AUDITORS' REPORT
ON THE ACCOUNTS
OF
JMI SYRINGES & MEDICAL DEVICES LTD.
FOR THE YEAR ENDED 30TH JUNE, 2022

এ, হক এন্ড কোং

A HOQUE & CO.
Chartered Accountants

KHAN MANSION, (5th Floor)
107, Motijheel Commercial Area
Dhaka-1000, Bangladesh
Phone No. : 9562786 (Off.)
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REPORT AND ACCOUNTS

FOR THE YEAR/PERIOD ENDED ——————

এ, হক এন্ড কোং
A. HOQUE & CO.
CHARTERED ACCOUNTANTS

KHAN MANSION, 5TH FLOOR,
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INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF JMI SYRINGES & MEDICAL DEVICES LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of JMI Syringes & Medical Devices Ltd. ("the Company"), which comprise the Statement of Financial Position as at 30th June, 2022 and the related Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended 30th June, 2022 and notes to the Financial Statements including a Summary of Significant Accounting Policies and other explanatory information as disclosed in notes 1 to 44 and Annexure-A.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30th June, 2022 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International *Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in jurisdiction and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the note no. 6.01 of the financial statements which describe that the store ledger is being maintained only with quantity but not with value of raw material and finished goods and thus the value of raw materials and finished goods could not possible to confirm the value of raw materials and finished goods by us. Our report is not modified in this regard.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters and accordingly our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key Audit Matters	How our audit addressed the key audit matters
Revenue Recognition and Accounts Receivables The company has reported a revenue of Taka 2,438,210,398 for the year ended 30th June, 2022 is recognized in the statement of Profit or Loss and Other Comprehensive Income. Accounts Receivable recognized in the statement of financial position for the year is Tk. 490,930,765 and Tk.566,204,235 for previous years.	Our procedures included obtaining an understanding of management's revenue recognition process, we tested a sample of transactions to verify whether the revenue was accounted for in accordance with the revenue accounting policy as disclosed in note 3.06 and 10.00 of the financial statements. In addition, we assessed whether the disclosed revenue accounting policy was in accordance with relevant accounting standards.

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Key Audit Matters	How our audit addressed the key audit matters
Following the application of the revenue recognition standard (IFRS 15, Revenue from Contracts with Customers), the Company adopted its accounting policies. Under IFRS 15 revenue is recognized when a performance obligation is satisfied by transferring control over a promised good or service to a customer. Goods are considered as transferred when (or as) the customer obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Vale Added Tax (VAT). The Company's revenue recognition policies and procedures are not complex and revenue is recognized at a point in time when the control of the manufactured goods is transferred to the customers. We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations. We focused on the proper cut-off of sales to the Company's customers due to the fact that the documents of confirmation of dispatch of goods were provided by numerous transporting agencies based on different locations. There is a risk of differences between the timing of invoicing of products and the dispatch of the products to the company's customers. See note no. 3.06 and 10.00 to the financial statements	For the revenue recognized throughout the year, we tested selected key controls, including results reviews by management, for their operating effectiveness and performed procedures to gain sufficient audit evidence on the accuracy of the accounting for customer contracts and related financial statement captions. With regard to the implementation of IFRS 15 we verified management's conclusion on assessing different types of contracts and the accuracy of the revised accounting policies in light of the industry specific circumstances and our understanding of the business. We tested the appropriateness of the accounting treatment on a sample basis. In addition, we verified the accuracy of IFRS 15 related disclosures. These procedures included reading significant new contracts to understand the terms and conditions and their impact on revenue recognition. We performed enquiries with management to understand their risk assessments and inspected meeting minutes to identify relevant changes in their assessments and estimates. Our audit approach was a combination of test of internal controls and substantive procedures which included the following: * Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. * We conducted substantive testing of revenue recorded over the year using sampling techniques by examining the relevant supporting documents including sales invoices and depot wise sales bank reconciliation report, bank statement and also, we confirmed selected customers' receivable balances at the balance sheet date, selected on a sample basis by considering the amount outstanding with those customers. * We specifically put emphasis on those transactions occurring close before or after the balance sheet date to obtain sufficient evidence over the accuracy of cut-off. * We tested the completeness of journal entries compared to financial statements; as well as if there any exception existed that the debit accounts of sales recognition were not related to cash and bank, trade receivable or advances from customers.

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Key Audit Matters	How our audit addressed the key audit matters
	* Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.
Property, Plant & Equipment	**How our audit addressed the key audit matters**
The Company's PPE balance as at 30th June, 2022 was BDT 1,475,767,054 and as at 30th June, 2021 was BDT 1,451,344,597. This represents 43.15% of Total Assets of the Company as at 30th June,2022 and 46.56% of Total Assets the Company as at 30th June,2021. There is estimation performed by management in regards to asset useful life. Based on the requirement of estimates and the fact that this is a major asset category, this was determine to be a key audit matter. See note no. 3.01 and 5.01 to the financial statements	Our audit procedures included: * Obtain an understanding of Company's internal controls, systems and processes around PPE. * Performed discussions with management to understand their process of determining asset useful life. * We performed PPE additions procedures by obtaining supporting documentation, invoices and delivery information as well payments support. * We performed reasonability of depreciation expenses charged by management to ensure accuracy and occurrence. * We performed discussions with management and performed other corroborating procedures to ensure management's assumptions around impairment were reasonable. * For disposals of assets, we obtained supporting documentation to determine the cost and fair market value of the asset. * Reviewed managements calculations to ensure it is free from no clerical errors.
Valuation of Inventory	**How our audit addressed the key audit matters**
The Company had inventory of Taka 723,953,808 at 30th June, 2022 held in different projects depot. Inventories consisting of fisheries are valued at lower of cost and net realizable value. Cost of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying amount of inventories to the lower of cost and net realizable value. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.	We tested the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by: ◆ evaluating the design and implementation of key inventory controls operating across the company, including those at a sample of, factory production house, warehouse, and sales depots; ◆ evaluating internal controls to monitor or keep track of Inventory Movement; ◆ attending inventory count on 30th June, 2022 and reconciling the count results to the inventory listing to test the completeness of data; ◆ comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories; ◆ reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year; ◆ challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow moving/obsolete stock are valid and complete;

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Valuation of Inventory	How our audit addressed the key audit matters
Moreover, the process of estimating provision for inventories is judgmental and complex. Due to high level of judgment involved and use of some manual process in estimating the provision and net realisable value of inventories, we considered this to be a key audit matter. See note no. 3.05 and 6.01 to the financial statements.	◆ evaluating the correctness of the batch wise costing of final products; ◆ evaluating the correctness of the valuation of raw materials and packing material as per weighted average method; ◆ reviewing the calculation of standard labour hours and their regular comparison with actual labour hours of production; and reviewing the process of valuing work-in-process; ◆ we have also considered the adequacy of the Company's disclosure in respect of the levels of provisions against inventory.
Current Tax Provisioning	**How our audit addressed the key audit matters**
Current Tax provision amounting Tk. 107,120,901 At the year end the company reported total income tax expense (Current Tax) of BDT. 107,120,901 the calculation of the tax expense is a complex process that involves subjective judgments and uncertainties and require specific knowledge and competencies. We have determined this to be a key audit matter, due to the complexity in income tax provisioning. See note no. 3.12(a) and 19 to the Financial Statements.	Our audit procedure in this area included, among others: Use of own tax specialist to assess the company's tax computation. Our tax specialists were also taking into account the company's tax position and our knowledge and experience of the application of relevant tax legislation. To analysis and challenge the assumption used to determine tax provision based on our knowledge and experience of the application of the local legislation. Evaluating the adequacy of the financial statement disclosure, including disclosure of key assumption judgments and sensitive related to tax.
Measurement of Deferred Tax Liability	**How our audit addressed the key audit matters**
The Company reported net deferred tax liability totalling Tk. 95,476,591 as at 30th June, 2022. Significant judgement is required in relation to deferred tax liability as their liability is dependent on forecasts of future profitability over a number of years. See note no. 3.12(b) and 8.02 to the financial statements.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of Deferred Tax Assets and Liabilities and the assumptions used in estimating the future taxable expense of the company. We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense/income. We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of Deferred Tax Liability. We assessed the adequacy of the company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved. We also assisted in evaluating the tax implications, the reasonableness of estimates and calculations determined by management. Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.

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Other Information

Management is responsible for the other information. The other information comprises all the information included in the Annual Report but does not include the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

After going through the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of Financial Statements in accordance with IFRS's, The Companies Act, 1994, The Securities and Exchange Rules, 1987 and applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management functions of the Company.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has not realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

  If we conclude that a uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We have not come across any key audit issues for the year under audit and as such nothing is reportable.

Report on Other Legal and Regulatory Requirements:

In accordance with the Companies Act, 1994, International Standards on Auditing (ISAs) and the Securities and Exchange Rules, 2020, 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 adequate for the purposes of our audit;

(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.

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

Dated : 22.10.2022
Place : Dhaka, Bangladesh

(A.K.M. Aminul Hoque, FCA)
Enrolment No. 407
DVC-2210220407AS201321
A. Hoque & Co.
Chartered Accountants

JMI SYRINGES & MEDICAL DEVICES LTD.
STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2022

Particulars	Notes	Balance as on 30.06.2022	Balance as on 30.06.2021
Property and Assets			
Non-Current Assets:	5.00	**1,481,804,384**	**1,460,571,170.94**
Property, Plant & Equipment	5.01	1,475,767,054	1,451,344,596.94
Intangible Assets	5.02	842,729	697,104.00
Factory Building Work-in-Progress	5.03	-	-
Right of Use Asset	5.04	5,194,601	8,529,470.00
Current Assets:	6.00	**1,937,974,846**	**1,656,316,544.60**
Inventories	6.01	723,953,808	541,635,942.89
Advances, Deposits & Pre-Payments	6.02	327,799,798	145,544,198.17
Short Term Loan (Advance)	6.03	34,977,911	68,177,910.00
Advance Income Tax	6.04	268,591,380	288,972,649.43
Accounts Receivables	6.05	490,930,765	566,204,234.53
Cash and Cash Equivalents	6.06	91,721,184	45,781,609.58
Total Property and Assets		**3,419,779,230**	**3,116,887,715.54**
Shareholders' Equity and Liabilities			
Shareholders' Equity:	7.00	**2,745,874,585**	**2,711,576,849.60**
Share Capital	7.01	221,000,000	221,000,000.00
Share Premium	7.02	1,708,395,698	1,708,395,698.00
Tax Holiday Reserve	7.03	12,119,070	12,119,070.00
Revaluation Reserve	7.04	375,526,167	384,641,109.22
Retained Earnings	7.05	428,833,650	385,420,972.38
Non-Current Liabilities:	8.00	**96,850,269**	**105,710,858.32**
Long Term Loan (Non-Current Maturity)	8.01	1,373,678	4,906,179.00
Deferred Tax Liability	8.02	95,476,591	100,804,679.32
Total Non-Current Liabilities			
Current Liabilities and Provisions:	9.00	**577,054,376**	**299,600,007.63**
Long Term Loan (Current Maturity)	9.01	3,310,616	5,148,323.00
Lease Liability (Current & Non-Current Maturity)	9.02	5,194,601	8,529,470.00
Short Term Loan	9.03	208,479,630	48,397,271.00
Unclaimed Dividend Account	9.04	1,157,208	3,618,302.60
Accrued Expenses Payable	9.05	460,000	345,000.00
Creditors and Other Payable	9.06	253,304,555	92,153,785.65
Provision for Income Tax	9.07	105,147,766	141,407,855.38
Total Liabilities and Provisions		**673,904,645**	**405,310,865.95**
Total Shareholders' Equity & Liabilities		**3,419,779,230**	**3,116,887,715.55**
Net Assets Value Per Share (NAVPS)	20.00	**124.25**	**122.70**

The annexed notes from 1 to 44 and Annexure-A form an integral part of these Financial Statements.

This is the Statement of Financial Position referred to in our separate report of even date annexed.

The financial statements were approved by the Board of Directors on the 17th October, 2022 and were signed on its behalf by:

(Muhammad Tarek Hossain Khan)
Company Secretary

(Md. Abu Hana)
Chief Financial Officer

(Md. Jabed Iqbal Pathan)
Chairman

(Md. Abdur Razzaq)
Managing Director

Dated: 22.10.2022
Place: Dhaka, Bangladesh

(A.K.M Aminul Hoque, FCA)
Enrolment No. 407
DVC-2210220407AS201321
A. Hoque & Co.
Chartered Accountants

JMI SYRINGES & MEDICAL DEVICES LTD.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE, 2022

Particulars		Note	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
Revenue (Net)	(A)	10.00	2,438,210,398	1,993,509,412.92
Less: Cost of Goods Sold	(B)	11.00	2,048,237,860	1,656,092,187.74
Gross Profit/(Loss)	**(A-B)=C**		**389,972,538**	**337,417,225.18**
Less: Operating Expenses:				
Administrative Expenses		12.00	82,328,918	77,832,815.27
Marketing, Selling and Distribution Expenses		13.00	84,916,870	64,811,169.51
Total Operating Expenses	**(D)**		**167,245,788**	**142,643,984.78**
Operating Profit/(Loss)	**(C-D)= E**		**222,726,750**	**194,773,240.41**
Add: Non-Operating Income				
Other Income		14.00	12,057,230	12,030,404.00
Foriegn Exchange Unrealized Gain/(Loss)		15.00	54,511	866,272.00
Foriegn Exchange Realized Gain/(Loss)		16.00	-	(97,955.00)
Total Non-Operating Income	(F)		**12,111,741**	**12,798,721.00**
Less: Non-Operating Expenses				
Financial Expenses		17.00	16,733,922	12,091,714.64
Total Non-Operating Expenses	(G)		**16,733,922**	**12,091,714.64**
Net Profit/(Loss) before Adjustment of WPPF	(E+F-G) = H		**218,104,569**	**195,480,246.77**
Less: Workers' Profit Participation Fund	(I)	18.00	10,385,932	9,308,583.18
Net Profit before Adjustment of Income Tax	**(H-I)=J**		**207,718,637**	**186,171,663.59**
Less: Income Tax Expenses	(K)	19.00	107,120,901	97,062,933.99
Net Profit/(Loss) after Tax	**(J-K) =L**		**100,597,736**	**89,108,729.60**
Other Comprehensive Income/(Loss) for the year				
Revaluation Surplus			-	-
Total Comprehensive Income/(Loss) for the year			**100,597,736**	**89,108,729.60**
Earnings Per Share (EPS)		21.00	**4.55**	**4.03**

The annexed notes from 1 to 44 and Annexure-A form an integral part of these Financial Statements.

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our separate report of even date annexed.

The financial statements were approved by the Board of Directors on the 17th October, 2022 and were signed on its behalf by:

(Muhammad Tarek Hossain Khan)
Company Secretary

(Md. Abu Hana)
Chief Financial Officer

(Md. Jabed Iqbal Pathan)
Chairman

(Md. Abdur Razzaq)
Managing Director

Dated: 22.10.2022
Place: Dhaka, Bangladesh

(A.K.M Aminul Hoque, FCA)
Enrolment No. 407
DVC-2210220407AS201321
A. Hoque & Co.
Chartered Accountants

JMI SYRINGES & MEDICAL DEVICES LTD.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE, 2022

Particulars	Share Capital	Share Premium	Share Money Deposit	Tax Holiday Reserve	Revaluation Surplus	Retained Earnings	Total
Balance at 1st July, 2021	221,000,000	1,708,395,698	-	12,119,070	384,641,109	385,420,972	2,711,576,849
Addition/Adjustment	-	-	-	-	-	-	-
Dividend for the year 2020-2021(30% Cash)	-	-	-	-	-	(66,300,000)	(66,300,000)
Net Profit after Tax	-	-	-	-	-	100,597,736	100,597,736
Revaluation Reserve Adjustment	-	-	-	-	(9,114,942)	9,114,942	-
Balance at 30th June, 2022	**221,000,000**	**1,708,395,698**	**-**	**12,119,070**	**375,526,167**	**428,833,650**	**2,745,874,585**
Balance at 1st July, 2020	221,000,000	1,708,395,698	-	12,119,070	394,234,714.00	353,018,638.00	2,688,768,120.00
Addition/Adjustment	-	-	-	-	-	-	-
Dividend for the year 2019-2020 (30% Cash)	-	-	-	-	-	(66,300,000.00)	(66,300,000.00)
Net Profit after Tax	-	-	-	-	-	89,108,729.60	89,108,729.60
Revaluation Reserve Adjustment	-	-	-	-	(9,593,604.78)	9,593,604.78	-
Balance at 30th June, 2021	**221,000,000**	**1,708,395,698**	**-**	**12,119,070**	**384,641,109.22**	**385,420,972.38**	**2,711,576,849.60**

The annexed notes from 1 to 44 and Annexure-A form an integral part of these Financial Statements.

This is the Statement of Changes in Equity referred to in our separate report of even date annexed.

The financial statements were approved by the Board of Directors on the 17th October, 2022 and were signed on its behalf by:

(Muhammad Tarek Hossain Khan)
Company Secretary

(Md.Abu Hana)
Chief Financial Officer

(Md. Jabed Iqbal Pathan)
Chairman

(Md. Abdur Razzaq)
Managing Director

(A.K.M Aminul Hoque, FCA)
Enrolment No. 407
DVC-2210220407AS201321
A. Hoque & Co.
Chartered Accountants

Dated: 22.10.2022
Place: Dhaka, Bangladesh

JMI SYRINGES & MEDICAL DEVICES LTD.
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE, 2022

Particulars	Notes	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
A. Cash Flows from Operating Activities:			
Cash Collection from Sales		2,919,122,157	2,479,340,752
Cash Collection from Others		12,005,273	12,030,404
Cash Paid to Suppliers and Others		(2,727,310,416)	(2,200,712,293)
Tax Paid		(163,032,304)	(105,559,076)
Net Cash Generated from Operating Activities		**40,784,711**	**185,099,786**
B. Cash Flows from Investing Activities:			
Acquisition of Non-Current Assets		(97,860,583)	(60,299,275)
Disposal/Adjustment of Assets		48,044	532,500
Net Cash used in Investing Activities		**(97,812,539)**	**(59,766,775)**
C. Cash Flows from Financing Activities			
Long Term Loans		(5,370,208)	(4,862,414)
Shrot Term Loans		160,082,359	(76,795,809)
Inter Company Advances		33,199,999	50,724,369
Dividend & Dividend Tax Paid		(68,761,095)	(65,653,008)
Interest & Bank Charges Paid		(16,183,653)	(11,505,071)
Net Cash Provided in Financing Activities		**102,967,402**	**(108,091,933)**
D. Net Increase/(Decrease) in Cash and Cash Equivalnets		**45,939,574**	**17,241,078**
E. Opening Cash and Cash Equivalents		45,781,610	28,540,531
F. Cash and Cash Equivalents (D+E)		**91,721,184**	**45,781,609.58**
Net Operating Cash Flows Per Share (NOCFPS)	22.00	**1.85**	**8.38**

The annexed notes from 1 to 44 and Annexure-A form an integral part of these Financial Statements.

This is the Statement of Cash Flows referred to in our separate report of even date annexed.

The financial statements were approved by the Board of Directors on the 17th October, 2022 and were signed on its behalf by:

(Muhammad Tarek Hossain Khan)
Company Secretary

(Md. Abu Hana)
Chief Financial Officer

(Md. Jabed Iqbal Pathan)
Chairman

Dated: 22.10.2022
Place: Dhaka, Bangladesh

(Md. Abdur Razzaq)
Managing Director

(A.K.M Aminul Hoque, FCA)
Enrolment No. 407
DVC-2210220407AS201321
A. Hoque & Co.
Chartered Accountants

JMI SYRINGES & MEDICAL DEVICES LTD.
72/C, PROGOTI SHORONI, MIDDLE BADDA, DHAKA-1212

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2022
FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

1.00 Reporting Entity

1.01 Corporate Information – Domicile Legal Formation and Country of Incorporation

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. as per 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 it 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 in the Extra Ordinary General Meeting of the Shareholders held on 29th September 2012 and approved by the Registrar of Joint Stock Companies on 14-11-2012.

The Company has raised its paid-up capital as per Consent Letter accorded by Bangladesh Securities and Exchange Commission, against issuing 1,11,00,000 Ordinary Share @ BDT 164.10 per share including premium BDT 154.10 per share to NIPRO Corporation, Osaka, Japan. All amount against the above has been received from NIPRO Corporation and presenting in Statement of Financial Position and Paid-up Share was 2,21,00,000 and Paid-up Capital was BDT. 22,10,00,000 at the end of the year.

1.02 Address of Registered Office:

The Registered Office of the Company is situated at 72/C, Progoti Shoroni, Middle Badda, Dhaka-1212, Bangladesh.

1.03 Address of Corporate Office:

The Corporate Office of the Company is situated at "Unique Heights", Level-11, 119, Kazi Nazrul Islam Avenue, Dhaka-1000, Bangladesh,

1.04 Address of Share Office and Factory Office:

The Share Office of the Company is situated at 29/C & 29/D, Tejgaon Industrial Area, Dhaka-1208 and Factory address of the Company is situated at Noapara, Chauddagram, Cumilla, Bangladesh.

1.05 Other Corporate Information

(i) Trade License: TRAD/DNCC/003424/2022 date: 28.07.2022
(ii) e-TIN No.:196569574912 date: 03.12.2013
(iii) BIN No.: 000383064-0601 date:17.06.2017

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1.06 Principal Activities and 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, Blood Lancets, Blood Transfusion Set, 3-Way Stop Cock, Suction Catheter, Alcohol Pad, Nelaton Catheter, Umbilical Cord Clamp, Wound Drain Tube, Safety Box, Lag Bag etc.

1.07 Commencement of Business

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

1.08 Number of Employees

The number of employees at the end of the year was 1041.

1.09 Operating Segments

No operating segment is applicable for the Company as required by ***IFRS 8***: Operating Segments as the Company has only one operating segments and the operation of Company is within the geographical territory in Bangladesh.

1.10 Structure, Content and Presentation of Financial Statements

According to the International Accounting Standards (IAS-1) as adopted by the Institute of Chartered Accountants of Bangladesh as IAS-1 "Presentation of Financial Statements" the complete set of financial statements includes the following components:

- Statement of Financial Position as at 30th June, 2022;
- Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June, 2022;
- Statement of Changes in Equity for the year ended 30th June, 2022;
- Statement of Cash Flows for the year ended 30th June, 2022;
- Notes comprising summary of significant accounting policies and other explanatory information.

2.00 Basis of Preparation of Financial Statements

2.01 Statement of Compliance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1994, the Securities & Exchange Rules, 2020, the Listing Regulations of Dhaka Stock Exchange Limited (DSE) and the Chittagong Stock Exchange Limited (CSE) and other relevant local laws as applicable and in accordance with the applicable International Financial Reporting Standards (IFRSs) including International Accounting Standards (IAS) as issued by International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

Pursuant to recent amendment to the Companies Act, 1994 incorporating amendments, among others, is to change of the word 'Limited' by the word 'PLC' in case of Public Limited Companies including listed ones. Necessary formalities are in progress in implementing these changes.

2.02 Other Regulatory Compliances

The Company is also required to comply with the following major legal provisions in addition to Companies Act, 1994 and other applicable laws and regulations:

The Income Tax Ordinance, 1984;
The Income Tax Rules, 1984;

The Value Added Tax and Supplementary Duty Act, 2012;
The Value Added Tax Rules, 2016;
The Stamp Act, 1899;
The Customs Act, 1969;
The Bangladesh Securities and Exchange Commission Act, 1993;
The Securities and Exchange Rules, 2020;
The Securities and Exchange Ordinance, 1969;
Bangladesh Labour Act, 2006 (as amended to 2018)
DSE/CSE Rules;
Listing Regulations, 2015;

2.03 Compliance with the Financial Reporting Standards as applicable in Bangladesh

As per para-14(2) of the Securities and Exchange Rule, 2020, the company has followed the International Accounting Standards (IAS's) and International Financial Reporting Standards (IFRS's) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements.

Sl. No.	IAS No.	IAS Title	Compliance Status
1	1	Presentation of Financial Statements	Complied
2	2	Inventories	Complied
3	7	Statement of Cash Flows	Complied
4	8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
5	10	Events after the Reporting Period	Complied
6	11	Construction Contracts	N/A
7	12	Income Taxes	Complied
8	16	Property, Plant and Equipment	Complied
9	19	Employee Benefits	Complied
10	20	Accounting for Govt. Grants and Disclosure of Govt. Assistance	N/A
11	21	The Effects of Changes in Foreign Exchange Rates	Complied
12	23	Borrowing Costs	Complied
13	24	Related Party Disclosures	Complied
14	26	Accounting and Reporting by Retirement Benefit Plan	Complied
15	27	Separate Financial Statements	N/A
16	28	Investment in Associated and Joint Venture	N/A
17	29	Financial Reporting in Hyperinflationary Economics	N/A
18	31	Interest in Joint Ventures	N/A
19	32	Financial Instruments : Presentation	Complied
20	33	Earnings per Share	Complied
21	34	Interim Financial Reporting	Complied
22	36	Impairment of Assets	Complied
23	37	Provisions, Contingent Liabilities and Contingent Assets	Complied
24	38	Intangible Assets	Complied
25	40	Investment Property	N/A
26	41	Agriculture	N/A

Sl. No.	IFRS No.	IFRS Title	Compliance Status
1	1	First-time adoption of International Financial Reporting Standards	Complied
2	2	Share based Payment	N/A
3	3	Business Combinations	N/A
4	4	Insurance Contracts	N/A
5	5	Non-current Assets held for Sale and Discontinued Operations	N/A
6	6	Exploration for and Evaluation of Mineral Resources	N/A

Sl. No.	IFRS No.	IFRS Title	Compliance Status
7	7	Financial Instruments : Disclosures	Complied
8	8	Operating Segments	Complied
9	9	Financial Instrument	Complied
10	10	Consolidated Financial Statements	N/A
11	11	Joint Arrangements	N/A
12	12	Disclosure of Interests in Other Entities	Complied
13	13	Fair Value Measurement	Complied
14	14	Regulatory Deferral Accounts	N/A
15	15	Revenue from Contracts with Customers	Complied
16	16	Leases	Complied

2.04 Basis of Measurement of Elements of Financial Statements

The financial statements have been prepared based on the accrual basis of accounting and prepare under the historical cost convention except for the revaluation of certain non-current assets which are stated either at revaluated amount or fair market value as explained in the accompanying notes. The accompanying policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of previous years.

2.05 Accrual basis of Accounting

The Company prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the company 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 IFRS conceptual Framework.

2.06 Functional and Presentation Currency

Functional and presentation currency items included in these financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). These financial statements are presented in Bangladesh Taka ("BDT") which is also the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest BDT except otherwise indicated.

2.07 Key Accounting Estimates and Judgments in Applying Accounting Policies

The preparation of financial statements in conformity with International Financial Reporting Standards including IAS's 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 IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

In particular, the key areas of estimation, uncertainly and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include accrued expenses, inventory valuation and other payables.

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 assets or liabilities as shown in the statement of financial position 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.

2.09 Going Concern Assumption

The financial statements are prepared on the basis of going concern assumption. As per management assessment there is no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

2.10 Changes in Accounting Policies

There have been no changes in accounting policies. All policies were consistent with the practices of the previous years.

2.11 Comparative Information

Comparative information has been disclosed in respect of 2020-2021 in accordance with IAS-1 "Presentation of Financial Statements" for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements. Prior year's figure has been re-arranged wherever considered necessary to ensure comparability with the current period.

2.12 Responsibility for Preparation and Presentation of Financial Statements

The Board of Directors is responsible for the preparation and presentation of the financial statements as per requirements of Companies Act, 1994.

2.13 Reporting Period

The reporting period of the Company covers one year from 1st day of July, 2021 to 30th June, 2022.

2.14 Approval of Financial Statements

The financial statements have been approved by the Board of Directors on the 17th day of October, 2022.

3.00 Significant Accounting Principles and Policies selected and applied for significant transactions and events are depicted below:

For significant transactions and events that have material effect, the Company's Directors selected and applied significant accounting principles and policies within the framework of IAS1 : Presentation of Financial Statements in preparation and presentation of financial statements that have been consistently applied throughout the year and were also consistent with those use in earlier years.

For proper understanding of the financial statements, accounting policies set out below in one place as prescribed by the IAS 1 : Presentation of Financial Statements:

Assets and Basis of their Valuation

3.01 Property, Plant and Equipment

3.01.1 Recognition and Measurements of Tangible Fixed Assets

These are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation in compliance with the benchmark treatment 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 asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

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In a situation where it can clearly be demonstrated that expenditure has resulted in an increase in future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.
Expenses as capitalized included applicable "Borrowing Costs" in compliance with the provisions of Companies Act, 1994 and IAS 23: Borrowing Costs.

Cost also includes initial estimate of the costs of dismantling, removing the item and restoring this site (generally called asset retirement obligation) are recognized and measured in accordance with IAS 37: Provision, Contingent Liabilities and Contingent Assets.

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

3.01.2 Maintenance Activities

Expenditure incurred after the assets have been put into operation, such as repairs & maintenance is normally charged off as revenue expenditure in the year in which it is incurred.

3.01.3 Subsequent Cost

The Cost of replacing part of an item of property, plant & equipment is recognized in the carrying amount of the item if it is possible that the future economic benefits embodied within the part will flow to the company and its cost measured reliably. The cost of the day to day servicing of properly and equipment are recognized in the Statement of Profit or Loss and Other Comprehensive Income as repairs and maintenance where it is incurred.

3.01.4 Depreciation on Tangible Fixed Assets

As required in Paragraph 43 of IAS-16 Property and Equipment, depreciation in respect of all fixed assets is provided to amortize the cost of the assets after commissioning, over their expected useful economic lives in accordance with the provision of IAS 16 "Property, Plant and Equipment".

Depreciation on all other fixed assets except land and land development and pond excavation is computed using diminishing balance method in amount sufficient to write-off depreciable assets over their estimated useful life. Depreciation has been charged on additions and when it is used. Expenditure for maintenance and repairs are expenses; major replacements, renewals and betterment are capitalized.

The cost and accumulated depreciation of depreciable assets retired or otherwise disposed off are eliminated from the assets and accumulated depreciation and any gain or loss on such disposal is reflected in the Statement of Profit or Loss Account for the year ended. The annual depreciation rates applicable to the principal categories are:

Category of Fixed Assets	Rate of Depreciation
Land & Land Development	--
Machinery	7%
Factory Building	5%
Furniture & Fixtures-Factory	10%
Furniture & Fixtures-Head Office	10%
Office Equipment – Head Office	20%
Factory Equipment	20%
Office Decoration	10%
Deep Tubewel & Pump	15%
Air Cooler	20%
Power Station	15%
Telephone Installation	15%
Cookeries and Cutleries	20%
Vehicles	20%
Software Development	0%

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

3.01.5 Disposal of Property, Plant and Equipment

An item of Property, Plant and Equipment is removed from the statement of financial position when it is dispose off 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.

3.01.6 Impairment

The carrying amounts of entity's non-financial assets, other than inventories and deferred tax assets (considered as disclosed separately under respective accounting standards), are reviewed at each reporting date to determine whether there is any indication of impairment, if any such indication exists, the assets' recoverable amounts are estimated. However, no such conditions that might be suggestive of a heightened risk of impairment of assets existed at the reporting date.

An impairment loss is recognized through the statement of comprehensive income whenever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of an asset is calculated as the present value of estimated future cash flows, that will be generated using that asset, discounted at an appropriate rate.

Impairment indicators comprise:

- reduced earnings compared to expected future outcome.
- material negative development trends in the sector or the economy in which the company operates; - damage to the asset or changed use of asset;

3.02 Intangible Assets

Intangible Assets include software development.

3.02.1 Recognition and Measurement

Intangible assets are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible asset is recognized when all the conditions for recognition as per IAS -38: Intangible assets are met. The cost of the intangible assets comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

3.02.2 Subsequent Expenditure

Subsequent Expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss, when incurred.

3.02.3 Amortization

Amortization is recognized in the statement of profit or loss and other comprehensive income on a straight line basis over the estimated useful lives of the intangible assets, from the month they are available for use. Charging of amortization ceases from the month of de-recognition. The amortization rate on the estimated useful life of the intangible assets is presented bellows:

Category of Intangible Assets	Rate
Software Development	--

3.03 Sundry Debtors (Including Advance, Deposits and Pre-Payments)

These are carried at original invoice amounts, which represent net realizable value.

3.04 Other Current Assets

Other current assets have a value on realization in the ordinary course of the company's business which is at least equal to the amount at which they are stated in the Statement of Financial Position.

3.05 Inventories

Inventories are measured at lower of cost and net realisable value. Net realisable value is estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. Inventories consist of raw materials, spares parts, work-in-process, goods in transit and finished goods. The cost of inventories is based on weighted average cost method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity.

3.06 Revenue Recognition

In compliance with the requirements of IFRS 15, the Company recognizes revenue when control of the goods or services has been transferred to customer and the performance obligation has been completed. Revenue is measured at the fair value of the amount of consideration received or receivable excluding VAT, discounts, commission, rebates and other sales taxes where applicable.

IFRS 15 requires company to determine variable factors such as sales returns when calculating the fair value of the consideration to be received. The magnitude and quantity of sales returns as a percentage of sales has been historically very low. As a result, the Company does not make a sales return allowance at the end of the year. The Company does not however monitor the activity of sales returns during the year and the behaviour of customers to determine if a sales return allowance is required. As of 30th June, 2022, no sales return allowance was deemed to be required.

The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, this standard establishes a five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised goods to a customer. Goods is considered as transferred when (or as) the customer obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).

(a) Sale of Goods

Revenue from the sale of goods is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

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The company has generally concluded that it is the principle in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

(b) **Profit on Bank Deposits**

Profit on bank deposits have been accounted on accrual basis.

(c) **Other Revenues**

Other revenues are recognized when services are rendered and bank interests are earned.

3.07 **Foreign Currency Transactions**

Transaction in Foreign Currencies are measured in the functional currency of the company and 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 IAS 21: The Effect 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 profit or loss in the period in which they arise.

Amount in FCAD ERQ Account and any other foreign currency balance have been translated into taka at the reporting date at the exchange rate prevailing on that date and gain/(loss) have been accounted for as other income / (loss) in statement of profit or loss and comprehensive income.

3.08 **Financial Instruments**

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

3.08.1 **Financial Assets**

The company initially recognises a financial asset in its statement of financial position, when, and only when, the entity becomes a party to the contractual provisions of the instrument.

The company derecognises a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

An entity shall classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of both in pursuance of provision 4.1 classification of financial assets under IFRS 9:

(a) the entity's business model for managing the financial assets; and
(b) the contractual cash flow characteristics of the financial assets.

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3.08.1.1 Financial Assets measured at amortized cost

The asset is measured at the amount recognized at initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between that initial

amount and the maturity amount, and any loss allowance. Interest income is calculated using the effective interest method and is recognized in profit and loss. Changes in fair value are recognized in profit and loss when the asset is derecognized or reclassified.

3.08.1.2 Financial Assets measured at fair value through other comprehensive income

A financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are met:

(a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows solely payments of principal and interest on the principal amount outstanding.

3.08.1.3 Financial Assets measured at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the Company manages such investment and makes purchase or sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transactions costs are recognized in profit and loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein which take into account and dividend income are recognized in profit or loss.

Financial assets include accounts receivables, advance, deposits & prepayments and cash & cash equivalents.

(i) Accounts Receivables

Trade receivables represent the amounts due from customers for delivering goods or rendering services. Trade and other receivables are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to non-collectability of any amount so recognized.

(ii) Advance, Deposits & Prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit & loss account.

(iii) Cash and Cash Equivalents

Cash and cash equivalents comprises cash in hand, cash at bank and fixed deposits having maturity of less than three months which are available for use by the company without any restriction.

3.08.2 Financial Liabilities

A financial liability is recognized when its contractual obligations arising form post events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits. The company initially recognises financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability.

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

Non-derivative financial liabilities comprise Creditors and Others payables, Accrued for expenses Payable, A for expenses, interest bearing borrowings and other current liabilities.

(i) **Creditors and Other Payables**

Trade and other payables are recognized at the amount payable for settlement in respect of goods and services received by the Company.

(ii) **Accrued for Expenses Payable**

Accrued for expenses payable are recognized at the amount payable in respect of services rendered to the company.

(iii) **Interest bearing borrowings**

Principal amounts of the loans and borrowings are stated at their amortized amount. 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.

(iv) **Lease Liabilities**

Upon initial recognition, the lease liability is being accounted for using amortized cost. Meaning that the initial liability is added by finance charge at company's incremental borrowing cost less subsequent rental payment on monthly basis.

3.09 **Equity Instruments**

Ordinary shares are classified as equity. Investment costs directly attributable to the issue of ordinary shares are recognized as expenses. Paid up share capital represents total amount contributed by the shareholders and bonus shares issued by the Company.

3.10 **Impairment**

(i) **Non-derivative Financial Assets**

Financial assets not classified as at fair value through profit or loss, are assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset is impaired if objective evidence indicate that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes:

(a) default or delinquency by a debtor;
(b) restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
(c) indications that a debtor or issuer will enter bankruptcy;
(d) adverse changes in the payment status of borrowers or issuers;
(e) observable data indicating that there is measurable decrease in expected cash flows from a Company of financial assets.

(ii) **Financial Assets measured at amortized cost**

The Company considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

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In assessing collective impairment, the Company uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic

and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

(iii) **Non-Financial Assets**

The carrying amounts of the Company's non-financial assets (other than biological asset, investment property, inventories and deferred tax assets) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of impairment loss (if any). Where it is not possible to determine the recoverable amount of an individual asset, the company estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

3.11 Derivatives

The company is not a party to any derivative contract at the statement of financial position date, such as forward exchange contract, currency swap agreement or interest rate option contract to hedge currency exposure related to import of raw materials and others or principal and interest obligations of foreign currency loans.

3.12 Leases

IFRS 16 provides a single leasee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset as a low value. A leassee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemption for short-term leases and leases of low value items.

The Company applied IFRS 16 Lease for the first time on 1st July, 2019. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Previously the company used to charge the consideration paid in its books as revenue expenses. IFRS 16 introduced a single, on balance sheet accounting model for leases. As a result, the Company, as a lessee, has recognized right of use assets representing its rights to use underlying assets and lease liabilities representing its obligation to make lease payments. The Company applied IFRS 16 on 1st January, 2019 for the existing lease contracts.

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The Company has only office rent agreement, which is classified as operating leases, which under IFRS 16 are required to be recognized on the Company's statement of financial position. The nature and timing of expenses related to those leases has changed as IFRS 16 replaced the straight line operating lease expenses (as per IAS-17) with an amortization charge for the right of use assets and interest expense on lease liabilities.

The Company applied the practical expedient to the definition of a lease on transition. This means that it applied IFRS 16 to all contracts entered into before 1st January, 2019 and identified as leases in accordance with IAS 17 and IFRIC 4.

The Company's all contractual payments to the lessor contains only fixed amounts of lease payment and no variable lease payments are embedded with the lease payments. The rental agreements do not include any automatic renewals, nor do they include any guaranteed residual values of the underlying assets.

The Company recognizes right-of-use assets at the commencement date of the lease (i.e. date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term or a change in the in-substance fixed lease payments.

Subsequent Measurement:

The Lease Liability:

Upon initial recognition, the lease liability is being accounted for using amortised cost. Meaning that the initial liability is added by finance charge at company's incremental borrowing cost less subsequent rental payment on monthly basis.

Right to Use Assets:

The leased assets (Right to Use Asset) are depreciated over its useful life on monthly basis using straight line depreciation method.

3.13 Taxation

Income Tax expense comprises current and deferred taxes. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity in accordance with IAS 12: Income Tax.

(a) Current Tax:

Current Tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. The tax rate used for the reporting period was 22.5% as a publicly traded company and 30% was on non-operating income.

(b) 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 difference 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.

(c) **Value Added Tax:**

Revenues, expenses and assets are recognized net of the amount of Value Added Tax except:

Where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

Receivable and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, taxation authority is included as part of receivables or payables in the statement of financial position.

3.14 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 is not considered as liability in accordance with the requirement of International Accounting Standard (IAS) 10: Events after the Reporting Period, because no obligation exists at the time of approval of accounts and recommendation of dividend by the Board of Directors.

3.15 Cost of Post-Employment Benefits

The company maintains a defined contribution plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds. The Company does not have any defined benefit plans and therefore does not record any provisions or expenses in this regard.

The company has accounted for and disclosed employee benefits in compliance with the provision 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, meals allowance, transportation, accommodation etc. Obligation for such benefits are measured on an undiscounted basis and are expenses 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 Labour (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.

(d) **Defined Contribution Plan (Provident Fund):**

The company has a registered provident fund scheme (Defined Contribution Plan) for employees of the company eligible to be members of the fund in accordance with the rules of the provident fund constituted under and irrevocable trust. All permanent employees contribute 10% of their basic salary to the provident fund and the company also makes equal contribution.

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The company recognizes contribution to defined contribution plan as an expense when an employee has rendered services in exchange for such contribution. The legal constructive obligation is limited to the amount it agrees to contribute to the fund.

3.16 Capitalization of 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 as per IAS 23: Borrowing Costs.

3.17 Accruals, Provisions and Contingencies

(a) Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. Accruals are reported as part of trade and other payables.

(b) 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 reporting date. Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. During the reporting year the company has made sufficient provisions where applicable.

(c) Contingencies

A contingent liability is a possible obligation that arises from 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 company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from 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 company. At the reporting date the company does not have any contingent asset.

Contingent liabilities and assets are not recognized in the statement of financial position of the company.

3.18 Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and Cash Flows, cash in hand and bank balances represents cash and cash equivalents considering the *IAS 1 "Presentation of Financial Statements"* and *IAS 7 "Cash Flow Statement"* which provide, that cash and cash equivalents are readily convertible to known amounts of cash and are subject to an in significant risks of changes in value and are not restricted as to use.

3.19 Statement of Cash Flows

The Statement of Cash Flow has been prepared in accordance with the requirements *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 considering the provisions of *Paragraph 19* of *IAS* 7 which provided that "*Enterprises are Encouraged to Report Cash Flow From Operating Activities Using the Direct Method*".

3.20 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 Earnings Per Share

For the purpose of calculating diluted earnings per shares, an entity adjusts profit or loss attributable to each ordinary equity holders of the entity, and weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares.

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

3.21 Risk Exposure

Interest Rate Risk

Interest rate risk is the risk that company faces due to unfavorable movements in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

Management Perception

The management of the company prefers procuring the long term fund with minimum fixed interest rate and the short term fund with reasonable competitive rate. The company maintains low debt/equity ratio; and accordingly, adverse impact of interest rate fluctuation is insignificant.

Exchange Rate Risk

Exchange rate risk occurs due to changes in exchange rates. As the company imports materials and equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the company. If exchange rate increases against local currency, opportunity arises for generating more profit.

Management Perception

The products of the company are sold mostly in local currency. Therefore, volatility of exchange rate will have no impact on profitability of the company.

Industry Risks

Industry risk refers to the risk of increased competition by entries of new competitors from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business, financial condition and results of operation.

Management Perception

Management is optimistic about growth opportunity in Syringes & Medical Devices sector in Bangladesh.

Market Risk

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

Management Perception

Management is fully aware of the market risk, and act accordingly. Market for Syringes & Medical Devices sector in Bangladesh is growing at an exponential rate. Moreover, the company has a strong marketing and brand management to increase the customer base and customer loyalty.

Operational Risks

Non-availabilities of materials/equipment/services may affect the smooth operational activities of the company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

Management Perception

The company perceives that allocation of its resources properly can reduce this risk factor to great extent. The company hedges such risks in costs and prices and also takes preventive measures therefore.

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.

Management Perception

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.

Labour Unrest Risk

Smooth production is dependent on good relationship with factory workers and their ability to provide high quality services. In the event of disagreement with workers the company may face adverse impact.

Management Perception

The management personnel both in head office and production premises maintains a good atmosphere at the working place and provides with all necessary facilities to the workers like healthy remuneration, employee leave entitlement, termination benefits and workers profit participation fund for its employees which reduces the risk of labour unrest.

3.22 Events after the Reporting Period

Events 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 the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

3.23 Related Party Disclosure

As per International Accounting Standard, IAS-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 **Note-23**

4.00 General

(a) All shares have been fully called and paid up;
(b) There is no preference shares issued by the company;
(c) The company has not incurred any expenditure in foreign currency against royalties and technical fees;
(d) Auditors are paid only the statutory audit fees;
(e) No foreign currency was remitted to the shareholders during the year under audit;
(f) No money was spent by the company for compensating any member of the board for rendering special services;
(g) No brokerage was paid against sales during the year under audit;
(h) No bank guarantee was issued by the company on behalf of its directors.

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

		Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
5.00	**Non-Current Assets**	**1,481,804,384**	**1,460,571,170.94**
	This is made up as follows:		
	5.01 Property, Plant & Equipment	1,475,767,054	1,451,344,596.94
	5.02 Intangible Assets	842,729	697,104.00
	5.03 Factory Building Work-in-Progress	-	-
	5.04 Right of Use Asset	5,194,601	8,529,470.00
		1,481,804,384	1,460,571,170.94
5.01	**Property, Plant & Equipment**	**1,475,767,054**	**1,451,344,596.94**
	This is made up as follows:		
	Opening Balance	2,149,527,232	2,065,999,598.00
	Add: Addition during the year	97,714,958	85,359,374.00
	Less: Sales/Transfer	(451,958)	(1,831,740.00)
	Total Cost	2,246,790,232	2,149,527,232.00
	Less: Accumulated Depreciation (Note 5.01.1)	771,023,178	698,182,635.06
	Carring Value	1,475,767,054	1,451,344,596.94
5.01.1	**Accumulated Depreciation:**	**771,023,178**	**698,182,635.06**
	This is made up as follows:		
	Opening Balance	698,182,635	628,155,393.00
	Add: Depreciation during the month (Note 5.01.2)	73,244,457	71,269,742.06
	Less: Adjustment (Sales/Transfer)	403,914	1,242,500.00
	Closing Balance of Accumulated Depreciation	771,023,178	698,182,635.06
5.01.2	Allocation of Depreciation Charged for the year has been made in the accounts as follows:		
	Factory Overhead	69,968,309	67,992,785.79
	Administrative Expenses	3,276,147	3,276,956.27
		73,244,457	71,269,742.06

◊ Plant Register has not been maintained but Excel Sheet of property, plant & equipment register has been maintained properly by the Company.

5.02	**Intangible Assets**	**842,729**	**697,104.00**
	This is made up as follows:		
	Opening Balance (Software Development)	697,104	550,251.00
	Add: Addition during the year	145,625	146,853.00
		842,729	697,104.00
	Less: Amortization	-	-
		842,729	697,104.00

The details of which have been shown in Annexure-A.

5.03	**Factory Building & Staff Quarter Building Work-in-Progress**	-	-
	This is made up as follows:		
	Opening Balance (At cost)	-	25,150,212.00
	Addition during the year	-	35,483,678.00
	Less: Transfer to Assets Schedule charging depreciation	-	(60,633,890.00)
	Net Closing Balance	-	-

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

		Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
5.04	**Right of Use Asset**	**5,194,601**	**8,529,470.00**
	This is made up as follows:		
	Opening Balance	8,529,470	12,498,013.00
	Addition during the year	-	-
	Less: Amortization during the year	3,334,869	3,968,543.00
		5,194,601	8,529,470.00
6.00	**Current Assets**	**1,937,974,846**	**1,656,316,544.60**
	This is made up as follows:		
	6.01 Inventories	723,953,808	541,635,942.89
	6.02 Advance, Deposits & Prepayments	327,799,798	145,544,198.17
	6.03 Short Term Loan (Advance)	34,977,911	68,177,910.00
	6.04 Advance Income Tax	268,591,380	288,972,649.43
	6.05 Accounts Receivable	490,930,765	566,204,234.53
	6.06 Cash and Cash Equivalents	91,721,184	45,781,609.58
		1,937,974,846	1,656,316,544.60
6.01	**Inventories**	**723,953,808**	**541,635,942.89**
	This is made up as follows:		
	(a) **Raw, Chemical and Packing Materials**		
	Raw and Chemical Materials	413,979,706	202,930,568.01
	Packing Materials	33,101,765	32,132,087.59
		447,081,471	235,062,655.60
	(b) Work-in-Process	44,176,072	7,096,634.67
	(c) Finished Goods	211,960,659	284,514,452.78
	(d) Generator Fuel, Stationery, Spareparts & Others	20,735,605	14,962,199.84
		723,953,808	541,635,942.89

◊ While Checking the inventories we have found that the store ledger is being maintained only with quantity but not with value of raw materials and finished goods. It is difficult to readily ascertain the cost price of issue of materials to production as well as value of closing stock of Raw-Materials and Finished goods and thus we could not confirm the value of raw materials and finished goods.

6.02	**Advance, Deposits & Prepayments**	**327,799,798**	**145,544,198.17**
	This is made up as follows:		
	(i) Security Deposit to CPB Samity-2	3,006,227	3,006,227.00
	(ii) Advance to Employee	(3,515,695)	513,354.71
	(iii) Security Deposit for Office Rent & Depot	4,176,830	3,896,830.00
	(iv) Security Deposit to CDBL	200,000	200,000.00
	Janata Bank, Coporate Branch, SD A/c. 70104001 (L/C PAD)	-	330,240.00
	(v) Advance for ERP Software	1,475,000	587,500.00
	(vi) L/C Margin & Others	43,178,741	43,144,716.00
	(vii) Advance to Suppliers	21,223,943	14,644,885.00
	(viii) Bank Guarantee & Earnest Money	258,054,752	79,220,445.46
		327,799,798	145,544,198.17
	Maturity analysis for above amount as under:		
	Adjustment within 1 year	318,941,741	137,853,641.17
	Adjustment within after 1 year	8,858,057	7,690,557.00
		327,799,798	145,544,198.17
	(i) **Security Deposit to CDB Samity-2**	**3,006,227**	

The above amount represents as per last account. The amount had been deposited to Chuddagram Polli Biddut Samity -2 (CPB-2) against the security deposit of the Electricity connection of the Factory.

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
(ii) **Advance to Employee**	**(3,515,695)**	

The above amount has been arrived as under:

(a) Amount paid to Employees	878,933	
(b) Amount deducted from Employees	(4,194,628)	
(c) Amount payable to Mohammad Hossain (Operator)	(200,000)	
	(3,515,695)	

(b) **Amount deducted from Employees**	**(4,194,628)**	

The above amount has been deducted from employees' salary against Car/Honda ownership transfer scheme of the company.

(c) **Amount payable to Mohammad Hossain (Operator)**	**(200,000)**	

The above amount has been received against group insurance claim for Mohammad Hossain (Operator), Molding ID No.3160040

(iii) **Security Deposit for Office Rent and Depot Rent**	**4,176,830**	

The above amount represents the security deposit against the rented office and depot of the company. The above amount includes Tk. 3,896,830.00 is as per last account. During the year under audit Tk.280,000.00 has been added to the above security deposit.

(iv) **Security Deposit to CDBL**	**200,000**	

The above amount represents the security deposit for Central Depository Bangladesh Ltd. is as per last account.The deposit was made through pay order No. # POA 1321193 Dated 05.09.2012 from Janata Bank Limited, Janata Bhaban Corporate, Dhaka.

(v) **Advance for ERP Software**	**1,475,000**	

The above amount has been arrived as under:

Opening Balance	587,500	
Add for the year	887,500	
	1,475,000	

(vi) **L/C Margin & Others**	**43,178,741**	

It is found that an amount of Tk. 33,383,758 out of the above amount has subsequently been adjusted.

(viii) **RM Trade International**	**2,900,000**	

In our checking we have found that the above amount is outstanding since long. Necessary steps should be taken to realize the above amount as early as possible.

(ix) **Bank Guarantee and Earnest Money**	**258,054,752**	

The above amount represents the bank guaranteed and earnest money as on 30.06.2022.

6.03 **Short Term Loan (Advance)**	**34,977,911**	**68,177,910.00**

This is made up as follows:

JMI Vaccine Ltd.	34,977,911	68,177,910.00
	34,977,911	68,177,910.00

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021

The above amount represents the loan/advance as on 30.06.2022. This amount has been arrived as under:

Opening Balance	68,177,910
Add: Paid during the year	25,000,000
Add: Interest Accrued for the year	6,800,000
	99,977,911
Less: Received during the year	65,000,000
	34,977,911

The above amount has been confirmed by the balance confirmation certifiate.

6.04 **Advance Income Tax**	**268,591,380**	**288,972,649.43**
This is made up as follows:		
Opening Balance	288,972,649	258,278,341.00
Addition during the year		
AIT Deducted against Sales	134,700,936	88,003,335.00
AIT Deposit against Vehicles	804,000	587,000.00
AIT Deposit against Bank Interest	139,489	188,639.00
AIT Deducted against Import of Raw Materials	27,387,879	16,780,102.43
	163,032,304	105,559,076.43
Balance after Addition	452,004,953	363,837,417.43
Less: Adjustment		
NBR IT Assessment Adjustment up to June 2020	183,413,573	74,864,768.00
	268,591,380	288,972,649.43

6.05 **Accounts Receivable**	**490,930,765.40**	**566,204,234.53**
This is made up as follows:		
Opening Balance	566,204,235	758,874,016.00
Add: Sales with VAT during the year	2,843,635,753	2,285,902,653.19
Balance after Addition	3,409,839,987	3,044,776,669.19
Less: Realization /Adjustment of Bad Debt & GRN during the year	2,918,963,733	2,479,438,706.66
Closing Balance	490,876,254	565,337,962.53
Add: Unrealized Gain for Balance of Export Sales	54,511	866,272.00
Net Closing Balance	490,930,765	566,204,234.53
Add: Other Receivable	-	-
Net Closing Balance	490,930,765	566,204,234.53
Receivable Ageing:		
Receivable amount within 30 days	136,644,124	243,077,061.41
Receivable amount within 60 days	64,014,836	43,758,335.00
Receivable amount within 90 days	28,696,759	44,422,104.00
Receivable amount over 90 days (Conditional Sales for Tender Goods)	261,520,535	234,946,734.12
Other Receivable	54,511	-
Total Receivable Amount	490,930,765	566,204,234.53

Disclosure for related party transaction as Sundry Debtors:

Name	Total Transaction for the year	30.06.2022	30.06.2021
JMI Hospital Mfg. Limited	7,028,212	424,707	11,288,692.00
JMI Group	21,250	57,186	35,936.00
Nipro JMI Pharma Limited	4,291,763	1,362,562	322,522.00
Nipro JMI Medical Limited	456,529,169	71,570,385	34,209,932.00
Nipro JMI Company Limited	126,800	4,301	-
Nipro Medical Private Limited- Pakistan	19,293,188	16,217,732	-
Total	**487,290,381**	**89,636,873**	**45,857,082.00**

◊ The balance confirmation letter against the accounts receivable through email has been circulated but yet not received the confirmation.

	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
6.06 Cash and Cash Equivalents	**91,721,184**	**45,781,609.58**

This is made up as follows:

Cash at Bank:		
Janata Bank Ltd., Corporate Branch, CD A/c. 1010216	1,740	835,125.31
Jamuna Bank Ltd., Foreign Ex. Branch, CD A/c. 210005144	104,283	104,283.00
Janata Bank Ltd., Corporate Branch, STD A/c. 004001122	2,270	3,344.44
Janata Bank Ltd., Corporate Branch, STD A/c. 004001592	3,293	1,295.68
Janata Bank Ltd., Corporate Branch, FC A/c. 402000452	132,856	1,030,751.73
Janata Bank Ltd., Corporate Branch, CD A/c. 001006817	59,767	238,003.00
Janata Bank Ltd., Corporate Branch, STD A/c. 004001119	1,593	2,683.32
AB Bank Ltd., IPO, A/c. 221252430	31,218	31,218.00
Agrani Bank Ltd. CD A/C -0200018274996	19,310	0.00
Janata Bank Ltd., Corporate Branch, FC A/c. 413000087	-	0.00
Pubali Bank Ltd., STD A/c. 2001221	63,935,649	12,755,619.49
Pubali Bank Ltd., SND A/c. 0106102001368 (Dividend)	1,131,187	660,018.00
Pubali Bank Ltd., STD A/c. 3850102000116	4,378,981	48,694.50
Standard Bank Ltd., Motijheel Branch, CD A/c. 00233012214	223,841	280,536.48
Dutch-Bangla Bank Ltd., CD A/c. 10411024464	67,548	68,238.15
Dutch-Bangla Bank Ltd., STD A/c. 1011205276	15,536,594	45,819.68
	85,630,129	16,105,630.78
Cash in Hand:		
Head Office	5,156,007	22,370,904.00
Factory Office	935,048	7,305,074.80
	6,091,055	29,675,978.80
	91,721,184	45,781,609.58

	As per Accounts
Cash at Bank:	**85,630,129**

All the above bank balances have been checked and confirmed through bank statement except the following 2 no. accounts which are being carried forward since long:

Janata Bank Ltd., F.Ex. Branch, CD A/c. 210005144	104,283
AB Bank Ltd., IDO A/c. 221252430	31,218
	135,501

7.00 Shareholders' Equity	**2,745,874,585**	**2,711,576,849.60**
This is made up as follows:		
7.01 Share Capital	221,000,000	221,000,000.00
7.02 Share Premium	1,708,395,698	1,708,395,698.00
7.03 Tax Holiday Reserve	12,119,070	12,119,070.00
7.04 Revaluation Reserve	375,526,167	384,641,109.22
7.05 Retained Earnings	428,833,650	385,420,972.38
	2,745,874,585	2,711,576,849.60

7.01 Share Capital	**221,000,000**	**221,000,000**
Authorized Share Capital	**1,000,000,000**	**1,000,000,000**

100,000,000 Ordinary Shares of Tk. 10/- each.

Ordinary Share Capital: **Issued, Subscribed and Paid up**	**221,000,000**	**221,000,000**
22,100,000 Ordinary Shares of Tk. 10/- each at par fully paid up in cash.		
Sponsors Share	17,602,500	17,602,500
Public Share	4,497,500	4,497,500
	22,100,000	22,100,000

	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
Composition of Shareholding:		
Sponsors		
Bangladeshi	5,202,500	5,202,500
Foreigners	12,400,000	12,400,000
	17,602,500	17,602,500
Public Shares:		
General Public	3,259,900	3,279,790
Instituition	1,237,600	1,217,710
	4,497,500	4,497,500

The classification of Shareholders by holding as on 30th June, 2022 are as follows:

Range of Holdings In number of Shares	Number of Shareholders		% of Shareholders		No. of Shares		% of Share Capital	
	2022	2021	2022	2021	2022	2021	2022	2021
1 to 500	3,024	2,996	73.10	72.88	414,563	407,165	1.88	1.84
501 to 5000	987	958	23.86	23.30	1,492,631	1,479,328	6.75	6.69
5001 to 10000	58	75	1.40	1.82	412,683	543,474	1.87	2.46
10001 to 20000	29	44	0.70	1.07	390,929	616,000	1.77	2.79
200001 to 30000	14	18	0.34	0.44	339,297	435,080	1.54	1.97
300001 to 40000	6	3	0.15	0.07	204,500	102,929	0.93	0.47
400001 to 50000	1	1	0.02	0.02	45,806	50,000	0.21	0.23
500001 to 100000	4	3	0.10	0.07	308,369	224,150	1.40	1.01
1000001 to 1000000	10	9	0.24	0.22	2,577,682	2,328,334	11.66	10.54
Above 10000000	4	4	0.10	0.10	15,913,540	15,913,540	72.01	72.01
Total	**4,137**	**4,111**	**100.00**	**100.00**	**22,100,000**	**22,100,000**	**100.00**	**100.00**

Market Price of Ordinary Shares:

The shares are listed with Dhaka and Chittagong Stock Exchange. On the last working day of the year, each share was quoted at Tk. 312.30 in Dhaka Stock Exchange Ltd. And Tk. 310.00 in Chittagong Stock Exchange Ltd.

7.02 **Share Premium** **1,708,395,698** **1,708,395,698.00**

The Company received Share Money Deposit from NIPRO Corporation, Osaka, Japan in the year ended 30th June, 2019 worth BDT 164.10 per share for 11,100,000 shares which included share premium of BDT 154.10 per share. The funds were received as per consent letter accorded by Bangladesh Securities & Exchange Commission. Total proceeds received after netting of relevant charges and expenses was BDT 1,819,395,698. The Company issued 11,100,000 at BDT 10.00 per share against this deposit during the year ended 30th June, 2020 and the remaining balance is presented as Share Premium on the Statement of Financial Position.

7.03 **Tax Holiday Reserve** **12,119,070** **12,119,070.00**

This has been provided for as per provision of the Income Tax Ordinance, 1984 which is arrived as follows:

Opening Balance	12,119,070	12119070.00
Addition during the year	-	0.00
	12,119,070	12119070.00

As per circular of NBR the tax holiday reserve has been made @ 40% on net profit earned by the Company up to 31.12.2006.

7.04 **Revaluation Reserve** **375,526,167** **384,641,109.22**

The company has revalued of their land and factory building by Axis Resources Ltd. And certified by Hoda Vasi Chowdhury & Co., Chartered Accountants as of 30th September, 2012, following "Current Cost Method". Such revaluation resulted into a revaluation surplus aggregating Tk. 350,406,455. Again the company has revalued of their Land & Factory Building on the basis of 30th September, 2015 by M/s. Malek Siddiqui Wali, Chartered Accountants and revaluation surplus aggregating Tk. 99,801,289. Again the company has revalued of thier Land & Building on the basis of 30th June, 2019 by Malek Siddiqui Wali, Chartered Accountants and revaluation surplus aggregating Tk. 101,875,578. Current balance is arrived at as follows:

		Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
	Opening Balance (WDV)	384,641,109	394,234,714.00
	Add: Addition /Adjustment during the year	-	-
	Less: Deferred Tax related to Assets Revaluation	-	-
	Less: Depreciation on Revalued Assets	(9,114,942)	(9,593,604.78)
	Closing Balance	375,526,167	384,641,109.22

The details of which have been shown in Annexure-A.

7.05	**Retained Earnings**	**428,833,650**	**385,420,972.38**
	This is made up as follows:		
	Opening Balance	385,420,972	353,018,638.00
	Dividend for the year 2020-2021 (30% Cash)	(66,300,000)	(66,300,000.00)
	Add: Net Profit after Tax	100,597,736	89,108,729.60
		419,718,708	375,827,367.60
	Add: Revaluation Reserve Adjustment	9,114,942	9,593,604.78
		428,833,650	385,420,972.38
8.00	**Non-Current Liabilities**		
	This is made up as follows:		
	8.01 Long Term Loan (Non-Current Maturity)	1,373,678	4,906,179.00
	8.02 Deferred Tax Liability	95,476,591	100,804,679.32
		96,850,269	105,710,858.32
8.01	**Long Term Loan (Non-Current Maturity)**	**1,373,678**	**4,906,179.00**

This represents current portion of Long Term Secured Loan from financial institutions which are repayable within after 12 months from 30th June, 2022 and consists of the following:

	Pubali Bank Ltd., BB Avenue Corporate Branch, Dhaka	1,373,678	4,906,179.00
		1,373,678	4,906,179.00
8.02	**Deferred Tax Liability**	**95,476,591**	**100,804,679.32**
	This is made up as follows:		
	Opening Balance	100,804,679	105,323,637.00
	Increase in DT due to reveluation		-
		100,804,679	105,323,637.00
	Deferred Tax (Gain)/Loss at accounting base during month	(5,328,089)	(4,518,957.68)
	Closing Balance	95,476,591	100,804,679.32
	Calculation:		
(a)	WDV of Fixed Assets (without land) as per Accounting Base	1,113,054,783	1,088,486,701.44
	WDV of Fixed Assets (without land) as per Tax Base	725,404,525	677,182,921.08
	Taxable Temporary Difference	387,650,258	411,303,780.36
	Deferred Tax Liability (i.e. Tax Rate 22.50% & 25%)	87,221,308	92,543,350.58
(b)	WDV of Fixed Assets (Land) as per Accounting Base	363,555,000	363,555,000.00
	WDV of Fixed Assets (Land) as per Tax Base	157,172,931	157,172,931.00
	Taxable Temporary Difference	206,382,069	206,382,069.00
	Deferred Tax Liability (i.e. Tax Rate 4%)	8,255,283	8,255,282.76
(c)	Unrealized Gain at Accounting Base	-	26,871.00
	Unrealized Gain at Tax Base	-	-
	Temporary Difference	-	26,871.00
	Tax Charges @ 25%	-	6,045.98
	Total Deferred Tax Liability (a+b+c)	95,476,591	100,804,679.32
	Less: Opening Balance of Deferred Tax Liability	100,804,679	105,323,636.51
	Deferred Tax (Gain)/Expenses for the period	(5,328,089)	(4,518,957.19)

		Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
9.00	**Current Liabilities**	**577,054,376**	**299,600,007.63**
	This is made up as follows:		
	9.01 Long Term Loan (Current Maturity)	3,310,616	5,148,323.00
	9.02 Lease Liability (Current & Non-Current Maturity)	5,194,601	8,529,470.00
	9.03 Short Term Loan	208,479,630	48,397,271.00
	9.04 Unclaimed Dividend Accounts	1,157,208	3,618,302.60
	9.05 Accrued Expenses Payable	460,000	345,000.00
	9.06 Creditors and Other Payable	253,304,555	92,153,785.65
	9.07 Provision for Income Tax	105,147,766	141,407,855.38
		577,054,376	299,600,007.63

9.01	**Long Term Loan (Current Maturity)**	**3,310,616**	**5,148,323.00**

This represents current portion of long term secured loan financial institutions which are repayable within after 12 months from 30th June, 2022 and consists of the following:

Pubali Bank Ltd., BB Avenue Corporate Branch, Dhaka	3,310,616	5,148,323.00
	3,310,616	5,148,323.00

9.02	**Lease Liability (Current & Non-Current Maturity)**	**5,194,601**	**8,529,470.00**
	This is made up as follows:		
	Opening Balance	8,529,470	12,498,013.00
	Accretion/Interest Expense during the year	550,269	586,644.00
	Closing Balance after Addition	9,079,739	13,084,657.00
	Less: Payment during the period	3,885,138	4,555,187.00
		5,194,601	8,529,470.00

9.03	**Short Term Loan**	**208,479,630**	**48,397,271.00**
	This is made up as follows:		
	PAD-Pubali Bank Ltd.	208,479,630	45,893,258.00
	PAD-Standard Bank Ltd.	-	-
	Nipro Cororation, Osaka, Japan	-	2,504,013.00
		208,479,630	48,397,271.00

The above loan was taken from various banks against mortgage of sponsor share of director of the Company and personal guarantee of all director's of the Company. This facility availed for yearly basis rate of interest was Tk. 7 % P.A. except loan from Nipro Corporation.

9.04	**Unclaimed Dividend Accounts**	**1,157,208**	**3,618,302.60**
	This is made up as follows:		
	Opening Balance	3,618,303	2,971,311.00
	Addition for the year 2020-2021 (30% cash)	66,300,000	66,300,000.00
	Balance after addition	69,918,303	69,271,311.00
	Less: Tax at Source	7,913,409	11,256,920.00
	Less: Payments during the year	60,847,686	54,396,088.40
	Closing Balance	1,157,208	3,618,302.60

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

Summary of Unclaimed Dividend

	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
For the year 2004	-	63,720.00
For the year 2005	-	20,475.00
For the year 2006	-	28,575.00
For the year 2007	-	28,350.00
For the year 2008	-	140,400.00
For the year 2009	-	109,350.00
For the year 2010	-	186,750.00
For the year 2011	-	201,960.00
For the year 2012	-	211,140.00
For the year 2013	-	190,275.00
For the year 2014	-	177,300.00
For the year 2015	-	168,404.00
For the year 2016-2017	-	184,468.00
For the year 2016 (6 months up to 30.06.2016)	-	81,742.00
For the year 2017-2018	144,266	186,051.60
For the year 2018-2019	148,216	193,416.00
For the year 2019-2020	222,063	1,445,926.00
For the year 2020-2021	642,663	-
	1,157,208	3,618,302.60

Unpaid dividend up to June 2017 an amount of Tk. 1,792,909 has been transferred to Capital Market Stabilization Fund (CMSF) SND A/c. No. 0010311521301, Community Bank Bangladesh Ltd., Gulshan Corporate Branch, Dhaka by CQ No. 2745933, dated 29.08.2021, Pubali Bank Limited, BB Avenue Corporate Branch, Dhaka as per BSEC Directive No. BSEC/CMRRCD/2021-386/03; dated 14th January, 2021 and the Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021 & BSEC letter no. SEC/SRMIC/165-2020/part-1/166 dated 6th July, 2021 and SEC/SRMIC/165-2020/part-1/182, dated 19th July, 2021.

9.05	**Accrued Expenses Payable**	**460,000**	**345,000.00**

It represents the total balance of Audit Fees & Legal Fees as on 30th June, 2022.

9.06	**Creditors and Other Payable**	**253,304,555**	**92,153,785.65**
	This is made up as follows:		
	Goods & Service	119,059,727	62,158,075.00
	Salary & Bonus Payable	3,807,259	1,187,634.00
	Wages & Bonus Payable	10,890,199	1,142,052.00
	Remuneration & Bonus Payable	895,590	878,000.00
	Electricity Bill Payable-Factory	3,446,172	-
	Electricity Bill Payable-Head Office	28,067	85,726.00
	Telephone & Mobile Bill Payable	62,157	69,574.00
	Gas Bill Payable - Head Office	-	-
	WASA Bill Payable-Head Office	10,975	26,073.00
	TA/DA Bill Payable-Marketing	49,500	58,245.00
	Provident Fund	29,418,606	5,051,490.00
	VAT & Other Expenses	42,345,083	3,033,583.96
	Tax at Source Payable	32,196,639	6,393,730.51
	VAT at Source Payable	708,649	114,425.00
	Workers Profit Participation Fund	10,385,932	11,955,177.18
		253,304,555	92,153,785.65

9.07	**Provision for Income Tax**	**105,147,766**	**141,407,855.38**
	This is made up as follows:		
	Opening Balance	141,407,855	114,690,732.20
	Provision for Current Tax for the year	62,299,238	101,581,891.18
	Less: NBR IT Adjustment (Up to June -2020)	(98,559,327)	(74,864,768.00)
	Closing Balance	105,147,766	141,407,855.38

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

		Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
10.00	**Revenue from Net Sales**	**2,438,210,398**	**1,993,509,412.92**
	This is made up as follows:		
	Total Sales with VAT	2,843,635,753	2,285,902,653.19
	Less: VAT	405,425,354	292,393,240.27
	Net Sales Revenue	2,438,210,398	1,993,509,412.92
11.00	**Cost of Goods Sold**	**2,048,237,860**	**1,656,092,187.74**
	This is made up as follows:		
	Work-in-Process	7,096,635	23,557,255.00
	Raw Materials Consumed (Note 11.01)	1,229,408,432	1,000,617,586.99
	Packing Materials Consumed (Note 11.02)	445,643,783	376,678,625.41
	Factory Overhead (Note 11.03)	339,975,788	297,996,201.79
	Total Manufacturing Cost	2,022,124,639	1,698,849,669.19
	Work-in-Process (Closing)	(44,176,072)	(7,096,634.67)
	Cost of Goods Manufactured	1,977,948,566	1,691,753,034.52
	Finished Goods (Opening)	284,514,453	250,839,183.00
	Finished Goods Available	2,262,463,019	1,942,592,217.52
	Cost of Physician Sample Transferred to Sample Stock)	(2,264,500)	(1,985,577.00)
	Finished Goods (Closing)	(211,960,659)	(284,514,452.78)
		2,048,237,860	1,656,092,187.74
11.01	**Raw Materials Consumed**	**1,229,408,432**	**1,000,617,586.99**
	This is made up as follows:		
	Opening Stock	202,930,568	155,896,649.00
	Purchase for the year	1,440,457,571	1,047,651,506.00
	Closing Stock	(413,979,706)	(202,930,568.01)
		1,229,408,432	1,000,617,586.99
11.02	**Packing Materials Consumed**	**445,643,783**	**376,678,625.41**
	This is made up as follows:		
	Opening Stock	32,132,088	23,714,986.00
	Purchase for the year	446,613,461	385,095,727.00
	Closing Stock	(33,101,765)	(32,132,087.59)
		445,643,783	376,678,625.41
11.03	**Factory Overhead**	**339,975,788**	**297,996,201.79**
	This is made up as follows:		
	Salary & Allowance with Bonus	121,867,090	108,926,509.00
	Travelling & Conveyance	654,028	430,305.00
	Fuel, Petrol, Light Diesel etc.	6,779,322	6,042,854.00
	Depreciation	69,968,309	67,992,785.79
	Factory Staff Uniform	810,424	645,840.00
	Electricity Bill	51,176,522	44,320,053.00
	Factory Expenses	12,153,750	8,266,378.00
	Factory Employee Free Lunch	14,697,374	12,607,022.00
	Freight Charge/Carriage Inward	842,652	544,906.00
	Worker Residential Expenses	445,200	380,944.00
	Insurance Premium	1,778,370	1,534,736.00

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
IT & Computer Accessories	515,930	425,292.00
Laboratory Consumable Stores	3,766,384	3,519,352.00
Stationery Expenses	642,954	552,908.00
Printing Expenses	1,726,605	809,869.00
Newspaper & Periodicals	4,697	3,200.00
Spare Parts and Accessories Consumption	7,714,388	5,553,730.00
Municipal Tax	-	-
Medical and Medicine Expenses	613,396	466,402.00
Repairs & Maintenance	955,743	873,842.00
Telephone & Mobile	293,544	274,448.00
Remuneration -Director with Bonus	4,237,200	3,960,000.00
Provident Fund (Company's Contribution)	3,604,530	3,321,569.00
Research and Development	382,000	319,828.00
Overtime Expenses	31,512,868	24,185,057.00
Daily Labour Charge	2,832,508	2,038,372.00
	339,975,788	297,996,201.79

a) Salary and Allowance including bonus.

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

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

12.00	**Administrative Expenses**	**82,328,918**	**77,832,815.27**
	This is made up as follows:		
	Salary and Allowance (with Bonus)	35,525,779	35,117,093.00
	Advertisement	362,454	345,000.00
	Audit Fee (for the year June-2022)	460,000	391,000.00
	Vehicles Fuel Expenses	6,644,126	5,676,071.00
	Conveyance	762,201	604,952.00
	Depreciation	3,276,147	3,276,956.27
	Electricity Bill - Head Office	446,516	364,794.00
	Entertainment	2,025,062	1,631,962.00
	Fooding Allowance Expenses-Head Office	1,844,940	1,461,826.00
	Gas Bill	18,480	18,480.00
	Internet Bill	528,894	490,566.00
	Group Insurance	1,357,161	1,307,271.00
	Medical and Medicine Expenses	1,194,744	422,135.00
	Office Expenses	3,289,215	2,943,847.00
	Amortization Charges for Lease Finance under IFRS-16	3,199,291	3,807,181.00
	Overtime	202,274	152,442.00
	Postage and Courier Charge	155,793	129,854.00
	Printing Expenses	1,269,134	1,163,844.00
	Research and Development	1,656,900	1,641,351.00
	Provident Fund (Company's Contribution)	764,769	808,402.00
	Legal & Professional Fees	260,380	283,040.00
	Registration Renewal Fees	265,611	245,245.00
	Remuneraion - Director (with Bonus)	8,898,120	8,316,000.00
	Repair & Maintenance-Head Office	658,835	659,287.00
	AGM, Secretarial & Regulatory Expenses	1,611,850	1,589,929.00
	Stationery Expenses	869,104	812,352.00
	Subscription & Annual Membership Expenses	320,000	300,000.00
	Telephone and Mobile Bill	626,533	576,948.00
	Travelleing Expenses-Overseas & Inland	3,586,033	3,116,042.00
	Water Bill	68,633	48,945.00
	Internal Employee Training & Development	179,939	130,000.00
		82,328,918	77,832,815.27

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

		Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
13.00	**Marketing, Selling and Distribution Expenses**	**84,916,870**	**64,811,169.51**
	This is made up as follows:		
	Salary and Allowance (with Bonus)	13,503,923	11,120,966.00
	Goods Delivery Expenses (Own Vehicle)	17,869,419	11,662,968.00
	Product Certification, Enlisted & Inclusion Exper	8,141,683	9,973,842.20
	Fooding Allowance & Office Expenses	1,863,563	1,886,909.00
	Exhibition Expenses	1,213,679	1,041,413.00
	Export Expenses	1,084,854	508,466.00
	Electricity Bill for Unique Height Level-7	101,132	82,760.00
	Gas & Water Bill	144,000	122,000.00
	Loading/Unloading & Labour Charge	2,415,686	1,009,700.00
	Amortization Charges for Lease Finance under I	135,578	161,362.00
	Incentive Bonus	10,029,760	8,129,431.00
	Sample Expenses	12,162,839	9,967,188.00
	Promotional Expenses	12,105,981	5,697,450.00
	Provident Fund (Company's Contribution)	369,769	257,981.00
	TA & DA to Marketing Officials	1,636,295	1,557,645.00
	Telephone and Mobile Bill	118,588	107,261.00
	Tours and Travel	1,242,103	971,497.00
	Internal Employee Training & Development	178,018	150,491.00
	Bad Debt Expenses (Written Off)	600,000	401,839.31
		84,916,870	64,811,169.51
14.00	**Other Income**	**12,057,230**	**12,030,404.00**
	This is made up as follows:		
	Wastage Sales	93,422	495,000.00
	Interest Income-Interest from Loan for JMI Vaccine	6,800,001	8,520,415.00
	Bank Interest	199,875	130,720.00
	Rental	3,288,000	636,337.00
	Interrest Income from FDR	-	1,750,000.00
	Profit on Sale of Vehicle & Equipment	51,957	-
	Cash Incentive from Export Sales	1,623,975	-
	Others	-	497,932.00
		12,057,230	12,030,404.00
15.00	**Foreign Exchange Unrealized Gain/(Loss)**	**54,511**	**866,272.00**
	This is made up as follows:		
	Unrealized Gain for balance of Export Sales	54,511	866,272.00
	Unrealized Loss for Exchange LC Liabilities (PAD & DEF LC)	-	-
	Total Other Comrehensive Income	54,511	866,272.00
16.00	**Foreign Exchange Realized Gain/(Loss)**	**-**	**(97,955.00)**
	This is made up as follows:		
	Realized Gain for Exchange of Export Sales (L/C)	-	(97,955.00)
	Realized Loss for Exchange Import Items (PAD & DEF LC)	-	-
	Total Other Comrehensive Income	-	(97,955.00)
17.00	**Financial Expenses**	**16,733,922**	**12,091,714.64**
	This is made up as follows:		
	Interest and Charges for Short Term Loan	12,100,869	9,284,151.64
	Interest and Charges for Long Term Loan	530,413	1,306,297.00
	Interest and Charges for Lease Finance under IFRS 16	550,269	586,644.00
	Bank Charges and Commission	3,318,932	914,622.00
	Realized Loss for Foreign Transaction for Import of Materials	233,439	-
	Total Financial Expenses	16,733,922	12,091,714.64

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		Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
18.00	**Contribution to WPPF**	**10,385,932**	**9,308,583.18**

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.

19.00	**Income Tax Charged for the year**	**107,120,901**	**97,062,933.99**

This is made up as follows:
Current Tax:

On Net Profit	58,682,069	39,008,912.08
On Other Income	3,601,582	3,839,616.30
On Profit on Sale of Vehicle	15,587	-
NBR IT Assessment Adjustment (01.07.17 to 30.06.18)	50,149,752	58,733,362.80
	112,448,990	101,581,891.18
Deferred Tax Expenses/(Gain) - Note 8.02	(5,328,089)	(4,518,957.19)
Total Income Tax Charged for the year	107,120,901	97,062,933.99

20.00	**Net Assets Value Per Share (NAVPS)**	**124.25**	**122.70**

Total Equity Attributable to the Ordinary Shareholders	2,745,874,585	2,711,576,850
Weighted average number of Ordinary Shares Outstanding during the year	22,100,000	22,100,000
Net Assets Value Per Share (NAVPS)	124.25	122.70

Net Assets Value per Share has been increased due to increase in assets.

21.00	**Earning Per Share (EPS)**	**4.55**	**4.03**

Earnings Atttributable to the Ordianry Shareholders	100,597,736	89,108,730
Weighted average number of Ordinary Shares Outsanding during the year	22,100,000	22,100,000
Earnings Per Share (EPS)	4.55	4.03

Earning Per Share has been increased due to increase in revenue during the year under audit.

22.00	**Net Operating Cash Flows Per Share (NOCFPS)**	**1.85**	**8.38**

Operating Cash Flow Attributable to Ordinary Shareholders	40,784,711	185,099,786
Weighted Average number of Ordinary Shares Outstanding during the year	22,100,000	22,100,000
Net Assets Value Per Share (NAVPS)	1.85	8.38

Decrease in net operating cash flows per share (NOCFPS) is due to increase in cash paid to suppliers and increase in cash paid for income tax.

Net Profit	100,597,736	89,108,730
Less: Unrealized FX Gain	(54,511)	(768,317)
Add: Def. Tax Exp.	(5,328,089)	(4,518,957)
Add: Interest Paid (Excludes Interest related to IFRS 16 lease finance)	16,183,653	11,505,071
Add: Depreciation	73,244,457	71,269,742
Add: Decrease in Inventory Balance	(182,317,865)	(76,525,354)
Add: Increase in Accounts Receivable	75,327,980	193,438,098
Less: Inrcrease in Advance	(182,255,600)	73,214,093
Less: Increase in AIT Balance	(163,032,304)	(105,559,076)
Add: Increase in Accrued Expenses	115,000	(46,000)
Add: Increase in Accounts Payables including OCI impact	308,304,253	(66,018,243)
Net Operating Cash Flow	40,784,711	185,099,786
Weighted Average Shares Outstanding	22,100,000	22,100,000
Net Operating Cash Flow Per Share	1.85	8.38

Decrease in Net Operating Cash Flows per Share is due to increase in cash paid to suppliers and increase in cash paid for income tax.

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23.00 Related Party Transaction-Disclosures under IAS 24 "Related Party Disclosure"

In accorance with paragraph 19 of IAS 24 Related Party Disclosures, the following matters has been disclosed in the following sequential order:

(i) **Parent and Ultimate Controlling Party**
There is no such parent company as well as ultimate holding company / controlling party of the company.

(ii) **Entities with joint control of, or significant influence over**
There is no joint control of, or significant influence over the company.

(iii) **Subsidiareis**
There are no subsidiary company of the entity (company)

(iv) **Associates**
There are no associate company of the entity (company)

(v) **Joint Venture in which the Entity is a Joint Venturer**
The Company has not entered into Joint Venture Agreement in which the Company is a Joint Venturer.

(vi) **Transactions with Key Management Personnel and their Compensation**

(a) Loans to Director
During the year, no loan was given to the directors of Company

(b) Key Management Personnel and their Compensation

There is no compensation for Chairman, Director and Managing Director except Board Meeting fee but there are following categories of compensation in accordance with the paragraph 17 of IAS 24: Related Party Disclosures:

Particulars	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
Salary and Allowances	170,896,792	163,293,999
Board Meeting Attendance Fee/Directors Remuneration	13,135,320	12,276,000
Provision for Post Employment Benefits	4,739,068	4,387,952
	188,771,180	179,957,951

Company's key management personnel includes the Company's directors. Compensation includes salary, non-cash benefits and contributions to a post employment defined benefits plan.

(vii) **Other Releated Party Transactions**
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	Total Transaction for the year	Balance as on 30.06.2022	Balance as on 30.06.2021
A. Averge & Short Term Loan Paid			
JMI Vaccine Limited	-	34,977,911	68,177,910
Total for Advance & Short Term Loan Paid	**-**	**34,977,911**	**68,177,910**
B. Supplier/Creditors (Payable)			
JMI Hospital Requisit Mfg. Ltd.	(691,544,137)	(37,328,084)	(31,821,872)
JMI CNG Dispensing Ltd.	(2,002,458)	-	(586,170)
JMI Industrial Gas Ltd.	(41,316,183)	(1,929,350)	(5,518,606)
JMI Printing & Packaging Ltd.	(165,191,900)	(10,430,086)	(7,294,788)
JMI Export & Import Co. Ltd.	(13,850)	-	-
Nipro JMI Company Ltd.	(55,500)	-	-
Advance Travel Planners Ltd.	(579,418)	-	(15,123)
JMI Engineers Ltd.	(481,726)	(156,303)	(17,182)
Nipro JMI Pharma Ltd.	-	-	-
Total for Supplier / Creditors	**(901,185,172)**	**(49,843,822)**	**(45,253,741)**

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Name	Total Transaction for the year	Balance as on 30.06.2022	Balance as on 30.06.2021
C. Sundry Debtors (Product Sales) (Receivable)			
JMI Hospital Requisit Mfg. Ltd.	7,028,212	424,707	11,288,692
JMI Group	21,250	57,186	35,936
Nipro JMI Medical Ltd.	456,529,169	71,570,385	34,209,932
Nipro JMI Pharma Ltd.	4,291,763	1,362,562	322,522
Nipro JMI Company Ltd.	126,800	4,301	-
Nipro JMI Private Limited Pakistan	19,293,188	16,217,732	-
Total for Sundry Debtors (Products Sales)	**487,290,381**	**89,636,873**	**45,857,082**
Grand Total	**(413,894,791)**	**74,770,962**	**68,781,251**

24.00 **Capital Expenditure Commitment**

There was no capital expenditure commitment as on 30.06.2022.

25.00 **Payment in Foreign Currency** — **US$ 8,361,241** — **US$ 4,057,654**

During the year ended at 30th June, 2022 the Company has made payment in foreign currency in respect of the following:

Import of Raw Materials,Packing Materials & Others	US$ 7,556,756	US$ 3,876,458
Import of Machinery, Spare Parts & Other Assets	US$ 804,484	US$ 181,196
	US$ 8,361,241	US$ 4,057,654

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

26.00 **Foreign Exchange Earned/Received**

The Company earned the following foreign currency during the year:

Total Export Earnings	US$ 507,300	US$ 520,586

No other income in foreign currencies except as stated above.

27.00 **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.

28.00 **Credit Facility Not Availed**

There was no credit facility available by the company under any contract, but not availed as on 30.06.2022 other than trade credit available in the ordinary course of business.

29.00 **Segment Reporting**

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

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30.00 Attendance Status of Board Meeting of Directors

During the period from 01.07.2021 to 30.06.2022 there was 7 Board Meetings and 1 AGM were held. The attendance status of all the meetings is as follows:

Name of Director	Position Held	Meeting Held		Atended	
		2022	2021	2022	2021
Md. Jabed Iqbal Pathan	Chairman	7	11	7	11
Md. Abdur Razzaq	Managing Director	7	11	7	11
Mr. Hoi Kwan Kim	Director	7	11	2	1
Mr. Takehito Yogo	Nominee Director of Nipro Corporation	7	11	1	0
Mr. Seigo Tsuchiya	Nominee Director of Nipro Corporation	7	11	1	0
Mr. Hisao Nakamori	Nominee Director of Nipro Corporation	7	11	7	3
Mr. Kazuo Wakatsuki	Nominee Director of Nipro Corporation (Retired)	0	5	0	0
Mr. Noriyoshi Iwasaki	Nominee Director of Nipro Corporation (Retired)	0	5	0	0
Mr. Kyoetsu Kobyashi	Nominee Director of Nipro Corporation	7	11	1	0
Mr. Katsuhiko Fujii	Nominee Director of Nipro Corporation	7	11	6	2
Mr. Tsuyoshi Yamazaki	Nominee Director of Nipro Corporation	7	11	1	0
Mr. Koki Hateakeyama	Nominee Director of Nipro Corporation	7	11	1	0
ATM Serajus Salekin Chov	Independent Director	7	9	7	8
Md. Abdul Haque	Independent Director	7	11	3	8
Md. Mustafizur Rahman	Independent Director	7	9	6	4

Mr. Seigo Tsuchiya, Nominee Director, Mr. Kyoetsu Kobayashi, Nominee Director, Mr. Katsuhiko Fujii, Nominee Director & Mr. Tsuyoshi Yamazaki, Nominee Director will be retired and re-elected as Nominee Director (by rotation as per law) of the Company on the up coming 23rd AGM, Mr. ATM Serajus Salekin Chowdhury and Mr. Abdul Hoque, Independent Director will be retiring from the Board on the next 23rd AGM and Mr. Abdul Hoque not being eligible for re-appointment as per laws. Mr. ATM Serajus Salekin Chowdhury re-elected as Independent Director and Mr. Hemayet Hossain will be appointed as Indepdent Director of the Company instead of Mr. Abdul Hoque. For Board Meeting, AGM & EGM, attendance fees were paid only to the Independent Directors of the Company.

31.00 Disclosure as per requirement of Schedule XI, Part II of the Cmpanies Act, 1984

A. Disclosure as per requirement of Schedule XI, Part II Note 5 of Para 3.

A(i) Employee Position as at 30th June, 2022.

Salary Range (Monthly)	Officer & Staff		Worker	Total Employee
	Head Office	Factory		
Below Tk. 5,000	-	-	-	
Above Tk. 5,000	59	128	854	1041
Total	**59**	**128**	**854**	**1041**

B. Disclosure as per requirement of Schedule XI, Part II, Para 4

Payment/Perquisites to Directors

The aggregate amounts paid to / provided for the Directors of the Company for the year ended 30th June, 2022 is disclosed below:

Name of Directors	Designation	Remuneration	Festival Bonus	AIT Deducted	Net Amount
Md. Abdur Razzaq	Managing Director	5,521,200	552,120	607,332	5,465,988
Md. Abu Jafar Chow.	Director-Procurement	2,568,000	256,800	282,480	2,542,320
Md. Golam Mostafa	Director-Factory	3,852,000	385,200	423,720	3,813,480
Total		**11,941,200**	**1,194,120**	**1,313,532**	**11,821,788**

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Period of payment to Diretors is from 1st July, 2021 to 30th June, 2022.

The above Directors of the Company did not take any benefit from the Company other than the remuneration and festival bonus.

1 Expenses reimbused to the managing agent: Nil.

2 Commission or other remuneration payable seperately to a managing agent or his associate: Nil.

3 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 such concerns with the company:Nil.

4 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: Nil.

5 Any other perquisites or benefit in cash or in kind stating: Nil.

6 Other allowances and commission including guarantee commission: Nil.

7 Pernsions: Nil.

8 Gratuities: Nil.

9 Payments from Provident Fund: Nil.

10 Compensatin for Loss of Office: Nil.

11 Consideration in connection with retirement from office: Nil.

32.00 Disclosure as per requirement of Schedule XI, Part II, Para 3

Requirements under Condition No.	Compliance status of Disclosure of Schedule XI, Part II, Para 3
3(i)(a) The Turnover	2,438,210,398
3(i)(b) Commission Paid to Selling Agents (Incentive)	10,029,760
3(i)(c) Brokerage and discount of Sales, Other than the usual trade discount	Nil
3(i)(d)(i) The value of the raw materials consumed, giving item-wise as possible	1,675,052,216
3(i)(d)(ii) The opening and closing stocks of goods produced	OB: 541,635,943 & CB: 723,953,808
3(i) (e) In the case of companies, the purchase made and the opening and closing stocks	Nil
3(i)(f) In the case of companies rendering or supplying services, the gross income derived from services rendered or supplied	Nil
3(i)(g) Opening and closing stocks, purchases, sales and consumption of raw materials with value and quantity break up for the Company, which falls under one or more categories i.e. manufacturing and/or trading	Nil
3(i)(h) In the case of other companies, the gross income derived under different heads	Nil
3(i)(i) Work-in-progress, which have been completed at the commencement and at the end of the accounting period	44,176,073
3(i)(i) Provision for depreciation, renewals or diminution in value of fixed assets	73,244,457
3(i)(k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and the Manager	Nil
3(i)(I) Charge for income tax and other taxation on profits	58,682,069
3(i)(m) Reserved for repayment of share capital and repayment of loans	Nil
3(i)(n)(i) Amount set aside or proposed to be set aside, to reserves, but not including provisions made to meet any specific liability, contingency or commitment, known to exist at the date as at which the balance sheet is made up	Nil

Requirements under Condition No.	Compliance status of Disclosure of Schedule XI, Part II, Para 3
3(i)(n)(ii) Amount withdrawn from above mentioned reserve	Nil
3(i)(o)(i) Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments.	Nil
3(i)(o)(i) Amount withdrawn from above mentioned provisions, as no longer required.	Nil
3(i)(p) Expenditure incurred on each of the following items, seperately for each item:	
(i) Consumption of stores and spare parts	7,714,388
(ii) Power and Fuel	57,955,844
(iii) Rent	3,780,525
(iv) Repairs of Buildings	658,835
(v) Repairs of Machinery	955,743
(vi) Other include:	
(1) Salaries, wages and bonus	170,896,792
(2) Contribution to provident and other funds	4,739,068
(3) Workmen and staff welfare expenses to the extent not adjusted from any previous provision or reserve.	10,385,669

33.00 Information regarding Accounts Receivables, Advance in line with Schedule XI.

i. Disclosure in line with 4(a) of Part I of Schedule XI

The details of trade receivable are given below:

Sl. No.	Particulars	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
1.00	Within 30 Days	136,644,124	243,077,061.41
2.00	Within 60 Days	64,014,836	43,758,335.00
3.00	Within 90 Days	28,696,759	44,422,104.00
4.00	More than 90 Days	261,575,046	234,946,734.12
Total		490,930,765	566,204,234.53

ii. Disclosure in line with 4(b) of Part I of Schedule XI

There are no debts outstanding in this respect.

34.00 Disclosure in line with Instruction of Part I of Schedule XI

In regard to sundry debtors the following particulars shall be given separately:

(I) **Debt considered good in respect of which the company is fully secured**

Within six months trade debtors occurred in the ordinary course of business are considered good but no security given by the debtors.

(II) **Debt considered good for which the company holds no security other than the debtors' personal security**

Within six months trade debtors have arisen in the ordinary course of business in good faith as well as market reputation of the company for the above mentioned reasons no personal security taken from debtors.

(III) **Debt considered doubtful or bad**

The company considered more than one year debts are doubtful and provision is created for Tk. 129,892,217.

(IV) **Debt due by directos or other officers of the Company**

There is no debt due by directors or other officers of the company.

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(V) **Debt due by common management**

There is no debt under common management.

(VI) **The maximum amount due by directors or other officers of the Company**

There is no such debt in this respect.

35.00 **Disclosure as per requirement of Schedule XI, Part II, Para 7**

Details of Production capacity utilization.

Particulars	License Capacity	Installed Capacity in MT (Per Year)	Actual Production in MT from 1st July, 2021 to 30th June, 2022	Capacity Utilization from 1st July, 2021 to 30th June, 2022
Annual Production Capacity	Not mentioned in the License	4,200	3,500	83.33%

36.00 **Disclosure as per requirement of Schedule XI, Part II, Para 8(b) during the year under audit.**

Details of import on CIF basis

i. Raw Materials, Space Parts, Packing Materials

Items	Purchase in Taka			Consumption in Taka	Percentage
	Import	Local	Total		
Raw Materials & Chemicals	486,941,680	953,515,891	1,440,457,571	1,229,408,433	85.35%
Packing Material	90,492,080	356,121,381	446,613,461	445,643,784	99.78%
Spare Parts	5,122,613	8,365,180	13,487,793	7,714,388	57.20%
Total	582,556,373	1,318,002,452	1,900,558,825	1,682,766,605	88.54%

The value of imported material is calculated on CIF Basis.

ii. The Company has not incurred any expenditure in foreign currency for the period from 1st July, 2021 to 30th June, 2022 on account of royalty, know-how, professional fee, consultancy fees and interest.

iii. The Company has not earned any foreign exchanges for royalty, know-how, professional fees and consultancy fees.

iv. The value of export from the period from 1st July, 2021 to 30th June, 2022.

37.00 **Disclosure in line with 8(b) of Part II of Schedule XI**

During the year under review the company did not remit any amount as dividend, technical know how, royalty, professional consultation fees, interest and other matters either shareholers or others.

38.00 **Disclosure for purchase in foreign currency during the year**

Disclosure as per Para 8 of Schedule XI (Ga) of the Companies Act, 1994 regarding purchase made in foreign currency during the year are as follows:

Type of Expenditure	Amount in Foreign Currency	Amount in BDT.
Raw Materials & Chemicals	5,938,313.17	486,941,680
Packing Materials	1,103,441.87	90,492,080
Spare Parts	62,470.89	5,122,613
Total	7,104,225.93	582,556,373

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39.00 Financial Instrument-Fair Values and Risk Management

39.01 Accounting Classifications and Fair Values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

	Carrying Amount Tk. '000							
Reconciliation of Carrying Amount	Note	Fair Value-hedging instruments	Mantaroy at FVTPL-Ohters	FVOCI-debt instruments	FVOCI-equity instruments	Financial assets at amortized cost	Other Financial Liabilities	Total Amount
30.06.2022								
Financial Assets not measured at Fair Value								
Advacne, Deposits & Prepayments	6.02	-	-	-	-	327,799,798	-	327,799,798
Short Term Loan (Advance)	6.03	-	-	-	-	34,977,911	-	34,977,911
Accounts Receivables	6.05	-	-	-	-	490,930,765	-	490,930,765
Cash and Cash Equivalents	6.06	-	-	-	-	91,721,184	-	91,721,184
Total		-	-	-	-	**945,429,658**	-	**945,429,658**
Financial Liabilities not measured at fair value:								
Long Term Loan (Non-Current Maturity)	8.01	-	-	-	-	-	1,373,678	1,373,678
Deferred Tax Liability	8.02	-	-	-	-	-	95,476,591	95,476,591
Long Term Loan (Current Maturity)	9.01	-	-	-	-	-	3,310,616	3,310,616
Lease Liability (Current & Non-Current Maturity)	9.02	-	-	-	-	-	5,194,601	5,194,601
Short Term Loan	9.03	-	-	-	-	-	208,479,630	208,479,630
Unclaimed Dividend Account	9.04	-	-	-	-	-	1,157,208	1,157,208
Accrued Expenses Payable	9.05	-	-	-	-	-	460,000.00	460,000
Creditors and Other Payable	9.06	-	-	-	-	-	253,304,555	253,304,555
Total		-	-	-	-	-	**568,756,879**	**568,756,879**
30.06.2021								
Financial Assets not measured at Fair Value:								
Advacne, Deposits & Prepayments	6.02	-	-	-	-	145,544,198	-	145,544,198
Short Term Loan (Advance)	6.03	-	-	-	-	68,177,910	-	68,177,910
Accounts Receivables	6.05	-	-	-	-	566,204,235	-	566,204,235
Cash and Cash Equivalents	6.06	-	-	-	-	45,781,610	-	45,781,610
Total		-	-	-	-	**825,707,952**	-	**825,707,952**
Financial Liabilities not measured at fair value:								
Long Term Loan (Non-Current Maturity)	8.01	-	-	-	-	-	4,906,179	4,906,179
Deferred Tax Liability	8.02	-	-	-	-	-	100,804,679	100,804,679
Long Term Loan (Current Maturity)	9.01	-	-	-	-	-	5,148,323	5,148,323
Lease Liability (Current & Non-Current Maturity)	9.02	-	-	-	-	-	8,529,470	8,529,470
Short Term Loan	9.03	-	-	-	-	-	48,397,271	48,397,271
Accrued Expenses Payable	9.05	-	-	-	-	-	345,000	345,000
Creditors and Other Payable	9.06	-	-	-	-	-	92,153,786	92,153,786
Total		-	-	-	-	-	**260,284,708**	**260,284,708**

The Company has not disclosed the fair values for financial instruments such as trade and other receivables, cash and cash equivalents, advance, deposits and prepayments, liabilities for expenses, trade and other payables, long term loan, deferred tax liablities, lease liability because their carrying amounts are a reasonable approximation of fair value.

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39.02 **Financial Risk Management Framework**

International Financial Reporting Standards (IFRS) 9-Financial instruments:Disclosure - requires disclosure of information relating to: both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information-the Company's policies for controlling risks adn exposures.

The Company's management has overall responsibility for the establishment and oversight of the company's risk management framework. The Company's Risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflact changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Company has exposure to the following risks from its use of financial instruments:

39.02.1 Credit Risk; 39.02.2 Liquidity Risk; 39.02.3 Market Risk

39.02.1 **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 receivable.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of customer, including the default risk of the industry and financial strength of the customer, as these factors may have an influence on credit risk. Geographically there is no concentration of credit risk.

The debtors management review committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the company's payment and delivery terms and conditions are offered. Credit limits are established for each customer, which represents the maximum outstanding amount of credit sale without requiring approval from the committee; these limits are reviewed as per guideline of JMI Syringes & Medical Devices Ltd. in each quarter. Customers that fail to meet the company's benchmark creditworthiness may transact with the company only on a cash / deposit scheme basis.

Management has a credit policy in place and the exposure to credit risk is monitor on an ongoing basis. As at 30th June, 2022, substantial part of the receivables are as follows and subject to insignificant credit risk. Risk exposure from other financial assets, i.e. Cash at bank and other external receivables are also nominal.

(i) Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting data was:

	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
Non-Derivative Financial Assets:		
Accounts Receivable	490,930,765	566,204,235
Advance to Suppliers	21,223,943	14,644,885
Advance against Employees	(3,515,695)	513,355
Security Deposits	265,437,809	86,323,502
Advance to Others	44,653,741	44,062,456
Cash at bank	85,630,129	16,105,631
Cash in Hand	6,091,055	29,675,979
	910,451,747	**757,530,043**

At 30th June, 2022 the maximum exposure to credit risk for trade and other receivables by geographic regions was as follows:

	490,930,765	**566,204,235**
Domestic	473,898,918	566,204,235
Foreign Receivable	17,031,847	-
	490,930,765	**566,204,235**

	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
The ageing of Trade Receivable at the reporting date is as follows:		
0 to 1 Months	136,644,124	243,077,061
More than 1 Months to 3 Months	92,766,106	88,180,439
More than 3 Months to 6 Months	261,520,535	234,946,734
More than 6 Months to 9 Months	-	-
More than 9 Months to 12 Months	-	-
Above 12 Months	-	-
	490,930,765	**566,204,235**

To mitigate the credit risk against accounts receivables, the company has a system of specific credit line period to the customers. This outstanding period and amount are regularly monitored. The company endeavors to cover the credit risks on all other receivables, where possible, by restricting credit facility and stringent monitoring.

39.02.2 **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 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 equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepaid 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.

Exposure to Liquitty Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements. The carring amount of financial liabilities represent the maximum exposure to liquidity risk. The maximum exposure to liquidity risk as at 30th June, 2022.

30th June, 2022

				Contractual Cash Flows			
In Taka	**Note**	**Carrying Amount**	**Total**	**2 months or less**	**2-12 months**	**1-5 years**	**More than 5 years**
Non-derivative Financial Liabilities:							
Long Term Loan (Non-Current Maturity)	8.01	1,373,678	1,373,678	260,999	329,683	576,945	206,052
Deferred Tax Liability	8.02	95,476,591	95,476,591	-	-	95,476,591	
Long Term Loan (Current Maturity)	9.01	3,310,616	3,310,616	629,017	794,548	1,887,051	
Lease Liability (Current & Non-Current Maturity)	9.02	5,194,601	5,194,601	-	-	3,792,058	1,402,542
Short Term Loan	9.03	208,479,630	208,479,630	45,865,519	162,614,111		
Accrued Expenses Payable	9.05	460,000	460,000	124,200	335,800		
Creditors and Other Payable	9.06	253,304,555	253,304,555	68,392,230	184,912,325		-
		567,599,671	**567,599,671**	**115,271,964**	**348,986,467**	**101,732,645**	**1,608,594**
Derivative Financial Liabilities			-	-	-	-	-
		567,599,671	**567,599,671**	**115,271,964**	**348,986,467**	**101,732,645**	**1,608,594**

30th June, 2021

				Contractual Cash Flows			
In Taka	**Note**	**Carrying Amount**	**Total**	**2 months or less**	**2-12 months**	**1-5 years**	**More than 5 years**
Non-derivative Financial Liabilities:							
Long Term Loan (Non-Current Maturity)	8.01	4,906,179.00	4,906,179.00	932,174	1,177,483	2,060,595	735,927
Deferred Tax Liability	8.02	100,804,679.32	100,804,679.32	-	-	100,804,679	-
Long Term Loan (Current Maturity)	9.01	5,148,323.00	5,148,323.00	978,181	1,235,598	2,934,544	
Lease Liability (Current & Non-Current	9.02	8,529,470.00	8,529,470.00	-	-	6,226,513	2,302,957
Short Term Loan	9.03	48,397,271.00	48,397,271.00	10,647,400	37,749,871	-	-
Accrued Expenses Payable	9.05	345,000.00	345,000.00	93,150	251,850		
Creditors and Other Payable	9.06	92,153,785.65	92,153,785.65	44,233,817	47,919,969	-	-
Derivative Financial Liabilities		260,284,708	260,284,708	56,884,722	88,334,770	112,026,332	3,038,884
		260,284,708	**260,284,708**	**56,884,722**	**88,334,770**	**112,026,332**	**3,038,884**

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

39.02.3 **Market Risk**

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

(i) **Interest Rate Risk**

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. Exposure to fair value movement relates to fixed rate instrument subject to fair value accounting and exposure to cash flow fluctuation relates to variable rate instruments. The compan is primarily exposed to cash flow fluctuation arising from variable rate borrowings. The objective of interest rate management for the Aftab Automobiles Limited is to reduce financial cost and ensure predictability.

(ii) **Currency Risk**

The company is exposed to currency risk on certain revenues and purchases such as revenue from foreign customers and import of raw material, 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.

40.00 **Contingent Liability**

There are no contingent liabilities of the Company for the year ended 30th June, 2022.

41.00 **Details of Lease Agreement**

There are Lease assets. Therefore , Lease agreement was required or singned by lease Law.

42.00 **Internal Control**

The following steps have been taken for implementation of an effective internal control procedure of the company: Regular review of internal audit reports with view to implement the suggestion of internal auditors in respect if internal control technique to establish an effective management system that includes planning, organizing culture in the factory as well as at Head Office.

43.00 **Subsequent Events-Disclosures under IAS 10 "Events after Reporting**

The directors recommended 36% stock dividend for the year ended 30th June, 2022. The dividend proposal is subject to shareholders' approval in the forthcoming 23rd 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.

44.00 **General Comments and Observations**

A. Comparative amount:

Previous period's figure have been regrouped/reclassified wherever considered necessary to confirmed to curent period's presentation. Figures have been rounded off to the nearest taka, as the currency represented in this financial statement.

B. Presentation currency:

The annexed financial statements are presented in Bangladeshi currency (Taka), which have been rounded off to the nearest Taka.

C. All shares have been fully called and paid up.

D. Auditors are paid only statutory audit fees.

E. No foreign exchange remitted to the relevant shareholders during the period under audit.

F. No amount of money was expended by the company for compensating any members of the Board for special service rendered.

G. There was no bank guarantee issued by the company on behalf of Directors.

Annexure-A

JMI SYRINGES & MEDICAL DEVICES LTD.
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT AS ON 30TH JUNE, 2022

Cost:

Particulars	Cost				Rate of Dep.	Depreciation				Written Down Value as on 30.06.2022
	Opening Balance 01.07.2021	Addition during the year	Sales/ Adjustment/ Transfer	Total as on 30.06.2022		Opening Balance 01.07.2021	Charged during the year	Sales/ Adjustment/ Transfer	Total as on 30.06.2022	
Land and Land Development	157,172,931	-	-	157,172,931	0%	-	-	-	-	157,172,931
Machinery	935,312,635	69,682,969	-	1,004,995,604	7%	410,729,208	37,383,782	-	448,112,990	556,882,615
Factory Building	338,095,062	18,083,517	-	356,178,579	5%	88,678,986	12,608,144	-	101,287,130	254,891,449
Furniture & Fixture-Factory	13,995,168	760,610	-	14,755,778	10%	6,110,187	792,887	-	6,903,074	7,852,704
Furniture & Fixture-H/O	5,856,713	199,689	1	6,056,401	10%	2,920,720	290,718	-	3,211,438	2,844,963
Office Equipment-H/O	12,374,940	944,445	-	13,319,385	20%	8,842,528	734,058	-	9,576,586	3,742,799
Factory Equipment	47,963,555	4,810,760	-	52,774,316	20%	22,136,856	5,070,467	-	27,207,323	25,566,993
Office Decoration	15,152,536	981,378	-	16,133,914	10%	8,961,368	671,810	-	9,633,178	6,500,736
Deep Tube-well & Pump	2,233,618	(0.4)	-	2,233,618	15%	1,565,479	93,610	-	1,659,089	574,529
Air Cooler	5,859,010	-	-	5,859,010	20%	5,377,357	87,973	-	5,465,330	393,681
Power Station	8,172,162	30,352	-	8,202,514	15%	6,014,064	305,267	-	6,319,331	1,883,183
Telephone Installation	770,026	20,000	-	790,026	15%	650,479	18,664	-	669,143	120,883
Cookeries & Cutleries	849,018	1,239	-	850,257	20%	451,587	72,728	-	524,315	325,943
Vehicles	53,636,532	2,200,000	451,957	55,384,575	20%	38,728,324	2,961,094	403,914	41,285,504	14,099,071
Total	**1,597,443,909**	**97,714,958**	**451,958**	**1,694,706,909**		**601,167,143**	**61,091,200**	**403,914**	**661,854,429**	**1,032,852,480**

Intangible Assets:

Particulars	Cost				Rate of Dep.	Depreciation				Written Down Value as on 30.06.2022
	Opening Balance 01.07.2021	Addition during the year	Sales/ Adjustment/ Transfer	Total as on 30.06.2022		Opening Balance 01.07.2021	Charged during the year	Sales/ Adjustment/ Transfer	Total as on 30.06.2022	
Software Development	697,104	145,625	-	842,729	-	-	-	-	-	
Total	**697,104**	**145,625**	-	**842,729**		-	-	-	-	-

Revaluation:

Particulars	Cost				Rate of Dep.	Depreciation				Written Down Value as on 30.06.2022
	Opening Balance 01.07.2021	Addition during the year	Sales/ Adjustment/ Transfer	Total as on 30.06.2022		Opening Balance 01.07.2021	Charged during the year	Sales/ Adjustment/ Transfer	Total as on 30.06.2022	
Land and Land Development	206,382,069	-	-	206,382,069	-	-	-	-	-	206,382,069
Factory Building	345,701,254	-	-	345,701,254	5%	97,015,492	12,153,256	-	109,168,748	236,532,506
Total	**552,083,323**	-	-	**552,083,323**		**97,015,492**	**12,153,256**		**109,168,748**	**442,914,575**
Grand Total as on 30.06.2022	**2,150,224,336**	**97,860,583**	**451,958**	**2,247,632,961**	-	**698,182,634**	**73,244,457**	**403,914**	**771,023,178**	**1,475,767,054**

Particulars	July-2021 to June-2022	July-2020 to June-2021
Factory Overhead	69,968,309	67,992,786
Administrative Overhead	3,276,147	3,276,956
	73,244,457	71,269,742