	717,121,584
Payments to Suppliers and Others	(966,533,770)	(649,631,164)
AIT Paid	(39,915,685)	(34,503,730)
Net Cash Flow from Operating Activities	245,440,440	32,986,690
Cash Flow from Investing Activities		
Acquisition of Non-Current Assets	(21,984,579)	(76,279,482)
Disposal of Vehicle	650,000	-
Net Cash Flow from Investing Activities	(21,334,579)	(76,279,482)
Cash Flow from Financing Activities		
Project & Term Loan Received	653,349,524	24,047,689
Project & Term Loan Paid	(153,054,282)	(40,497,169)
Lease Finance Loan Received	53,000,000	103,734,254
Lease Finance Loan Paid	(30,617,356)	(2,866,922)
Short Term Loan Received	178,276,332	426,781,480
Short Term Loan Paid	(503,856,289)	(113,643,809)
Director & Sister Concern Loan Received	31,962,305	163,023,678
Director & Sister Concern Loan Paid	(370,957,270)	(284,029,150)
Dividend & Dividend Tax Paid	(15,938,175)	(11,179,156)
Interest and Bank Charges paid	(124,138,967)	(137,854,140)
Net Cash Flow from Financing Activities	(281,974,178)	127,516,755
Net Cash Surplus/(Deficit) for the year	(57,868,317)	84,223,963
Cash and Bank Balance at the Beginning of the year	103,095,985	18,872,023
Cash and Bank Balance at the End of the year	45,227,668	103,095,986
Net Operating Cash Flow Per Share (NOCFPS)	22.31	3.00

The Notes are an integral part of the Financial Statements.

Approved and authorised for issue by the Board of Directors on 29th April, 2015 and signed for and on behalf of the Board:


Muhammad Tarek Hossain Khan
Chief Financial Officer


Md. Javed Iqbal Pathan
Chairman


Md. Abdur Razzaq
Managing Director


G. Kibria & Co.
Chartered Accountants

Date: 29th April, 2015

Place: Dhaka.



JMI Syringes & Medical Devices Ltd.
Notes to the Financial Statements
For the year ended 31st December, 2014

1. Reporting Entity:

1.1 About the Company:

JMI Syringes & Medical Devices Ltd. was incorporated as a Private Limited Company on 5th April, 1999 in Bangladesh with an Authorized Capital of Tk. 6,00,00,000/- divided into 600,000 ordinary shares of Tk. 100/= each under the Companies Act., 1994. Subsequently the Company increased its Authorized Capital to Tk. 30,00,00,000/- and reduced the denomination of the shares from Tk. 100/= to Tk. 10/= as per Extra Ordinary General Meeting held on February 04, 2002 and was converted into a Public Limited Company as per Extra Ordinary General Meeting held on August 20, 2002. Again the Company reverted its denomination of the shares from Tk. 10/= to Tk. 100/= as per Extra Ordinary General Meeting held on May 05, 2003 and went for public issue during that year. Company's share is listed with the Dhaka and Chittagong Stock Exchange Ltd.

The Company has changed its name from **JMI-Bangla Co. Ltd.** to **JMI Syringes & Medical Devices Ltd.** by an Extra-Ordinary resolution passed on October 01, 2009 and this change has been approved by the Registrar of Joint Stock Companies & Firms on April 15, 2010.

The Company has changed an authorized capital from Tk. 30 Crore to Tk. 100 Crore and reverted its denomination of the share from Tk. 100/= to Tk. 10/= each. So that the Ordinary Shares of the Company has also been changed from 30 Lac to 10 Crore. It was approved by the shareholder an Extra Ordinary General Meeting held on 29th September, 2012 and also approved by the Registrar of Joint Stock Companies on 14-11-2012.

1.2 Nature of Business:

The Company is primarily engaged in business of manufacturing and marketing of Disposable Syringe, Auto Disable Syringe (AD Syringe), Needle (blister pack), Infusion Set, Scalp Vein Set, Urine Drainage Bag, Insulin Syringe, First AID Bandage, Eye Gel Set, Riles Tube, IV Cannula, Feeding Tube, Cooper-T and Blood Lancets etc.

1.3 Registered Office:

The Registered Office of the Company is situated at 7/A, Shantibag, Dhaka, Bangladesh.

1.4 Factory:

The factory of the Company is situated at Noapara, Chauddagam, Comilla, Bangladesh.

1.5 Commencement of Business:

The Company commenced commercial operation on 26th January 2002. But the operation has stopped for some technical reason for 5 months and commercial operation has restarted from June 18, 2002.

1.6 Number of Employees:

The number of employee at the year-end was 873.

2. Basis of Preparation of Financial Statements:

2.1 Basis of Measurement:

The financial statements have been prepared on Historical Cost Basis except land and building being revalued on 31st December, 2012 and the cash flow statement being prepared on cash basis.



- 2.2 Statement of Compliance:**
The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, Securities & Exchange Rules 1987, the Listing Regulations of Dhaka and Chittagong Stock Exchanges and other relevant local laws as applicable and in accordance with the International Financial Reporting Standards (IFRSs), and Bangladesh Financial Reporting Standards (BFRSs).
- 2.3 Presentation of Financial Statements:**
The presentation of Financial Statements is in accordance with guidelines provided by IAS 1: Presentation of Financial Statements.
The financial statements comprises of:
a) a Statement of Financial Position as at December 31, 2014;
b) a Statement of Comprehensive Income for the year ended December 31, 2014;
c) a Statement of Changes in Equity for the year ended December 31, 2014;
d) a Statement of Cash Flows for the year ended December 31, 2014;
e) notes, comprising summary of significant accounting policies and explanatory information.
- 2.4 Reporting Period:**
The financial statements cover one calendar year from January 01, 2014 to December 31, 2014.
- 2.5 Authorization for issue:**
The financial statements have been authorized for issue by the Board of Directors on April 28, 2015.
- 2.6 Functional and Presentation Currency:**
The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All information presented has been rounded off to the nearest Taka except where indicated otherwise.
- 2.7 Comparative Information:**
Comparative information has been disclosed in respect of the year 2013 for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

Figures for the year 2013 have been re-arranged wherever considered necessary to ensure better comparability with the current year.
- 2.8 Use of Estimates and Judgments:**
The preparation of financial statements in conformity with the IFRSs including IASs require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In particular, the key areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, inventory valuation, accrued expenses and other payable.
- 3. Significant Accounting Policies:**
The accounting principles and policies in respect of material items of financial statements set out below have been applied consistently to all periods presented in these financial statements.
- 3.1 Revenue Recognition:**
In compliance with the requirements of IAS 18: Revenue, revenue receipts from customers against sales is recognized when products are dispatched to customers, that is, when the significant risk and rewards to ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

Revenue from sales is exclusive of VAT.

Wastage sales including with sales statement for the year-2014.



3.2 Property, Plant and Equipment:

3.2.1 Recognition and Measurement:

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

3.2.2 Maintenance Activities:

The company incurs maintenance costs for all its major items of property, plant and equipment. Repair and maintenance costs are charged as expenses when incurred.

3.2.3 Depreciation:

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

Sl. No.	Name of Assets	% Of Depreciation
01.	Land and Land Development	0%
02.	Factory Building	5%-20%
03.	Machineries	7%-20%
04.	Furniture and Fixtures	10%
05.	Factory and Office Equipment	20%
06.	Office Decoration	10%
07.	Power Station	15%
08.	Air Cooler	20%
09.	Telephone Line Installation	15%
10.	Deep Tubewel & Pump	15%
11.	Crockeries and Cutleries	20%
12.	Vehicles	20%

The company's policy is to transfer excess depreciation of revalued assets are transferred from revaluation surplus to retained earnings.

3.2.4 The Changes in Accounting Policy:

The management had changed the rate of depreciation for the following assets during the year-2014:

Name of Assets	Present Rate	Previous Rate
Factory Building	5%	20%
Machineries	7%	20%

Rate of depreciation for other assets are consistently following.

3.2.5 Retirements and Disposal:

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and net sales proceeds.

3.3 Leased Assets:

In compliance with the IAS 17: Leases, cost of assets acquired under finance lease along with related obligation has been accounted for as assets and liabilities respectively of the company, and the interest element has been charged as expenses. Lease payments made under finance leases are apportioned between the finance expenses and the reduction of the outstanding liability.



3.4 Financial Instruments:

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.

3.4.1 Financial Assets:

Financial assets of the company include cash and cash equivalents, accounts receivable and other receivables. The company initially recognizes receivable on the date they are originated. All others financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction. The company derecognizes a financial asset when and only when the contractual rights or probabilities of receiving the cash flows from the asset expire or it transfer the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

3.4.1(a) Accounts Receivable:

Accounts receivable are created at original invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account aging, previous experience and general economic conditions. When an accounts receivable is determined to be uncollected it is written off, firstly against any provision available and then to the profit and loss account. Subsequent recoveries of amounts previously provided for are credited to the profit and loss account.

3.4.1(b) Cash and Cash Equivalents:

Cash and cash equivalents include cash in hand, in transit and with banks on current, std 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.

3.4.2 Financial Liability:

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. Financial liabilities include payable for expenses, liability for capital expenditure and other current liabilities.

3.5 Impairment:

(a) Financial Assets:

Accounts receivable and other receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effects on the estimated future cash flows of that asset, that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy etc.

(b) Non-Financial Assets:

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impairment loss if, and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease.

3.6 Inventories:

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



3.7 Provisions:

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

3.8 Income Tax Expenses:

Income tax expenses comprises of current and deferred tax. Income tax expenses is recognized in the Statement of Comprehensive Income and accounted for in accordance with the requirements of IAS 12: Income Tax.

Current tax:

Current tax is the expected tax payable on the taxable income for the year, and any adjustment to tax payable in respect of previous years. The company qualifies as a "Publicly Traded Company" ; hence the applicable Tax Rate is 27.50% for profit on local sales & 13.75% for profit on export sales.

Deferred tax:

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

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

3.9 Interest Income:

Interest income is recognized on accrual basis.

3.10 Borrowing Cost:

Borrowing costs are recognized as expenses in the period in which they are incurred unless capitalization of such is allowed under IAS 23: Borrowing Costs.

3.11 Employee Benefits:

The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

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

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

The company's employee benefits include the following:

(a) Short-term employee benefits:

Short-term employee benefits include salaries, bonuses, overtime, holiday allowance, TA/DA, leave encashment, fooding allowance, transportation, accommodation, etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

(b) Contribution to Workers' Profit Participation and Welfare Funds:

This represents 5% of net profit before tax contributed by the company as per provisions of the Bangladesh Labor (amendment) Act 2014 and is payable to workers as defined in the said law.

(c) Insurance Scheme:

Employees of the company are covered under insurance schemes.



3.12 Proposed Dividend:

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

3.13 Earnings per Share (EPS):

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

Basic EPS:

The company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS:

Diluted EPS is only be calculated where the company has commitment to issue ordinary share at future date at reporting date. No such commitment is hold by the company at reporting date.

3.14 Foreign Currency Transaction:

Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date. The monetary assets and liabilities, if any, denominated in foreign currencies at the financial position date are translated at the applicable rates of exchanges ruling at that date. Exchange differences are charged off as revenue expenditure in compliance with the provisions of IAS 21: The Effects of Changes in Foreign Currency Rates.

3.15 Statement of Cash Flows:

The Statement of Cash Flow has been prepared in accordance with the requirements of IAS 7: Statement of Cash Flows. The cash generated from operating activities has been reported using the Direct Method as prescribed by the Securities and Exchange Rules, 1987 and as the benchmark treatment of IAS 7, whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.16 Events after Reporting Period:

Even after the reporting period that provide additional information about the company's position at the date of Statement of Financial Position or those that indicate that the going concern assumption is not appropriate are reflected in the financial statements. Events after reporting period that are not adjusting events are disclosed in the notes when material.



	31/Dec/14	31/Dec/13
4.00 (a) Property, Plant & Equipment:		
The details of property, plant & equipment are shown in Annexure-1		
The above balances are made up as follows :		
Opening Balance (At Cost)	1,369,344,895	1,293,065,413
Addition during the year	21,984,579	76,279,482
Sales / Transfer	(1,640,254)	-
Total Cost	1,389,689,220	1,369,344,895
Less: Accumulated Depreciation (Notes-4-b)	340,612,244	291,356,319
Carrying Value	1,049,076,976	1,077,988,576

(b) Accumulated Depreciation

Opening Balance	291,356,319	239,100,166
Add: Depreciation during the year (Notes-4-c)	50,568,128	52,256,153
Less: Adjustment (Sales / Transfer)	(1,312,203)	-
Closing Balance of Accumulated Depreciation	340,612,244	291,356,319

(c) Allocation of depreciation charge for the year has been made in the accounts as follows:

Factory Overhead	42,865,326	44,969,973
Administrative Expenses	7,702,803	7,286,180
Tk.	50,568,128	52,256,153

(d) Revaluation Reserve:	330,639,690	340,269,653
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Hoda Vasi Chowdhury & Co., Chartered Accountants and Valuer Axis Resources Ltd. revalued the land and factory building of the Company as of 30th September, 2012, following "Current cost method". Such revaluation resulted into a revaluation surplus aggregating Tk. 35,04,06,455/=. Current balance is arrived at as follows:

	31/Dec/14	31/Dec/13
Balance as on 1st January	340,269,653	350,406,456
Adjustment for depreciation on revalued assets	(9,629,963)	(10,136,803)
Tk.	330,639,690	340,269,653

5.00 Cash & Cash Equivalents:

The above balances are made up as follows :

Cash at Bank	43,135,176	100,483,468
Janata Bank, Corporate Branch, CD A/c-1010216	7,654,206	97,284,037
Janata Bank, Corporate Branch, Equity A/c-70104021	-	15,880
Jamuna Bank, F.Ex. Branch-CD A/c-210005144	104,283	111,718
Janata Bank, Corporate Branch, STD A/c- 004001122	9,890	10,542
Janata Bank, Corporate Branch, STD A/c- 004001592	26,570,803	9,671
Janata Bank, Corporate Branch, FC A/c-402000452	502,353	1,174,919
Janata Bank, Chauddagram Branch, DD A/c- 001006817	349,409	553,995
Janata Bank, Corporate Branch, STD A/c- 004001119	9,890	-
National Bank, Babu Bazar Branch, CD A/c-33013632	243,541	249,731
Trust Bank-Comilla Cant.Br.CD A/c-33012693	-	8,685
Trust Bank-Dhaka Cant.Br CD A/c-33061909	-	8,900
AB Bank, IPO A/c-221252430	31,218	30,591
Pubali Bank CD A/c-99798	29,430	31,160
Dutch Bangla Bank CD A/c-10411024464	7,534,281	894,505
Islami Bank Chauddagram Branch	95,872	99,135
Cash in Hand	2,092,492	2,612,517
Head Office	720,439	1,318,536
Factory Office	1,345,964	1,271,895
Chittagong Office	26,089	22,086
Closing Balance as on 30-06-2014	45,227,668	103,095,985

6.00 Inventories :

The above balances are made up as follows :

A) Raw, Chemical and Packing Materials	176,556,154	142,186,143
Raw and Chemical materials	130,043,731	93,151,429
Packing Materials	46,512,423	49,034,714
B) Work-in-Process	85,994,021	87,667,142
C) Finished Goods	211,349,167	202,282,697
D) Wastage, Generator Fuel, Stationery & Spare Parts	1,966,341	-
Total of Inventory	475,865,683	432,135,982



7.00 Advance, Deposits and Prepayments :	Tk.	49,183,190	52,743,249
The above balances are made up as follows :			
Security deposit to CPB Samity-2		3,006,227	2,782,227
Advance to Employee		582,922	678,521
Security for Office Rent & Depot Rent		2,534,500	2,534,500
Advance to ISN		3,000	3,000
Advance to Rankstel		4,000	4,000
Security deposit to CDBL		200,000	200,000
Security deposit to Sonali Bank		173,400	173,400
LC Margin & Others		4,900,840	12,859,186
Advance to Supplier		20,666,851	-
Bank Guarantee & Earnest Money Security		4,954,780	7,914,217
VAT Current Account		12,156,670	25,594,198
Total		49,183,190	52,743,249

8.00 Advance Income Tax:	Tk.	93,889,228	70,459,766
The above balances are made up as follows			
Opening Balance		70,459,766	59,462,692
<u>Addition during the year</u>		62,028,135	34,503,730
AIT deducted against Sales		49,417,493	20,237,794
AIT deposit against Vehicle		191,000	157,500
AIT deposit against Bank Interest		138,471	-
AIT deducted against Import of Raw Materials		12,281,171	14,108,436
Balance after addition		132,487,901	93,966,422
Less: Income Tax adjustment for the year		15,162,103	13,871,181
Less: Income Tax Refund (up to 2012-2013)		22,112,450	-
Less: Prior year adjustment (Income Tax) for Assessment year 2009-2010		-	4,706,771
Less: Prior year adjustment (Income Tax) up to Assessment year 2010-2011		-	1,517,261
Less: Prior year adjustment (Income Tax) up to Assessment year 2011-2012		-	3,411,442
Less: Tax on Revaluation Surplus adjustment		1,324,120	-
Closing Balance		93,889,228	70,459,766

9.00 Accounts Receivable :	Tk.	130,570,387	181,936,524
The above balances are made up as follows :			
Opening Balance		181,936,524	57,090,349
Add: Sales during the year		1,199,135,889	839,284,712
Balance after addition		1,381,072,413	896,375,061
Less Realisation during the year		1,250,502,026	714,438,537
Closing Balance		130,570,387	181,936,524

Subsequently the receivables have been realized and aging are as follows:

Receivable Aging:

Receivable amount within 30 Days		37,314,959	46,646,255
Receivable amount within 60 Days		67,130,950	85,077,856
Receivable amount within 90 Days		21,791,673	32,293,479
Receivable amount over 90 Days		4,332,805	17,918,934
Total Receivable Amount as on 31-12-2014		130,570,387	181,936,524

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

10.00 SHARE CAPITAL :	Tk.	31/Dec/14	31/Dec/13
This represents :			
Authorized :			
10,00,00,000 Ordinary Shares of Tk.10/- each		1,000,000,000	1,000,000,000
Issued, Subscribed & Paid up Capital :			
1,10,00,000 Ordinary Shares of Tk.10/- each at par fully paid up in cash		110,000,000	110,000,000



(a) Composition of Shareholding:

	Shares	
	11,000,000	11,000,000
Sponsors	7,252,500	7,302,500
Bangladeshi	5,852,500	5,902,500
Foreigners	1,400,000	1,400,000
Public Shares	3,747,500	3,697,500
General Public	3,400,801	3,087,000
Institution	346,699	610,500

(b) Distribution Schedule:

The distribution schedule showing the number of shareholders and their shareholdings in percentage has been disclosed below as a requirement of the "Listing Regulations" of Stock Exchanges:

Range of Holdings In number of shares	Number of shareholders		% Of shareholders		No. of Shares		% of Share Capital	
	2014	2013	2014	2013	2014	2013	2014	2013
1 to 500	851	923	44.09	44.57	342,443	811,500	3.11	7.38
501 to 5,000	954	1,034	49.43	49.93	1,677,937	2,390,500	15.25	21.73
5,001 to 10,000	60	51	3.11	2.46	478,528	588,000	4.35	5.35
10,001 to 20,000	36	35	1.87	1.69	506,160	651,000	4.60	5.92
20,001 to 30,000	8	10	0.41	0.48	191,816	254,140	1.74	2.31
30,001 to 40,000	1	1	0.05	0.05	35,000	37,000	0.32	0.34
40,001 to 50,000	3	-	0.16	-	135,485	-	1.23	-
50,001 to 100,000	8	6	0.41	0.29	523,130	716,000	4.76	6.51
100,001 to 1,000,000	9	11	0.47	0.53	7,109,501	5,551,860	64.63	50.47
Total	1,930	2,071	100	100	11,000,000	11,000,000	100	100

(C) Market Price of Ordinary Shares:

The shares are listed with Dhaka and Chittong Stock Exchanges. On the last working day of the year, each share was quoted at Tk. 165.40 in Dhaka Stock Exchange Ltd and Tk. 164.40 in Chittagong Stock Exchange Ltd.

	Tk.	31/Dec/14	31/Dec/13
11.00 Tax Holiday Reserve :		12,119,070	12,119,070
This has been provided for as per provision of the Income Tax Ordinance 1984 which is arrived at as follows :			
Opening Balance		12,119,070	12,119,070
Addition during the year		-	-
Closing Balance		12,119,070	12,119,070

As per circular of NBR the tax holiday reserve has been made @40% on net profit earned by the Company up to 31-12-06

	Tk.	31/Dec/14	31/Dec/13
12.00 Project & Term Loan		664,528,454	164,233,212
The above balance composed of as under			
Summary of Project & Term Loan			
Opening Balance		164,233,212	180,682,692
Add: Loan Receipt during the year		653,349,524	-
Add: Interest during the year		77,593,292	23,901,851
Add: Bank Charge during the year		22,500	145,838
Total	Tk.	895,198,528	204,730,381
Less: Principal paid for the year		153,054,282	16,449,480
Less: Interest paid for the year		14,418,331	23,901,851
Less: Charges paid for the year		2,500	145,838
Total	Tk.	167,475,113	40,497,169
Net Balance with Interest	Tk.	727,723,415	164,233,212
Net Balance without Interest	Tk.	664,528,454	164,233,212

Net Closing Balance details of Project & Term Loan**A) Non Current Maturity**

	Tk.	31/Dec/14	31/Dec/13
P-(i) Project Loan A/c-JBCB-103001197		-	-
P-(ii) Project Loan A/c-JBCB-103001654		119,474,652	85,374,618
P-(iii) Project Loan A/c-JBCB-103002528		431,754,000	-
TL-Term Loan A/c-JBCB-103002656		-	-
Total Non Current Maturity	Tk.	551,228,652	85,374,618

B) Current Maturity

	Tk.	31/Dec/14	31/Dec/13
P-(i) Project Loan A/c-C-JBCB-103001197		-	16,877,594
P-(ii) Project Loan A/c-C-JBCB-103001654		15,832,766	61,981,000
P-(iii) Project Loan A/c-JBCB-103002528		19,866,000	-
TL-Term Loan A/c-JBCB-103002656		77,601,036	-
Total Current Maturity	Tk.	113,299,802	78,858,594
Grand Total of Project & Term Loan	Tk.	664,528,454	164,233,212



- a) Loan given Institute: Janata Bank, Corporate Branch, Dhaka.
b) Security: 1st Charge on Project Land, Building and Plant and Machinery of the Company and personal guarantee of all directors.
c) Repayment Schedule: P-(i) 12 Half-yearly installment commenced on August 31, 2007
P-(ii) 20 Quarterly installment commenced on June 30, 2015.
P-(iii) 22 Quarterly installment commenced on October 31, 2015.
TL- 12 Monthly installment commenced on September 30, 2014.
d) Interest Rate: P-(i) 14.5% p.a. compounded half-yearly.
P-(ii) 14% p.a. compounded quarterly.
P-(iii) 15% p.a. compounded quarterly.
TL-16% p.a. compounded monthly.
(Interest rate may be change time to time as per Bangladesh Bank Circular).

13.00 Lease Loan (Secured) :	Tk.	124,933,615	102,550,971
<u>Summary of Lease Loan</u>		31/Dec/14	31/Dec/13
Opening Balance		102,550,971	1,683,639
Add: Loan Receipt during the year		53,000,000	103,000,000
Add: Interest during the year		14,951,261	734,254
Add: Charges during the year		246,397	
Total	Tk.	170,748,629	105,417,893
Less: Principal paid for the year		30,617,356	1,935,318
Less: Interest paid for the year		14,951,261	734,254
Less: Charges paid for the year		246,397	197,350
Total	Tk.	45,815,014	2,866,922
Net Balance	Tk.	124,933,615	102,550,971

Net Closing Balance details of Lease Loan

A) Non Current Maturity (Payment within 3 years)

Union Capital Ltd. (A/C-1)	45,480,897	59,887,480
Union Capital Ltd. (A/C-2)	32,039,427	-
United Leasing Co. Ltd-(A/C-1)	-	-
United Leasing Co. Ltd-(A/C-2)	362,654	1,177,288
United Leasing Co. Ltd-(A/C-3)	1,405,336	-
Total Non Current Maturity	Tk. 79,288,314	61,064,768

B) Current Maturity (Payment within 1 year)

Union Capital Ltd. (A/C-1)	29,067,222	40,112,520
Union Capital Ltd. (A/C-2)	14,502,583	-
United Leasing Co. Ltd-(A/C-1)	-	94,660
United Leasing Co. Ltd-(A/C-2)	1,122,495	1,279,023
United Leasing Co. Ltd-(A/C-3)	953,001	-
Total Current Maturity	Tk. 45,645,301	41,486,203
Grand Total for Lease Loan	Tk. 124,933,615	102,550,971

- i) Loan given Institute: **United Leasing Co. Ltd., Farmgate Branch, Dhaka.**
Union Capital Ltd., Banglamotor Branch, Dhaka.
- ii) Security: **Personal guarantee of all directors, vehicles & Sponsor Share of Mr. Abdur Razzaq.**
- iii) Repayment Schedule :
- Principal and Interest : ULC (1): Payment as lease rental on 36 equal installment, per installment Tk. 48,189/= started from April-2011 and end on March-2014. Rate of Interest 14.50% p.a. compounded monthly.
: ULC (2): Payment as lease rental on 36 equal installment , per installment Tk. 1,06,585/= started from April-2013 and end on March-2016. Rate of Interest 16.75% p.a. compounded monthly.
: ULC (3): Payment as lease rental on 36 equal installment , per installment Tk. 1,05,471/= started from April-2014 and end on March-2017. Rate of Interest 16% p.a. compounded monthly.
: UCL-(i) : Working Capital Loan taken against lien of Sponsor Share Certificate (i.e. Md. Abdur Razzaq, Managing Director). 40 equal installment Tk. 32,59,835/= started from December-2013 and end on April-2017. Rate of Interest 16% p.a. compounded monthly.
: UCL-(ii) : Working Capital Loan taken against lien of Sponsor Share Certificate (i.e. Md. Abdur Razzaq, Managing Director). 40 equal installment Tk. 17,28,995/= started from December-2014 and end on November-2017. Rate of Interest 15.75% p.a. compounded monthly.



14.00	Deferred Tax Liability	Tk.	22,760,790	15,728,036
	Opening Balance		15,728,036	
	Addition during the year		7,032,754	15,728,036
	Net Balance of Deferred Tax Liability	Tk.	<u>22,760,790</u>	<u>15,728,036</u>

15.00	Short Term Loan :	Tk.	247,763,789	573,343,746
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The above balances are made up as follows :

A. JBCB CC Hypo A/c-201000648

Opening Balance	215,804,299	176,178,683
Add: Loan Receipt during the year	-	50,000,000
Add: Interest during the year	31,837,165	31,985,482
Total	Tk. 247,641,464	258,164,165
Less: Principal paid for the year	3,890,833	10,374,384
Less: Interest paid for the year	31,837,165	31,985,482
Total	Tk. 35,727,998	42,359,866
Net Balance of CC Hypo Loan	Tk. 211,913,466	215,804,299

B) PAD L/C

Opening Balance	357,539,447	84,027,391
Add: Loan Receipt during the year	178,276,332	310,415,476
Add: Interest during the year	25,436,040	34,380,522
Total	Tk. 561,251,819	428,823,390
Less: Principal paid for the year	499,965,456	36,903,421
Less: Interest paid for the year	22,815,899	34,380,522
Total	Tk. 522,781,355	71,283,943
Closing Balance of PAD L/C Loan with Interest	<u>38,470,464</u>	<u>357,539,447</u>
Net Balance of PAD L/C Loan without interest	<u>35,850,323</u>	<u>357,539,447</u>
Grand Total Net Balance (A+B) without interest	Tk. <u>247,763,789</u>	<u>573,343,746</u>

A. JBCB CC Hypo A/c-201000648

i) Loan given Institute Janata Bank Ltd., Corporate Branch

ii) Security Hypothecation of all kind of raw and chemical material, personal guarantee of all directors and 3rd party assets owner and mortgage of apartment covering 3,176 sft (7th floor) owned by Mrs. Ajifa Khatun.

iii) Interest Rate 15% p.a. compounded quarterly.

B. JBCB PAD LC A/c Interest Rate: 17% p.a. compounded yearly.

16.00	Directors & Sister Concern Loan	Tk.	41,415,960	380,410,925
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The above balances are made up as follows :

a) JMI Vaccine Ltd.

Opening Balance	376,610,925	499,616,398
Add: Loan Receipt during the period	31,962,305	117,432,644
Add: Interest during the period	37,068,924	43,591,034
Total	445,642,154	660,640,075
Less: Principal paid for the period	367,157,270	240,438,116
Less: Interest paid for the period	37,068,924	43,591,034
Total	404,226,194	284,029,150
Net Balance	Tk. 41,415,960	376,610,925

b) Md. Abdur Razzaq, Managing Director

Opening Balance	3,800,000	1,800,000
Add: Loan Receipt during the period	-	2,000,000
Less: Principal paid for the period	3,800,000	-
Net Balance	-	3,800,000
Grand Total (a+b)	Tk. <u>41,415,960</u>	<u>380,410,925</u>

The above loan taken from JMI Vaccine Ltd. as short term basis and 15% interest paid per annum on balance amount at the end of the every month

17.00	Dividend Payable:	Tk.	3,149,605	2,587,780
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This is arrived at as follows :

Opening Balance	2,587,780	2,134,616
Addition for the year-2013	16,500,000	13,200,000
Balance after addition	19,087,780	15,334,616
Less: Tax at Source Payable	2,006,250	1,567,680
Less: Payments during the period	13,931,925	11,179,156
Closing Balance	<u>3,149,605</u>	<u>2,587,780</u>



Details of Unpaid Dividend

For the Year-2004	75,160	75,160
For the Year-2005	47,250	47,250
For the Year-2006	56,025	56,025
For the Year-2007	58,275	58,275
For the Year-2008	165,563	165,563
For the Year-2009	178,913	178,913
For the Year-2010	501,880	501,880
For the Year-2011	532,610	532,610
For the Year-2012	647,744	972,104
For the Year-2013	886,185	-
Closing Balance	3,149,605	2,587,780

18.00 Accrued Interest PayableTk. **68,869,050**

This is arrived at as follows :

Interest & Charges Payable for Project Loan A/c-103001654	13,496,911	-
Interest & Charges Payable for Project Loan A/c-103002528	49,698,050	-
Interest & Charges Payable for PAD LC A/C	2,620,141	-
Interest payable against Sister Concern Loan & Creditors	3,053,948	-
Total	68,869,050	

Total Interest & Charges for the year Tk. 19,30,08,017/= paid for the year Tk. 12,41,38,967/= and Balance Tk. 6,88,69,050/= showing as current liability.

19.00 Creditors and Other Payables :Tk. **132,886,835** **173,183,748**

This is arrived at as follows :

Goods & Service	116,748,965	159,889,153
Salary & Bonus Payable	2,763,545	1,273,122
Wages & Bonus Payable	4,219,697	4,878,620
Remuneration & Bonus Payable	337,930	343,531
Electricity Bill Payable-Factory	1,401,694	2,161,205
Electricity Bill Payable-H/O	74,135	30,000
Telephone & Mobile Bill Payable	84,065	6,000
Gas Bill Payable-H/O	1,886	2,500
WASA Bill Payable-H/O	14,748	15,000
Tax at Source Payable	3,146,105	2,050,836
VAT at Source Payable	323,477	96,117
TA/DA Bill Payable-Mkt	1,335	1,335
WPPF	3,560,117	2,436,329
Others	209,136	-
Total	132,886,835	173,183,748

20.00 Net Sales Revenue:Tk. **1,199,135,889** **839,284,712**

The above balances are made up as follows :

Local Sales	657,945,099	622,207,121
Export Sales	541,190,790	217,077,591
Net Sales Revenue:	1,199,135,889	839,284,712

Export Sales US\$ 69,38,343.46 for 2014 & US\$ 30,05,558.15 for 2013.

21.00 Cost of Goods Sold :Tk. **830,279,284** **572,976,011**

This is made up as follows :

Work-in-Process (Opening)	87,667,142	45,559,457
Materials Consumed (Note-22)	670,122,322	514,230,025
Factory Overhead (Note-23)	168,642,720	177,139,930
Total Manufacturing Cost	926,432,184	736,929,412
Work-in-Process (Closing)	(85,994,021)	(87,667,142)
Cost of Goods Manufactured	# 840,438,163	649,262,270
Finished Goods (Opening)	202,282,697	126,711,938
Finished Goods available	1,042,720,860	775,974,208
Cost of Physician Sample transferred to Sample Stock	(1,092,409)	(715,500)
Finished Goods (Closing)	# (211,349,167)	(202,282,697)
	Tk. 830,279,284	572,976,011



	31/Dec/14	31/Dec/13
22.00 Materials Consumed	Tk. 670,122,322	514,230,025
This is made up as follows :		
Opening Stock	142,186,143	119,981,050
Purchase	704,492,333	536,435,118
Closing Stock	(176,556,154)	(142,186,143)
Tk.	670,122,322	514,230,025

	31/Dec/14	31/Dec/13
23.00 Factory Overhead :	Tk. 168,642,720	177,139,930
This consists as follows :		
Conveyance	42,395	53,187
Car & Micro Bus Fuel & Maintenance	970,550	904,703
Covered Van Fuel & Maintenance	1,350,208	1,447,205
Depreciation	42,865,326	44,969,973
Dress Expenses for Factory Workers	762,938	801,910
Electricity Bill	23,072,828	23,060,821
Factory expenses & Maintenance	4,572,946	6,050,230
Fooding & Entertainment Expenses	3,664,859	3,227,333
Freight Charge/ Carriage Inward	1,224,250	188,841
Generator Fuel Expenses	3,961,670	8,422,655
Mess Rent-Comilla, Chauddagam, Noapara	356,085	545,500
Insurance Premium	1,803,090	142,786
Internet Bill	172,039	180,787
Laboratory & Chemical	1,432,160	1,492,381
Land Taxes	7,187	-
Stationery Expenses	81,552	155,752
Printing Expenses	43,660	84,625
Papers & Periodicals	2,825	2,652
Spare Parts & Other Material Cost	7,606,604	10,422,295
Medical expenses	358,381	306,143
Repairs & Maintenance of Machinery	3,119,566	1,696,852
Telephone & Mobile Bill	190,466	188,656
Remuneration-Director with Bonus	1,496,050	1,496,050
Training Expenses	35,000	264,100
Overtime Expenses	8,841,297	9,398,507
Daily Labour Charge	1,603,108	1,678,892
Salary & Allowances with Bonus	59,005,680	59,957,094
Total	Tk. 168,642,720	177,139,930

a) Salary and allowances including bonus

b) The value of stores, spares and other materials cost which are shown in actual consumed cost.

c) Factory expenses & maintenance cost which is included repairs & maintenance of office, premises, building and other infrastructures.

	31/Dec/14	31/Dec/13
24.00 Administrative Expenses:	Tk. 52,327,254	46,968,184
This consists as follows :		
Advertisement	476,764	213,368
Audit Fees	138,000	80,500
Professional Fees	1,571,999	414,000
Car, Honda Fuel & Maintenance	2,551,494	2,008,315
Conveyance	367,916	290,569
Depreciation	7,702,803	7,286,180
Electric Bill-H/O	621,727	570,792
Entertainment	1,080,600	1,013,710
Fooding Expenses-H/O	904,486	1,381,307
Gas Bill	19,838	17,777
Internet Bill / Web Site Expenses	215,537	319,406
Legal & Income Tax Expenses	2,453,041	829,581
Office Expenses	1,734,219	1,382,989
Office Rent	2,086,828	2,285,289
Overtime	751,850	777,239
Postage and Courier Charge	582,665	675,174
Printing Expenses	539,427	754,203
Product Development Expenses	965,596	626,327
Registration Renewal Fees	554,595	512,450
Remuneration-Director (with bonus)	3,150,400	3,150,400
Repair & Maintenance H/O	614,480	584,966
AGM, Secreterial & Regulatory Expenses	1,664,708	1,493,751
Salary and allowances (with bonus)	17,963,411	15,679,783
Stationery Expenses	441,088	1,485,451
Subscription & Fees	205,670	285,000
Telephone and Mobile Bill	1,024,260	954,746
Travelling Expenses-Overseas	1,784,513	1,778,228
WASA Bill	159,339	116,683
Total	Tk. 52,327,254	46,968,184



	<u>31/Dec/14</u>	<u>31/Dec/13</u>
25.00 Selling, Marketing and Distribution Expenses :	Tk. 50,453,424	35,442,847
This consists as follows :		
Cover Van & Micro Bus & Honda Expenses	8,881,631	6,166,040
Electric Bill-CTG	-	2,671
Product Enlisted / Inclusion Fee	624,975	244,800
Entertainment	675,428	34,760
Exhibition Expenses	812,393	1,200,002
Export Expenses	1,169,865	179,409
Gas & Water Bill	7,080	2,850
Loading /Unloading	976,803	400,873
Office & Depot Rent-CTG	216,000	240,000
Salary and allowance (with bonus)	23,845,171	17,745,066
Sample & Promotional Expenses	3,121,091	1,327,443
T.A & D.A to Marketing Officials	4,039,126	2,892,707
Telephone, Mobile & Internet Expenses	430,158	238,690
Tender Processing Expenses	963,524	398,869
Testing Fee	150,000	560,800
Tours and Travell	1,235,925	1,003,500
Training Expenses	256,823	315,000
Transportation Expenses	3,047,431	2,489,367
Total	Tk. 50,453,424	35,442,847
26.00 Other Income:	Tk. 1,694,552	2,683,047
This consists as follows :		
Interest on STD Account	1,387,869	-
Profit on Sale of Vehicles (Note-31)	321,949	-
Foreign Exchange gain / (loss)	(15,266)	-
Wastage Sales		2,683,047
Total	Tk. 1,694,552	2,683,047
* Wastage sales for the year 2014 are shown in the Sales Statement.		
27.00 Finance Cost :	Tk. 193,008,017	137,854,140
This consists as follows :		
Interest on CC Hypo A/c	31,837,165	31,985,482
Interest on Project & Term Loan A/c	77,593,292	23,901,851
Interest on PAD L/C A/c	25,436,040	34,380,522
Interest on Lease Finance	14,951,261	931,604
Interest on Sister Concern Loan & Creditors	40,122,872	43,591,034
Bank Charges and Commission	3,067,387	3,063,647
Total Finance Cost	Tk. 193,008,017	137,854,140
28.00 Contribution to WPPF:		
This represents statutory contribution by the company as per Bangladesh Labour (amendment) Act, 2013. The amount is computed @ 5% of net profit before tax (but after charging such contribution). Last year's provision was paid during the period in accordance with the requirement of said act.		
29.00 Income Tax Expenses:	Tk. 22,194,857	13,871,181
Details are as under :		
Current Tax:	15,162,103	11,083,560
On Local Sales	10,743,561	9,437,302
On Export Sales	4,418,542	1,646,258
Deferred Tax	7,032,754	2,787,621
Total Income Tax Expenses	Tk. 22,194,857	13,871,181
30.00 Earning Per Share (EPS):	<u>31/Dec/14</u>	<u>31/Dec/13</u>
(a) Earnings attributable to the Ordinary Shareholders	Tk. 49,007,488	32,419,068
(b) Weited average number of Ordinary Shares outstanding during the year	Nos. 11,000,000	11,000,000
	Tk. 4.46	2.95



31.00 Related Party Transaction-Disclosures under BAS 24 " Related Party Disclosure"

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

Name	Nature of Transaction	Total Transaction in 2014	Balance as on 31-12-2014	Balance as on 31-12-2013
Md. Abdur Razzaq, Managing Director	Short Term Loan	3,800,000		1,800,000
JMI Vaccine Ltd.	Short Term Loan	404,226,194	41,415,960	376,610,925
JMI Hospital Requisite Mfg. Ltd.	Raw Materials Purchase	254,329,804	89,159,354	131,027,709
JMI CNG Dispensing Ltd.	Octane,Fuel,Diesel & Gas Purchase	6,124,069	168,044	
Nipro JMI Pharma Ltd.	Product Sales	2,815,958	180,586	124,640
JMI Hospital Requisite Mfg. Ltd.	Product Sales	79,738	72,889	
Nipro JMI Dialysis Centre Ltd.	Product Sales	71,178	15,109	
Total		671,446,941	131,011,942	509,563,274

32.00 Particulars of Disposal of Property, Plant and Equipment

The following assets were disposed off during the year ended 31st December, 2014:

Particulars of Assets	Cost	Accum.Dep.	WDV	Sales Price	Profit / (Loss)	Mode of Disposal	Name of Parties
Vehicles	1,640,254	1,312,203	328,051	650,000	321,949	Negotiation	Various Individuals
Tk.	1,640,254	1,312,203	328,051	650,000	321,949		

33.00 Number of Directors and their remuneration:

The number of Directors of the Company at December 31, 2014 was 5 persons

34.00 Changes in nomenclature:

Nomenclature has been re-arranged where necessary.

35.00 Claims not acknowledged:

There was no claim against the Company not acknowledged as debt as on 31st December, 2014

36.00 Contingent Liabilities:

There was no contingent liabilities as on 31-12-2014 except L/C liabilities.

	U\$	31/Dec/14	31/Dec/13
37.00 Payment in Foreign Currency:		3,693,735.00	5,653,260.00
During the half year ended at 31st December, 2014 the Company has made payment in foreign currency in respect of the following:			
Import of Raw Materials,Packing Mat & Chemical		3,496,930.00	5,448,546.00
Import of Machinerries, Spare Parts & Other Assets		196,805.00	204,714.00
		<u>3,693,735.00</u>	<u>5,653,260.00</u>

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

	U\$	6,938,343.46	3,005,558.15
38.00 Foreign Exchange Earned / Received:			
The Company earned the following foreign currency during the year:			
Export Earning		6,938,343.46	3,005,558.15
		<u>6,938,343.46</u>	<u>3,005,558.15</u>

No other income in foreign currencies except as stated above.

39.00 Commission, Brokerage or Discount against sales

No commission was incurred or paid to distributors, agents nor any brokerage or discount was incurred or paid against sales.

40.00 Credit Facility Not Availed

There was no credit facility available by the company under any contract, but not availed as on 31-12-2014 other than trade credit available in the ordinary course of business.

41.00 Segment Reporting

As there is single business and geographic segment within the company operates as such no segment reporting is felt necessary.

42.00 Attendance Status of Board Meeting of Directors

During the period from 01-01-2014 to 31-12-2014 there were 11 Board Meeting, 15th AGM & 7th EGM totaling 13 meeting were held. The attendance status of all the meetings is as follows:

Name of Directors	Position	Meeting Held	Attended
Md. Javed Iqbal Pathan	Chairman	13	13
Md. Abdur Razzaq	Managing Director	13	13
Md. Abu Jafar Chowdhury	Director	13	13
Md. Abdul Majid Patway	Director	13	8
Md. Hemayet Hossain	Independent Director	13	8

For Board Meeting, AGM & EGM, attendance fees were not paid to the Directors of the Company.



43.00 Employee Position as at 31st December, 2014

Salary Range (Monthly)	Officer & Staff		Worker	Total Employee
	Head Office	Factory		
Below Tk. 5,000/-	14	26	560	600
Above Tk. 5,000/-	133	68	72	273
	147	94	632	873

44.00 Payment / Perquisites to Directors:

The aggregate amounts paid to / provided for the Directors of the Company for the year 2014 is disclosed below:

Name of Directors	Designation	Remuneration	Festival Bonus	Total Payment
Md. Javed Iqbal Pathan	Chairman	840,000.00	84,000.00	924,000.00
Md. Abdur Razzaq	Managing Director	840,000.00	84,000.00	924,000.00
Md. Abdul Majid Patwary	Director	180,000.00	18,000.00	198,000.00
Md. Abu Jafar Chowdhury	Director	1,020,000.00	84,400.00	1,104,400.00
Md. Golam Mostafa	Director-Factory	1,380,000.00	116,050.00	1,496,050.00
Total		4,260,000.00	386,450.00	4,646,450.00

45.00 Production Capacity and Utilization:

Particulars	Licence Capacity	Installed Capacity in MT	Actual Production in MT from 01-01-2014 to 31-12-2014	Capacity Utilization from 1st January, 2014 to 31st December, 2014
Various type of Syringes & Surgical Items	Not mentioned in the Licence	2500	2200	88%

46.00 Events after The Reporting Period:

The directors recommended 20% Cash Dividend (i.e. Tk. 2.00 per share) for the year ended on 31st December, 2014. The dividend proposal is subject to shareholders' approval in the forthcoming 16th annual general meeting. Excepting to that, no circumstances have arisen since the date of Statement of Financial Position which would require adjustment to, or disclosure in, the financial statements or notes thereto.

47.00 Internal Control

The following steps have been taken for implementation of an effective internal control procedure of the Company:

A strong internal control and compliance division has been formed with a view to establish a well designated system of internal control.

Regular review of internal audit reports with view to implement the suggestion of internal auditors in respect of internal control technique.

To establish an effective management system that includes planning, organizing and supervising culture in the factory as well as at head office.

48.00 Contingent Liability

There is no contingent liabilities of the Company for the year ended on 31st December, 2015.

49.00 Financial Risk Management:

The management of company has overall responsibility for the establishment and oversight of the company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risks for its use of financial instruments.

- * Credit risk
- * Liquidity risk
- * Market risk

49.01 Credit risk:

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. As at 31st December, 2014 substantial part of the receivables are those from its related company and subject to insignificant credit risk. Risk exposures from other financial assets. i.e. Cash at bank and other external receivables are nominal.

49.02 Liquidity risk:

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) 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, the company ensures that it has sufficient cash and cash equivalent to meet expected operational expenses including financial obligations through preparation of the cash flow forecast with due consideration of time line of payment of the financial obligation and accordingly arrange for sufficient liquidity / fund to make the expected payment within due date. In extreme stressed conditions the company may get support from the related company in the form of short term financing.



49.03 Market risk:

Market risk is the risk that any change in market prices such as foreign exchange rates and interest will affect the company's income or the value of its holdings financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

(a) Currency risk:

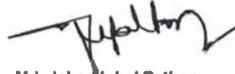
The company is exposed to currency risk on certain revenues and purchases such as revenue from foreign customers and import of raw materials, machineries and equipment. Majority of the company's foreign currency transactions are denominated in USD and relate to procurement of raw materials, machineries and equipment from abroad. The company has received foreign currency against export of finished goods. The effect of gain or losses regarding currency risk will be minimal of the gain or loss will be offsetting through the foreign currency receivable & payable. Moreover, Bangladesh is a country where the fluctuations of spot rate of BDT against USD is minimal also.

(b) Interest rate risk:

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. The company's exposure to the risk of changes market interest rate relates primarily to the company's short term finance and term loan. The company's policy is to keep its short term running finance at lowest level by effectively keeping the positive bank balances. The company made fixed interest rate borrowing from the financial institution under finance lease.



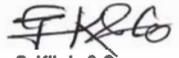
Muhammad Tarek Hossain Khan
CFO & Company Secretary



Md. Javed Iqbal Pathan
Chairman



Md. Abdur Razzaq
Managing Director



G. Kibria & Co.
Chartered Accountants

Place: Dhaka

Date: 29th April, 2015

