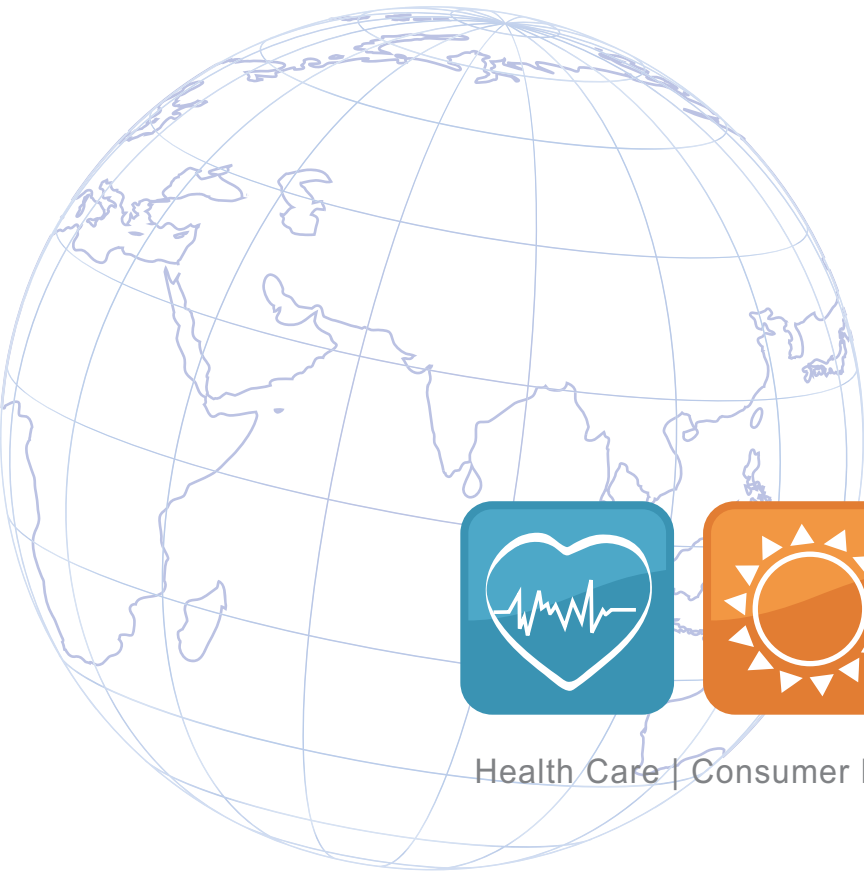


**ADVANCING  
POSSIBILITIES**



Health Care | Consumer Brands | Agribusinesses | Logistics



**Annual Report 2013**



## Our Mission

ACI's Mission is to enrich the quality of life of the people through responsible application of knowledge, skills and technology. ACI is committed to the pursuit of excellence through world-class products, innovative processes and empowered employees, to provide the highest level of satisfaction to our customers.

## Our Vision

To realise the Mission, ACI will :

- Endeavour to attain a position of leadership in each category of our business.
- Provide products and services of high and consistent quality, ensuring value for money to our customers.
- Attain a high level of productivity in all our operations through effective utilisation of time and adoption of appropriate technology.
- Develop our employees by encouraging empowerment and rewarding innovation.
- Promote an environment for learning and personal growth.
- Ensure superior return on investment through judicious use of resources and efficient operations, utilising our core competencies.
- Promote inclusive growth by encouraging and assisting our distributors and suppliers in improving efficiency.

## Our Values

- Quality
- Customer Focus
- Innovation
- Fairness
- Transparency
- Continuous Improvement



## UN Global Compact

The UN Global Compact is a strategic policy initiative for businesses that is committed to aligning their operations and strategies with the ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. It is a leadership platform for the development, implementation, and disclosure of responsible corporate policies and practices. The initiative brings companies together with key stakeholder groups including Government, civil society, labour, investors, educators and the United Nations. Since launching in year 2000, the United Nations Global Compact has been encouraging businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. At present, with over 12,000 corporate participants and other stakeholders from over 145 countries, it is the largest voluntary corporate responsibility initiative in the world. Overall, the Global Compact pursues two complementary objectives:

1. Mainstream its Ten Principles in business strategy and operations around the world; and
2. Catalyze business action in support of broader UN goals with emphasis on collaboration and collective action.

The Global Compact incorporates a transparency and accountability policy known as the Communication on Progress (COP). The annual posting of a COP is an important demonstration of a participant's commitment to the UN Global Compact and its principles. Participating companies are required to follow this policy, as a commitment to transparency and disclosure is critical to the success of the initiative.

Since September 2003, ACI is a proud and active member of The UN Global Compact. ACI is also a Founding Member of the Community of Global Growth Companies, an initiative of World Economic Forum.

ACI has been accepted as a Founding Member of the Community of Global Growth Companies by the World Economic Forum which is the most prestigious business networking organisation, this membership is a matter of pride for us.



## CSR Activities of ACI in 2013

ACI's CSR policy is to maintain alignment of its CSR initiatives with the organization's business strategy and to harness the competencies it has acquired by operating in the various sectors of its operation, like pharmaceuticals, consumer and commodity products, agribusinesses and retail chain. While undertaking its CSR activities the Ten Principles of UNGC is also kept into consideration. In 2013 ACI, under its CSR activities, embraced issues concerning human right, community development, social upliftment and environmental conservation.

**Adopt-A-Village** is an integrated community development initiative of ACI for sustainable socio-economic improvement and poverty reduction goals for the rural community by addressing their needs for support, technology, training and mobilising their own resources through joint and cooperative initiatives. This project was initially started in 2010 by adopting a village on a pilot basis, which was then extended to 10 more villages and currently 20 villages are under this programme. The core objectives of this project are to provide villagers with knowledge about personal hygiene, sanitation and modern agricultural practices, identifying their unutilised resources, the advantage of cooperative efforts and the strength of self-help in achieving poverty alleviation.

Details of this "Adopt-A-Village" initiative will be made available in the CSR Brochure which we are planning to publish soon.

### **Co-Managed Nature Interpretation Centre (CONIC)**

ACI as an ISO 14001 Environmental Management System certified organisation always attempts to address the environmental sustainability issues by creating awareness about environmental conservation. In this regards, ACI has contributed in building an innovative, nature friendly and community focused Co-Managed Nature Interpretation Centre (CONIC) at Lawachara, Srimongal. Lawachara National Park is a declared protected area that is a part of national network of natural forest sites under the responsibility of the Forest Department. CONIC has been established at Lawachara National Park through Public Private Partnership (PPP). CONIC will benefit the community and the park as well.

### **Support to Victims of Rana Plaza**

ACI has come forward with the heartfelt support for victims of Rana Plaza, an eight-storied commercial building in Savar, which collapsed. As a part of CSR activities, ACI extended its hand immediately for the victims of this disaster. Different businesses of ACI immediately responded to the needs of these unfortunate ones as well as the brave rescuers. ACI provided medicines, medical tools, foods and drinking water to the victims trapped under the rubbles and catered to the needs of the hundreds of volunteer rescuers.

There are a number of other initiatives that are on-going. As mentioned earlier, a brochure will be published with a comprehensive account of ACI CSR activities.



**About Cover:** The Cover symbolises the dynamism of ACI's businesses where vitality of our empowered employees are connected with highly effective globalisation strategies using internal driving force to exceed the challenges of creating better value for our customers.



## Contents



<i>Corporate Management</i>	4	Board of Directors and Executive Management
	5	Notice of the 41st Annual General Meeting
	6	Year 2013 - at a Glance
	6	Six Years' Comparative Statistics from 2008-2013
<i>Corporate Governance</i>	8	Message from the Chairman
	10	Audit Committee Report
	12	Report of the Directors' to the Shareowners
	30	Certificate on Compliance of Corporate Governance
	38	Bangla Version of Message from the Chairman
	40	Bangla Version of Report of the Directors' to the Shareowners
<i>Financial Statements of ACI</i>	47	Auditors' Report
	49	Statement of Financial Position
	50	Income Statement
	51	Statement of Comprehensive Income
	52	Statement of Changes in Equity
	53	Statement of Cash Flows
	54	Consolidated Statement of Financial Position
	55	Consolidated Income Statement
	56	Consolidated Statement of Comprehensive Income
	57	Consolidated Statement of Changes in Equity
	58	Consolidated Statement of Cash Flows
	59	Notes to the Consolidated Financial Statements
<i>Report of the Directors and Audited Financial Statements of the Subsidiary Companies</i>	98	ACI Formulations Limited
	106	ACI Logistics Limited
	112	ACI Pure Flour Limited
	118	ACI Foods Limited
	124	ACI Salt Limited
	130	ACI Motors Limited
	136	Creative Communication Limited
	142	Premiaflex Plastics Limited
	148	ACI Agrochemicals Limited
	152	Flyban Insecticides Limited
	156	Apex Leathercraft Limited
	162	ACI Edible Oils Limited
	168	ACI HealthCare Limited
<i>Additional Information</i>	174	Corporate Directory
	175	Proxy Form
		Quality Policy, Environmental Policy and Safety, Health and Environment (SHE) Policy
		Attendance Slip (Enclosed)

## Corporate Management

## Board of Directors



**Mr. M Anis Ud Dowla**  
Chairman



**Mr. Golam Mainuddin**  
Director



**Mr. Md. Fayekuzzaman**  
Director



**Mrs. Najma Dowla**  
Director



**Dr. Arif Dowla**  
Managing Director



**Mr. Waliur Rahman Bhuiyan, OBE**  
Director



**Mr. Abdul-Muyeed Chowdhury**  
Director



**Ms. Shusmita Anis**  
Director



**Mr. Juned Ahmed Choudhury**  
Director



**Ms. Sheema Abed Rahman**  
Director

### Executive Management

**Mr. M Mohibuz Zaman**  
Chief Operating Officer, Pharmaceuticals

**Dr. F H Ansarey**  
Executive Director, Agribusinesses

**Mr. Syed Alamgir**  
Executive Director, Consumer Brands

**Mr. Pradip Kar Chowdhury**  
Executive Director, Finance & Planning  
and Chief Financial Officer

**Mr. Sabbir Hasan Nasir**  
Executive Director, Logistics

**Ms. Sheema Abed Rahman**  
Director, Corporate Affairs

**Mr. Priyatosh Datta**  
Director, Quality Assurance, Pharmaceuticals

**Mr. Abdus Sadeque**  
Director, Marketing & Sales, Pharmaceuticals

**Mr. Md. Monir Hossain Khan**  
Financial Controller

**Mr. Imam Ahmed Istiak**  
Director, Operations, Pharmaceuticals

### Company Secretary

**Ms. Sheema Abed Rahman**

### Head of Risk Management & Internal Audit

**Mr. Amitava Saha**

### Auditors

**Hoda Vasi Chowdhury & Co,**  
Chartered Accountants

### Financial Consultant

**Mr. M. Sekander Ali**

### Principal Bankers

Standard Chartered Bank  
The Hongkong and Shanghai  
Banking Corporation Limited  
Eastern Bank Limited  
Commercial Bank of Ceylon Plc  
Pubali Bank  
The City Bank Limited  
BRAC Bank Limited  
Bank Alfalah Limited  
AB Bank Limited  
Bank Asia Limited  
Dutch Bangla Bank Limited  
NCC Bank Limited  
Jamuna Bank Limited  
Mercantile Bank Limited  
ONE Bank Limited

### Legal Advisor

**Barrister Rafique-ul Huq**  
Huq and Company

## Notice of the 41st Annual General Meeting

Notice is hereby given that the 41st Annual General Meeting of Advanced Chemical Industries Limited will be held on Tuesday, 10 June 2014 at 10:30 a.m. at Officers Club, 26 Baily Road, Dhaka to transact the following business:

### AGENDA

#### Ordinary Business

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31 December 2013 together with Reports of the Auditors and the Directors.
2. To declare dividend for the year ended 31 December 2013.
3. To elect Directors of the Company.
4. To appoint Auditors for the year 2014 and to fix their remuneration.

By Order of the Board



Sheema Abed Rahman  
Company Secretary

Dhaka  
29 April 2014

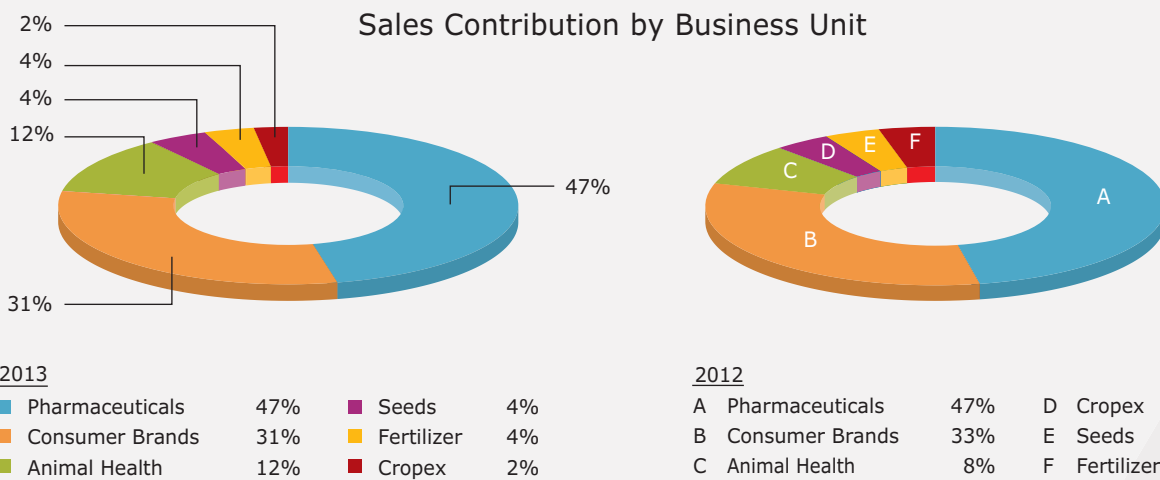
### Notes

- a. The Record Date shall be on Monday, 12 May 2014.
- b. The Shareowners' names appearing in the Register of Members of the Company or in the Depository on the Record Date will be eligible to receive the dividend.
- c. The Directors have recommended dividend as follows:
  - i. Cash dividend: @ 85% or Taka 8.5 per share of Taka 10 each for the year ended 31 December 2013.
  - ii. Stock dividend: @ 20% i.e.1(One) bonus share for every 5 (five) Ordinary Share of Taka 10 each for the year ended 31 December 2013.
- d. A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote on his/her behalf. The Proxy Form, duly completed, must be deposited at the Share Office of the Company at 9 Motijheel Commercial Area, Dhaka-1000 not later than 48 hours before the time fixed for the Meeting.
- e. Members are requested to notify the changes of address, if any, well in time. For BO A/C holders, the same to be notified through their respective Depository Participants.
- f. Admittance to the Meeting venue will be on production of the Attendance Slip that will be sent with the Notice.

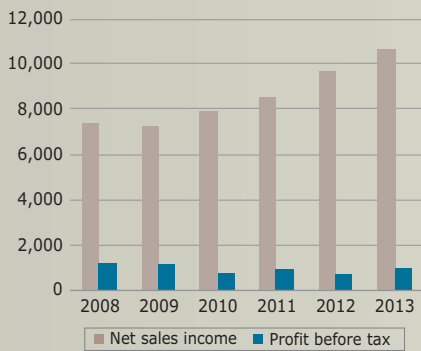
বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের নির্দেশনা অনুযায়ী আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার উপহার/খাবার/কোন ধরনের কুপন প্রদানের ব্যবস্থা থাকবে না।



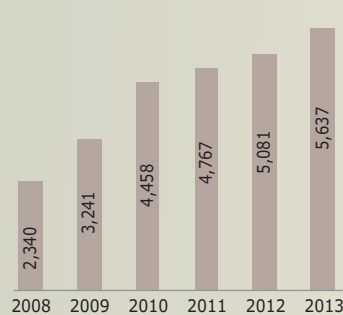
## Year 2013 - at a Glance



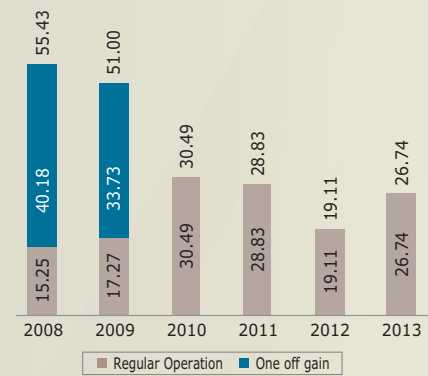
**Net Sales Income & Profit Before Tax (Taka in Million)**



**Shareowners' Equity (Taka in Million)**



**Earnings Per Share (Taka)**



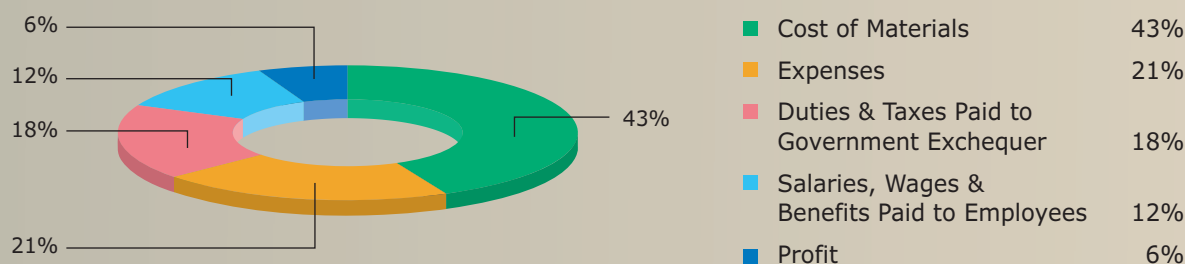
## ACI Group - Six Years' Comparative Statistics from 2008-2013

Particulars	2008	2009	2010	2011	2012	2013
<b>Taka in million</b>						
Authorized Capital	500	500	500	500	500	500
Issued & Paid Capital	162	194	194	197	238	286
Current Assets	5,926	7,639	7,591	8,486	9,927	11,495
Tangible Fixed Assets (Gross)	3,822	4,394	5,255	6,322	7,826	8,819
Shareowners' Equity	2,667	3,200	4,328	4,195	3,797	3,792
Turnover (Net)	10,341	12,300	14,498	17,460	21,976	22,167
Gross Profit	3,052	3,584	4,140	4,835	5,640	6,598
Profit Before Tax	1,095	769	471	593	104	560
Profit After Tax	918	598	216	238	(166)	204
Current Ratio (Times)	0.99	1.07	1.05	0.88	0.84	0.84
Quick Ratio (Times)	0.47	0.68	0.60	0.49	0.47	0.45
Return on Equity (%)	34.42	18.69	5.00	5.67	(4.37)	5.37
Inventory Turnover (Times)	3.08	2.95	3.42	3.59	4.00	3.17
Debtors Turnover (Times)	7.44	6.56	6.42	6.02	6.66	6.18
Fixed Assets Turnover (Times)	3.22	2.99	3.01	3.02	3.11	2.66
Net Asset Per Share (Taka)	164.94	164.91	223.05	212.78	174.79	141.36
Earnings Per Share (Taka)	56.67	30.82	11.14	10.08	(5.82)	7.13

## ACI Limited - Six Years' Comparative Statistics from 2008-2013

Particulars	2008	2009	2010	2011	2012	2013
<b>Taka in million</b>						
Authorized Capital	500	500	500	500	500	500
Issued & Paid Capital	162	194	194	197	238	286
Current Assets	4,987	5,369	5,856	6,955	8,335	9,325
Tangible Fixed Assets (Gross)	1,700	1,830	1,813	2,546	2,975	3,423
Shareowners' Equity	2,340	3,241	4,458	4,767	5,081	5,637
Turnover (Net)	7,365	7,228	7,915	8,514	9,680	10,684
Gross Profit	2,278	2,366	2,821	3,197	3,590	4,258
Profit Before Tax	1,184	1,108	808	893	737	1,014
Profit After Tax	1,076	990	592	681	545	764
Dividend	194	204	237	197	238	301
Current Ratio (Times)	1.13	1.13	1.43	1.31	1.17	1.17
Quick Ratio (Times)	0.66	0.66	1.01	0.98	0.87	0.85
Return on Equity (%)	45.98	30.55	13.28	14.29	10.73	13.56
Inventory Turnover (Times)	3.47	2.83	3.08	3.05	3.12	2.74
Debtors Turnover (Times)	9.00	7.61	7.27	7.92	7.99	7.45
Fixed Assets Turnover (Times)	4.91	4.13	4.35	3.91	3.51	3.34
Net Asset Per Share (Taka)	136.34	167.06	229.75	241.98	213.73	197.23
Market Price Per Share (Taka)	521.30	447.10	372.60	206.60	141.20	171.50
Earnings Per Share (Taka)	55.43	51.00	30.49	28.83	19.11	26.74
Dividend Per Share (Taka)	12.00	10.50	12.00	10.00	10.00	10.50
Dividend Rate (%)	120.00	105.00	120.00	100.00	100.00	105.00
Dividend Payout Ratio (%)	21.65	20.59	39.36	34.69	52.33	39.26
Price Earnings Ratio (Times)	9.40	8.77	12.22	7.17	7.39	6.41
Dividend Yield (%)	2.30	2.35	3.22	4.84	7.08	6.12
Number of Employees	3,339	3,552	3,378	4,014	4,560	4,955

### Analysis of Turnover (%)



### Comparison of Turnover & Costs over Last Year

	Taka in million			
	2013	%	2012	%
<b>Turnover (Gross)</b>	<b><u>12,049.25</u></b>	<b>100</b>	<b><u>10,927.36</u></b>	<b>100</b>
Cost of Materials	5,169.74	42.91	5,067.90	46.38
Salaries, Wages & Benefits Paid to Employees	1,444.65	11.99	1,257.32	11.51
Expenses	2,504.71	20.79	2,204.47	20.17
Duties & Taxes Paid to Government Exchequer	2,165.96	17.98	1,852.56	16.95
Profit	764.19	6.34	545.12	4.99
	<b><u>12,049.25</u></b>	<b><u>100.00</u></b>	<b><u>10,927.36</u></b>	<b><u>100.00</u></b>





## Message from the Chairman

*Dear Shareowners  
and Friends of AED,*

*Assalamu Alaikum,*

Politics took its toll on the economic activity of the country and our results have not escaped the impact of that happening. We offer no comment on the political culture. We only aspire to have uninterrupted access to our consumers.

The good news is that this year has started very well. The recovery has been dramatic and robust. We hope that the peaceful environment to conduct business will continue.

Our employees have shown extraordinary courage and worked hard in the face of risk of their limbs or lives to serve our consumers. They have been able to demonstrate that with determination and courage all obstacles can be overcome, at least for a short period.

On behalf of all our stakeholders and on my own behalf, I congratulate the employees of ACI Group for doing an admirable job in 2013.

Dear Shareowners, our results have been better than expected. All the financial indicators show improved performance. Management had been very focused and strategic, stressing on key performance indicators that are appropriate for the prevailing conditions, throughout the year. We are constantly analyzing the performance of our key businesses and taking the path of optimal growth. There are



**Our results have been better than expected. All the financial indicators show improved performance**



“  
**I want to assure our stakeholders that their investments are safe and secure and full of possibilities**  
”

plenty of opportunities for investment and it is for us to be vigilant and proactive to avail them.

We appreciate the leadership provided by the senior management of ACI Group. The strategies pursued for each business have been the result of careful analyses and pursuit of lofty goals. I want to assure our stakeholders that their investments are safe and secure and full of possibilities.

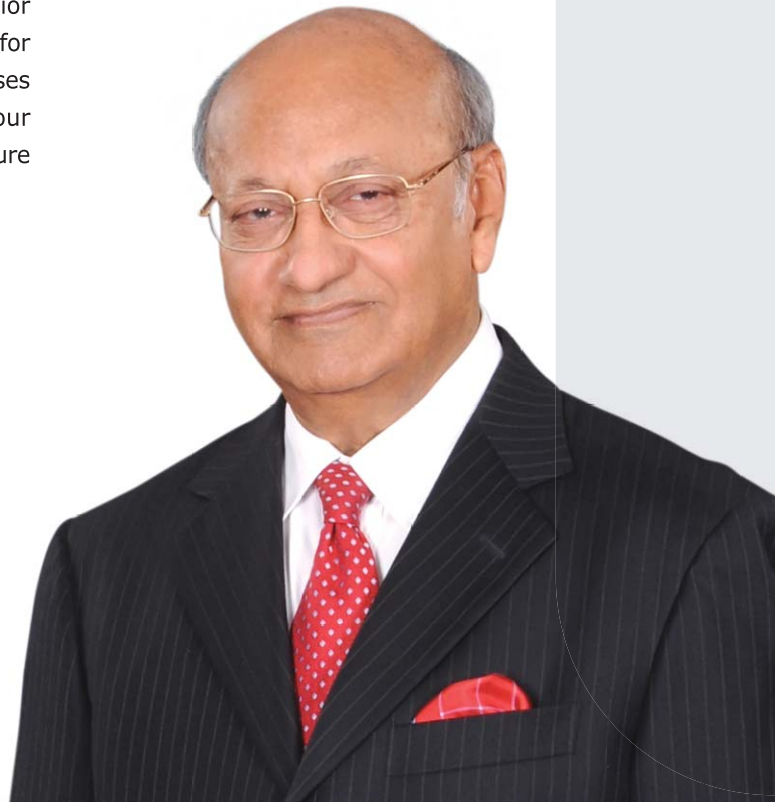
Allah Hafez.

*Sincerely,*



**M Anis Ud Dowla**

Chairman, ACI Group





## Audit Committee Report

The Board of Directors of Advanced Chemical Industries Limited has constituted an Audit Committee as per Bangladesh Securities and Exchange Commission's (BSEC) guidelines which is appended at the Compliance Report enclosed with the Directors' Report. The Committee consists of Mr. Golam Mainuddin, Ms. Shusmita Anis, and Ms. Sheema Abed Rahman. Mr. Golam Mainuddin is an Independent Director and also the Chairman of the Committee. Ms. Sheema Abed Rahman, Company Secretary, is also the Secretary of the Audit Committee. The Audit Committee is appointed by the main Board. All members of the Audit Committee are financially literate and are able to analyze and interpret financial statements to effectively discharge their duties and responsibilities as members of the Audit Committee.

### Purpose of Audit Committee

The role of the Audit Committee is to scrutinize and monitor the authenticity of the financial statements of the Company and review and, where appropriate, make recommendations to the main Board as per Terms of Reference given by the Board. The Audit Committee review on business risks, internal controls and compliances. The Committee satisfies itself, by means of suitable steps and appropriate information, that proper and satisfactory internal control systems are in place to identify and contain business risks and that the company's business is conducted in a proper and economically sound manner. The key responsibilities of the Audit Committee include:

- Monitor the integrity of the financial reporting process ensuring compliance to accounting policies, Standard Operating Procedure (SOP) and principles defined by the Company.
- Exercise its oversight of Internal Audit. Review the effectiveness of Internal Audit function including performance, structure, adequacy of resources, and compliance with professional standards. Examine audit findings and material weaknesses and monitor implementation of Audit action plans.
- Oversee hiring and performance of external auditors.
- Other matters as per Terms of Reference of the Audit Committee.

### Authority

The Audit Committee is authorised by the main Board to review any activity within the business as per its Terms of Reference. It is authorised to seek

any information it requires from, and require the attendance at any of its meetings of, any Director or member of management, and all employees are expected to co-operate with any request made by the Committee.

The Committee is also authorised to refer any matter to the Board.

### Meeting Attendance

The Audit Committee met four times during the year 2013. The details of attendance of each member at the Audit Committee meetings during 2013 are as follows:

Composition of Audit Committee	No. of Meeting Attended
Golam Mainuddin Chairman (Independent Non-Executive Director)	4
Ms. Shusmita Anis (Non-Executive Director)	3
Ms. Sheema Abed Rahman Secretary, Audit Committee Company Secretary, ACI Ltd.	4

The Audit Committee Meeting is attended by Chief Financial Officer, Head of Risk Management & Internal Audit as permanent invitees and all the above Members of the Audit Committee appointed by the Board. From time to time, the Managing Director also joins the Meeting.

### Summary of Activities 2013

In 2013, the Audit Committee reviewed its Terms of Reference in line with requirements of BSEC

notification on Corporate Governance. The Committee carried out its duties in accordance with the Terms of Reference of the Audit Committee.

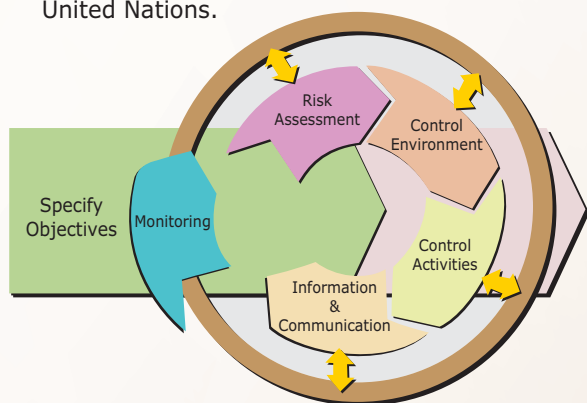
During the year 2013, the Audit Committee carried out the following activities:

### 1. Internal Control and Business Risk management

The Board has established a process designed to provide reasonable assurance by the Management regarding the achievement of objectives relating to effectiveness and efficiency of operations, reliability of the information and reporting, compliance with applicable laws, regulation and policy, procedures and safeguarding company assets. The internal control system of the company has been working through five components.

To further strengthen the controls, the company has introduced and consistently complying the following international standards and guidelines -

- ISO 9001: 2008 Quality Management System
- ISO 14001: 2004 Environmental Management System
- Adopted Ten Principles of Global Compact, an initiative taken by the Secretary General of the United Nations.



Business Risk Management is an ongoing process in ACI where strategic business units identify the risk, recognise risk factors, review and evaluate risks to the achievement of business objectives.

*Sheema Abed Rahman*

**Sheema Abed Rahman**  
Secretary, Audit Committee  
Company Secretary, ACI Ltd.

The Managing Director has to satisfy the Board adequacy on assigned Business Risk Management and Internal Control Process. Internal Audit is dedicated in a pivotal role into Risk Management Process. As such, Risk Management and Internal Audit department conducts yearly review focusing on to the risk indicators, where a detailed risk map is prepared.

Audit Committee and Managing Director review this risk map periodically.

### 2. Internal Audit

Audit activities play an essential and useful role in the conduct of successful operations. These activities serve to examine and evaluate financial, administrative and operational activities of the company, supplying management personnel at all levels with information to assist in their control of the assets and operations and their attainment of objectives for which they are responsible.

The internal audit activity is established to provide independent, objective assurance and consulting services designed to add value and improve the company's operation. It helps the SBU's achieving its objective by bringing a systematic, disciplined approach to evaluate risk management, control and governance process. It performs ongoing evaluations of internal controls, advises the audit committee, management and the statutory auditors of the result of their evaluations and makes recommendation to improve risk management, control and governance process. A comprehensive internal audit plan is prepared on yearly basis and Internal Audit activity is always conducted with the highest standards of business ethics, integrity and honest dealings in all areas and functions within the company and with all outside stakeholders. Internal Audit mainly concentrates on risk-based audit approach, and that allows Internal Audit to provide assurance to the Board that risk management processes are managing risk effectively, in relation to the risk appetite.



**Golam Mainuddin**  
Chairman  
(Independent Director)





## Report of the Directors' to the Shareowners

### Overview

In 2013, ACI Group witnessed a much improved performance over the previous year. This was mainly due to a change in focus from growth to profitability, and improved macroeconomic environment. However, all the benefits could not be observed because of the political disturbances that led to distribution related challenges, market closures and behaviour shift in the consumer resulting in decreased revenue growth.

Bangladesh had a GDP growth around 6.03% in FY2012-13, although different sources vary on this number within 0.5%. Inflation (12-month average) was around 6.78%, export about 27.03 billion US dollars and remittance of 14.46 billion US dollars, and current account surplus of 2.5 billion US dollars in FY2012-13.

Dollar exchange rate stabilised and interest rates decreased, both factors positively affected ACI. Political activity was the main concern for



### Company performance improved due to a focus on internal efficiency and productivity

the year with 79 days of hartal, taking away a big opportunity for the company to achieve a much better result.

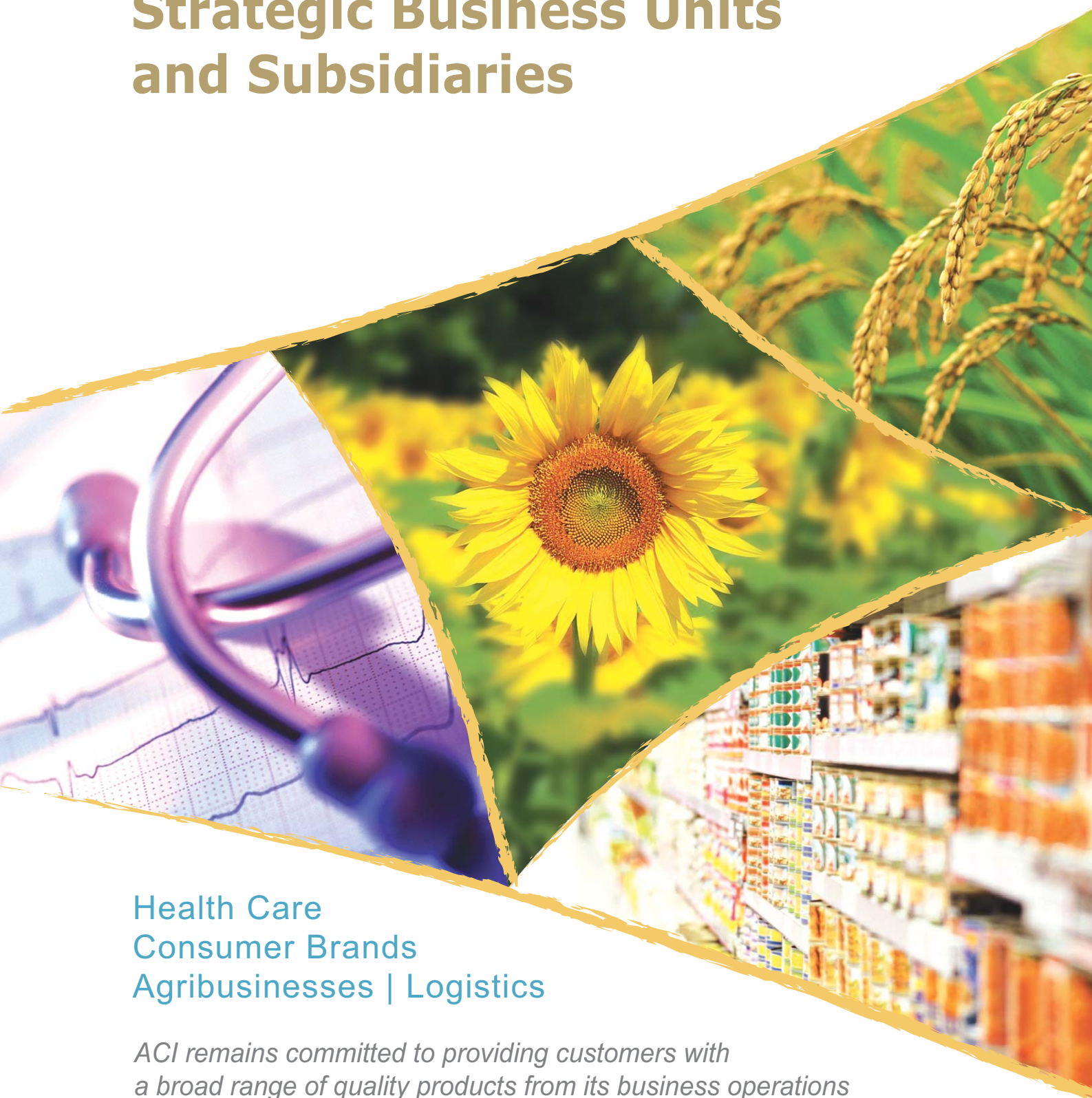
Company performance improved due to a focus on internal efficiency and productivity. Improvements in margins, inventory and credit management were evident. Service performance was improved and closely aligned with business needs. Backward linkage and supplier engagements for value creation also helped strengthen the inbound logistics of our business.

There were some interesting highlights in 2013. Pharmaceutical business achieved a significant improvement in exports and brought in some new technology into our portfolio. Consumer Brands business continued to their brand building activities and strengthen their distribution network. Agribusinesses performed much better than the previous year, and faced a better agricultural environment. First time in Bangladesh bird flu vaccine from ACI has also contributed to the image, strength and performance of agribusinesses. Logistics improved the quality of the business, and develop a lifestyle clothing brand called "Shwapno Life". We have a new distribution partnership with the world's number one paint company Akzo Nobel with the Dulux brand.





# Strategic Business Units and Subsidiaries



Health Care  
Consumer Brands  
Agribusinesses | Logistics

*ACI remains committed to providing customers with  
a broad range of quality products from its business operations*





# Health Care Division



This fully equipped lab has improved the R&D capabilities in compliance with regulated market requirements at the same time, enhanced the capacity of quality control activities

The Pharmaceutical business has grown by 9.6% which is higher than industry growth. IMS reported the industry growth to be 8.1%. The field force has faced considerable hardship during the year because of the strikes, along with the doctors, chemists and patients as they tried to interact with each other. Despite these hurdles, commendable market share has been gained in key therapeutic areas like Cardiovascular, Anti-diabetic, Anti-infective, Central Nervous System (CNS) and Respiratory.

Notable successes have been achieved during the year. The most effective lipid regulator, Rosetor was introduced which has been highly accepted by the physicians. Also, the most modern therapy of Parkinson's disease, Tridopa was launched for the first time in Bangladesh and obtained positive response from neurologists. The oral anti-diabetic portfolio achieved significant growth. Strong Antibiotic portfolio has been further enriched by the introduction of Cerox CV, a combination product which will treat infections and drug resistance cases. Sustained release Azithromycin





suspension was also launched during the year, a first of its kind in the market, for the pediatric population.

ACI Pharma has achieved tremendous success in its export operations last year. ACI's products have reached five new countries. During the year a total of 55 products obtained registration from Drug Regulatory Agencies of different countries.

ACI Pharma Business had organised Scientific Seminars, Continuous Medical Education (CME) Programs and Workshops in collaboration with Medical Colleges, Hospitals and Doctors' Societies to cover a wide range of medical specialty topics attended by renowned physicians and scientists.

Investment in the Narayanganj Manufacturing Plant was made towards capacity enhancement for catering to increased market demand of ACI products. Also, new investment were made in production process technology and new patient friendly dosage forms. A state-of-the-art Product Development Laboratory at Narayanganj plant has been completed for R&D activity. This fully equipped lab has improved the R&D capabilities in compliance with regulated market requirements at the same time, enhanced the capacity of quality control activities.

ACI's greatest asset is the human capital - not only their individual skills, expertise and vision, but also their inspired personal commitment to the company's mission of making a difference in improving quality of healthcare in Bangladesh.



# Consumer Brands Division



In Home Care Solution category, Angelic Air freshener registered a sales growth of 26%, further strengthening its market leadership position. The entire air freshener range has been relaunched in attractive packaging. Three new variants with enticing fragrances have been added to the previous product portfolio. The business has faced challenges in the Mosquito Coil brand with the heightened competition from illegal Chinese imports. In spite of this, the brand has finished the year with number one position and 38.9% share in the market. The Aerosol Insect Killer brand has maintained its dominant market leader position with 83.7% market share. Vanish Toilet cleaner has gained 2 percent share currently holding the second position in the market.

Savlon is moving forward as the leading household disinfectant. Last year Savlon Liquid Antiseptic and Cream continued to grow by 10.3% while Savlon Bar Soap and Liquid Hand Wash have grown by 11.4% and 9.5% respectively. Savlon Antiseptic held its leadership position in the market with 74% share. The portfolio's strength is now heightened as the Savlon Bar Soap and Liquid Hand Wash category is further improving the profitability of the business.

Savlon Freedom Sanitary Napkin achieved impressive growth of 20% this year; "Freedom" is now holding the 2nd position with a market share of 15%.

The business launched a dish washing bar in two different SKUs of 125gm and 325gm under the brand name of "Wonder" in 2013.

International Business, comprising of a portfolio

including Colgate, Nivea, Laser and Mersiant, has achieved a combined 31% growth. The main growth driver was the brand Colgate which has individually contributed 76%.

## Electrical and Consumer Electronics

Electrical and Consumer Electronics division did not perform well last year. That was mainly due to operational challenges pertaining to management of inventory and generation of sales demand. The assembly of Energy Saving Lamps was established locally which also leaves scope for product line extension and uninterrupted supply. The factory is equipped with a fully functional Quality Control lab along with modern testing and assembling equipments required for making quality Energy Saving Lamps. In addition, local assembly has reduced the cost of production and increase profitability significantly for the business.

ACI Electrical and Consumer Electronics continued to introduce new models to strengthen the product portfolio up. Besides, the international line from the popular brand Panasonic, ACI has taken initiatives to introduce locally branded electronics products. These changes are certain to pave the way for a better business scenario.

## Paints

ACI Formulations Limited (ACI FL) launched Dulux paints through an arrangement with Akzo Nobel, during the later part of 2013. Akzo Nobel is the World's No. 1 paint and coating company and a major producer of specialty chemicals. Dulux is its best known, top-quality paint brand which is available throughout the world. Akzo Nobel operates





in more than 80 countries. The partnership with Akzo Nobel is expected to be successful endeavour for both the companies.

### Salt

ACI Pure Salt was able to achieve a growth of 14%. The ACI Pure Salt brand has received the award of top brand in its category from Bangladesh Brand Forum.

ACI Pure Salt new plant has yet to reach its desired output as it works to overcome factory production challenges. Having maintained its image as one of the flagship brands in packaged commodity market, ACI Pure Salt has continued its journey towards a healthier and meritorious Bangladesh.

### Flour

The growth of ACI's Pure Flour business was 7%. The supply chain of this 300 tons per day producing unit was maintained through implementing various initiatives and have been able to utilize its almost 100% capacity of the plant during the year. ACI Pure Flour has maintained growth in gross profit. The business added new products into its portfolio. An extensive marketing campaign for ACI Pure Atta was undertaken nationwide for the repositioning of the brand. This comprehensive 360° marketing campaign proved to be highly effective in demand generation as well as brand recognition.

The business has been developing the "Nutralife" brand as well. This brand offers a varied range of functional foods that improves health and well being of people. Nutralife products are somewhat new to the palette of Bangladeshi consumers, therefore,

some special activities were undertaken to promote the products, through doctors and nutritionists, joggers' park campaign and street demos. This high end healthy brand is gradually gaining popularity and the business has plans to make ACI "Nutralife" a household name and promote a healthy lifestyle across Bangladesh.

### Foods

ACI Foods has recorded a 3% growth. The business has gone through significant changes in its operating costs and buying efficiency. Factory performance has improved. Distribution coverage and the engagement of distributors have also improved. Both the brands 'Pure' and 'Fun' have successfully launched some new innovative products and are performing steadily in the consumer market due to their unique taste and excellent quality.

ACI Nutralife Rice Bran Oil is gaining enormous popularity since it was launched. Rice Bran Oil is produced from rice bran and is the most nutritionally balanced and versatile edible oil and requires lesser quantity for cooking. Innovative niche marketing campaigns were undertaken in order to increase brand awareness for this product.

The company currently exports various spices and consumer foods to over 11 countries. In 2013 both the export volume and the number of destination have increased significantly. The export value grew around 16% this year. Considerable promotional activities has been undertaken to increase mind share of the consumers and poised to create a much greater presence in this category.





# Agribusinesses Division



## Crop Care and Public Health

In 2013, political turmoil, timely delivery of product, higher cost of delivery and security were major issues. Despite all these adverse conditions, dedicated team's relentless effort at all levels, the business managed to improve the market share.

The business has introduced a number of new products which are cost effective and environment friendly with a view to strengthen the product range to provide efficient solutions to farmers. Several formulations of significant value were exported for the first time by the business. ACI has successfully developed and supplied products for controlling Vector Borne Diseases.

During the year, the business restructured, strengthened and expanded its manufacturing facilities. At the same time, marketing and field

force were empowered to promptly support and improve their agricultural productivity.

## Fertilizer

The business has declined by 1%. However, a significant growth of major brands such as mineral gypsum, organic fertilizer and bioferti maintained their growth. These products expanded the market through BADC and BARI contract farming and partnership program with NGOs. Soil and water testing facilities were provided by ACI to the farmers through our field force.

The business has launched technological products like Fishcal for improving water quality for growing natural fish, root growth promoter for enhancing root formation and Bioferti for crop specialized nutrition (Tea, Potato, Mango) in order to



develop new markets. This business has been supporting the important task of improving soil health, and working toward the security of the country.

## Seed

2013 has been a good year for ACI Seed which has been portrayed by their sales growth of 16% over previous year. Production of 210 tons of vegetable seeds and more than 2,000 tons of rice seeds has significantly contributed to the revenue growth. A significant amount of hybrid cauliflower and cabbage were sold throughout the year. The R&D has released 12 new and innovative seed varieties in the market in 2013.

To spread this innovation among the farmers, several events and workshops were organised on hybrid rice and hybrid vegetables, specially summer cauliflower and summer tomato. Also 300 field days were organised for communication and promotion to more than 30 thousand farmers.

The business has started selling their products using innovative packaging techniques which are based on their product attributes. By selling these products to the consumers the business has gained their trust. Through this positive reinforcement a clean trade network has been established which is instrumental in satisfying farmers as well as keeping sales force motivated. This has also created a positive brand image and a foundation of belief from which they can expand the business.

## Cropex

The business revenue decreased by 33% over last year. Main reason for this was to improve credit operations and explore opportunities with better margins. This business has been restructuring its activities and developing partnership based models in the Soyabean business.

ACI Cropex has initiated in the branding of local fruits and supply safe vegetable to the wet market and different retail shops in Dhaka city. Cropex opened a wholesale shop in Karwan Bazaar for the first time in Bangladesh which is helping both farmers and retailers to buy and sell their products.



300 field days were organised for communication and promotion to more than 30 thousand farmers







## Motors

ACI Motors had an improved performance with a sales growth of 9%. An increased of 4% market share was an important achievement. Also, there had been a sales growth of 34% in spare parts over last year.

ACI Motors was denoted as the Number One Agricultural Mechanization Solution Provider for government agricultural institutions in Bangladesh. ACI Motors has developed the reputation for being the best "after sales" service provider in the country. The transplanting service business has been initiated jointly with a leading agro service provider in the industry.

ACI Motors has introduced a brand new product ACI-R24 Power Tiller successfully in the market. ACI-R24 Power Tiller ensured 20% more efficiency than regular Power Tillers. ACI Motors also introduced a new model harvester and riding transplanter. They have also launched some new products for seed processing and drying such as Suncue Grain Dryer, Grain Cocoon, Collapsible Dryer and Flat Bed dryer.

ACI Motors has been developing the capability for semi-assembling of diesel engine and local agri-machineries manufacturing as part of the new penetration strategy in order to transform agricultural mechanization in Bangladesh.



## Animal Health

In 2013 ACI Animal Health had an outstanding achievement with the highest ever growth of 55%. Each separate portfolio's (dairy, aqua, poultry & vaccine) had a significant growth. One of the most remarkable achievements of this business was the launching of bird flu vaccine using the recombinant DNA technology as it resulted in 17 out of 28 million chicks being vaccinated during 2013. It is to be noted that ACI is the first company in the world to launch and register this vaccine in the home country.

Animal Health had launched 38 new products among which 16 products were introduced for the first time in Bangladesh. Nanotechnological products proved to be a significant contributor for the revenue growth. Innovative packaging techniques have been introduced to prevent adulteration.

There is a shortage of protein supply in Bangladesh, it is very important to ensure the healthy livestock and fisheries for a significant growth of the animal health industry. The business is taking a leading role toward developing this market.





# Logistics



2013 has been a year of innovation, diversification and an endeavor for excellence for ACI Logistics. Shwapno has gone beyond its traditional model and expanded its horizon to cater to the other necessities of life. Shwapno wants its presence in every corner of the country and to serve the nation utilizing its efficient supply-chain as backbone. In 2013 it has launched five more new outlets to reach a total of forty-two outlets nationwide with its presence primarily in Dhaka, Chittagong and Sylhet. Through its wide reach, it continues to hold the largest retail-chain in Bangladesh.

Shwapno Life had introduced many other master categories - Fashion and accessories, Electronics and appliances, Home accessories, Accent & decors and Restaurant. Shwapno Life is a lifestyle brand developed to meet the fashion and style aspects of Bangladesh consumers. It has in-house talented designers who design clothes that are in tuned with the international fashion trend. Launched only in 2013, the brand developed successfully with its tagline "Dress your dream" and is now the second - largest in its industry. The brand appears on billboards and print media and has received a positive response that created significant brand awareness for Shwapno as a whole. Shwapno's new venture, "Taste" is a café corner. At present there are a total of five-stores

of "Taste" and it has a huge potential to expand through a franchise model.

Strengthening its quality control team Shwapno has addressed its customer satisfaction level on a new dimension. Shwapno has taken its marketing excellence to a new level by introducing live fish and live chicken concept in its existing outlets. This unique idea has given Shwapno quite a competitive edge and created a new sensation in the retail industry.

Customer experience and satisfaction have been a driving factor for the business. Shwapno has specially looked into its customer journey and their experiences while they shop at Shwapno's outlet. The new outlet layout is designed in larger format with wider space for displays. Ambience, customer service, display and availability have been considerably improved.

As the business progressed, Shwapno incorporated effective changes to the operating model with new ideas, resources, and infrastructure. Having these untapped segments have not only opened Shwapno up to a new customer base but also increased its overall profit margin. ACI logistics has quite successfully mastered its diversification in catering to different needs of consumers and it hopes to continue its journey of creativity and customer engagement in the years to come.





## Subsidiaries and Associated Companies

Separate reports on each of the subsidiaries, along with their accounts are provided later in this report.

### ACI Formulations Ltd.

ACI Formulations Ltd., a Public Listed Company has provided its own report for its shareowners.

### Premiaflex Plastics Limited

Premiaflex Plastics Limited has performed better in 2013 than last year. Till the last year Premiaflex had added 13 multinational companies in its customers list. They started with 102 customers in 2009 which has grown up to 250 in 2013. They now have the highest number of multinational customers in the flexible packaging industry.

Premiaflex Plastics Limited has managed their portfolio targeting to improve profitability through focus on specialized job orders. New technologies have been offered such as Shampoo Laminates, Tea Tag Wrapper and Oil Pack Pouch.

Key Account Management is introduced in the business for efficient customer management and quality service. Premiaflex Plastics Limited has focused to create a benchmark of quality through commitment and customer service.

### ACI Godrej Agrovet Private Limited

ACI Godrej Agrovet Private Limited is a 50:50 joint venture company between ACI Limited & Godrej Agrovet Limited.

The Company achieved a turnover growth of 14%. Turnover and profitability both have increased specially in floating fish feed segment compared to 2012.

From its factory at Sirajganj, it produces Aqua, Poultry and Cattle feed from three different plants.

Based on the tremendous customer response, the company is putting a state-of-the-art; green field

floating fish feed plant in Rajshahi. This will be one of the largest plants in South-East Asia with a rated capacity of 400 MT per day.

The company is growing very aggressively in revenues and profitability and aspires to become one of the top 3 feed companies in the country.

### Tetley ACI (Bangladesh) Ltd.

Tetley Tea business recorded 9% increase in Turnover, with improved Gross Margins for the year. Pricing initiatives were taken to cover up the unprecedented increase in Tea Cost during the beginning of the year.

However, there was sudden decline in auction prices from July 2013, due to unanticipated withdrawal of Supplementary Import Duty, resulting in periodic downward price changes, and fierce price war between major players.

Tetley Tea was able to overcome this challenging phase. A 360° marketing approach was used to synergize all inputs, and strengthen the brand position in a highly competitive market place.

### Asian Consumer Care Pvt. Ltd.

Due to continuous hartals, blockade and violence across the country the top line growth for the year 2013 was restricted to 9% where the last 4 years CAGR is 43%. There had been severe disruption of man/material movements that the business had to overcome.

As per Nielsen the hair oil category grew negative 15%, whereas the hair oil portfolio grew at 23% (Dabur Amla and Dabur Vatika Hair oils). The other brands like Dabur honey grew at 22% and Toothpaste portfolio at 18% (Internal Figures)

Significant investment behind the hair oil and toothpaste brands were done by way of ATL during the year. The key focus was to increase the direct distribution.





## Financial Results - ACI Limited

In the year 2013, ACI Limited registered a 10 percent growth in revenue from its own operation compared to 2012. Total revenue has increased to Taka 10,684 million in 2013 from Taka 9,680 million in 2012 with a net increase of Taka 1,004 million despite serious political unrest over the whole year. Higher sales volume aided by favorable product mixes, lower material cost and selected product price increases has led to increase in Gross profit by Taka 667 million which is 19 percent higher than the last year. Profit after tax has increased to Tk. 764 million from Tk. 545 million of 2012 resulting into 40 percent growth over 2012, mainly due to containment of fixed expenses and lower growth in financing cost. The basic earnings per share (BEPS) of the company was Tk. 26.74 in 2013 (Tk. 19.11 in 2012) representing a favorable growth of 40% percent over last year. The diluted earnings per share (DEPS) of the company was Tk. 26.56 in 2013 (Tk. 19.06 in 2012). The diluted earnings per share has arisen due to the existence of dilutive potential ordinary shares in the balance sheet, required to be issued in case the bondholders of ACI 20% Convertible Zero Coupon Bonds exercise their convertibility option in the respective redemption dates.

### Appropriation of profit

Considering the financial results of the company during the year and free reserve carried over in line with following a consistent dividend policy, the Directors recommended appropriation of net profit as follows:

	2013 Taka	2012 Taka
Un-appropriated profit from the previous year	3,246,317,615	2,938,370,766
Add: Net profit after tax for the year	764,187,906	545,115,873
Add: Realization of revaluation reserve	2,158,044	1,014,996
<b>Total available for appropriation</b>	<b>4,012,663,565</b>	<b>3,484,501,635</b>

Appropriation proposed:

Proposed dividend:

Cash dividend	243,625,031	190,541,216
Stock dividend	57,323,537	47,636,804
<b>Total dividend</b>	<b>300,948,568</b>	<b>238,184,020</b>
Balance carried forward	3,711,714,997	3,246,317,615

With the balance carried forward in this year and with future ploughing back of the profit, Directors are confident that company will be able to maintain prudent dividend policy in years to come.

### Dividend

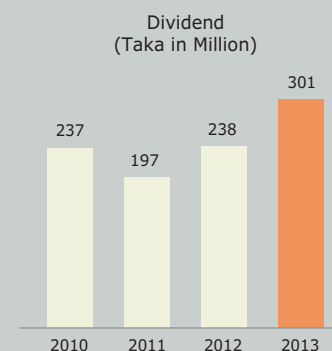
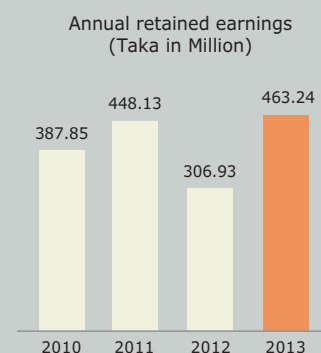
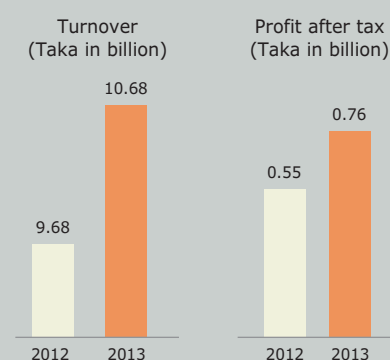
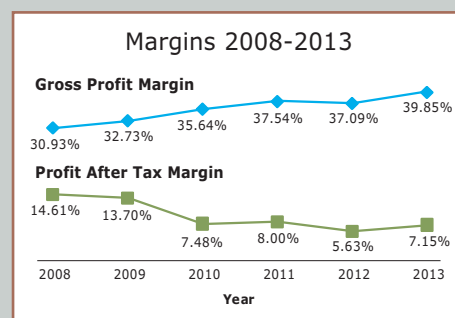
The Board of Directors are pleased to recommend dividend @ 105% which include Tk. 8.50 per share (85%) as cash dividend and 20% as stock dividend i.e. 1 share against each 5 shares for the year 2013 to those shareowners whose names will appear in the Share Register of Members of the Company or in the Depository list of CDBL on the Record Date which is Monday, 12th May 2014.

### Contribution to the National Exchequer

During 2013, the company contributed Tk. 2.17 billion to the National Exchequer in the form of corporate tax, custom duty and Value Added Tax (VAT). This is equivalent to 20.27 percent of the Company's net sales revenue for the year 2013.

### Cost of Goods Sold and Profit Margins

In the year 2013, though revenue has been increased by 10 percent but COGS has been increased by 6 percent only. This has been achieved mainly for lower material cost and stable exchange rate. This along with favorable product mixes and selected product price increases, we have been able to generate additional Gross Profit of Taka 667 million which is almost 19 percent higher than the last year. However, with reasonable growth in operating expenses and comparatively lower growth in financing cost, the company registered higher PAT growth by 40 percent compared to last year.





## Financial Results - ACI Group

In 2013, group has achieved consolidated turnover of Tk. 22.42 billion as opposed to Tk. 22.19 billion of 2012, an increase of Tk. 222 million which is almost 1 percent higher than the last year. On the other hand, the cost of goods sold has reduced by 4 percent. Despite lower growth in the turnover, gross profit has increased by Tk. 957 million which is 16.98 percent higher than the last year. Group has succeeded to achieve such phenomenal growth in gross profit mainly for improved product mix, lower material cost, stable exchange rate and upward price adjustment of number of products. The operating profit resultantly was significantly higher (27 percent) than the comparative year. The group PAT registered 137% growth over last year mainly due to increase in share of profit from associates and containment of financing cost by enjoying better rate of interest and issuance of low rate Commercial paper. Two loss making companies still continued with loss, however, they have improved their performance at the operating level. The consolidated basic earnings per share, therefore, in 2013 was Tk. 7.13 in comparison to last year's negative Tk. 5.82 resulting into 137 percent favorable growth compared to 2012.

### Directors Declaration as to Statutory Information

In connection with preparation and presentation of the financial statements, the Directors also report that:

- Segment-wise performance has been shown in note-37 of the financial statements.
- The Company is aware of the different risks associated with doing business and is prepared to counter those risks through systematic approach. Financial risks management has been disclosed in the Note-33 of the Financial Statements.
- No extra-ordinary gain or loss exists during the year as prescribed by the Bangladesh Accounting Standards (BASs).
- All transactions with related parties are made on a commercial basis and the basis was the principle of "Arms Length Transaction". Details of related party transaction are disclosed in the Note-38(a) of the Financial Statement.
- No IPO or Right issue was made during the year.
- No significant variance occurs between Quarterly Financial Performance and Annual Financial Statement.
- During the year, Company has paid a total of Taka 21,526 as Board meeting attendance fees. The remuneration of Directors has been mentioned in Note-28 and 38(b) of the Financial Statements.
- The financial statement prepared by the management of the Company present a true and fair view of Company's state of affairs, result of its operation, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently followed in formulating the Financial Statements and Accounting estimates are reasonable and accurate.
- Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) have been followed in preparation of the financial statements.
- All significant variations in operating results from the previous year have been highlighted and reasons thereof have been explained.
- The key financial and operating data for the last six years is disclosed at Year 2013-at a Glance.
- The Company has recommended dividend for the year 2013.
- During 2013, a total of four Board meetings were held, which conform the regulatory requirements which are shown in Annexure-I.

- Shareholding pattern of the Company as on 31 December 2013 are shown in Annexure-II.
- The profiles of Directors who have sought for appointment/re-appointment are shown in Annexure-IV.
- The CEO and CFO have certified to the Board that they have reviewed the Financial Statements and believe that these statements do not contain any material untrue statements or omit any material fact or certain statements that might be misleading.
- The CEO and CFO further confirm that Financial Statements together present a true and fair view of the Company's affairs and are in compliance with applicable laws.
- The CEO and CFO have further certified to the Board that there are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the Company's code of conduct.



### Composition of the Board

The Board consists of 10 members drawn from amongst the major shareowners and business professionals. Mr. M Anis Ud Dowla is the Chairman of the Board and Dr. Arif Dowla is the Managing Director. There are three Independent Directors on the Board.

### Role of the Board

The Board is the highest level of authority of the Company to oversee its operations through appropriate delegation, reporting, monitoring and control.

### Responsibility of the Board

The Directors hold the ultimate responsibility of conducting the activities of the Company in

accordance with the law and in the interest of its shareowners and other stakeholders, keeping in view the long-term interest of the Company.

### Functioning of the Board

The Board is required under the law to meet at least once in three months. The number of Board Meetings held in 2013 was four. The Executive Directors are kept informed of the results and the major activities through monthly statements and all Directors are kept informed through quarterly reporting by the Managing Director. The Board agenda includes financial results, consideration of major investments, new business initiatives, borrowings, liquidity etc, in addition to statutory approvals.





### Management through people

The Board has approved the organogram of the Company, ensuring clear lines of reporting for each Strategic Business Unit. The Board is kept informed of the goals and targets of the Business Units and takes account of this financial performance on a quarterly basis.

### Empowerment of People

The Board has given clear guidelines to the Managing Director to ensure that there is appropriate delegation of authority and clear statement of accountability of the management staff all the way down to the Supervisory level and that performance of the individual is judged on the basis of clearly set measurable goals and through objective assessment of their achievement.

### Reporting and Communication

The Managing Director reviews and approves the strategic plans of each Business Unit every quarter. He also reviews monthly report and commentary on the sales and financial performance of the business from the heads of businesses and the activities of the functional and service heads. An elaborate MIS system is in place.

### Communication with Shareowners

The Company holds the Annual General Meeting regularly in time. The Directors attending the Annual General Meeting note the views and suggestions of the shareowners and institutional stakeholders offered at the AGM and consider them with utmost seriousness. The Managing Director also brings to the notice of the Board any written communication received by him from the shareowners.

### Election of Director

By operation of Article 120 of the Company's Articles of Association Mrs. Najma Dowla and Ms. Shusmita Anis retire by rotation and being eligible, offer themselves for re-election.

### Audit Committee

Following the Guidelines of Bangladesh Securities and Exchange Commission, the Board has constituted an Audit Committee for the Company which is mentioned in the Compliance Report enclosed herewith. The Committee comprises of Mr. Golam Mainuddin, Ms. Shusmita Anis and Ms. Sheema Abed Rahman. Mr. Golam Mainuddin is an Independent Director and also the Chairman of the Audit Committee.

The Audit Committee met four times during the year 2013. The Company Secretary functioned as Secretary of the Committee. The main performances of the Audit Committee during the year were as follows:

1. Reviewed and appraised the performance of internal control system.
2. Reviewed the risks associated with the company's operation including mitigation and awareness plan.
3. Overseeing hiring and performance of external auditors.
4. Ensuring Company's financial reporting process.
5. Reviewed the matter as required under the Guidelines of Bangladesh Securities and Exchange Commission.

## Going Concern

The Board, through appropriate enquiries and analyses, ensures that the resources are adequate to support the operation and that sufficient business opportunities exist to qualify the organisation as a going concern and the Directors analyse the financial statements to ensure that. Accordingly, Financial Statements are prepared on a going concern basis.

## Internal Control

The Managing Director has to satisfy the Board that adequate internal checks and controls are in place through appropriate MIS and employment of Internal Audit team to check and validate the expenses and the systems in operation. To further strengthen the controls, the Company has introduced ISO 9001:2008 Quality Management System under which all activities are carried out on the basis of Standard Operating Procedures. These standard procedures are updated on a regular basis in line with ISO requirements. The Company has also introduced ISO 14001:2004 Environmental Management System, the first Company in Bangladesh to do so and as a result has undertaken a task of continuing improvement through annual goals. Internal Audit department has been strengthened with induction of qualified and experienced personnel, showing Board's commitment to ensure that adequate risk management and internal control system are in place across the Company. In addition, the Company has adopted the Ten Principles of Global Compact, an initiative taken by the Secretary General of the United Nations and adopted world-wide by big and progressive companies.

## Corporate Governance Compliance Statement

ACI Board of Directors is committed to meeting the highest standard of corporate governance and disclosure. The Directors are conscious of

their responsibilities in supervision and direction of the affairs of the Company in conformity with the practices of sound corporate governance. In fulfillment of those responsibilities the Directors have set for themselves the principles that will be followed in their own involvement in the oversight function and in setting up clear guidelines for the executive management.

We have the pleasure to confirm herewith that the Company has meanwhile complied with all the necessary guidelines under BSEC Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012. The compliance report along with the necessary remarks/disclosure is appended in the Directors' Report of the Company for the year 2013 in continuation pages of Annexure-III. Further a Certificate of Compliance required under the said Guidelines, as provided by K. M. Hasan & Co., Chartered Accountants, is also annexed to this report in Annexure-III.

## Auditors

The present auditors, Messrs. Hoda Vasi Chowdhury & Co., Chartered Accountants, will retire and not eligible for further re-appointment as per Bangladesh Securities and Exchange Commission order no. SEC/CMRRCD/2009-193/104/Admin, dated 27 July 2011. The Board recommended Messrs. Rahman Rahman Huq, Chartered Accountants, the previous auditors of the Company and a member firm of KPMG as the auditors of the Company for the year 2014 for approval in the Annual General Meeting.







## The People of ACI

Developing the people of ACI and unleashing their full potential is a top priority for the company. Each year we try to uncover new ways for achieving this elusive goal. We tried to approach this by emphasizing the interaction between the services involved in training with those involved in HR. Through their close interaction with the people we are able to provide a larger number of customized development programs in smaller groups.

We tried to bring the company closer together and share experiences across business units who were engaged in similar roles. We created greater engagement between the services, businesses and factories through improved communication and feedback and develop a greater sense of ownership to the common end result of improved performance. A stronger focus on operational key performance indicators led to greater visibility of the processes. IT played a major role in executing this strategy.

We have had numerous gatherings among factories, field force, services and business to reinforce our company values of transparency, fairness, quality, customer focus, continuous

improvement and innovation. During these gatherings we manage to create this common culture throughout the diversity of our businesses. The external adversity that we faced through political and social agitation only brought us together, and made us stronger. Alongside our internal development, we reach out to the communities we touch through CSR and sustainability, where we harmonize with the external environment through various activities, for which a separate report is given.

We thank the partners of ACI, shareowners, suppliers, customers, bankers, media and all other well wishers for their support and patronage to bring us to this level. We wish for their continued support to fulfill our mission to improve the lives of people.

Finally, and most importantly, I thank the employees of ACI in factories, depots, offices and other locations across the country, for their untiring efforts. They have worked hard, against uncertainties and adversity to build a stronger organization that can create a greater positive impact on the quality of life of people.

On behalf of the Board

**Dr. Arif Dowla**

Managing Director

**Waliur Rahman Bhuiyan, OBE**

Director

### Annexure - I Number of Board meetings held and Attendance by the Directors

During the year five Board meetings were held and the attendance by each Director was as follow:

Name	No. of Meeting Attended
Mr. M Anis Ud Dowla	4
Dr. Arif Dowla	4
Mrs. Najma Dowla	4
Ms. Shusmita Anis	- (Appointed on 29 October 2013)
Ms. Sheema Abed Rahman	4
Mr. Md. Fayekuzzaman	4
Mr. Waliur Rahman Bhuiyan, OBE	3
Mr. Juned Ahmed Choudhury	3
Mr. Abdul Muyeed Chowdhury	3
Mr. Golam Mainuddin	4

### Annexure - II Pattern of Shareholding

As per SEC guideline condition no-1.5 (xxi), the pattern of share holding status as on 31 December 2013 is given below:

1.5 (xxi) (a) Held by Parent / Subsidiary / Associates and other related parties: N/A

1.5 (xxi) (b) Held by Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children etc.:

Name	Position	No. of Shares
Mr. M Anis Ud Dowla	Chairman	5,267,260
Dr. Arif Dowla	Managing Director	1,039,942
Mrs. Najma Dowla	Director	798,139
Ms. Shusmita Anis	Director	289,940
Ms. Sheema Abed Rahman	Director	14,256
Mr. Md. Fayekuzzaman	Nominee of ICB	Nil
Mr. Waliur Rahman Bhuiyan, OBE	Nominee of ACI Foundation	Nil
Mr. Juned Ahmed Choudhury	Independent Director	Nil
Mr. Abdul Muyeed Chowdhury	Independent Director	Nil
Mr. Golam Mainuddin	Independent Director	Nil
Mr. Pradip Kar Chowdhury	Chief Financial Officer	Nil
Mr. Amitava Saha	Head of Risk Management and Internal Audit	Nil

1.5 (xxi) (c) Held by Executives

Name	Position	No. of Shares
Ms. Sheema Abed Rahman	Company Secretary	14,256

1.5 (xxi) (d) Held by Shareholders holding ten percent or more voting interest:

Name	Position	% of Shares
Mr. M Anis Ud Dowla	Chairman	18.43



### Annexure-III



কে.এম.হাসান এন্ড কোং  
**K. M. HASAN & CO.**  
Chartered Accountants

Hometown Apartment (8th, 9th & 13th Floor)  
87, New Eskaton Road, Dhaka-1000  
Phone : 9351457, 9351564, 8358817  
Fax : 880-2-9345792  
E-mail : kmh\_co@yahoo.com  
Website : www.kmhasan.com

#### Certificate on compliance of conditions of the corporate governance guidelines to the shareholders of Advanced Chemical Industries (ACI) Limited

We have reviewed the compliance of conditions of the Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission ("BSEC") by Advanced Chemical Industries (ACI) Limited as stipulated in clause 7(i) of the BSEC notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012.

The compliance of conditions of the Corporate Governance Guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the Company's Management. Our review for the purpose of issuing this certification was limited to the verification of procedures and implementations thereof adopted by the Company for ensuring the compliance of conditions of Corporate Governance Guidelines and proper reporting of compliance status on the attached statement on the basis of evidences obtained and representation received thereon from the management of the Company.

To the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance Guidelines as stipulated in the above mentioned notification dated 07 August, 2012 of Bangladesh Securities and Exchange Commission.

Dated, 04 May 2014

  
**Md. Amirul Islam FCA, FCS**  
Senior Partner



## Advanced Chemical Industries Limited

For the year ended 31 December 2013

### Status of Compliance with the Corporate Governance Guidelines (CGG)

Status of the compliance with the conditions imposed by the Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 of the Bangladesh Securities and Exchange Commission (BSEC) issued under section 2CC of the Securities and Exchange Ordinance 1969:

(Report under Condition No. 7.00)

Condition No.	Title	Compliance Status as on 31 December 2013	Remarks
1.0	<b>BOARD OF DIRECTORS</b>		
1.1	<b>Board's Size:</b> The number of the Board members of the Company shall not be less than 5 (five) and more than 20 (twenty).	Complied	
1.2	<b>Independent Directors</b>		
1.2(i)	At least one fifth (1/5) of the total number of directors in the Company's Board shall be Independent Directors.	Complied	
1.2(ii)	For the purpose of this clause "Independent Director" means a director-		
1.2(ii)(a)	Who either does not hold share in the company or holds less than 1% shares of the total paid up shares of the company;	Complied	
1.2(ii)(b)	Who is not sponsor of the Company and is not connected with any sponsor or director or shareholder who holds one percent or more shares of the Company;	Complied	
1.2(ii)(c)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	Complied	
1.2(ii)(d)	Who is not a member, director or officer of any stock exchange;	Complied	
1.2(ii)(e)	Who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	Complied	
1.2(ii)(f)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm;	Complied	
1.2(ii)(g)	Who shall not be an independent director in more than 3 (three) listed companies;	Complied	
1.2(ii)(h)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	Complied	
1.2(ii)(i)	Who has not been convicted for a criminal offence involving moral turpitude.	Complied	
1.2(iii)	The Independent Director(s) shall be appointed by the Board of Directors and approved by the shareholders in the Annual General Meeting (AGM).	Complied	
1.2(iv)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	Complied	
1.2(v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	Complied	
1.2(vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	Complied	

*Contd.*



Condition No.	Title	Compliance Status as on 31 December 2013	Remarks
1.3	<b>Qualification of Independent Director (ID)</b>		
1.3(i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	Complied	
1.3(ii)	The person should be a Business Leader / Corporate Leader / Bureaucrat / University Teacher with Economics or Business Studies or Law background / Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management / professional experiences.	Complied	
1.3(iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	Not applicable	
1.4	<b>Chairman of the Board and Chief Executive Officer:</b> The position of the Chairman of the Board and the Chief Executive Officer shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the Company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.	Complied	
1.5	<b>Directors Report to Shareholders shall include following additional statements on</b>		
1.5(i)	Industry outlook and possible future developments in the industry.	Complied	The Directors' report complies with the guideline.
1.5(ii)	Segment-wise or product-wise performance.	Complied	Do
1.5(iii)	Risks and concerns.	Complied	Do
1.5(iv)	Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin.	Complied	Do
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss.	Not applicable	
1.5(vi)	Statement of all related party transactions.	Complied	The Directors' report complies with the guideline.
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	Not applicable	
1.5(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	Not applicable	
1.5(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.		There was no significant variance
1.5(x)	Remuneration to directors including independent directors.	Complied	
1.5(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	Complied	Discussed in "Directors' declaration as to Statutory Information".
1.5(xii)	Proper books of account of the issuer Company have been maintained.	Complied	Do
1.5(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	Complied	Do



Condition No.	Title	Compliance Status as on 31 December 2013	Remarks
1.5(xiv)	International Accounting Standards (IASs) / Bangladesh Accounting Standards (BASs) / International Financial Reporting Standards (IFRSs) / Bangladesh Financial Reporting Standards (BFRSs), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	Complied	Do
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	Complied	Stated under section "The system of Internal Control" in the Directors' Report.
1.5(xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	Complied	Stated under section "Going Concern" in the Directors' Report.
1.5(xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	Complied	The Directors' report complies with the guideline.
1.5(xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	Complied	Six years' key operating and financial data has been disclosed at the "Year-2013 at a Glance" of Annual Report.
1.5(xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	Complied	
1.5(xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	Complied	Stated in Annexure-I of the Directors' report which comply with the guideline.
1.5(xxi)	<b>The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:-</b>		
1.5(xxi)(a)	Parent / Subsidiary / Associated Companies and other related parties (name wise details);	Complied	Stated in Annexure-II of the Directors' report which comply with the guideline.
1.5(xxi)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	Complied	Do
1.5(xxi)(c)	Executives;	Complied	Do
1.5(xxi)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	Complied	Do
1.5(xxii)	<b>In case of the appointment / reappointment of a director the company shall disclose the following information to the shareholders:-</b>		
1.5(xxii)(a)	A brief resume of the director;	Complied	The Directors' report complies with the guidelines
1.5(xxii)(b)	Nature of his / her expertise in specific functional areas;	Complied	Do
1.5(xxii)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	Complied	Do

Contd.



Condition No.	Title	Compliance Status as on 31 December 2013	Remarks
2.0	<b>CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY (CS)</b>		
2.1	The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	Complied	
2.2	<b>Requirement to attend the Board Meetings</b> The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	Complied	
3.0	<b>AUDIT COMMITTEE</b>		
3.0 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	Complied	
3.0(ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	Complied	
3.0(iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	Complied	
3.1	<b>Constitution of the Audit Committee:</b>		
3.1(i)	The Audit Committee shall be composed of at least 3 (three) members.	Complied	
3.1(ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the Company and shall include at least 1 (one) Independent Director.	Complied	
3.1(iii)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	Complied	
3.1(iv)	Filling of casual vacancy in the Audit Committee.	Complied	
3.1(v)	The company secretary shall act as the secretary of the Audit Committee.	Complied	
3.1(vi)	The quorum of the Audit Committee meeting shall not constitute without Independent Director.	Complied	
3.2	<b>Chairman of the Audit Committee</b>		
3.2(i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	Complied	
3.2(ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	Complied	
3.3	<b>Role of Audit Committee:</b>		
3.3(i)	Oversee the financial reporting process.	Complied	
3.3(ii)	Monitor choice of accounting policies and principles.	Complied	

Condition No.	Title	Compliance Status as on 31 December 2013	Remarks
3.3(iii)	Monitor Internal Control Risk management process.	Complied	
3.3(iv)	Oversee hiring and performance of external auditors.	Complied	
3.3(v)	Review along with the management, the annual financial statements before submission to the board for approval.	Complied	
3.3(vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.	Complied	
3.3(vii)	Review the adequacy of internal audit function.	Complied	
3.3(viii)	Review statement of significant related party transactions submitted by the management.	Complied	
3.3(ix)	Review Management Letters / Letter of Internal Control weakness issued by statutory auditors.	Complied	
3.3(x)	Declaration to Audit Committee by the Company regarding utilization of IPO / RPO, Right issue money.		There was no IPO/RPO/ Right Issue in 2013.
3.4	<b>Reporting of the Audit Committee:</b>		
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors.	Complied	Audit committee informs board periodically through its minutes.
3.4.1 (ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-		
3.4.1(ii)(a)	Report on conflicts of interests;		There was no reportable case of conflict of interest in 2013.
3.4.1(ii)(b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;		There was no such case in the year.
3.4.1(ii)(c)	Suspected infringement of laws, including securities related laws, rules and regulations;		Do
3.4.1(ii)(d)	Any other matter which shall be disclosed to the Board of Directors immediately.		Do
3.4.2	<b>Reporting to the Authorities</b> Reported to the Board of Directors about anything which has material impact on the financial condition and results of operation.	Complied	
3.5	<b>Reporting to the Shareholders and General Investors</b> Report on the activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii).	Complied	The Audit Committee (AC) report is disclosed in the Annual Report and signed by the Chairman of the AC.
4.0	<b>EXTERNAL / STATUTORY AUDITORS</b> The issuer company should not engage its external / statutory auditors to perform the following services of the company; namely:-		
4.0(i)	Appraisal or valuation services or fairness opinions.	Complied	
4.0(ii)	Financial information systems design and implementation.	Complied	
4.0(iii)	Book-keeping or other services related to the accounting records or financial statements.	Complied	
4.0(iv)	Broker-dealer services.	Complied	
4.0(v)	Actuarial services.	Complied	
4.0(vi)	Internal Audit service.	Complied	

Contd.





Condition No.	Title	Compliance Status as on 31 December 2013	Remarks
4.0(vii)	Any other services that the Audit Committee determines.	Complied	
4.0(viii)	No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company.	Complied	
5.0	<b>SUBSIDIARY COMPANY</b>		
5.0(i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	Complied	
5.0(ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	Complied	
5.0(iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	Complied	
5.0(iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	Complied	
5.0(v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	Complied	
6.0	<b>DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO):</b> The CEO and CFO shall certify to the Board that:-		
6.0(i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief:		
6.0(i)(a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	Complied	Stated at "Directors" declaration as to statutory information.
6.0(i)(b)	These statements together present a true and fair view of the Company's affairs and are in compliance with affairs and are in compliance with applicable laws.	Complied	Do
6.0(ii)	There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.	Complied	Do
7.0	<b>REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE</b>		
7.0(i)	The Company shall obtain a certificate from a practicing Professional Accountant / Secretary (Chartered Accountant / Cost and Management Accountant / Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	Complied	Required certificate obtained from K. M. Hasan & Co, Chartered Accountants' for the year 2013 which is published at Annexure - III of the Directors' Report.
7.0(ii)	The directors of the Company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	Complied	Status of Compliance is published with the Directors' Report as required.

## **Annexure-IV**

### **Brief resumé of the Directors who seek appointment/re-appointment**

#### **Directors re-election**

##### **Mrs. Najma Dowla, Director**

Mrs. Najma Dowla joined ACI Limited as Director on 6 January 1996. She is a Bachelor of Arts. She is also Director of Consolidated Chemical Limited, ACI Salt Limited, Stochastic Logic Limited, Premiaflex Plastics Limited, ACI Foods Limited, ACI Motors Limited, ACI HealthCare Limited, ACI Foundation and ACI Chemicals Limited.

##### **Ms. Shusmita Anis, Director**

Ms. Shusmita Anis obtained her academic qualification on Fine Arts Graduate in Graphics Design from San Jose, California, USA. Ms. Shusmita was inducted as a Director in 2003 and later on she was appointed as a Managing Director of ACI Formulations Limited in December 2012. She is Director of ACI Logistics Limited, ACI Foods Limited, ACI Motors Limited, PremiaFlex Plastics Limited, Creative Communication Limited, Consolidated Chemical Limited, ACI Pure Flour Limited, Stochastic Logic Limited, ACI Salt Limited, ACI HealthCare Limited, ACI Foundation and ACI Chemicals Limited. She is also Director in Pioneer Insurance Co. Ltd., Neem Laboratories (Pvt.) Ltd., Aloe Organics (Pvt.) Ltd. and Green Business And Marketing Company (BD) Limited.



## চেয়ারম্যানের বাণী



আমাদের ব্যবসার ফলাফল  
প্রত্যাশার চেয়ে ভালো হয়েছে।  
সবগুলো ফাইন্যান্সিয়াল  
দিক নির্দেশকই পূর্বের  
থেকে ভালো অবস্থানে রয়েছে।



প্রিয় শেয়ারমালিকবৃন্দ  
এবং এসিআই'র শুভাকাঙ্ক্ষীবৃন্দ,

আসসালামু-আলাইকুম।

রাজনৈতিক সংকট থেকে উদ্ধৃত পরিস্থিতি দেশের অর্থনীতিতে বিরূপ প্রভাব ফেলেছে, যার হাত থেকে আমাদের কোম্পানিও রেহাই পায়নি। আমরা রাজনৈতিক পরিবেশ সম্পর্কে মন্তব্য করতে চাই না। আমরা শুধু আমাদের ভোক্তাদের কাছে বাধ্যতামূলকভাবে পণ্য পৌঁছে দেওয়ার পরিবেশ প্রত্যাশা করি।

শুভ সংবাদ হলো এই যে, এ বছরটি অনেক ভালোভাবে শুরু হয়েছে। অর্থনীতিকে পূর্বাভাস দিয়ে ফিরিয়ে আনতে দ্রুত এবং জোরালোভাবে কাজ চলছে। আমরা আশা করি যে, ব্যবসা করার এই শান্ত পরিবেশ বজায় থাকবে।

আমাদের কর্মকর্তা ও কর্মচারীরা জীবন বাজি রেখে ভোক্তা সাধারণের সেবা প্রদান অব্যাহত রাখতে অসাধারণ সাহসিকতার পরিচয় দিয়েছে। তাদের অদম্য সংকল্প ও মনোবল এটা প্রমাণ করে দেখিয়েছে যে, স্বল্প সময়ের জন্য হলেও সকল বাধাই অতিক্রম করা সম্ভব।

২০১৩ সালে প্রশংসনীয় অবদান রাখার জন্য এসিআই'র সাথে স্বার্থ-সংশ্লিষ্ট সকলের পক্ষ থেকে এবং আমি আমার নিজের পক্ষ থেকে এসিআই গ্রুপের কর্মচারীদেরকে অভিনন্দন জানাতে চাই।

প্রিয় শেয়ারমালিকবৃন্দ, আমাদের ব্যবসার ফলাফল প্রত্যাশার চেয়ে ভালো হয়েছে। সবগুলো ফাইন্যান্সিয়াল দিক নির্দেশকই পূর্বের থেকে ভালো অবস্থানে রয়েছে। মূল ব্যবসায়িক ফলাফল নির্দেশকগুলোর প্রতি জোর গুরুত্ব আরোপের জন্য ব্যবস্থাপনা কর্তৃপক্ষ ছিল লক্ষ্যের প্রতি দৃষ্টিবদ্ধ এবং কৌশলী, যা বছরটিতে বিরাজমান পরিস্থিতির মোকাবেলা করতে সহায়তা করেছে।

আমরা সর্বদাই আমাদের মূল ব্যবসাগুলোর ফলাফল পর্যালোচনা করি এবং ব্যবসায়িক প্রবৃদ্ধির জন্য সবচেয়ে অনুকূল পথ অনুসরণ করি। বিনিয়োগের



“  
আমি আমাদের  
শেয়ারমালিকদের নিশ্চিত  
করতে চাই যে, এসিআই’তে  
বিনিয়োগ নিরাপদ এবং  
সম্ভাবনায় সমৃদ্ধ।  
”

অপার সম্ভাবনা রয়েছে এবং এটা আমাদের দায়িত্ব যে, সেদিকে সতর্ক দৃষ্টি রেখে সক্রিয়ভাবে সম্ভাবনাগুলো কাজে লাগানো।

আমরা এসিআই গ্রুপের উর্ধ্বতন ব্যবস্থাপনা কর্তৃপক্ষের নেতৃত্বের প্রশংসা করি। প্রতিটি ব্যবসার জন্য গৃহীত কৌশল ছিল ব্যবসাগুলো সম্পর্কে সুতীক্ষ্ণ পর্যালোচনা এবং উচ্চ প্রত্যাশার লক্ষ্যে ধাবিত হওয়ার ফলাফল।

আমি আমাদের শেয়ারমালিকদের নিশ্চিত করতে চাই যে, এসিআই’তে বিনিয়োগ নিরাপদ এবং সম্ভাবনায় সমৃদ্ধ।

আব্দুল হাফেজ,

আপনাদের বিশ্বস্ত,



এম আনিস উদ্ দৌলা  
চেয়ারম্যান, এসিআই গ্রুপ





## শেয়ার মালিকবৃন্দের প্রতি পরিচালকমন্ডলীর প্রতিবেদন

### প্রিয় শেয়ারমালিকবৃন্দ,

পরিচালকমন্ডলীর পক্ষ থেকে আমি ৩১শে ডিসেম্বর ২০১৩ তারিখে সমাপ্ত বছরের উদ্বৃত্তপত্র, লাভ-ক্ষতি হিসাব, নগদ প্রবাহ, অডিটরবৃন্দের প্রতিবেদনসহ নিরীক্ষিত বার্ষিক হিসাব ও ব্যাখ্যা সানন্দে আপনাদের সামনে উপস্থাপন করছি।

### সামগ্রিক পর্যালোচনা

২০১৩ সালে এসিআই'র ব্যবসা গত বছরের তুলনায় ভালো হয়েছে। প্রবৃদ্ধির চেয়ে মুনাফার দিকে অধিক মনোযোগ এবং সামষ্টিক অর্থনীতির দিকে বিশেষভাবে দৃষ্টিপাতের ফলেই এটি সম্ভব হয়েছে। যাই হোক আমাদের প্রচেষ্টার ফলাফল পরিপূর্ণভাবে প্রত্যক্ষ করা যায়নি। কেননা রাজনৈতিক অস্থিরতা থেকে সৃষ্ট পরিস্থিতির কারণে সরবরাহ এবং বিতরণ ব্যবস্থা বাধাগ্রস্ত হয়, দোকানপাট বন্ধ থাকে এবং ভোক্তাদের মানসিকতা পরিবর্তিত হয়। যার ফলে বিক্রয় প্রবৃদ্ধি হ্রাস পেয়েছে।

২০১২-১৩ অর্থবছরে বাংলাদেশের জিডিপি প্রবৃদ্ধি ছিল প্রায় ৬.০৩%, যদিও বিভিন্ন উৎসের সূত্রানুযায়ী প্রবৃদ্ধি ০.৫% সীমার মধ্যে উঠানামা করতে পারে। মুদ্রাস্ফীতির পরিমাণ ছিল প্রায় ৬.৭৮%, রপ্তানি আয় ২৭.০৩ বিলিয়ন ইউএস ডলার, বিদেশ থেকে প্রেরিত অর্থের পরিমাণ ১৪.৪৬ বিলিয়ন ইউএস ডলার এবং ২০১২-১৩ সালের চলতি হিসাবের উদ্বৃত্ত ২.০৫ বিলিয়ন ইউএস ডলার।

স্থিতিশীল ডলারের বিনিময় হার এবং নিম্ন সুদের হার উভয়ই এসিআই'র ব্যবসার জন্য অনুকূল ছিল। বছরজুড়ে রাজনৈতিক অস্থিরতা বিশেষভাবে ৭৯ দিন হরতাল ছিল প্রধান উদ্বেগের কারণ যা কোম্পানিকে অধিক ভালো ফলাফল অর্জনের সুযোগ থেকে বঞ্চিত করে।

অভ্যন্তরীণ দক্ষতা এবং উৎপাদনশীলতার উপর জোর দেওয়ার দরুন কোম্পানীর ব্যবসায়িক ফলাফলের উন্নতি হয়েছে। মার্জিন, ইনভেন্টরি এবং ঋণ ব্যবস্থাপনার উন্নতি ছিল সুস্পষ্ট। ব্যবসার প্রয়োজনের সাথে সঙ্গতি রেখে সেবার মানও বৃদ্ধি পেয়েছে। আমাদের কাঁচামালের সরবরাহকারীগণের সাথে সম্পৃক্ততা বৃদ্ধি ব্যবসায় মূল্য সংযোজিত করে যা আমাদের নিজস্ব লজিস্টিকস্ ব্যবস্থাকে আরো শক্তিশালী করে।

২০১৩ সালে কিছু গুরুত্বপূর্ণ লক্ষণীয় বিষয় ছিল। রপ্তানি আয়ে ফার্মাসিউটিক্যালস্ ব্যবসা উল্লেখযোগ্য অগ্রগতি অর্জন করে এবং আমাদের পণ্যসম্ভারে নতুন প্রযুক্তির পণ্য সংযোজন করে। কনজুমার ব্র্যান্ডের ব্যবসা তাদের বন্টন ব্যবস্থাকে শক্তিশালী করেছে এবং ব্র্যান্ড প্রতিষ্ঠার জন্য প্রতিনিয়ত কাজ করে যাচ্ছে। বছরজুড়ে কৃষি কাজের উপযোগী পরিবেশ বিদ্যমান ছিল এবং এগ্রিবিজনেস গত বছরের তুলনায় ভাল ফলাফল করেছে। এসিআই বাংলাদেশে প্রথমবারের মত বার্ড ফ্লু ভ্যাকসিন নিয়ে আসে যা এগ্রিবিজনেসের ভাবমূর্তি বৃদ্ধির পাশাপাশি ব্যবসাকে আরো শক্তিশালী করে এবং সেই সাথে সাফল্য অর্জনে সহায়তা করে। এসিআই লজিস্টিকস্ তার ব্যবসায়ের গুণগত মান বৃদ্ধি করার পাশাপাশি 'স্বপ্ন লাইফ' ব্র্যান্ড নামে লাইফ স্টাইল পণ্য বাজারে নিয়ে আসে। বিশ্বের এক নম্বর পেইন্ট কোম্পানি একজো নবেল এর সাথে ডিওলাক্স ব্র্যান্ডের ডিস্ট্রিবিউশনের নতুন অংশীদারিত্ব স্থাপন করা হয়।

### হেলথ কেয়ার ডিভিশন

আমাদের ফার্মাসিউটিক্যাল ব্যবসার প্রবৃদ্ধি হয়েছে ৯.৬% যা ইন্ডাস্ট্রির প্রবৃদ্ধির চেয়ে বেশি। আইএমএস প্রতিবেদন অনুযায়ী এই শিল্পের প্রবৃদ্ধি হয়েছে ৮.১%। মার্চ কর্মীরা সারা বছর জুড়ে হরতালের কারণে ডাক্তার, কেমিস্ট এবং রোগীদের সাথে যোগাযোগে প্রতিকূলতার সম্মুখীন হন। এই সকল প্রতিকূলতা সত্ত্বেও কোম্পানি প্রধান এরিয়াগুলোতে যেমন; কার্ডিওভাসকুলার, এন্টি ডায়াবেটিক, এন্টি-ইনফেকটিভ, সেন্ট্রাল নার্ভস সিস্টেম (সিএনএস) এবং রেসপাইরেটরিতে প্রশংসনীয় মার্কেট শেয়ার অর্জন করেছে।

এই বছর এসিআই উল্লেখযোগ্য সফলতা অর্জন করেছে। অত্যন্ত কার্যকরী লিপিড নিয়ন্ত্রক - Rosetor সংযোজন করা হয়েছে যা চিকিৎসদের দ্বারা অত্যন্ত প্রশংসিত হয়েছে। পারকিনসন রোগের চিকিৎসায় অত্যন্ত আধুনিক ও কার্যকরী Tridopa সংযোজন করা হয়েছে যা বাংলাদেশে প্রথম এবং নিউরোলজিস্টের নিকট থেকে অনুকূল সাড়া পাওয়া গেছে। ওরাল এন্টি-বায়োটিক পণ্যসম্ভার উল্লেখযোগ্য প্রবৃদ্ধি অর্জন করে। এন্টিবায়োটিক পণ্য সম্ভার আরো সমৃদ্ধ হয়েছে সেরোক্স সিডি সংযোজনের মাধ্যমে, এটি একটি সংযুক্ত পণ্য যা সংক্রমণ রোধ এবং ঔষধের কার্যকরিতা ব্যাহতকারী জীবাণুর বিরুদ্ধে কার্যকর। শিশুদের জন্য আমরা বাজারে প্রথম সাসস্টেইন্ড রিলিজ এজিথ্রমাইসিন সাসপেনশন এনেছি।

এসিআই ফার্মা গত বছর রপ্তানি আয়ে উল্লেখযোগ্য সফলতা অর্জন করে।

এসিআই নতুন করে পাঁচটি দেশে ঔষধ রপ্তানি করেছে। এই বছর সর্বমোট ৫৫ টি পণ্য ঔষধ নিয়ন্ত্রণকারী সংস্থা থেকে নিবন্ধন লাভ করে।

আমাদের ফার্মা ব্যবসা বিভিন্ন মেডিকেল কলেজ, হাসপাতাল এবং ডাক্তারি সংস্থাকে সাথে নিয়ে বিভিন্ন বৈজ্ঞানিক সেমিনার, ধারাবাহিক মেডিকেল শিক্ষা প্রোগ্রাম (সিএমই) আয়োজন করে যাতে বিভিন্ন ধরনের মেডিকেল সম্পর্কিত বিশেষায়িত বিষয় আলোচনা করা হয় এবং এতে দেশে-বিদেশের স্বনামধন্য চিকিৎসকরা উপস্থিত থাকেন।

আমাদের পণ্যের বর্ধিত বাজার চাহিদা মেটানোর জন্য উৎপাদন সক্ষমতা বৃদ্ধি এবং উৎপাদন প্রক্রিয়ার নতুন প্রযুক্তির ব্যবহার ও রোগীদের ব্যবহার উপযোগী নতুন পণ্য উৎপাদনের জন্য নারায়ণগঞ্জ কারখানায় বিনিয়োগ অব্যাহত রাখা হয়েছে। নারায়ণগঞ্জে গবেষণা ও উন্নয়ন কাজের জন্য পণ্য উন্নয়ন ল্যাবরেটরি স্থাপনের কাজ শেষ হয়েছে। এই স্বয়ংসম্পূর্ণ ল্যাব নিয়ন্ত্রণ অধিদপ্তরের চাহিদা অনুযায়ী গবেষণা ও উন্নয়ন কাজে সক্ষমতা বৃদ্ধির পাশাপাশি গুণগত মান নিয়ন্ত্রণকেও সহজ করবে।

এসিআই এর সবচেয়ে বড় সম্পদ হচ্ছে এর মানব সম্পদ – এটা শুধুমাত্র তাদের ব্যক্তিগত দক্ষতা, পারদর্শিতা এবং দূরদর্শিতার জন্যই নয় বরং বাংলাদেশের উন্নত স্বাস্থ্য সেবা নিশ্চিত করণে তাদের ব্যক্তিগত অঙ্গিকারের অনুপ্রেরণাই এর কারণ।

## কনজুমার ব্র্যান্ডস ডিভিশন

হোম কেয়ার সলিউশন ক্যাটাগরিতে এ্যাজেন্সিক এয়ার ফ্রেশনার ২৬% বিক্রয় প্রবৃদ্ধি অর্জন করে বাজারে এর শীর্ষস্থানকে আরও সুসংহত করেছে। এয়ার ফ্রেশনারের সকল পণ্যকে সরু ক্যানের আকর্ষণীয় মোড়কে নতুন ভাবে বাজারে ছাড়া হয়েছে। তাছাড়া এয়ার ফ্রেশনারের পণ্য সম্ভারে আরও কিছু ভিন্নরূপের আকর্ষণীয় নতুন পণ্য বাজারে আনা হয়েছে। চায়না থেকে অবৈধভাবে আমদানিকৃত মশার কয়েলের সাথে কঠিন প্রতিযোগিতার মুখে আমাদের মশার কয়েল ব্যবসা চ্যালেঞ্জের মুখে পড়ে। তা সত্ত্বেও ৩৮.৯% মার্কেট শেয়ার নিয়ে শীর্ষ অবস্থানে থেকে এ ব্যবসা বছরটি অতিক্রম করে। এ্যারোসল ইনসেক্ট কিলার ব্র্যান্ডটি ৮৩.৭% মার্কেট শেয়ার অর্জনের মাধ্যমে প্রাধান্য বিস্তার করে শীর্ষস্থানে দখল করেছে। ভ্যানিশ টয়লেট ক্লিনার ২% মার্কেট শেয়ার দখল করে বাজারে দ্বিতীয় অবস্থানে রয়েছে।

গৃহস্থলীর জীবাণু প্রতিষেধক হিসাবে শীর্ষস্থান অধিকারী পণ্য হিসাবে স্যাভলন সামনে দিকে এগিয়ে যাচ্ছে। গতবছর স্যাভলন লিকুইড এন্টিসেপটিক এবং ক্রিম ১০.৩% বিক্রয় প্রবৃদ্ধি অর্জন করেছে, যেখানে স্যাভলন বার সোপ এবং লিকুইড প্রবৃদ্ধি অর্জন করেছে যথাক্রমে ১১.৪% এবং ৯.৫%। স্যাভলন এন্টিসেপটিক ৭৪% মার্কেট শেয়ার দখল করে বাজারে এর শীর্ষস্থান ধরে রেখেছে। স্যাভলন বার সোপ এবং লিকুইড হ্যান্ড ওয়াশের মুনাফা বৃদ্ধি পাওয়ার দরুন স্যাভলন ব্র্যান্ডের ব্যবসা আরও সুদৃঢ় অবস্থানে পৌঁছেছে।

২০১৩ সালে স্যাভলন ফ্রিডম স্যানিটারি ন্যাপকিন উল্লেখযোগ্যভাবে ২০% বিক্রয় প্রবৃদ্ধি অর্জন করেছে। 'ফ্রিডম' বর্তমানে ১৫% মার্কেট শেয়ার দখল করে বাজারে দ্বিতীয় অবস্থানে রয়েছে।

২০১৩ সালে আমরা 'ওয়াশার' ব্র্যান্ড নামে ১২৫ গ্রাম ও ৩২৫ গ্রাম সাইজের ডিশ ওয়াশিং বার বাজারে এনেছি।

ইন্টারন্যাশনাল বিজনেস- নিভিয়া, লেজার এবং মেরিসেইন্ট সমন্বিতভাবে ৩১% বিক্রয় প্রবৃদ্ধি অর্জন করেছে। এই প্রবৃদ্ধির পিছনে প্রধান অবদান ছিল কোলগেট এর যা একাই ৭৬% বিক্রয় প্রবৃদ্ধি অর্জন করেছে।

### ইলেক্ট্রিক্যাল এবং কনজুমার ইলেক্ট্রনিক্স

ইলেক্ট্রিক্যাল এবং কনজুমার ইলেক্ট্রনিক্স ব্যবসা গত বছর ভাল ফলাফল লাভ করতে পারেনি। ইনভেন্টরি ব্যবস্থাপনা ও ক্রেতার চাহিদা বৃদ্ধিতে পরিচালনগত সমস্যাই মূলত এর কারণ। আমরা স্থানীয়ভাবে এনার্জি সেভিংস ল্যাম্পের এ্যাসেমব্লি স্থাপন করেছি যা আমাদের পণ্য সম্ভারকে আরও প্রসারিত করার সুযোগ সৃষ্টি করেছে এবং পণ্যের অবাধ সরবরাহ নিশ্চিত করেছে। আমাদের ফ্যাক্টরিটি গুণগত মানসম্পন্ন এনার্জি সেভিংস ল্যাম্প তৈরীর জন্য দরকারী কোয়ালিটি কন্ট্রোল ল্যাব এবং অত্যাধুনিক পরীক্ষার যন্ত্রপাতি দ্বারা সমৃদ্ধ। এছাড়াও স্থানীয়ভাবে এসেমব্লি করার কারণে উৎপাদন খরচ কম হবে এবং মুনাফা উল্লেখযোগ্যভাবে বৃদ্ধি পাবে।

এসিআই কনজুমার ইলেক্ট্রনিক্স পণ্যসম্ভারকে আরও সমৃদ্ধ করতে নতুন নতুন মডেল এবং পণ্য বাজারে নিয়ে আসছে। বিখ্যাত প্যানাসনিক ব্র্যান্ডের পণ্য ছাড়াও এসিআই স্থানীয় ব্র্যান্ডের ইলেক্ট্রনিক্স পণ্য বাজারে আনার উদ্যোগ নিয়েছে। এসকল উদ্যোগের ফলে ব্যবসায়িক সাফল্যের পথ অবশ্যম্ভাবিভাবে উন্মোচিত হয়েছে।

### পেইন্টস

২০১৩ সালের শেষার্শ্বে এসিআই ফরমুলেশনস্ এ্যাকজো নবেল কোম্পানির সাথে একত্রিতভাবে ডিওলাক্স পেইন্ট বাজারজাত শুরু করেছে। এ্যাকজো নবেল বিশ্বের ১নং পেইন্ট এবং কোটিং কোম্পানী। কোম্পানীটি বিশ্বের কেমিক্যাল উৎপাদনকারী প্রতিষ্ঠান হিসাবেও নামকরা কোম্পানীগুলির একটি। ডিওলাক্স বাজারে উচ্চগুণগতমান সম্পন্ন পেইন্টস্ হিসাবে সুপরিচিত যা পৃথিবীর সর্বত্র পাওয়া যায়। এ্যাকজো

নবেল বিশ্বের ৮০টি দেশে তাদের ব্যবসায়িক কার্যক্রম পরিচালনা করে। দ্রুত নগরায়ন এবং বাংলাদেশে উচ্চ গুণগত মান সম্পন্ন ইমালসন পেইন্টসের ব্যপক চাহিদার কারণে একজো নবেলের সাথে অংশীদারিত্ব স্থাপন এসিআইএফএল এর জন্য একটি সফল অধ্যায়ের সূচনা করবে বলে প্রত্যাশা করা হচ্ছে।

### সল্ট

২০১৩ সালে এসিআই পিওর সল্ট ১৪% বিক্রয় প্রবৃদ্ধি অর্জন করেছে। সল্ট ক্যাটাগরিতে এসিআই পিওর ব্র্যান্ড বাংলাদেশ ব্র্যান্ড ফোরাম থেকে শীর্ষ ব্র্যান্ডের খেতাব লাভ করে।

কিছু যান্ত্রিক সমস্যার কারণে কোম্পানীর নতুন প্ল্যান্ট এখনও কাজিফত উৎপাদন লক্ষ্যমাত্রায় পৌঁছাতে পারেনি, যা কাটিয়ে উঠার চেষ্টা চলছে। প্যাকেটজাত পণ্যদ্রব্যের বাজারে এসিআই সল্ট সুনামের সাথে শীর্ষস্থান বজায় রেখেছে এবং সুস্থ ও মেধাবী বাংলাদেশ গড়ার প্রত্যয়ে এর অগ্রযাত্রা অব্যাহত রেখেছে।

### পিওর ফ্লাওয়ার

পিওর ফ্লাওয়ার ব্যবসায় বিক্রয় প্রবৃদ্ধি হয়েছে ৭%। বিভিন্ন ধরণের উদ্যোগ গ্রহণের মাধ্যমে আমরা প্রতিদিন ৩০০ টন পণ্য উৎপাদনের সাপ্লাইচেইন ব্যবস্থা পরিচালনা করি, যার ফলে আমরা আমাদের ফ্যাক্টরীর ১০০% উৎপাদন ক্ষমতা ব্যবহার করতে সক্ষম হচ্ছি। এসিআই পিওর ফ্লাওয়ার মোট মুনাফায় প্রবৃদ্ধি বজায় রেখেছে। এই ব্যবসায় তার পণ্যসম্ভারে নতুন পণ্য সংযোজন করেছে। এসিআই পিওর আটা ব্র্যান্ডের সুদৃঢ় অবস্থান তৈরীতে সারা দেশজুড়ে অত্যন্ত কার্যকর বিপণন কর্মসূচী হাতে নেয়া হয়েছে। এই ৩৬০ ডিগ্রি বিপণন কর্মসূচী পণ্যের চাহিদা সৃষ্টি এবং ব্র্যান্ড সুদৃঢ় অবস্থান তৈরীতে অত্যন্ত কার্যকর হয়েছে।

এই ব্যবসা নিউট্রিলাইফ নামে নতুন ব্র্যান্ড প্রতিষ্ঠা করেছে। এই ব্র্যান্ডটি বিভিন্ন ধরনের স্বাস্থ্যকর খাদ্যপণ্য বাজারে এনেছে যা ভোক্তাদের সু-স্বাস্থ্য নিশ্চিত করবে। যেহেতু নিউট্রিলাইফ পণ্যসমূহ বাংলাদেশী ভোক্তাদের নিকট নতুন সেহেতু এর পরিচিতির জন্য বিশেষ পদক্ষেপ নেওয়া হয়েছে যার মধ্যে উল্লেখযোগ্য হল ডাক্তার এবং পুষ্টিবিদদের সাথে পরামর্শ, জগিং পার্কগুলোতে প্রচারভিযান এবং পথ পদর্শনী। এই স্বাস্থ্যকর খাদ্য পণ্য ধীরে ধীরে জনপ্রিয়তা অর্জন করছে। এসিআই নিউট্রিলাইফকে ঘরে ঘরে একটি পরিচিত নাম হিসাবে দাঁড় করার পাশাপাশি দেশজুড়ে একটি স্বাস্থ্যকর জীবন যাত্রা অনুশীলনের পরিকল্পনা বাস্তবায়নই এই ব্যবসার মূল লক্ষ্য।

### ফুডস্

এসিআই ফুডস্ ৩% বিক্রয় প্রবৃদ্ধি অর্জন করেছে। ব্যবসাটি পরিচালনগত খরচ এবং কাঁচামালের ক্রয় দক্ষতা অর্জনে গুরুত্বপূর্ণ পরিবর্তনের মধ্য দিয়ে গিয়েছে। কারখানার কর্মদক্ষতা বৃদ্ধি পেয়েছে। বিতরণ ব্যবস্থা এবং পরিবেশকদের দক্ষতা বৃদ্ধি পেয়েছে। 'পিওর' এবং 'ফান'- দুটি ব্র্যান্ডই কিছু অভিনব পণ্য বাজারে এনেছে এবং ভাল স্বাদ এবং মানের কারণে ভোক্তা বাজারে ধারাবাহিক প্রবৃদ্ধি অর্জন করছে।

এসিআই নিউট্রিলাইফ রাইস ব্রান অয়েল যাত্রা শুরুর পর থেকেই ব্যপক জনপ্রিয়তা লাভ করে। রাইস ব্রান অয়েল উৎপাদিত হয় রাইস ব্রান থেকে এবং এটি খুবই সুস্বাদ পুষ্টি সম্পন্ন ও উপকারী অয়েল এবং রান্নায় স্বল্প পরিমাণে লাগে। এই ব্র্যান্ডের সচেতনতা বৃদ্ধির জন্য অভিনব এবং বিশেষ বিপণন কর্মসূচী হাতে নেয়া হয়েছে।

কোম্পানী বর্তমানে বিভিন্ন প্রকার মসলা এবং কনজুমার ফুড ১১টিরও বেশী দেশে রপ্তানী করছে এবং ২০১৩ সালে রপ্তানির পরিমাণ এবং লক্ষ্যমাত্রা উল্লেখযোগ্যভাবে বেড়েছে। এ বছর রপ্তানি আয় ১৬% বৃদ্ধি পেয়েছে। ভোক্তাদের মন জয় করার জন্য এবং বাজারের অবস্থানকে আরো সুদৃঢ় করতে উল্লেখযোগ্য বিপণন কার্যক্রম হাতে নেয়া হয়েছে।





## এগ্রিবিজনেসেস ডিভিশন

### ক্রপ কেয়ার এন্ড পাবলিক হেল্থ

২০১৩ সালে রাজনৈতিক অস্থিরতা, পণ্যের সময়োচিত সরবরাহ, পণ্য সরবরাহজনিত খরচ বৃদ্ধি, এবং নিরাপত্তা ছিল মূল আলোচ্য বিষয়। এই সকল প্রতিকূলতা সত্ত্বেও এ ব্যবসা তার মার্কেট শেয়ার এ উন্নতি করতে সক্ষম হয়েছে যার মূলে ছিল আমাদের সকল স্তরের নিবেদিত কর্মীদল এবং ব্যবসায়িক অগ্রগতির লক্ষ্যে তাদের নিরলস প্রচেষ্টা।

কৃষকের হাতে কার্যকর সমাধান তুলে দেওয়ার লক্ষ্যে এ বছর ব্যবসাটি কতগুলো সাশ্রয়ী এবং পরিবেশবান্ধব পণ্য বাজারে এনেছে যা আমাদের পণ্য সম্ভারকে আরও অধিকতর সমৃদ্ধ করেছে। এই প্রথমবারের মত উল্লেখযোগ্য মূল্যমানের বেশকিছু পণ্য দেশের বাইরে রপ্তানী করা হয়েছে। এসিআই কর্তৃক উদ্ভাবিত এবং উৎপাদিত কতিপয় পণ্য প্রাণীবাহিত রোগ নিয়ন্ত্রণে সাফল্যের স্বাক্ষর রাখছে।

এ বছরেই ব্যবসা তার উৎপাদন ব্যবস্থাকে পুনর্বিদ্যায়, অধিকতর শক্তিশালী এবং সম্প্রসারিত করেছে এবং একই সাথে প্রয়োজন অনুযায়ী কৃষকদের ত্বরিত সহযোগিতা এবং পরামর্শ প্রদানের জন্য বিপণন বিভাগ এবং মাঠ পর্যায়ের কর্মীদের ক্ষমতায়নের মাধ্যমে তাদের স্ব-স্ব কর্মক্ষেত্রে ব্যাপক ভিত্তিক ব্যবসা প্রসারের কাজে সম্পৃক্ত করা হয়েছে।

### ফার্টিলাইজার

চলতি বছর এসিআই ফার্টিলাইজার এর ব্যবসা ১% হ্রাস পেয়েছে। আমাদের প্রধান ব্র্যান্ডসমূহ যেমন মিনারেল জিপসাম, জৈব সার এবং বায়োফার্টি- এর বিক্রয় প্রবৃদ্ধি অব্যাহত ছিল। এই সকল পণ্য বিএডিসি (BADC) বিএআরআই (BARI) এর সাথে চুক্তিভিত্তিক চাষাবাদ প্রক্রিয়া এবং এনজিওসমূহের সাথে পার্টনারশীপ প্রোগ্রামের মাধ্যমে বাজারজাত করা হয়েছে। আমাদের মাঠকর্মীদের সহায়তায় এ সকল প্রতিষ্ঠানের কৃষকদের মাটি ও পানি পরীক্ষার সুযোগ সুবিধা প্রদান করা হয়েছে।

এসিআই ফার্টিলাইজার মাঠকর্মী, খুচরা বিক্রেতা এবং সাধারণ ক্রেতাদের প্রতিষ্ঠানলব্ধ উদ্ভাবনসমূহ সম্পর্কে অবহিত করতে বিভিন্ন প্রোগ্রাম যেমন জাতীয় বৃক্ষমেলা, চা বাগানের ম্যানেজারদের নিয়ে সভা এবং অ্যাকোয়াকালচার কর্মশালা ইত্যাদির আয়োজন করেছে এবং তাতে অংশগ্রহণ করেছে।

পণ্যের নতুন বাজার তৈরি করার লক্ষ্য নিয়ে এ ব্যবসা বিভিন্ন নতুন প্রযুক্তির পণ্য বাজারজাত করেছে যার মধ্যে ফিশক্যাল, রুট গ্রোথ প্রোমোটার এবং বায়োফার্টি অন্যতম। ফিশক্যাল মাছের প্রাকৃতিক বৃদ্ধির জন্য পানির গুণাগুণ বৃদ্ধি করে, রুট গ্রোথ প্রোমোটার রুট ফরমেশন এর বৃদ্ধি ঘটায় এবং বায়োফার্টি নির্দিষ্ট শস্যের জন্য প্রয়োজনীয় পুষ্টি নিশ্চিত করে। এসিআই ফার্টিলাইজার এর এই ব্যবসা উদ্যোগ একদিকে যেমন মাটির উর্বরতা বৃদ্ধির মত গুরুত্বপূর্ণ কাজে ভূমিকা রাখছে, তেমনিভাবে দেশের খাদ্য নিরাপত্তা নিশ্চিতকরণের জন্যও কাজ করে যাচ্ছে।

### সীড

সীড ব্যবসার জন্য ২০১৩ সাল ছিল একটি ভালো বছর। গত বছরের তুলনায় এ বছর ১৬% বিক্রয় প্রবৃদ্ধি অর্জিত হয়েছে। ২১০ টন শাক-সবজির বীজ এবং ২০০০ টন ধান বীজের উৎপাদন এই বিক্রয় প্রবৃদ্ধিতে উল্লেখযোগ্য অবদান রেখেছে। সারাবছরব্যাপী আমরা উল্লেখযোগ্য পরিমাণে ফুলকপি ও বাঁধাকপি বিক্রি করেছি। এ সময় আমাদের গবেষণা ও উন্নয়ন বিভাগ ১২টি অভিনব জাতের বীজ বাজারজাত করেছে।

এই সকল উদ্ভাবনসমূহকে কৃষকের দোড়গোড়ায় পৌঁছে দিতে হাইব্রীড জাতের ধান ও শাক-সবজির উপর অসংখ্য প্রোগ্রাম এবং কর্মশালার আয়োজন করা হয়েছে। ৩০ হাজারের অধিক কৃষকের সাথে যোগাযোগ ও তাঁদের কাছে প্রতিষ্ঠানের উদ্ভাবিত পণ্যসমূহ পৌঁছে দিতে আমরা ৩০০ দিনের মাঠ-কর্মসূচীর আয়োজন করেছি।

ব্যবসাটি পণ্য বিক্রয়ে উদ্ভাবনী প্যাকেটজাতকরণ পদ্ধতি ব্যবহার করছে। সকল পণ্যসমূহ সাধারণ ক্রেতাদের মাঝে বিক্রি করে আমরা তাদের আস্থা অর্জন করতে সক্ষম হয়েছি। এই সকল উদ্ভাবনী উদ্যোগের মাধ্যমে একটি পরিচ্ছন্ন ব্যবসা

নোটওয়ার্ক প্রতিষ্ঠা করা হয়েছে যা আমাদের বিক্রয় কর্মীদের উজ্জীবিত রাখতে এবং সেই সাথে কৃষকদের সমৃদ্ধি অর্জনে ভূমিকা রেখেছে। এটা যেমন একদিকে প্রতিষ্ঠানের জন্য একটি ইতিবাচক ভাবমূর্তি তৈরি করেছে তেমনিভাবে আমাদের আত্মবিশ্বাসের ভিত্তিকে আগামী দিনগুলোতে ব্যবসায়িক প্রসারে ভূমিকা রাখবে।

### ক্রপেক্স

গতবছর ব্যবসা পূর্ববর্তী বছরের তুলনায় ৩৩% হ্রাস পেয়েছে। এর কারণ হলো আমাদের ঋণব্যবস্থাপনায় অধিক নিয়ন্ত্রণ আরোপ ও অধিক মুনাফা নিশ্চিত করে এমন সম্ভাব্য ব্যবসার ক্ষেত্র উন্মোচন। এর ব্যবসা কার্যক্রমকে পুনর্বিদ্যায়িত করা হয়েছে এবং সয়াবিন ব্যবসার জন্য অংশীদারিত্ব ভিত্তিক ব্যবসা মডেল গড়ে তোলা হয়েছে।

এসিআই ক্রপেক্স ঢাকা শহরের বিভিন্ন খুচরা দোকান এবং কাঁচা বাজারে স্থানীয় ফলমূল ও নিরাপদ শাক-সবজি সরবরাহ কার্যক্রম শুরু করেছে। ক্রপেক্স রাজধানীর কাওরান বাজারে দেশের প্রথম পাইকারী দোকান চালু করেছে যা কৃষক ও খুচরা বিক্রেতাদের পণ্য ক্রয় ও বিক্রয় করতে সহায়তা করছে।

### মটরস্

গত বছর মটরস্ ৯% বিক্রয় প্রবৃদ্ধির অর্জনের মধ্য দিয়ে ব্যবসায়িক সাফল্য অর্জন করেছে। একই সাথে আমাদের মার্কেট শেয়ার ৪% বৃদ্ধি পেয়েছে। খুচরা যন্ত্রাংশের ব্যবসাতেও আমাদের বিক্রয় প্রবৃদ্ধি ছিল ৩৪%।

এসিআই মটরস্ বাংলাদেশ সরকার নিয়ন্ত্রিত কৃষিভিত্তিক প্রতিষ্ঠানসমূহের জন্য শীর্ষস্থান অধিকারী কৃষি যন্ত্র সরবরাহকারী হিসেবে স্বীকৃতি পেয়েছে। আমরা বিক্রয় পরবর্তী সেবার জন্য সুনাম অর্জন করেছি। একটি শীর্ষ স্থানীয় কৃষি সেবা প্রদানকারী প্রতিষ্ঠানের সাথে যৌথভাবে ট্রান্সপ্লান্টারের বিক্রয়োত্তর সেবা প্রদানের জন্য উদ্যোগ গ্রহণ করা হয়েছে।

আমরা সাফল্যের সাথে এসিআই-R24 পাওয়ার টিলার নামক একটি নতুন পণ্য বাজারজাত করেছি যা প্রচলিত পাওয়ার টিলার এর চাইতে ২০% বেশি কর্মদক্ষতা নিশ্চিত করেছে। এছাড়াও এসিআই মটরস্ একটি নতুন মডেলের হারভেস্টার এবং রাইজিং ট্রান্সপ্লান্টার বাজারে এনেছে। এছাড়াও শস্য প্রক্রিয়াজাতকরণ এবং শুকানোর জন্য কতিপয় নতুন পণ্য বাজারজাত করা হয়েছে। এগুলো হলো সানকিউ গ্রেইন ড্রায়ার, গ্রেইন কুকুন, কলাপসিবল ড্রায়ার এবং ফ্ল্যাট বেড ড্রায়ার।

নতুন বাজার সৃষ্টি কৌশলের অংশ হিসাবে আমরা ডিজেল ইঞ্জিন এসেমলি করা সহ স্থানীয়ভাবে কৃষিজ যন্ত্রপাতি তৈরির জন্য কাজ করে যাচ্ছি। এই ব্যবসা উদ্যোগের মূল লক্ষ্য দেশে কৃষিজ যন্ত্র ব্যবহারে বৈপ্লবিক পরিবর্তন আনা।

### এনিমেল হেল্থ

২০১৩ সালে এসিআই এনিমেল হেল্থ ৫৫% বিক্রয় প্রবৃদ্ধির অসাধারণ মাইলফলক স্থাপন করেছে যা প্রতিষ্ঠানের ইতিহাসে সর্বোচ্চ। এ ক্ষেত্রে ডেইরি, একোয়া, পোলট্রি এবং ভ্যাকসিন প্রত্যেকটি পোর্টফোলিও উল্লেখযোগ্য বিক্রয় প্রবৃদ্ধি অর্জন করেছে। এ বছর ২০১৩ সালে ডিএনএ প্রযুক্তি ব্যবহার করে বার্ড ফ্লু ভ্যাকসিন বাজারজাত করা হয়েছে। ২৮ মিলিয়ন মুরগির বাচ্চা মধ্যে ১৭ মিলিয়ন মুরগির বাচ্চাকে এই ভ্যাকসিন দেওয়া হয়। নিঃসন্দেহে এটা ছিল একটি অন্যতম উল্লেখযোগ্য অর্জন। লক্ষণীয় যে এসিআই বিশ্বের প্রথম কোম্পানী হিসেবে নিজ দেশে এ ভ্যাকসিন নিবন্ধন ও বাজারজাত করছে।

এনিমেল হেল্থ ৩৮টি নতুন পণ্য বাজারে এনেছে যার মধ্যে ১৬টি পণ্য প্রথমবারের মত বাংলাদেশের বাজারে আনা হয়েছে। ন্যানো প্রযুক্তির পণ্য আমাদের বিক্রয় প্রবৃদ্ধির জন্য উল্লেখযোগ্য অবদান রেখেছে। ভেজাল প্রতিরোধের জন্য উদ্ভাবনী প্যাকেজিং পদ্ধতি চালু করা হয়েছে।

বাংলাদেশে আমিষের ঘাটতি রয়েছে। এনিমেল হেল্থ ইন্সট্রিজ এর উল্লেখযোগ্য প্রবৃদ্ধির জন্য সবল গরু-ছাগল ও হাঁস মুরগী পালন নিশ্চিত করা জরুরী। আমাদের ব্যবসা এই মার্কেট উন্নয়নের জন্য শীর্ষ স্থানীয় ভূমিকা পালন করছে।

## এসিআই লজিস্টিকস

এসিআই লজিস্টিকস এর জন্য ২০১৩ সালটি ছিল উদ্ভাবন, ব্যবসায়িক বহুমুখীকরণ এবং উৎকর্ষতা অর্জনের বছর। এ বছর ‘স্পু’ তার সনাতন ব্যবসায়িক মডেল থেকে বের হয়ে এসে জীবনের অন্যান্য প্রয়োজন মেটানোর জন্য ব্যবসার সম্প্রসারণ ঘটিয়েছে। ‘স্পু’র লক্ষ্য হলো দেশের সকল প্রান্তে এর উপস্থিতি নিশ্চিত করা এবং এর দক্ষ সাপ্লাই-চেইন ব্যবস্থাকে কাজে লাগিয়ে দেশের আপামর জনসাধারণের কাছে এর সেবা পৌঁছে দেয়া। ২০১৩ সালে ‘স্পু’ নতুন আরো ৫টি আউটলেট চালু করেছে। যার ফলে দেশব্যাপী (প্রাথমিকভাবে ঢাকা, চট্টগ্রাম ও সিলেটে) স্পুর মোট আউটলেট এর সংখ্যা ৪২টিতে উন্নীত হয়েছে। এই বিস্তৃত নেটওয়ার্ক এর মধ্য দিয়ে ‘স্পু’ দেশে শীর্ষস্থানীয় রিটেইল চেইন হিসেবে নিজের অবস্থান নিশ্চিত করেছে।

‘স্পু’র অপারেটিং মুনাফায় এবং শতকরা মোট মুনাফায় উল্লেখযোগ্য উন্নতি অর্জিত হয়েছে।

এই পরিবর্তনের মূলে ছিল ‘স্পু লাইফ’ যা বাজারে এনেছে ফ্যাশন ও এক্সেসরিজ, ইলেকট্রনিক্স ও এ্যাপ্রায়স, হোম এক্সেসরিজ, একসেস্ট ও ডেকর এবং রেস্তুরেন্ট। ‘স্পু লাইফ’ একটি লাইফ স্টাইল ব্র্যান্ড যা বাংলাদেশী ভোক্তাদের ফ্যাশন এর স্টাইল বিষয়ক চাহিদা পূরণের লক্ষ্য নিয়ে গড়ে উঠেছে। ‘স্পু’র রয়েছে একদল নিজস্ব ডিজাইনার যারা আন্তর্জাতিক ট্রেড এর সাথে সঙ্গতি রেখে পোশাক ডিজাইন করে থাকেন। ২০১৩ সালে আত্মপ্রকাশ করা এবং “ড্রেস ইওর ড্রিম” ট্যাগ লাইন সম্বলিত ‘স্পু লাইফ’ সূচনাতেই একটি সফল বছর অতিবাহিত করেছে এবং ইতিমধ্যেই ইন্ডাস্ট্রিতে দ্বিতীয় বৃহৎ অবস্থান তৈরি করে নিয়েছে। ব্র্যান্ডটি ২০১৩ সালে প্রথম বিলবোর্ড এবং খবরের কাগজ এ আত্মপ্রকাশ করে এবং ইতিবাচক সাড়া ফেলে যা নিঃসন্দেহে ভোক্তাদের মাঝে ব্র্যান্ড পরিচিতি তৈরিতে উল্লেখযোগ্য

অবদান রাখে। ‘স্পু’র নতুন ব্যবসা উদ্যোগ হলো “টেস্ট”-যার ডিজাইন এর নিজস্ব। বর্তমানে ৫টি স্টোরে ‘স্পু লাইফ’ চালু আছে। এর রয়েছে সমৃদ্ধ সম্ভাবনা যা ফ্র্যানচাইজ কনসেপ্ট মডেল এ অধিকতর ফলপ্রসূ করে তোলা সম্ভব।

‘স্পু’ তার কোয়ালিটি কন্ট্রোল সিস্টেমকে অধিকতর শক্তিশালী করেছে এবং এর ফলে ক্রেতা সন্তুষ্টি নিশ্চিত করার ক্ষেত্রে নতুন মাত্রা যোগ হয়েছে। বিদ্যমান আউটলেটগুলোতে জীবিত মাছ ও মুরগী বিক্রির ধারনার মাধ্যমে স্পু তার বিপণন উৎকর্ষতার পরিচয় দিয়েছে। এই অভিনব উদ্যোগের ফলে প্রতিযোগিতায় ‘স্পু’ সুবিধা আদায় করে নিয়েছে এবং রিটেইল ইন্ডাস্ট্রিতে আলোড়ন সৃষ্টি করেছে।

ক্রেতার অভিজ্ঞতা এবং সন্তুষ্টি এই ব্যবসার জন্য একটি গুরুত্বপূর্ণ চালিকা শক্তি। ‘স্পু’ এর ক্রেতাদের কেনাকাটা করার অভিজ্ঞতাকে বিশেষ মূল্যায়ন করে থাকে। নতুন আউটলেটগুলো বৃহৎ আকারে ডিজাইন করা হচ্ছে যেখানে পণ্য প্রদর্শনীর জন্য পর্যাপ্ত স্থান রাখা হচ্ছে। কেনাকাটার সুন্দর পরিবেশ, ক্রেতা-সেবা, সঠিক প্রদর্শনী, পণ্য সহজলভ্যতা নিশ্চিত করা, ক্রেতা অসন্তোষ দূর করা, এবং চাহিদা পূরণে আরও গুরুত্ব সহকারে কাজ করা হচ্ছে।

ব্যবসার অগ্রগতির সাথে সাথে, ‘স্পু’ নতুন ধারণা, সম্পদ এবং কাঠামোগত পরিবর্তনের মাধ্যমে এর অপারেটিং মডেল-এ কার্যকর পরিবর্তন এনেছে। এই সকল নতুন প্রয়াস ‘স্পু’র জন্য শুধু নতুন ক্রেতাই তৈরি করেনি, সেই সাথে এর সার্বিক মুনাফার মার্জিনকেও উন্নত করেছে। এসিআই লজিস্টিকস ব্যবসায় সফল বহুমুখীকরণের মধ্য দিয়ে ক্রেতাদের পণ্য সংক্রান্ত বিভিন্ন চাহিদা পূরণ করতে সচেষ্ট রয়েছে এবং ‘স্পু’ আশা করে যে আগামী বছরগুলোতেও এর সৃজনশীলতা এবং উন্নয়নের ধারা অব্যাহত থাকবে।

## সাবসিডিয়ারী ও সহযোগী কোম্পানিসমূহ

প্রত্যেক সাবসিডিয়ারীর পৃথক পৃথক প্রতিবেদন তাদের সকল হিসাব সহ এই প্রতিবেদনের পরবর্তী অংশে দেয়া আছে।

### এসিআই ফরমুলেশনস লিমিটেড

একটি পাবলিক লিমিটেড কোম্পানি, যা তার শেয়ার মালিকদের জন্য নিজস্ব প্রতিবেদন সরবরাহ করেছে।

### প্রিমিয়াফ্লেক্স প্রাস্টিকস লিমিটেড

গত বছরের তুলনায় ২০১৩ সালে প্রিমিয়াফ্লেক্স প্রাস্টিকস লিমিটেড ভালো ফলাফল করে - যেখানে বিক্রয় প্রবৃদ্ধি ছিল ২%। গত বছর পর্যন্ত প্রিমিয়াফ্লেক্স ১৩টি বহুজাতিক কোম্পানিকে ক্রেতাদের তালিকায় লিপিবদ্ধ করে। ২০০৯ সালে এটি ১০২ জন ক্রেতা নিয়ে যাত্রা শুরু করে যা ২০১৩ সালে বেড়ে দাঁড়িয়েছে ২৫০। ফ্লেক্সিবল প্যাকেজিং শিল্পে এখন তাদের সর্বোচ্চ সংখ্যক বহুজাতিক ক্রেতা আছে।

কিছু বিশেষ পণ্যের অর্ডারের উপর অধিক জোর দিয়ে প্রিমিয়াফ্লেক্স প্রাস্টিকস লিমিটেড অধিক মুনাফার লক্ষ্য নিয়ে পরিচালিত হচ্ছে। নতুন প্রযুক্তির কিছু পণ্য সংযোজন করা হয়েছে যেমন শ্যাম্পু লেমিনেটস্, টি ব্যাগ র‍্যাপার এবং অয়েল প্যাক পাউচ।

উন্নত ও মানসম্পন্ন ক্রেতা সেবা প্রদান করার জন্য প্রধান দায়িত্বশীল ব্যক্তি নিয়োগ করা হয়েছে। প্রিমিয়াফ্লেক্স প্রাস্টিকস লিমিটেড অঙ্গীকার এবং ক্রেতা সেবা প্রদান করার মাধ্যমে গুণগত ব্যবসার মানদণ্ড হিসাবে প্রতিষ্ঠিত হওয়ার লক্ষ্য স্থির করেছে।

### এসিআই গোদরেজ এগ্রোভেট প্রাইভেট লিমিটেড

এসিআই গোদরেজ এগ্রোভেট প্রাইভেট লিমিটেড - এসিআই লিমিটেড এবং গোদরেজ এগ্রোভেট লিমিটেড এর সমান সমান অংশীদারিত্বের যৌথ মালিকানাধীন প্রতিষ্ঠান।

২০১২ সালের তুলনায় গত বছর কোম্পানি ১৪% বিক্রয় প্রবৃদ্ধি অর্জনের মধ্য দিয়ে ব্যবসায়িক সাফল্য অর্জন করেছে।

সিরাজগঞ্জে কোম্পানির তিনটি অত্যাধুনিক প্রযুক্তিনির্ভর কারখানা অবস্থিত যেখানে অ্যাকোয়া, গোলট্রি এবং গবাদী পশুর খাদ্য উৎপন্ন করা হচ্ছে।

ক্রেতাদের ব্যাপক সাড়ার উপর ভিত্তি করে, এসিআই গোদরেজ এগ্রোভেট প্রাইভেট

লিমিটেড রাজশাহীতে একটি অত্যাধুনিক প্রযুক্তি নির্ভর ফিশ্ ফিড প্ল্যান্ট গড়ে তুলতে যাচ্ছে যা হবে দক্ষিণ-পূর্ব এশিয়া অঞ্চলের অন্যতম বৃহৎ কারখানা এবং যার দৈনিক উৎপাদন ক্ষমতা হবে ৪০০ মে.টন।

কোম্পানিটি বিক্রয় এবং মুনাফা বৃদ্ধিতে অতি দ্রুততার সাথে এগিয়ে যাচ্ছে এবং শীঘ্রই দেশের শীর্ষ স্থানীয় ৩টি ফিড কোম্পানির একটি হিসেবে নিজেকে প্রতিষ্ঠিত করতে পারবে বলে প্রত্যাশা করা হচ্ছে।

### টেটলী এসিআই (বাংলাদেশ) লিমিটেড

এই বছর টেটলী চায়ের বিক্রয়লব্ধ অর্থের পরিমাণ রেকর্ড ৯% বিক্রয় প্রবৃদ্ধির পাশাপাশি মোট মুনাফাও বৃদ্ধি পেয়েছে। নজিরবিহীন মূল্য বৃদ্ধি মোকাবেলা করতে বছরের শুরুতে মূল্য পুনর্নির্ধারণের উদ্যোগ গ্রহণ করা হয়।

জুলাই ২০১৩ থেকে অনাকাঙ্ক্ষিতভাবে সম্পূর্ণক আমদানি শুল্ক উঠিয়ে নেওয়ার নিলামে মূল্য হঠাৎ করে পড়ে যায়। যার ফলে সময়ের সাথে সাথে চায়ের মূল্য নিচের দিকে নামতে থাকে এবং ফলশ্রুতিতে প্রধান চা কোম্পানিগুলোর মধ্যে মূল্য নিয়ে তীব্র প্রতিযোগিতা শুরু হয়।

টেটলী চা এই চ্যালেঞ্জ মোকাবেলায় সক্ষম হয়। সকল উদ্যোগের সমন্বয় সাধন এবং তীব্র প্রতিযোগিতাপূর্ণ বাজারে ব্র্যান্ড প্রতিষ্ঠার জন্য ৩৬০ ডিগ্রী বিপণন কর্মসূচী গ্রহণ করা হয়েছে।

### এশিয়ান কনজুমার কেয়ার প্রাইভেট লিঃ

দেশজুড়ে অব্যাহত সহিংসতা, অবরোধ এবং হরতালের কারণে ২০১৩-১৪ সালে টপ লাইন প্রবৃদ্ধি সীমাবদ্ধ ছিল ৯% এ, যেখানে গত চার বছরে CAGR হচ্ছে ৪৩%। এ সময় পণ্য বিতরণ ব্যবস্থা তীব্র সমস্যার সম্মুখীন হয় যা আমরা মোকাবেলা করি।

নেলসনের হিসাব অনুযায়ী হেয়ার অয়েল ক্যাটাগরিতে প্রবৃদ্ধি ছিল নেতিবাচক ১৫% যেখানে আমাদের হেয়ার অয়েল পণ্যসম্ভারের প্রবৃদ্ধি ছিল ২৩% (ডাবর আমলা এবং ডাবর ভাটিকা হেয়ার অয়েল)। অন্য ব্র্যান্ড যেমন ডাবর হানির প্রবৃদ্ধি ছিল ২২% এবং টুথপেস্ট পণ্যসম্ভারের প্রবৃদ্ধি ছিল ১৮% (অভ্যন্তরীণ সূত্রানুযায়ী)।

সারা বছর জুড়ে ATL এর মাধ্যমে হেয়ার অয়েল এবং টুথপেস্ট পণ্য সম্ভারে উল্লেখযোগ্য পরিমাণ বিনিয়োগ হয়েছে যার প্রধান লক্ষ্য ছিল ডিরেক্ট ডিষ্ট্রিবিউশন বাড়ানো।



## আর্থিক ফলাফল - এসিআই লিমিটেড

২০১৩ সালে এসিআই লিমিটেড, গত বছরের তুলনায় ১০% বিক্রয় প্রবৃদ্ধি অর্জন করে। বছরজুড়ে রাজনৈতিক অস্থিরতা সত্ত্বেও ২০১৩ সালে মোট বিক্রয়লব্ধ অর্থের পরিমাণ বৃদ্ধি পেয়ে দাঁড়িয়েছে ১০৬৮৪ মিলিয়ন টাকা যা ২০১২ সালে ছিল ৯৬৮০ মিলিয়ন টাকা। ফলশ্রুতিতে, পূর্ববর্তী বছরের তুলনায় বিক্রয় প্রবৃদ্ধি হয়েছে ১০০৪ মিলিয়ন টাকা। অধিক বিক্রয়ের কারণে, বিশেষভাবে লাভজনক পণ্য মিশ্রণ, কাঁচা মালের নিম্নমূল্য এবং নির্বাচিত বিশেষ কিছু পণ্যের বিক্রয় মূল্যবৃদ্ধির ফলে মোট মুনাফা বৃদ্ধি পায় ৬৬৭ মিলিয়ন টাকা যা গত বছরের তুলনায় ১৯% বেশি। কর পরবর্তী মুনাফা ২০১২ সালের ৫৪৫ মিলিয়ন টাকা থেকে বৃদ্ধি পেয়ে ২০১৩ সালে এর পরিমাণ দাঁড়ায় ৭৬৪ মিলিয়ন টাকা যা গত বছরের তুলনায় ৪০% বেশি, যার প্রধান কারণ স্থায়ী খরচের নিয়ন্ত্রণ এবং আর্থিক ব্যয়ের কম বৃদ্ধি। ২০১৩ সালে সাধারণ শেয়ার প্রতি আয় (BEPS) ছিল ২৬.৭৪ টাকা যা গত বছরের তুলনায় ৪০% বেশি (২০১২ সালে ছিল ১৯.১১ টাকা)। ২০১৩ সালে হ্রাসকৃত শেয়ার প্রতি আয় (DEPS) ২৬.৫৪ টাকা (২০১২ সালে ছিল ১৯.০৬ টাকা)। কোম্পানির ব্যালেন্স শীটে ভবিষ্যতে EPS হ্রাস করতে পারে এমন সম্ভাব্য শেয়ার (এসিআই ২০% জিরো কুপন বন্ডের কনভারশন হতে সৃষ্টি হতে পারে) বিদ্যমান থাকার কারণে DEPS এর উৎপত্তি হয়েছে।

**মুনাফা বন্টনঃ** বিগত বছরের অর্থনৈতিক ফলাফল পর্যালোচনা, ধারাবাহিক লভ্যাংশ নীতি এবং ফ্রি রিজার্ভের আলোকে পরিচালক মন্ডলী নীট মুনাফার নিম্নলিখিত বন্টন সুপারিশ করেছেনঃ

	২০১৩ টাকা	২০১২ টাকা
বিগত বছরের অবন্টিত মুনাফা	৩,২৪৬,৩১৭,৬১৫	২,৯৩৮,৩৭০,৭৬৬
যোগ: কর-পরবর্তী মুনাফা	৭৬৪,১৮৭,৯০৬	৫৪৫,১১৫,৮৭৩
যোগ আদায়কৃত পুনঃ মূল্যায়ণ সঞ্চিত	২,১৫৮,০৪৪	১,০১৪,৯৯৬
<b>সর্বমোট বন্টনযোগ্য তহবিল</b>	<b>৪,০১২,৬৬৩,৫৬৫</b>	<b>৩,৪৮৮,৫০১,৬৩৫</b>
<b>প্রস্তাবিত লভ্যাংশঃ</b>		
নগদ লভ্যাংশ	২৪৩,৬২৫,০৩১	১৯০,৫৪১,২১৬
স্টক লভ্যাংশ	৫৭,৩২৩,৫৩৭	৪৭,৬৩৬,৮০৪
<b>সর্বমোট লভ্যাংশ</b>	<b>৩০০,৯৪৮,৫৬৮</b>	<b>২৩৮,১৮৮,০২০</b>
<b>অবন্টিত স্থিতি</b>	<b>৩,৭১১,৭১৪,৯৯৭</b>	<b>৩,২৪৬,৩১৭,৬১৫</b>

এ বছরের স্থিতি এবং আগামীতে মুনাফার অংশ বিশেষ বিনিয়োগের মাধ্যমে ধারাবাহিক লভ্যাংশ নীতি বজায় রাখতে পারবে বলে পরিচালকমন্ডলী আস্থাশীল।

**লভ্যাংশঃ** পরিচালকমন্ডলী আনন্দের সাথে ২০১৩ সালে ১০৫% লভ্যাংশের জন্য সুপারিশ করেছে। এর মধ্যে ৮৫% নগদ লভ্যাংশ, অর্থাৎ শেয়ার প্রতি ৮.৫০ টাকা হারে এবং ২০% স্টক লভ্যাংশ, অর্থাৎ প্রতি ৫টি শেয়ারে ১ টি শেয়ার প্রদানের প্রস্তাব করা হয়েছে। ১২ই মে সোমবার ২০১৪ সালের বৃক্কোজারের সময় যে সকল শেয়ার মালিকগণের নাম কোম্পানির সদস্যদের শেয়ার রেজিস্টারে বা সিডিবিএল এর ডিপোজিটরীতে অন্তর্ভুক্ত থাকবে তারা এই লভ্যাংশ পাবেন।

**জাতীয় রাজস্ব আয়ে অবদানঃ** কোম্পানী ২০১৩ সালে কর্পোরেট কর, আবগারী শুল্ক, উন্নয়ন সারচার্জ ও ভ্যাট বাবদ ২.১৭ বিলিয়ন টাকা জাতীয় রাজস্ব খাতে প্রদান করেছে। এটি বছরের মোট বিক্রয়লব্ধ আয়ের ২০.২৭%।

## বিক্রিত পণ্যের খরচ এবং মুনাফার হার

২০১৩ সালে কোম্পানির বিক্রয়লব্ধ অর্থ বৃদ্ধি পেয়েছে ১০% কিন্তু বিক্রিত পণ্যের ব্যয় বৃদ্ধি পেয়েছে মাত্র ৬%। এটি অর্জিত হয়েছে প্রধানত কাঁচামালের নিম্নমূল্য এবং স্থিতিশীল বিনিময় হারের কারণে। এর সাথে লাভজনক পণ্য মিশ্রণ এবং নির্বাচিত বিশেষ কিছু পণ্যের বিক্রয় মূল্য বৃদ্ধির দরুন আমরা মোট মুনাফার পরিমাণ ৬৬৭ মিলিয়ন টাকা বৃদ্ধি করতে সক্ষম হয়েছি যা গত বছরের তুলনায় ১৯% বেশি। তথাপি পরিমিত পরিচালনা ব্যয়ের বৃদ্ধি এবং তুলনামূলকভাবে কম আর্থিক ব্যয়ের কারণে কোম্পানির কর পরবর্তী মুনাফা বৃদ্ধি পেয়েছে, যা গত বছরের তুলনায় ৪০% বেশি।

## আর্থিক ফলাফল - এসিআই গ্রুপ

২০১৩ সালে কোম্পানির সমন্বিত বিক্রয়লব্ধ অর্থ দাঁড়িয়েছে ২২.৪২ বিলিয়ন টাকা, যা ২০১২ সালে ছিল ২২.১৯ বিলিয়ন টাকা। ফলশ্রুতিতে, বিক্রয়লব্ধ অর্থ ২২২ মিলিয়ন টাকা বৃদ্ধি পেয়েছে যা গত বছরের তুলনায় ১% বেশি। অপরপক্ষে, বিক্রিত পণ্যের খরচ হ্রাস পেয়েছে ৪%। বিক্রিত পণ্যের কম প্রবৃদ্ধি সত্ত্বেও মোট মুনাফা বৃদ্ধি পেয়েছে ৯৫৭ মিলিয়ন টাকা যা গত বছরের তুলনায় ১৬.৯৮% বেশি। প্রধানত উন্নত পণ্য মিশ্রণ, কাঁচামালের নিম্নমূল্য, স্থিতিশীল বিনিময় হার এবং কিছু পণ্যের বিক্রয় মূল্য বৃদ্ধির দরুন কোম্পানি মোট মুনাফায় উল্লেখযোগ্য প্রবৃদ্ধি অর্জনে সফলতা লাভ করে। পরিচালন মুনাফা গত বছরের তুলনায় উল্লেখযোগ্যভাবে (২৭%) বৃদ্ধি পেয়েছে। সহযোগী কোম্পানির শেয়ারে মুনাফা বৃদ্ধি, অনুকূল সুদের হার এবং কম মূল্যে ইস্যুকৃত কমার্শিয়াল পেপার এর কারণে আর্থিক ব্যয় নিয়ন্ত্রিত হয়েছে। ফলে কোম্পানির কর পরবর্তী মুনাফা গত বছরের তুলনায় ১৩৭% বৃদ্ধি পেয়েছে। লোকসান করা দুটি ব্যবসা প্রতিষ্ঠান এখনও লোকসানে রয়েছে, যদিও তাদের পরিচালন পর্যায়ে দক্ষতা বৃদ্ধি পেয়েছে। ফলশ্রুতিতে, ২০১৩ সালে সমন্বিত সাধারণ শেয়ার প্রতি আয় হয়েছে ৭.১৩ টাকা যা বিগত বছরে ছিল নেতিবাচক ৫.৮২ টাকা। ফলশ্রুতিতে ২০১৩ সালে, সাধারণ শেয়ার প্রতি আয় পূর্ববর্তী বছরের তুলনায় ১৩৭% প্রবৃদ্ধি হয়েছে।



## বিধিবদ্ধ তথ্য সম্বন্ধে পরিচালকমণ্ডলীর ঘোষণা

আর্থিক বিবরণী প্রস্তুত ও উপস্থাপন সম্বন্ধে পরিচালকমণ্ডলী আরো জানাচ্ছে যেঃ

- আর্থিক বিবরণীর নোট ৩৭ এ সেগমেন্ট রিপোর্টিং ফলাফল পর্যালোচনা করা হয়েছে।
- কোম্পানি ব্যবসা করার সাথে যুক্ত বিভিন্ন ঝুঁকি সম্বন্ধে সচেতন এবং সেগুলোকে নিয়মানুগ পদ্ধতির মাধ্যমে মোকাবেলায় প্রস্তুত। আর্থিক বিবরণী নোট-৩৩ এ আর্থিক ঝুঁকি ব্যবস্থাপনা বর্ণিত হয়েছে।
- Bangladesh Accounting Standards (BASs) অনুসারে কোন অস্বাভাবিক লাভ বা ক্ষতি এ বছরে বিদ্যমান নেই।
- সংশ্লিষ্ট পক্ষগুলোর সকল লেনদেন বাণিজ্যিক ভিত্তিতে করা হয়েছে যার মূলনীতি "Arms Length Transaction"। সংশ্লিষ্ট পক্ষের লেনদেনের বিবরণ আর্থিক বিবরণী নোট-৩৮ এ তে প্রকাশিত হয়েছে।
- কোন IPO বা রাইট শেয়ার নেই।
- ত্রৈমাসিক আর্থিক ফলাফল এবং বার্ষিক আর্থিক বিবরণীর মধ্যে উল্লেখযোগ্য পার্থক্য নেই।
- এ বছরে, কোম্পানির বোর্ড মিটিং এ উপস্থিতি ফি হিসাবে মোট ২১,৫২৬ টাকা প্রদান করা হয়েছে। পরিচালকমণ্ডলীর সম্মানী ভাতা আর্থিক বিবরণী নোট-২৮ এবং ৩৮(বি) তে উল্লেখ করা হয়েছে।
- কোম্পানির ব্যবস্থাপনা পর্ষদ কর্তৃক প্রস্তুতকৃত আর্থিক বিবরণীতে কোম্পানির স্থিতি, পরিচালন ফলাফল অর্থ প্রবাহ এবং ইকুইটিতে পরিবর্তনের একটি বাস্তব ও পরিষ্কার চিত্র তুলে ধরা হয়েছে।
- কোম্পানির হিসাবের বই সঠিকভাবে রক্ষণাবেক্ষণ করা হয়েছে।
- আর্থিক বিবরণী প্রণয়নে যথাযথ হিসাব নীতি ধারাবাহিকভাবে অনুসরণ করা হয়েছে এবং হিসাবের ভিত্তি যুক্তিসঙ্গত ও সঠিক।
- আর্থিক বিবরণী প্রস্তুতিতে Bangladesh Accounting Standards (BASs) & Bangladesh Financial Reporting Standards (BFRSs) অনুসরণ করা হয়েছে।
- বিগত বছরের তুলনায় পরিচালন ফলাফলে সকল উল্লেখযোগ্য পার্থক্য দৃষ্টিগোচর করা হয়েছে এবং তার ব্যাখ্যা প্রদান করা হয়েছে।
- বিগত ছয় বছরের গুরুত্বপূর্ণ আর্থিক ও পরিচালনাগত তথ্য ২০১৩ সালে বার্ষিক প্রতিবেদন প্রকাশ করা হয়েছে।
- কোম্পানি ২০১৩ সালের লভ্যাংশ সুপারিশ করেছে।
- ২০১৩ সালে বিধিবদ্ধ নিয়মনুযায়ী ৪টি বোর্ড মিটিং অনুষ্ঠিত হয়েছে যা Annexure-I এ দেখানো হয়েছে।
- ৩১ শে ডিসেম্বর ২০১৩ সালে কোম্পানির শেয়ার হোল্ডিং প্যাটার্ন Annexure-II এ দেখানো হয়েছে।
- Annexure-IV এ যে সমস্ত পরিচালকগণ নির্বাচন ও পুনঃ নিয়োগ প্রাপ্ত হয়েছেন তাদের সংক্ষিপ্ত জীবন বৃত্তান্ত অন্তর্ভুক্ত করা হয়েছে।
- CEO এবং CFO বোর্ডকে এই মর্মে সত্যায়িত করেছে যে, তারা আর্থিক বিবরণী মূল্যায়ন করেছে এবং তারা বিশ্বাস করে যে, এই প্রতিবেদনে অসত্য কিছু নেই অথবা কোন উপাদান বাদ দেওয়া হয়নি অথবা এমন কিছু নেই যা ভুল ব্যাখ্যা দিতে পারে।
- CEO এবং CFO আরো নিশ্চয়তা প্রদান করেছে যে, স্বচ্ছ এবং সঠিক উপস্থাপনা এবং প্রয়োজ্য আইন মেনে আর্থিক বিবরণী প্রস্তুত করা হয়েছে।
- CEO এবং CFO বোর্ডকে এ ব্যাপারে আরো সত্যায়িত করেছে যে, তাদের জ্ঞান ও বিশ্বাসমতে এমন কোন লেনদেন হয়নি যা প্রতারণামূলক অনৈতিক অথবা কোম্পানির স্বীকৃত অভ্যন্তরীণ আচরণ নীতির লঙ্ঘন।

## পরিচালনা পর্ষদের গঠন

গুরুত্বপূর্ণ শেয়ার মালিকগণ ও ব্যবসায়ীদেরকে নিয়ে ১০ সদস্যের পরিচালনা পর্ষদ গঠিত হয়। জনাব আনিস উদ্ দৌলা বোর্ডের চেয়ারম্যান পদে এবং জনাব আরিফ দৌলা ব্যবস্থাপনা পরিচালক পদে অধিষ্ঠিত আছেন। বর্তমানে পরিচালনা পর্ষদে তিন জন স্বতন্ত্র পরিচালক রয়েছেন।

## পরিচালনা পর্ষদের ভূমিকা

যথাযথ প্রতিনিধি নিয়োগ ও কর্তৃত্ব বন্টন, প্রতিবেদন ও নিয়ন্ত্রণের মাধ্যমে কোম্পানির কার্যপদ্ধতি তত্ত্বাবধান করার জন্য বোর্ড সর্বোচ্চ ক্ষমতার অধিকারী।

## পরিচালনা পর্ষদের দায়িত্ব

কোম্পানির দীর্ঘমেয়াদী স্বার্থের কথা বিবেচনা করে শেয়ার মালিক ও অন্যান্য ষ্টেকহোল্ডারদের স্বার্থে পরিচালকমণ্ডলী আইন অনুসারে কোম্পানির কার্যক্রম পরিচালনা করার চূড়ান্ত ক্ষমতা রাখে।

## পরিচালনা পর্ষদের কার্যক্রম

আইন অনুযায়ী পরিচালনা পর্ষদকে প্রতি তিন মাসে অন্তত একবার মিলিত হতে হয়। ২০১৩ সালে পরিচালনা পর্ষদের চারটি সভা অনুষ্ঠিত হয়। মাসিক প্রতিবেদনের মাধ্যমে নির্বাহী পরিচালকমণ্ডলীকে অধিকতর গুরুত্বপূর্ণ কার্যক্রম ও ফলাফল সম্পর্কে অবহিত করা হয় এবং কোম্পানির ব্যবস্থাপনা পরিচালক মাসিক প্রতিবেদনের মাধ্যমে সকল পরিচালককে অবহিত করেন। পরিচালনা পর্ষদের আলোচ্যসূচীর মধ্যে সংবিধিবদ্ধ অনুমোদন ছাড়াও আর্থিক ফলাফল, প্রধান বিনিয়োগের বিবেচনা, নতুন ব্যবসার পদক্ষেপ, ঋণ গ্রহণ, অর্থের তারল্য ইত্যাদি অন্তর্ভুক্ত থাকে।

## ব্যবস্থাপনা পদ্ধতি

পরিচালনা পর্ষদ কোম্পানির অর্গানাইজেশন চার্ট এ সম্মতি প্রদান করেছে যা প্রত্যেক স্ট্র্যাটেজিক বিজনেস ইউনিটের পদের ক্রমধারার স্বচ্ছতা নিশ্চিত করে। পর্ষদকে ত্রৈমাসিক ভিত্তিতে বিজনেস ইউনিট সমূহের লক্ষ্য ও উদ্দেশ্য সম্পর্কে অবহিত করা হয় এবং আর্থিক ফলাফল বিবেচনা করা হয়।

## ক্ষমতায়ন

পরিচালনা পর্ষদ ব্যবস্থাপনা পরিচালককে কোম্পানিতে যথাযথভাবে কর্তৃত্ব বন্টনে এবং সুপারভাইজার পর্যন্ত কর্মীদের সকল স্তরে জবাবদিহিতা নিশ্চিতকরণ এবং সুনির্দিষ্ট পরিমাপযোগ্য লক্ষ্য এবং অর্জনের নিমিত্তে উদ্দেশ্য নির্ধারণের মাধ্যমে মূল্যায়নের জন্য নির্দেশনা প্রদান করেছে।

## প্রতিবেদন ও তথ্য বিনিময়

ব্যবস্থাপনা পরিচালক প্রতি তিন মাস অন্তর প্রত্যেক বিজনেস ইউনিটের কৌশলগত দিক নির্দেশনার পুনর্বিবেচনা ও সম্মতি দান করেন। এ ছাড়াও মাসিক প্রতিবেদন এবং বিভিন্ন ব্যবসা প্রধানের প্রদত্ত বিক্রয় ও আর্থিক ফলাফল সংক্রান্ত প্রতিবেদন পর্যালোচনা করেন। কোম্পানিতে উন্নত তথ্য প্রযুক্তি ব্যবস্থা বিদ্যমান।

## শেয়ার মালিকদের সাথে যোগাযোগ

কোম্পানি নিয়মিতভাবে নির্ধারিত সময়ে বার্ষিক সাধারণ সভা করে। বার্ষিক সাধারণ সভায় পরিচালকবৃন্দ শেয়ার মালিকগণ এবং আমন্ত্রিত প্রাতিষ্ঠানিক ষ্টেকহোল্ডারদের মতামত ও পরামর্শ গ্রহণ করেন এবং চূড়ান্ত গুরুত্বের সাথে বিবেচনা করেন।

## পরিচালকমণ্ডলীর নির্বাচন

কোম্পানির আর্টিক্যালস অব এসোসিয়েশন এর ১২০ অনুচ্ছেদ অনুযায়ী মিসেস নাজমা দৌলা এবং মিজ সুস্মিতা আনিস পর্যায়ক্রমে অবসর গ্রহণ করেছেন এবং যোগ্যতা ভিত্তিতে তাদের পুনরায় নির্বাচনের প্রস্তাব রাখছেন।



## অডিট কমিটি

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের গাইডলাইন অনুসারে কোম্পানির অডিট কমিটি গঠন করা হয়েছে যা সংযুক্ত কমপ্লায়েন্স রিপোর্ট এ উল্লেখ করা আছে। অডিট কমিটির সদস্যগণ হচ্ছেন জনাব গোলাম মইনুদ্দিন, মিজ সুস্মিতা আনিস এবং মিজ সীমা আবেদ রহমান। জনাব গোলাম মইনুদ্দিন একজন স্বতন্ত্র পরিচালক এবং অডিট কমিটির চেয়ারম্যান।

২০১৩ সালে অডিট কমিটি চার বার সভা করেছেন। কোম্পানির সচিব অডিট কমিটির সচিব হিসাবে দায়িত্ব পালন করেন। অডিট কমিটি ২০১৩ সালে নিম্নবর্ণিত কাজসমূহ সম্পাদন করেনঃ

- অভ্যন্তরীণ নিয়ন্ত্রণ পদ্ধতির পর্যালোচনা ও মূল্যায়ণ।
- কোম্পানির পরিচালনাগত ঝুঁকি পর্যালোচনা এবং সচেতনতা বৃদ্ধির মাধ্যমে মোকাবেলা করা।
- বিধিবদ্ধ অডিটরের নিয়োগ এবং তাদের কাজের মূল্যায়ণ।
- কোম্পানির আর্থিক প্রতিবেদন প্রক্রিয়ার সুনিশ্চিতকরণ।
- বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নির্দেশনাবলীর আলোকে বিভিন্ন বিষয় পর্যালোচনা করা।

## চলমান প্রতিষ্ঠান

পরিচালনা পর্ষদ পর্যাপ্ত অনুসন্ধান এবং বিশ্লেষণের মাধ্যমে নিশ্চিত করেছে যে সম্পদ এবং পর্যাপ্ত ব্যবসায়িক সুযোগের মাধ্যমে কোম্পানিকে চলমান প্রতিষ্ঠান হিসেবে বিবেচনা করা যায়, যা নিশ্চিতকরণের জন্য পরিচালকগণ আর্থিক হিসাবপত্র বিশ্লেষণ করেছেন এবং চলমান প্রতিষ্ঠানের আলোকে এর আর্থিক হিসাবপত্র প্রস্তুত করা হয়েছে।

## আভ্যন্তরীণ নিয়ন্ত্রণ

ব্যবস্থাপনা পরিচালক বোর্ডের সম্ভ্রুতির উদ্দেশ্যে বলেন যে পর্যাপ্ত অভ্যন্তরীণ নিরীক্ষা ও নিয়ন্ত্রণের লক্ষ্যে যথাযথ তথ্য প্রযুক্তি এবং নিরীক্ষা দলের পর্যবেক্ষণের মাধ্যমে যাবতীয় ব্যয় এবং কার্যপ্রক্রিয়া নিশ্চিত করে। এই প্রক্রিয়াকে আরো জোরদার করার লক্ষ্যে কোম্পানিতে ISO.9001:2008 Quality Management System গ্রহণ করা হয়েছে যেখানে সকল কার্যক্রম আদর্শ কার্যপরিচালনা পদ্ধতিতে পরিচালিত হয়। এই কার্য পরিচালনা পদ্ধতি ISO এর সাথে সংগতি রেখে নিয়মিত আপডেট করা হয়। এ ছাড়াও এসিআই বাংলাদেশের প্রথম কোম্পানি হিসাবে ISO 14001:2004 Environmental Management System গ্রহণ করেছে; যার ফলশ্রুতিতে বার্ষিক লক্ষ্যকে সামনে রেখে নিয়ত উন্নতি সাধন প্রক্রিয়া গ্রহণ করা হয়েছে। বোর্ডের প্রতিশ্রুতি নিশ্চিতের উদ্দেশ্যে কোম্পানির সর্বত্র পর্যাপ্ত ঝুঁকি ব্যবস্থাপনা এবং অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা গৃহীত হয়েছে; এ লক্ষ্যে অভ্যন্তরীণ নিরীক্ষা বিভাগে যোগ্যতা সম্পন্ন ও নিরীক্ষা কর্মীদের সহায়তায় নিয়ন্ত্রণ ব্যবস্থা জোরদার করা হয়েছে। এ ছাড়াও জাতিসংঘ মহাসচিবের উদ্যোগে প্রণীত “গ্লোবাল কমপ্লেক্সিটি” এর দশটি নীতি কোম্পানি গ্রহণ করেছে, যা বিশ্বব্যাপি স্বনামধন্য এবং প্রগতিশীল কোম্পানি দ্বারা গৃহীত।

## কর্পোরেট গভর্নেন্স কমপ্লায়েন্স রিপোর্ট

কোম্পানির পরিচালনা পর্ষদ কর্পোরেট গভর্নেন্সের সর্বোচ্চ মান নিয়ন্ত্রণ এবং তা প্রকাশে প্রতিশ্রুতিবদ্ধ। কোম্পানির পরিচালনা পর্ষদ কর্পোরেট গভর্নেন্সের আলোকে কার্যবলী দেখাশুনা ও দিক নির্দেশনার ব্যাপারে তাদের দায়িত্ব সম্পর্কে অবগত রয়েছে। তাদের এই সমস্ত দায়িত্ব পালনের জন্য পরিচালকগণ সুনির্দিষ্ট নীতি প্রণয়ন করেছেন যা তাদের ভুলত্রুটি সংশোধনের জন্য এবং নির্বাহী ব্যবস্থাপকদের প্রতি সঠিক দিক নির্দেশনা প্রণয়নে অনুসৃত হবে।

পরিচালকমণ্ডলীর পক্ষে

ড. আরিফ দৌলা  
ব্যবস্থাপনা পরিচালক

আমরা অত্যন্ত আনন্দের সাথে আপনাদের এই মর্মে নিশ্চিত করছি যে, কোম্পানি বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর নোটিশ নং/এসইসি/সি এম আর আর সিডি/২০০৬-১৫৮/১৩৪/প্রশাসন/৪৪, ৭ই আগস্ট ২০১২ অনুযায়ী সমস্ত প্রয়োজনীয় দিকনির্দেশনা পালন করেছে। কোম্পানির পরিচালক প্রতিবেদন ২০১৩ এর Annexure-III তে প্রয়োজনীয় মন্তব্য সহকারে কমপ্লায়েন্স রিপোর্ট সংযুক্ত করা হয়েছে। এ ছাড়াও কে. এম হাসান এন্ড কোং, চার্টার্ড একাউন্টেন্টস কর্তৃক প্রত্যাখিত কমপ্লায়েন্স সার্টিফিকেট এই প্রতিবেদনের Annexure-III তে অন্তর্ভুক্ত করা হয়েছে।

## এসিআই'র মানব সম্পদ

‘মানব সম্পদ’ এর উন্নয়ন এবং তাদের প্রতিভার পূর্ণাঙ্গ বিকাশ করাই হলো এসিআই এর অন্যতম প্রধান অশেষ। এই লক্ষ্য পূরণের জন্যই আমরা প্রতিবছর নিত্য নতুন পদ্ধতি অনুসরণ করি। এ কাজে আমরা আমাদের ট্রেনিং এবং এইচআর ডিপার্টমেন্টকে একত্রিতভাবে কাজ করার ব্যাপারে গুরুত্ব আরোপ করি। সমন্বিতভাবে তারা কর্মীদের ছোট ছোট দলে ভাগ করে তাদের স্ব-স্ব প্রয়োজন অনুযায়ী প্রশিক্ষণ ও উন্নয়ন কার্যক্রম পরিচালনা করে।

যারা প্রতিষ্ঠানের ভেতর বিভিন্ন বিজনেস ইউনিট এ একই ধরনের কাজে নিয়োজিত আছেন, আমরা তাদের জন্য এমন পরিবেশের ব্যবস্থা করেছি যেখানে তাঁরা লব্ধ অভিজ্ঞতা ও জ্ঞান নিজেদের মধ্যে আদান প্রদান করতে পারেন। আমরা উন্নততর যোগাযোগ এবং মূল্যায়ণ ব্যবস্থা প্রণয়ন করেছি যা বিভিন্ন সার্ভিস ডিপার্টমেন্ট, বিজনেস এবং ফ্যাক্টরির মধ্যে প্রতিষ্ঠানের প্রতি অঙ্গীকার বৃদ্ধিতে সহায়ক ভূমিকা রাখছে এবং অধিকতর ভালো ব্যবসায়িক সাফল্য অর্জনের লক্ষ্য পূরণের দায়বদ্ধতা নিশ্চিত করছে। আমরা প্রধান কর্ম নির্দেশকগুলোর উপর গুরুত্ব আরোপ করেছি যা আমাদের প্রতিটি কর্ম প্রক্রিয়াকে অধিকতর দৃশ্যমান ও পরিমাপযোগ্য করে তুলবে। আর এই কৌশলের বাস্তবায়নে আমাদের আইটি বিভাগ প্রধান ভূমিকা রেখে চলেছে।

প্রতিষ্ঠান কর্তৃক গৃহীত ট্রান্সপারেন্সি, ফেয়ারনেস, কোয়ালিটি, কাস্টমার ফোকাস, কর্ণিউনিউয়াস ইমপ্রুভমেন্ট এবং ইনোভেশন-এই ছয়টি মূল্যবোধ এর প্রতি প্রতিটি কর্মীর অঙ্গীকার বৃদ্ধির জন্য আমরা ফ্যাক্টরি, মাঠপর্যায়ের কর্মী, সার্ভিস বিভাগসমূহ এবং বিজনেস – সকলের সাথে অসংখ্য কর্মসূচীর আয়োজন করেছি। এই কর্মসূচীগুলোর মাধ্যমে আমরা আমাদের বিজনেস এর বৈচিত্র্যের মাঝেও একটি সাধারণ ঐক্য গড়ে তুলতে সক্ষম হয়েছি যার ভিত্তি হচ্ছে আমাদের মূল্যবোধ। এই পথ পরিক্রমায় আমরা কতিপয় রাজনৈতিক এবং সামাজিক প্রতিকূলতার সম্মুখীন হয়েছি যা আমাদের ঐক্যবদ্ধ এবং শক্তিশালী করেছে। অভ্যন্তরীণ উন্নয়নের পাশাপাশি আমরা বিভিন্ন কর্পোরেট সামাজিক দায়িত্ব পালনের মাধ্যমে সমাজে ভূমিকা রেখে চলেছি। অভ্যন্তরীণ উন্নয়নের পাশাপাশি, মানুষের জীবনমান উন্নয়নের জন্য আমরা বিভিন্ন কর্পোরেট সামাজিক কর্মকাণ্ড পরিচালনা করি। এ সংক্রান্ত একটি আলাদা রিপোর্ট সংযুক্ত করা হয়েছে।

এসিআইকে আজকের পর্যায়ে নিয়ে আসার পেছনে যাদের সহযোগিতা ও পৃষ্ঠপোষকতা আছে সেই সকল সহযোগী, শেয়ারমালিক, সরবরাহকারী, ক্রেতা, ব্যাংকার, মিডিয়া-পার্টনার এবং সকল শুভানুধ্যায়ীদের আমরা আন্তরিক ধন্যবাদ জানাই। আমরা আশা করি মানুষের জীবনমান উন্নয়নের লক্ষ্য পূরণে আমাদের প্রতি তাদের এই সহযোগিতা অব্যাহত থাকবে।

পরিশেষে এবং সবচেয়ে গুরুত্বের সাথে আমি এসিআই এর সকল ফ্যাক্টরি, ডিপো, বিক্রয়কেন্দ্র, অফিস ও সারাদেশে কর্মরত সকল কর্মকর্তা-কর্মচারীদেরকে তাদের নিরলস প্রচেষ্টার জন্য আন্তরিক ধন্যবাদ জানাই। সকল অনিশ্চয়তা এবং প্রতিকূলতার মধ্যেও তাঁদের কঠোর পরিশ্রম এসিআইকে আরও শক্তিশালী একটি প্রতিষ্ঠান হিসেবে গড়ে তুলেছে যা জনগণের জীবনমান উন্নয়নে আরও ইতিবাচক প্রভাব ফেলতে সক্ষম।

ওয়ালিউর রহমান ভূঁইয়া, OBE  
পরিচালক



# Advanced Chemical Industries Limited

## Auditors' Report & Audited Financial Statements as at and for the year ended 31 December 2013





# Hoda Vasi Chowdhury & Co

## Chartered Accountants

### INDEPENDENT AUDITOR'S REPORT to the Shareholders of Advanced Chemical Industries Limited

We have audited the accompanying separate financial statements of Advanced Chemical Industries Limited (the "Company") as well as the consolidated financial statements of Advanced Chemical Industries Limited (the "Group") which comprises the separate and the consolidated statements of financial position as at 31 December 2013, income statements, statements of comprehensive income, statements of changes in equity, statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements of 11 subsidiaries, 2 associates and 2 joint ventures disclosed in note 44 to these financial statements were audited by other auditors and we have relied on those audited financial statements for the purpose of consolidation.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements of the Company and the consolidated financial statements of the Group in accordance with Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) for such internal control as management determines is necessary to enable the preparation of these financial statements that are free from material misstatement, whether due to fraud and error.

#### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the consolidated financial statements, whether due to fraud or error. In making those risks assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements of the Company and the consolidated financial statements of the Group give a true and fair view of the financial position of the Company as well as of the Group as at 31 December 2013 and of their financial performance and their cash flows for the year then ended in accordance with Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs), and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Companies so far as it appeared from our examination of those books;
- c) the consolidated and separate statements of financial positions as well as the income statements together with annexed notes 1 to 44 dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred and payments made were for the purposes of the Companies business.



Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 29 April 2014

**National Office :** BTMC Bhaban (8th Floor), 7-9 Karwan Bazar Commercial Area, Dhaka-1215, Bangladesh  
**Motijheel Office :** Ispahani Building (3rd Floor), 14-15 Motijheel Commercial Area, Dhaka 1000, Bangladesh  
**Chittagong Office :** Delwar Bhaban (4th Floor), 104 Agrabad Commercial Area, Chittagong-4100, Bangladesh



# Advanced Chemical Industries Limited

## Statement of Financial Position

as at 31 December 2013

	Note	2013 Taka	2012 Taka
<b>Assets</b>			
Property, plant and equipment	4	3,423,342,415	2,975,419,918
At cost / revaluation		(624,109,899)	(402,190,536)
Accumulated depreciation		2,799,232,516	2,573,229,382
Capital work-in-progress	5	585,256,770	889,671,312
		3,384,489,286	3,462,900,694
Intangible assets		1,358,905	1,297,337
Long-term investments	7	1,846,292,287	1,407,597,771
<b>Non-current assets</b>		5,232,140,478	4,871,795,802
Inventories	8	2,553,330,342	2,128,984,396
Trade receivables	9	1,576,569,332	1,292,368,456
Other receivables	10	146,161,380	107,406,234
Advances, deposits and prepayments	11	371,619,030	460,184,564
Advance income tax	25.1	350,013,451	150,489,441
Inter-company receivables	12	4,077,096,197	4,033,776,402
Cash and cash equivalents	13	250,325,251	161,461,711
<b>Current assets</b>		9,325,114,983	8,334,671,204
<b>Total assets</b>		14,557,255,461	13,206,467,006
<b>Equity</b>			
Share capital	14	285,820,824	237,738,330
Share premium	15	333,302,465	321,892,801
Capital reserve	16.1	1,671,386	1,671,386
Revaluation surplus	16.2	892,463,915	894,621,959
Available-for-sale reserve	17	111,330,089	140,860,042
Retained earnings		4,012,663,572	3,484,501,642
<b>Total equity</b>		5,637,252,251	5,081,286,160
<b>Liabilities</b>			
Long-term liabilities	18	860,454,134	917,187,439
Deferred tax liabilities	19	94,711,720	106,310,663
<b>Non-current liabilities</b>		955,165,854	1,023,498,102
Bank overdrafts	20	607,564,831	1,374,097,512
Short-term loan from banks	21	4,677,922,468	3,856,614,632
Long-term loan - current portion	22	381,079,640	313,862,328
Trade payables		448,787,894	318,773,624
Other payables	23	1,017,887,416	856,449,976
Inter-company payables	24	364,070,950	172,929,856
Obligation under finance lease - current portion	18.1	888,386	761,582
Current tax liability	25	466,635,771	208,193,234
<b>Current liabilities</b>		7,964,837,356	7,101,682,744
<b>Total liabilities</b>		8,920,003,210	8,125,180,846
<b>Total equity and liabilities</b>		14,557,255,461	13,206,467,006

The annexed notes 1 to 44 form an integral part of these financial statements.

Managing Director

Director

Company Secretary

As per our report of same date.

Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 29 April 2014



## Advanced Chemical Industries Limited Income Statement

for the year ended 31 December 2013

	Note	2013 Taka	2012 Taka
Revenue	26	10,683,600,712	9,680,061,562
Cost of sales	27	(6,426,070,148)	(6,089,878,323)
<b>Gross profit</b>		4,257,530,564	3,590,183,239
Administrative, selling and distribution expenses	28	(3,031,647,932)	(2,670,135,457)
<b>Operating profit</b>		1,225,882,632	920,047,782
Other income	29	137,591,248	137,921,467
		1,363,473,880	1,057,969,249
Financing costs	30	(295,776,400)	(282,555,490)
		1,067,697,480	775,413,759
Provision for contribution to WPPF		(53,384,874)	(38,770,688)
<b>Profit before income tax</b>		1,014,312,606	736,643,071
<b>Income tax expenses</b>			
Current tax expense	25	(258,442,537)	(199,460,929)
Deferred tax expense	31	8,317,837	7,933,731
		(250,124,700)	(191,527,198)
<b>Net profit after tax for the year</b>		764,187,906	545,115,873
<b>Earnings per share</b>			
Basic earnings per share	32.1	26.74	19.11
Diluted earnings per share	32.2	26.56	19.06

The annexed notes 1 to 44 form an integral part of these financial statements.

Managing Director

Director

Company Secretary

As per our report of same date.

Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 29 April 2014





# Advanced Chemical Industries Limited

## Statement of Comprehensive Income

for the year ended 31 December 2013

	<u>Note</u>	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
<b>Net profit after tax for the year</b>		764,187,906	545,115,873
<b>Other comprehensive income:</b>			
Change in fair value of available-for-sale financial assets	17	(32,811,059)	(107,674,537)
Income tax on other comprehensive income		3,281,106	10,767,454
<b>Total other comprehensive income for the year, net of tax</b>		<u>(29,529,953)</u>	<u>(96,907,083)</u>
<b>Total comprehensive income for the year</b>		<u>734,657,953</u>	<u>448,208,790</u>

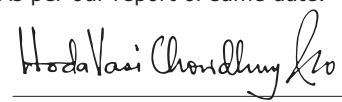
The annexed notes 1 to 44 form an integral part of these financial statements.

  
\_\_\_\_\_  
Managing Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Company Secretary

As per our report of same date.

  
\_\_\_\_\_  
Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 29 April 2014



# Advanced Chemical Industries Limited

## Statement of Changes in Equity

for the year ended 31 December 2013

Particulars	Share capital	Share premium	Capital reserve	Available for sale reserve	Revaluation surplus	Retained earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
<b>Balance as at 31 December 2011</b>	197,147,560	298,788,486	1,671,386	237,767,126	895,636,955	3,136,486,047	4,767,497,559
Total comprehensive income for the year :	-	-	-	-	-	545,115,873	545,115,873
Net profit after tax for the year	-	-	-	(96,907,083)	-	-	(96,907,083)
Total other comprehensive income-net of tax	-	-	-	(96,907,083)	-	545,115,873	448,208,790
<b>Total comprehensive income for the year</b>	-	-	-	(96,907,083)	-	545,115,873	448,208,790
<b>Contributions by and distributions to owners of the Company</b>							
Conversion of bond into equity	967,720	-	-	-	-	-	967,720
Share premium	-	23,104,315	-	-	-	-	23,104,315
Issuance of bonus shares	39,623,050	-	-	-	-	(39,623,050)	-
Dividends paid during the year	-	-	-	-	-	(158,492,224)	(158,492,224)
<b>Total contributions by and distributions to owners of the Company</b>	40,590,770	23,104,315	-	-	-	(198,115,274)	(134,420,189)
<b>Transactions recognized directly in equity:</b>							
Realization of revaluation reserve	-	-	-	-	(1,014,996)	1,014,996	-
<b>Transactions with owners of the Company, recognized directly in equity:</b>							
	-	-	-	-	(1,014,996)	1,014,996	-
<b>Balance as at 31 December 2012</b>	237,738,330	321,892,801	1,671,386	140,860,043	894,621,959	3,484,501,642	5,081,286,161
Total comprehensive income for the year :	-	-	-	-	-	764,187,906	764,187,906
Net profit after tax for the year	-	-	-	(29,529,953)	-	-	(29,529,953)
Total other comprehensive income-net of tax	-	-	-	(29,529,953)	-	764,187,906	734,657,952
<b>Total comprehensive income for the year</b>	-	-	-	(29,529,954)	-	764,187,906	734,657,952
<b>Contributions by and distributions to owners of the Company</b>							
Conversion of bond into equity	445,690	-	-	-	-	-	445,690
Share premium	-	11,409,664	-	-	-	-	11,409,664
Issuance of bonus shares	47,636,804	-	-	-	-	(47,636,804)	-
Dividends paid during the year	-	-	-	-	-	(190,547,216)	(190,547,216)
<b>Total contributions by and distributions to owners of the Company</b>	48,082,494	11,409,664	-	-	-	(238,184,020)	(178,691,862)
<b>Transactions recognized directly in equity:</b>							
Realization of revaluation reserve	-	-	-	-	(2,158,044)	2,158,044	-
<b>Transactions with owners of the Company, recognized directly in equity:</b>							
	-	-	-	-	(2,158,044)	2,158,044	-
<b>Balance as at 31 December 2013</b>	285,820,824	333,302,465	1,671,386	111,330,089	892,463,915	4,012,663,572	5,637,252,251

# Advanced Chemical Industries Limited

## Statement of Cash Flows

for the year ended 31 December 2013

	Note	2013 Taka	2012 Taka
<b>A) Cash flows from operating activities</b>			
Cash receipts from customers		10,384,833,297	9,406,319,330
Cash receipts from other income		81,311,537	66,673,889
Receipts from other receivables		(38,755,147)	30,475,883
		<u>10,427,389,687</u>	<u>9,503,469,102</u>
Cash paid for:			
Purchase of inventories		(6,555,983,706)	(6,148,162,991)
Operating expenses		(2,923,209,985)	(2,671,697,454)
Other payables		66,068,471	54,487,941
Advances, deposits and prepayments		103,132,074	45,624,976
Workers' profit participation fund		(27,346,823)	(34,297,253)
		<u>(9,337,339,969)</u>	<u>(8,754,044,781)</u>
<b>Cash generated from operating activities</b>		<u>1,090,049,718</u>	<u>749,424,321</u>
Financing costs		(275,980,149)	(244,377,206)
Income tax paid		(199,524,010)	(235,390,162)
		<u>(475,504,159)</u>	<u>(479,767,368)</u>
<b>Net cash from operating activities</b>		<u>614,545,559</u>	<u>269,656,953</u>
<b>B) Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		(124,037,084)	(80,510,464)
Payments for capital work-in-progress		(405,725,906)	(628,293,830)
Investment		(36,905,576)	(318,008,705)
Sale proceeds from property, plant and equipment		4,586,741	1,418,490
<b>Net cash used in investing activities</b>		<u>(562,081,825)</u>	<u>(1,025,394,509)</u>
<b>C) Cash flows from financing activities</b>			
Inter-company debts received/(paid)		145,151,341	(1,080,260,865)
Dividend paid		(185,992,855)	(154,140,841)
Payment for finance lease		(761,580)	(652,877)
Payment for redemption of Zero Coupon Bonds		(203,425,516)	(170,726,303)
Short-term bank loan received		821,307,836	1,368,906,653
Long-term bank loan received		226,653,261	261,345,462
<b>Net cash from financing activities</b>		<u>802,932,487</u>	<u>224,471,229</u>
<b>D) Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>		855,396,221	(531,266,327)
<b>E) Cash and cash equivalents at 1 January</b>		(1,212,635,801)	(681,369,474)
<b>F) Cash and cash equivalents at 31 December (D+E)</b>	13.1	<u>(357,239,580)</u>	<u>(1,212,635,801)</u>
<b>Closing balance represents:</b>			
Cash and cash equivalents	13	250,325,251	161,461,711
Bank overdraft	20	(607,564,831)	(1,374,097,512)
		<u>(357,239,580)</u>	<u>(1,212,635,801)</u>

The annexed notes 1 to 44 form an integral part of these financial statements.





# Advanced Chemical Industries Limited

## Consolidated Statement of Financial Position

as at 31 December 2013

	Note	2013 Taka	2012 Taka
<b>Assets</b>			
Property, plant and equipment At cost / revaluation	4 (a)	8,818,555,836	7,825,814,738
Accumulated depreciation		(1,864,120,768)	(1,335,690,181)
Capital work-in-progress	5 (a)	6,954,435,068	6,490,124,557
Intangible assets	6	761,926,602	916,027,131
Long-term investments	7 (a)	74,434,629	77,836,486
		766,291,205	723,502,440
<b>Non-current assets</b>		<b>8,557,087,504</b>	<b>8,207,490,614</b>
Inventories	8 (a)	5,388,656,883	4,431,807,359
Trade receivables	9 (a)	3,742,236,951	3,434,948,414
Other receivables	10 (a)	172,000,920	126,331,164
Advances, deposits and prepayments	11 (a)	712,315,774	718,665,643
Advance income tax	25.1 (a)	793,071,986	431,426,787
Inter-company receivables	12 (a)	18,325,173	16,694,798
Cash and cash equivalents	13 (a)	667,974,553	767,514,218
<b>Current assets</b>		<b>11,494,582,240</b>	<b>9,927,388,383</b>
<b>Total assets</b>		<b>20,051,669,744</b>	<b>18,134,878,997</b>
<b>Equity</b>			
Share capital		285,820,824	237,738,330
Share premium		333,302,465	321,892,801
Capital reserve		1,671,386	1,671,386
Revaluation surplus	16.2 (a)	1,511,620,310	1,513,778,354
Available-for-sale reserve		111,330,089	140,860,043
Retained earnings		1,548,580,887	1,580,925,170
<b>Total equity attributable to equity holders of the Company</b>		<b>3,792,325,961</b>	<b>3,796,866,084</b>
Non-controlling interest		248,088,826	358,514,398
<b>Total equity</b>		<b>4,040,414,787</b>	<b>4,155,380,482</b>
<b>Liabilities</b>			
Long-term liabilities	18 (a)	1,996,152,839	1,863,440,780
Deferred tax liabilities		316,345,060	332,940,431
<b>Non-current liabilities</b>		<b>2,312,497,899</b>	<b>2,196,381,211</b>
Bank overdraft	20 (a)	1,024,269,722	1,603,593,173
Short-term loan from banks	21 (a)	7,996,384,252	6,446,311,725
Long-term loan-current portion	22 (a)	1,084,139,980	1,141,573,149
Trade payables		1,262,614,382	915,148,765
Other payables	23 (a)	1,447,364,116	1,260,605,563
Current portion of lease obligation		11,638,647	9,885,219
Current tax liability	25 (a)	872,345,959	405,999,710
<b>Current liabilities</b>		<b>13,698,757,058</b>	<b>11,783,117,304</b>
<b>Liabilities</b>		<b>16,011,254,957</b>	<b>13,979,498,515</b>
<b>Total equity and liabilities</b>		<b>20,051,669,744</b>	<b>18,134,878,997</b>

The annexed notes 1 to 44 form an integral part of these financial statements.

Managing Director

Director

Company Secretary

As per our report of same date.

Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 29 April 2014



# Advanced Chemical Industries Limited

## Consolidated Income Statement

for the year ended 31 December 2013

	Note	2013 Taka	2012 Taka
Revenue	26 (a)	22,167,421,731	21,976,300,877
Cost of sales	27 (a)	(15,569,844,148)	(16,336,203,479)
<b>Gross Profit</b>		6,597,577,583	5,640,097,398
Administrative, selling and distribution expenses	28 (a)	(4,754,846,786)	(4,278,110,311)
<b>Operating profit</b>		1,842,730,797	1,361,987,087
Other income	29 (a)	64,333,022	142,891,806
		1,907,063,819	1,504,878,893
Share of profit of equity accounted investees		56,856,441	(75,072,171)
		1,963,920,260	1,429,806,722
Financing costs	30 (a)	(1,326,814,390)	(1,263,471,933)
		637,105,870	166,334,789
Provision for contribution to WPPF		(77,151,122)	(62,600,804)
<b>Profit before income tax</b>		559,954,748	103,733,985
<b>Income tax expenses</b>			
Current tax expense		(470,029,531)	(315,403,928)
Deferred tax expense		13,314,265	(70,145,729)
		(456,715,266)	(385,549,657)
<b>Profit after tax for the year</b>		103,239,482	(281,815,672)
<b>Profit attributable to:</b>			
Equity holders of the Company		203,681,693	(165,894,513)
Non-controlling interest		(100,442,211)	(115,921,159)
<b>Profit after tax for the year</b>		103,239,482	(281,815,672)
<b>Earnings per share</b>			
Basic earnings per share	32.1	7.13	(5.82)
Diluted earnings per share	32.2	7.13	(5.82)

The annexed notes 1 to 44 form an integral part of these financial statements.

Managing Director

Director

Company Secretary

As per our report of same date.

Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 29 April 2014



## Advanced Chemical Industries Limited

### Consolidated Statement of Comprehensive Income

for the year ended 31 December 2013

	<u>Note</u>	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
<b>Net profit after tax for the year</b>		103,239,482	(281,815,672)
<b>Other comprehensive income:</b>			
Change in fair value of available-for-sale financial assets	17	(32,811,060)	(107,674,537)
Income tax on other comprehensive income		3,281,106	10,767,454
<b>Total other comprehensive income, net of tax</b>		<u>(29,529,954)</u>	<u>(96,907,083)</u>
<b>Total comprehensive income</b>		<u>73,709,528</u>	<u>(378,722,755)</u>
<b>Profit attributable to:</b>			
Equity holders of the Company		174,151,739	(262,801,596)
Non-controlling interest		(100,442,211)	(115,921,159)
<b>Total comprehensive income</b>		<u>73,709,528</u>	<u>(378,722,755)</u>

*The annexed notes 1 to 44 form an integral part of these financial statements.*

Managing Director

Director

Company Secretary

As per our report of same date.

Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 29 April 2014



# Advanced Chemical Industries Limited

## Consolidated Statement of Changes in Equity

for the year ended 31 December 2013

Particulars	Share capital	Share premium	Capital reserve	Revaluation reserve	Retained earnings	Available for sale financial assets	Total	Non-controlling interest	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
<b>Balance at 31 December 2011</b>	197,147,560	298,788,486	1,671,386	1,515,015,779	1,943,697,532	237,767,126	4,194,087,869	494,270,382	4,688,358,250
<b>Total comprehensive income for the year 2012</b>	-	-	-	-	(165,894,513)	-	(165,894,513)	(115,921,159)	(281,815,672)
Net profit after tax	-	-	-	-	-	(96,907,083)	(96,907,083)	-	(96,907,083)
Total other comprehensive income - net of tax	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year 2012</b>	-	-	-	-	(165,894,513)	(96,907,083)	(262,801,596)	(115,921,159)	(378,722,755)
<b>Contributions by and distributions to owners of the Company</b>	-	-	-	-	(158,492,224)	-	(158,492,224)	(34,889,825)	(193,382,049)
Dividends paid during the year	-	-	-	-	-	-	-	-	-
<b>Transactions recognized directly in equity:</b>	967,720	-	-	-	-	-	967,720	-	967,720
Conversion of shares into equity	-	23,104,315	-	-	-	-	23,104,315	-	23,104,315
Share premium	-	-	-	-	(39,623,050)	-	-	-	-
Issuance of bonus shares	39,623,050	-	-	(1,237,425)	1,237,425	-	-	-	-
Realization of revaluation reserve	-	-	-	-	-	-	-	-	-
Capital paid by minority	-	-	-	-	-	-	-	15,055,000	15,055,000
<b>Transactions with owners of the Company, recognized directly in equity:</b>	40,590,770	23,104,315	-	(1,237,425)	(196,877,849)	-	(134,420,189)	(19,834,825)	(154,255,014)
<b>Balance at 31 December 2012</b>	237,738,330	321,892,801	1,671,386	1,513,778,354	1,580,925,170	140,860,043	3,796,866,084	358,514,398	4,155,380,482
<b>Total comprehensive income for the year 2013</b>	-	-	-	-	203,681,693	-	203,681,693	(100,442,211)	103,239,482
Net profit after tax	-	-	-	-	-	(29,529,954)	(29,529,954)	-	(29,529,954)
Total other comprehensive income - net of tax	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year 2013</b>	-	-	-	-	203,681,693	(29,529,954)	174,151,739	(100,442,211)	73,709,528
<b>Contributions by and distributions to owners of the Company</b>	-	-	-	-	(190,547,216)	-	(190,547,216)	(52,293,361)	(242,840,577)
Dividends paid during the year	-	-	-	-	-	-	-	-	-
<b>Transactions recognized directly in equity:</b>	445,690	-	-	-	-	-	445,690	-	445,690
Conversion of shares into equity	-	11,409,664	-	-	-	-	11,409,664	-	11,409,664
Share premium	-	-	-	-	-	-	-	-	-
Issuance of bonus shares	47,636,804	-	-	(2,158,044)	(47,636,804)	-	-	-	-
Realization of revaluation reserve	-	-	-	-	2,158,044	-	-	-	-
Capital paid by minority	-	-	-	-	-	-	-	42,310,000	42,310,000
<b>Transactions with owners of the Company, recognized directly in equity:</b>	48,082,494	11,409,664	-	(2,158,044)	(236,025,976)	-	(178,691,862)	(9,983,361)	(188,675,223)
<b>Balance at 31 December 2013</b>	285,820,824	333,302,465	1,671,386	1,511,620,310	1,548,580,887	111,330,089	3,792,325,961	248,088,826	4,040,414,787



# Advanced Chemical Industries Limited

## Consolidated Statement of Cash Flows

for the year ended 31 December 2013

	<u>Note</u>	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
<b>A) Cash flows from operating activities</b>			
Cash receipts from customers		21,768,760,924	21,615,508,513
Cash receipts from other income		63,103,937	66,151,999
Receipts from other receivables		(41,865,633)	28,645,989
		<u>21,789,999,228</u>	<u>21,710,306,501</u>
Cash paid for:			
Purchase of inventories		(15,777,091,308)	(16,220,764,836)
Operating expenses		(4,549,674,189)	(4,254,165,399)
Other payables		61,556,244	40,692,407
Advances, deposits and prepayments		21,428,479	(32,226,848)
Workers' profit participation fund		(33,619,170)	(43,241,340)
		<u>(20,277,399,944)</u>	<u>(20,509,706,016)</u>
<b>Cash generated from operations</b>		<u>1,512,599,284</u>	<u>1,200,600,485</u>
Financing costs		(1,302,925,797)	(1,213,277,156)
Income tax paid		(364,296,479)	(396,677,889)
		<u>(1,667,222,276)</u>	<u>(1,609,955,045)</u>
<b>Net cash used in operating activities</b>		<u>(154,622,992)</u>	<u>(409,354,560)</u>
<b>B) Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		(239,896,389)	(173,136,766)
Payments for capital work- in- progress		(555,892,891)	(913,733,741)
Investment		(17,043,930)	(133,973,496)
Sale proceeds from property, plant and equipment		4,586,741	5,703,112
<b>Net cash used in investing activities</b>		<u>(808,246,469)</u>	<u>(1,215,140,891)</u>
<b>C) Cash flows from financing activities</b>			
Payment to non-controlling interest		(51,627,604)	(34,013,883)
Inter-company debts paid		(1,630,375)	510,105
Dividend paid		(185,992,855)	(154,140,841)
Short-term loan received		1,040,192,148	1,123,730,486
Long-term loan (paid)/received		812,712,666	710,869,316
Payment for redemption of Zero Coupon Bonds		(203,425,516)	(170,726,303)
Issue of shares		42,310,000	15,055,000
Repayment of lease obligation		(9,885,217)	(5,233,133)
<b>Net cash from financing activities</b>		<u>1,442,653,247</u>	<u>1,486,050,747</u>
<b>D) Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>		479,783,786	(138,444,704)
<b>E) Cash and cash equivalents at 1 January</b>		(836,078,955)	(697,634,251)
<b>F) Cash and cash equivalents at 31 December (D+E)</b>	13 (a)	<u>(356,295,169)</u>	<u>(836,078,955)</u>
<b>Closing balance represents:</b>			
Cash and cash equivalents		667,974,553	767,514,218
Bank overdraft		(1,024,269,722)	(1,603,593,173)
		<u>(356,295,169)</u>	<u>(836,078,955)</u>

The annexed notes 1 to 44 form an integral part of these financial statements.



# Advanced Chemical Industries Limited

## Notes to the Consolidated Financial Statements

as at and for the year ended 31 December 2013

### 1. Reporting entity

Advanced Chemical Industries Limited (ACI Limited) is a public limited company incorporated in Bangladesh on 24 January 1973 as ICI Bangladesh Manufacturers Limited. The registered office of the Company is situated in Dhaka. The consolidated financial statements of the Company as at and for the year ended 31 December 2013 comprise the Company's and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates and jointly controlled entities. The Group primarily is involved in manufacturing of pharmaceuticals, consumer brands, animal health products and marketing them along with fertilizer, seeds and other agricultural items.

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

#### 1.1 Description of subsidiaries

##### 1.1.1 ACI Formulations Limited

The Company was incorporated on 29 October 1995 as a private limited company under the Companies Act 1994. The principal activities of the Company are manufacturing and marketing of a number of agrochemical and consumer products. The Company became a publicly listed company with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

##### 1.1.2 ACI Salt Limited

The Company was incorporated on 13 June 2004 as a private limited company under the Companies Act 1994. The principal activity of the Company is manufacturing and marketing of edible branded salt.

##### 1.1.3 ACI Foods Limited

The Company was incorporated on 14 September 2006 as a private limited company under the Companies Act 1994. The main objectives of the Company are manufacturing, processing and marketing of different food items including spices and different snack items.

##### 1.1.4 ACI Pure Flour Limited

The Company was incorporated on 29 August 2006 as a private limited company under the Companies Act 1994. The main objectives of the Company are to carry on the business of milling, processing, packaging and marketing of wheat flour products.

##### 1.1.5 Apex Leathercraft Limited

The Company was incorporated on 22 May 1990 as a private limited company under the Companies Act 1994. There was no business activity of the Company other than letting out its property to ACI Limited.



#### **1.1.6 Flyban Insecticides Limited**

The Company was incorporated on 5 October 1991 as a private limited company under the Companies Act 1994. The Company's main function was to manufacture and sale of mosquito coil. There was no business operation of the Company during the year under review.

#### **1.1.7 ACI Agrochemicals Limited**

The Company was incorporated on 4 July 2006 as a private limited company under the Companies Act 1994. The main objectives of the Company are to carry on the business of manufacturing, formulating and packaging of pesticide, fertilizer, plant nutrient, animal food and other nutrient products. The Company is yet to start its commercial operation.

#### **1.1.8 ACI Motors Limited**

The Company was incorporated on 11 December 2007 as a private limited company under the Companies Act 1994. The main objectives of the Company are to carry on the business of buying, selling, importing and assembling of vehicles for both agricultural and non-agricultural use including other agricultural equipment and supplying of spare parts and providing service facilities for these vehicles and equipment.

#### **1.1.9 Creative Communication Limited**

The Company was incorporated on 2 September 2007 as a private limited company under the Companies Act 1994. The principal activities of the Company are managing media solutions and similar services for different clients including television commercials and other advertisement and promotion related activities.

#### **1.1.10 Premiaflex Plastics Limited**

The Company was incorporated on 11 June 2007 as a private limited company under the Companies Act 1994. The main objectives of the Company are to carry out the business of manufacturing and marketing of plastic products, flexible printing and other ancillary business associated with plastic and flexible printing. The Company commenced its commercial production from 1 December 2008.

#### **1.1.11 ACI Logistics Limited**

The Company was incorporated on 29 April 2008 as a private limited company under the Companies Act 1994. The main objective of the Company is to set-up nationwide retail outlets in order to facilitate the improvement in goods marketing efficiency and to provide a modern self service shopping option to customers.

#### **1.1.12 ACI Edible Oils Limited**

The Company was incorporated on 13 December 2010 as a private limited company under the Companies Act 1994. The main objective of the Company is to carry out the business as manufacturing as well as trading of all kinds of crude and refined edible oils, edible fats, food grade chemicals, cleansing materials, preservatives and other allied food products.

## **2 Basis of preparation**

### **2.1 Statement of compliance**

The consolidated financial statements have been prepared in accordance with Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.



## **2.2 Date of authorization**

The consolidated financial statements as well as separate financial statements were authorized by the Board of Directors on 29 April 2014 for publication.

## **2.3 Basis of measurement**

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

## **2.4 Functional and presentational currency**

These financial statements are prepared in Bangladesh Taka (Taka/Tk), which is the Company's functional currency.

## **2.5 Use of estimates and judgments**

The preparation of these financial statements in conformity with Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) 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. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected thereby.

## **2.6 Reporting period**

The financial period of the companies other than the following two associates covers one year from 1 January to 31 December and is followed consistently.

Financial periods of two associates are:

Stochastic Logic Limited	From 1 August to 31 July
Asian Consumer Care (Pvt.) Limited	From 1 April to 31 March

The figures involved in the aforesaid two associated companies up to 31 December 2013 from the end of their accounting years are considered to be immaterial to these financial statements.

## **3 Significant accounting policies**

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

### **3.1 Basis of consolidation**

#### **3.1.1 Subsidiaries**

Subsidiaries are entities controlled by ACI Limited. Control exists when ACI Limited has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries have been included in the consolidated financial statements from the date that control commences until the date that it ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by ACI Limited.



### 3.1.2 Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealized income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with associates are eliminated against the investment to the extent of ACI Limited's interest in the investee. Unrealized losses, if any, are eliminated in the same way as unrealized gains but only to the extent that there is no evidence of impairment.

## 3.2 Property, plant and equipment

### 3.2.1 Recognition and measurement

Items of property, plant and equipment are measured at cost or revaluation less accumulated depreciation. The items of property, plant and equipment were revalued in the year 2004, 2007 and 2010 by the firm of professional valuers on the basis of fair market value. When revalued assets are disposed off, the amounts included in the revaluation surplus are transferred to retained earnings. Capital work-in-progress represents the cost incurred for acquisition and / or construction of items of property, plant and equipment that were not ready for use at the end of 2013 and these are stated at cost.

Cost includes expenditure that is directly attributable to the acquisition of asset. The cost of self constructed asset includes the cost of material, direct labor and any other costs directly attributable to bringing the assets to the working condition for their intended use.

Subsequent to initial recognition cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. All other repair and maintenance expenses are charged to income statement as it is incurred.

Individual financial statements of Apex Leathercraft Limited, a solely owned subsidiary of ACI Limited, includes investment property rented to the Group. For consolidation purpose, considering single entity concept this asset is shown under property, plant and equipment in the consolidated financial statements.

### 3.2.2 Depreciation

All items of property, plant and equipment have been depreciated on straight line basis. Depreciation on additions are charged at 50% of normal rates only in the year of acquisition and no depreciation is charged in the year of disposal. Depreciation is charged at the rates varying from 2.5% to 20% depending on the estimated useful lives of assets. No depreciation is charged for land and capital work-in-progress. The Company is following this policy consistently from past years.

The revalued items of property, plant and equipment are depreciated by writing off their revalued amount at the date of revaluation over their remaining estimated useful lives.

The estimated useful lives for the current and comparative years are as follows:

Building	40 years
Plant and machinery	10 years
Furniture and fixture	10 years
Electrical and other office appliances	10 years
Office machinery	10 years
Vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

### 3.2.3 Capitalization of borrowing costs

Borrowing cost relating to acquisition of fixed assets is capitalized as per Bangladesh Accounting Standard (BAS) - 23, Borrowing costs at the weighted average cost of borrowings. However, capitalization of borrowing costs is ceased when acquisition of relevant asset is completed.

### 3.2.4 Impairment

The carrying amount of the 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 asset's recoverable amount is reestimated. However, no such conditions that might be suggestive of a heightened risk of impairment of assets existed at the reporting date.

## 3.3 Intangible asset

### 3.3.1 Goodwill

Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net value of the identifiable assets and liabilities of the acquiree on the date of acquisition.

### 3.3.2 Software

Software that is acquired by the Group, which has finite useful life, is measured at cost less accumulated amortization and accumulated impairment losses.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates.

### 3.3.3 Amortization

Amortization is charged in the income statement on a straight line basis over the estimated useful lives of intangible assets other than goodwill. Amortization on additions are charged at 50% of normal rates only in the year of acquisition. Amortization is charged at the rates of 10-20% depending on the estimated useful lives of assets and no amortization is charged in the year of disposal.

The estimated useful life for the current intangible asset is as follows:

	Useful life	Normal rate
Software	5-10 years	10-20 Percent

Amortization methods, useful lives and residual values are reviewed at each reporting date.

## 3.4 Leased assets

### 3.4.1 Finance lease

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

#### Depreciation

Depreciation is charged according to the policy applicable for the owned assets of the Company.

#### Lease payments

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.



### **3.4.2 Operating lease**

Payments made under operating leases are recognized in income statement on a straight line basis over the term of the lease.

### **3.5 Inventories**

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average principle, 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 and work-in-progress, cost includes an appropriate share of production overheads based on normal operation capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Stock- in-transit represents the cost incurred up to the date of the statement of financial position for the items that were not received till to the date of reporting. Inventory losses and abnormal losses are recognized as expenses.

### **3.6 Provision**

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.

### **3.7 Income tax**

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

#### **3.7.1 Current tax**

Current tax expense has been recognized on the basis of the Finance Act 2013 and Income Tax Ordinance 1984.

#### **3.7.2 Deferred tax**

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

### **3.8 Investment in shares**

In the separate financial statements of the Company, investment in subsidiaries, associates and joint ventures has been carried at cost as per Bangladesh Accounting Standard 27 Separate Financial Statements. All other investments categorized under 'Investment available for sale' and 'Held-to-maturity' are carried at fair value.



In the consolidated financial statements of ACI Limited, following valuation principles have been used:

**Investments in subsidiaries** - Investment in subsidiaries has been accounted for as per Bangladesh Financial Reporting Standard 10 Consolidated Financial Statements. The investment is eliminated in full against the equity of acquiree measured at fair value at the date of acquisition as per Bangladesh Financial Reporting Standard 3 Business Combinations.

**Investments available for sale** - These are valued at fair value and the change in fair value of investments available for sale is presented in comprehensive income statement and in statement of financial position. This is as per Bangladesh Financial Reporting Standard 7 Financial Instruments Disclosures, Bangladesh Accounting Standard 32 Financial Instruments: Presentation and Bangladesh Accounting Standard 39 Financial Instruments: Recognition and Measurement.

**Associates and joint ventures** - Associates are those entities in which ACI Limited has significant influence, but not control, over the financial and operating policies. Joint ventures are those entities over whose activities ACI Limited has joint control, established by contractual agreement and requiring unanimous consent for strategic, financial and operating decisions. Associates and joint ventures are accounted for using the equity method (equity accounted investees). The consolidated financial statements include the ACI Limited's share of the income and expenses of equity accounted invested, after adjustments to align the accounting policies with those of the ACI Limited, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. This is in consistent with Bangladesh Financial Reporting Standard 11 Joint Arrangements and Bangladesh Financial Reporting Standard 12 Disclosure of Interests in other Entities.

### 3.9 Foreign currency transactions

Foreign currency transactions are accounted for at exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies at reporting date are translated at rates ruling at the statement of financial position date. All exchange differences are charged / credited to the statement of comprehensive income.

### 3.10 Financial instruments

Non-derivative financial instruments comprise investments in shares and term deposit, trade receivables, cash and cash equivalents, trade payables, share capital, and interest-bearing borrowings.

#### *Trade and other receivables*

Trade receivables are recognized at original invoiced amount. Receivables are stated at netted off provision for bad and doubtful debt and written off. Provision is made in the financial statements considering the uncertainty of recovery at the date of the statement of financial position and bad debts are written off when the debts became finally irrecoverable based on assessment and judgment made by senior management of the Company.

#### *Investment in shares-other than the investment in subsidiaries, associates and joint ventures*

Investment in shares are non-derivative financial assets that are designated as available-for-sale. Initially they are recognized at cost and subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale are recognized in other comprehensive income and presented in fair value reserve in equity. When an investment is derecognized, the gain or loss accumulated in equity is reclassified to profit or loss.

#### *Investment in Term Deposit*

The Company has the positive intent and ability to hold term deposit to maturity, and as such financial assets are classified as held to maturity. Held-to-maturity financial assets are recognized at fair value plus any directly attributable transaction cost.



#### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and all call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

#### *Share capital*

Ordinary shares are classified as equity. Incremental cost directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effect.

#### *Trade payables*

Trade payables are recognized at fair value.

#### *Interest-bearing borrowings*

Interest-bearing borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost using the effective interest method less any impairment losses.

#### *ACI 20% Convertible Zero Coupon Bonds (ZCB)*

Zero Coupon Bonds are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, ZCBs are stated at amortized cost using the effective interest method.

### **3.11 Financial risk management**

The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's management policies are established to identify and analyze the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company has provided in the separate notes regarding the information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk and the Company's management of capital. The Company has exposure to the following risks from its use of financial instruments.

Credit risk (note-33.1)

Liquidity risk (note-33.2)

Market risk (note-33.3)

### **3.12 Revenue recognition**

#### **3.12.1 Sale of goods**

Revenue is recognized upon invoicing the customers for goods sold and delivered. Sales are accounted for net of value added tax, trade discount and allowances (if any). In case of cash delivery, revenue is recognized when delivery is made and cash is received by the Company.

#### **3.12.2 Revenue arising from services**

Revenue from services rendered is recognized in income statement in proportion to the stage of completion of the transaction at the reporting date.

#### **3.12.3 Revenue arising from commission**

When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue is recognized in the net amount of commission earned by the Group.

#### **3.12.4 Dividend income**

Dividend income is recognized when right to receive payment of such dividend is established.

### **3.13 Allocation of common service costs**

Common costs and facilities are allocated to entities based on common cost sharing agreement and followed consistently.

### **3.14 Statement of cash flows**

Cash flows from operating activities have been presented under direct method.

### **3.15 Employee benefits**

#### **a. Defined contribution plan (provident fund)**

The Company operates a recognized provident fund scheme where employees contribute 10% of their basic salary with equal contribution by the Company. The provident fund is considered as defined contribution plan being managed by a Board of Trustees.

#### **b. Defined benefit plan (gratuity)**

The Company operates an unfunded gratuity scheme, provision in respect of which is made annually covering all permanent employees. The Employees' Gratuity Fund is being considered as defined benefit plan.

Defined benefit plan is a retirement benefit plan under which amounts to be paid as retirement benefits are determined by reference to employees' earnings and year of services. The rate used to discount post employment benefit obligations is determined by reference to the rate stated in the actuarial report. Actuarial valuation of gratuity scheme has been made in 2013 to assess the adequacy of the liabilities provided for the schemes.

#### **c. Workers' profit participation fund**

The Company had created funds for workers as 'Workers' Profit Participation Fund' and 5% of the profit before charging such expense have been transferred to this fund.

### **3.16 Earnings per share (EPS)**

The Company and the Group (which is made up of ACI Limited and its subsidiaries and associates) present its basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company / Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. This has been shown on the face of income statement and computation of EPS is stated in note 32.

### **3.17 Segment reporting**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. However, a segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company's primary format for segment is based on business segments.

All operating segments' operating results are reviewed regularly by the Company's managing director to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. Segment results that are reported to the managing director include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.



The business described below as part of segment analysis of units analyzed for the criteria of reportable segments as specified in Bangladesh Financial Reporting Standard 8: Operating Segments

*Pharmaceuticals:* Involves in manufacturing and marketing of health care products in home and abroad.

*Consumer Brands:* Involves in marketing and distributing of consumer products.

*Animal Health:* Involves in manufacturing and distributing of veterinary and fisheries products.

*Crop Care and Public Health:* Involves in manufacturing and marketing of crop protection items.

*ACI Motors:* Involves in the business of buying and selling of agricultural equipment.

*ACI Pure Flour:* Involves in milling, processing, packaging and marketing of wheat flour products.

*Retail Chain:* Involves in facilitating the improvement in goods marketing efficiency and to provide a modern self-service shopping option to customers.

*Premiaflex Plastics:* Involves in manufacturing, processing and marketing of plastic products at home.

*ACI Salt:* Involves in manufacturing and marketing of edible salt.

*ACI Foods:* Involves in manufacturing, processing and marketing of different food items including spices and different snack items.

*The detail segment analysis is shown in note-37.*

### **3.18 Going concern review**

During the year under review, ACI Logistics Limited, a subsidiary of ACI Limited, incurred a net loss of Tk. 849,117,617 making an accumulated loss at the reporting date to Tk. 3,445,580,465. The Company's current liabilities exceeded the current assets by Tk. 2,994,155,422 at the reporting date. The paid up capital of the Company at the closing date was Tk. 347,840,000. Its dues to banks and finance lease Company on the same date was Tk. 1,846,253,745. The management is, however, confident that the Company will continue in operational existence for a foreseeable future on the basis of continued support from the parent Company, ACI Limited and improved trading conditions.

During the year under review, ACI Foods Limited, a subsidiary of ACI Limited, incurred a net loss of Tk. 161,212,854 making an accumulated loss at the balance sheet date amounting to Tk. 931,863,518 and the Company's current liabilities exceeded the current assets by Tk. 1,129,809,712. The paid up capital of the Company at the closing date was Tk. 40,000,000, where as its dues to Banks on the same date was Tk. 354,703,073. The management is, however, confident that the Company will continue in operational existence for a foreseeable future on the basis of continued support of the Company's banks and shareholders.

In view of the continued support and assurance from the Group and major shareholders, management believes that it remains appropriate to prepare these financial statements on a going concern basis.





#### 4. Property, plant and equipment

##### a) Own assets

###### i) Cost

Particulars	Cost						Depreciation						Written down value as at 31 December 2013	
	As at 1 January 2013	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2013	As at 1 January 2013	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2013	As at 31 December 2013	Taka	Taka
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Land	378,580,685	1,230,000	427,681,028	(379,549,373)	-	427,942,340	-	-	-	-	-	-	427,942,340	-
Building	354,209,638	-	27,048,784	-	-	381,258,422	12,179,540	10,053,814	-	-	22,233,354	22,233,354	359,025,068	-
Plant and machinery	1,025,340,614	2,184,231	238,474,782	-	-	1,265,999,627	214,600,968	134,476,687	-	-	349,077,655	349,077,655	916,921,972	-
Furniture and fixtures	81,499,108	10,980,307	15,875,153	-	-	108,354,568	21,288,834	10,165,039	-	-	31,453,873	31,453,873	76,900,695	-
Electrical and other appliances	60,193,137	26,548,467	1,060,702	(131,652)	-	87,670,654	17,525,584	7,332,223	(119,391)	-	24,738,416	24,738,416	62,932,238	-
Office machinery	34,504,185	6,422,467	-	-	-	40,926,652	9,059,790	4,347,456	-	-	13,407,246	13,407,246	27,519,406	-
Vehicles	127,505,329	75,831,612	-	(1,732,398)	420,000	202,024,543	71,735,245	36,733,562	(162,277)	420,000	108,726,530	108,726,530	93,298,013	-
Total (i)	2,061,832,696	123,197,084	710,140,449	(381,413,423)	420,000	2,514,176,806	346,389,961	203,108,781	(281,668)	420,000	549,637,074	549,637,074	1,964,539,732	-

###### ii) Revaluation

Particulars	Revaluation						Depreciation						Written down value as at 31 December 2013	
	As at 1 January 2013	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2013	As at 1 January 2013	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2013	As at 31 December 2013	Taka	Taka
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Land	744,081,718	-	-	-	-	744,081,718	-	-	-	-	-	-	744,081,718	-
Building	38,483,654	-	-	-	-	38,483,654	1,924,182	962,091	-	-	2,886,273	2,886,273	35,597,381	-
Plant and machinery	56,379,485	-	-	-	-	56,379,485	17,042,430	8,619,429	-	-	25,661,859	25,661,859	30,717,626	-
Furniture and fixtures	3,814,918	-	-	-	-	3,814,918	1,507,765	755,215	-	-	2,262,980	2,262,980	1,551,938	-
Electrical and other appliances	3,924,343	-	-	(185,607)	-	3,738,736	1,539,236	710,631	(84,937)	-	2,164,930	2,164,930	1,573,806	-
Office machinery	2,227,188	-	-	-	-	2,227,188	819,104	409,739	-	-	1,228,843	1,228,843	998,345	-
Vehicles	47,608,423	-	-	(2,791,006)	-	44,817,417	19,043,369	8,963,483	(1,116,402)	-	26,890,450	26,890,450	17,926,967	-
Total (ii)	896,519,729	-	-	(2,976,613)	-	893,543,116	41,876,086	20,420,588	(1,201,339)	-	61,095,335	61,095,335	832,447,781	-
<b>Total assets (i+ii)</b>	<b>2,958,352,425</b>	<b>123,197,084</b>	<b>710,140,449</b>	<b>(384,390,036)</b>	<b>420,000</b>	<b>3,407,719,922</b>	<b>388,266,047</b>	<b>223,529,369</b>	<b>(1,483,007)</b>	<b>420,000</b>	<b>610,732,409</b>	<b>610,732,409</b>	<b>2,796,987,513</b>	<b>-</b>

###### b) Leased assets

Vehicles	17,067,493	-	-	-	(1,445,000)	15,622,493	13,924,489	898,000	-	(1,444,999)	13,377,490	13,377,490	2,245,003	-
<b>Total 2013 (a+b)</b>	<b>2,975,419,918</b>	<b>123,197,084</b>	<b>710,140,449</b>	<b>(384,390,036)</b>	<b>(1,025,000)</b>	<b>3,423,342,415</b>	<b>402,190,536</b>	<b>224,427,369</b>	<b>(1,483,007)</b>	<b>(1,024,999)</b>	<b>624,109,899</b>	<b>624,109,899</b>	<b>2,799,232,516</b>	<b>-</b>
<b>Total at 31 December 2012</b>	<b>2,545,580,924</b>	<b>80,659,179</b>	<b>350,163,539</b>	<b>(1,583,725)</b>	<b>600,000</b>	<b>2,975,419,918</b>	<b>214,159,844</b>	<b>188,268,754</b>	<b>(386,777)</b>	<b>148,715</b>	<b>402,190,536</b>	<b>402,190,536</b>	<b>2,573,229,382</b>	<b>-</b>

\* The Company has capitalized the borrowing costs to the extent of Tk. 48,677,713 using the weighted average cost of borrowing on acquisition of qualifying assets during the year 2013.



## Property, plant and equipment-comparative - 2012

### a) Own assets

#### i) Cost

Particulars	Cost						Depreciation						Written down value as at 31 December 2012
	As at 1 January 2012	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2012	As at 1 January 2012	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2012		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka		
Land	378,580,685	-	-	-	-	378,580,685	-	-	-	-	-	378,580,685	
Building	161,444,574	2,063,918	190,701,146	-	-	354,209,638	4,847,753	7,331,787	-	-	12,179,540	342,030,098	
Plant and machinery	848,299,247	21,500,790	155,540,577	-	-	1,025,340,614	96,187,719	118,413,249	-	-	214,600,968	810,739,646	
Furniture and fixtures	68,278,353	9,378,438	3,842,317	-	-	81,499,108	12,679,797	8,609,037	-	-	21,288,834	60,210,274	
Electrical and other appliances	41,513,311	18,000,326	79,500	-	600,000	60,193,137	11,213,512	6,163,357	-	148,715	17,525,584	42,667,553	
Office machinery	30,206,892	4,378,993	-	(81,700)	-	34,504,185	4,982,914	4,085,476	(8,600)	-	9,059,790	25,444,395	
Vehicles	102,266,345	25,336,714	-	(97,730)	-	127,505,329	50,323,006	21,509,962	(97,724)	-	71,735,245	55,770,084	
Total (i)	1,630,589,407	80,659,179	350,163,539	(179,430)	600,000	2,061,832,696	180,234,701	166,112,868	(106,324)	148,715	346,389,960	1,715,442,736	

#### ii) Revaluation

Particulars	Revaluation						Depreciation						Written down value as at 31 December 2012
	As at 1 January 2012	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2012	As at 1 January 2012	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2012		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka		
Land	744,081,718	-	-	-	-	744,081,718	-	-	-	-	-	744,081,718	
Building	38,483,654	-	-	-	-	38,483,654	962,091	962,091	-	-	1,924,182	36,559,472	
Plant and machinery	56,379,485	-	-	-	-	56,379,485	8,521,883	8,520,547	-	-	17,042,430	39,337,055	
Furniture and fixtures	3,814,918	-	-	-	-	3,814,918	751,952	755,813	-	-	1,507,765	2,307,153	
Electrical and other appliances	3,924,343	-	-	-	-	3,924,343	778,940	760,296	-	-	1,539,236	2,385,107	
Office machinery	2,231,488	-	-	(4,300)	-	2,227,188	409,891	409,666	(453)	-	819,104	1,408,084	
Vehicles	49,008,418	-	-	(1,399,995)	-	47,608,423	9,521,684	9,521,685	(280,000)	-	19,043,369	28,565,054	
Total (ii)	897,924,024	-	-	(1,404,295)	-	896,519,729	21,226,441	20,930,099	(280,453)	-	41,876,087	854,643,642	
<b>Total assets (i+ii)</b>	<b>2,528,513,431</b>	<b>80,659,179</b>	<b>350,163,539</b>	<b>(1,583,725)</b>	<b>600,000</b>	<b>2,958,352,425</b>	<b>201,461,142</b>	<b>187,042,967</b>	<b>(386,777)</b>	<b>148,715</b>	<b>388,266,047</b>	<b>2,570,086,378</b>	

#### b) Leased assets

Vehicles	17,067,493	-	-	-	-	17,067,493	12,698,702	1,225,787	-	-	13,924,489	3,143,004
<b>Total 2012 (a+b)</b>	<b>2,545,580,924</b>	<b>80,659,179</b>	<b>350,163,539</b>	<b>(1,583,725)</b>	<b>600,000</b>	<b>2,975,419,918</b>	<b>214,159,844</b>	<b>188,268,754</b>	<b>(386,777)</b>	<b>148,715</b>	<b>402,190,536</b>	<b>2,573,229,382</b>

\* The Company has capitalized the borrowing costs to the extent of Tk. 41,970,530 using the weighted average cost of borrowing on acquisition of qualifying assets during the year 2012.

#### 4. (a) Consolidated property, plant and equipment

##### a) Freehold assets

##### i) Cost

Particulars	Cost						Depreciation						Written down value as at 31 December 2013
	As at 1 January 2013	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2013	As at 1 January 2013	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2013		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka		
Land	762,792,485	491,064,669	427,681,028	(379,549,373)	(55,050,627)	1,246,938,182	-	-	-	-	-	-	1,246,938,182
Building	1,210,263,906	1,188,358	45,071,025	-	-	1,256,523,289	89,652,401	30,630,428	-	-	120,282,829	-	1,136,240,460
Plant and machinery	2,975,498,752	8,562,457	260,994,607	-	-	3,245,055,816	740,049,044	303,505,585	-	-	1,043,554,629	-	2,201,501,187
Furniture and fixtures	424,629,808	11,947,307	41,764,982	-	-	478,342,097	162,097,575	62,887,613	-	-	224,985,188	-	253,356,909
Electric and other appliances	212,392,471	28,368,077	19,125,944	(131,652)	-	259,754,840	71,842,851	25,014,005	(119,391)	-	96,737,465	-	163,017,375
Office machinery and equipment	202,324,132	7,403,706	13,918,683	-	-	223,646,521	89,847,929	26,010,498	-	-	116,458,427	-	107,188,094
Vehicles	183,221,657	76,115,917	-	(1,732,398)	420,000	258,025,176	102,706,553	46,243,592	(162,277)	420,000	149,207,868	-	108,817,308
Total (i)	5,971,123,211	624,650,491	808,556,269	(381,413,423)	(54,630,627)	6,968,285,921	1,256,196,353	494,891,721	(281,668)	420,000	1,751,226,406	-	5,217,059,515

##### ii) Revaluation

Particulars	Revaluation						Depreciation						Written down value as at 31 December 2013
	As at 1 January 2013	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2013	As at 1 January 2013	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2013		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka		
Land	1,555,030,636	-	-	-	-	1,555,030,636	-	-	-	-	-	-	1,555,030,636
Building	82,265,271	-	-	-	-	82,265,271	4,779,876	2,410,288	-	-	7,190,164	-	75,075,107
Plant and machinery	83,525,055	-	-	-	-	83,525,055	29,227,361	13,263,552	-	-	42,490,913	-	41,034,142
Furniture and fixtures	7,179,208	-	-	-	-	7,179,208	3,163,197	1,030,821	-	-	4,194,018	-	2,985,190
Electric and other appliances	9,803,818	-	-	(185,607)	-	9,618,211	3,668,906	1,177,529	(84,937)	-	4,761,498	-	4,856,713
Office machinery and equipment	4,617,813	-	-	-	-	4,617,813	2,620,440	665,323	-	-	3,285,763	-	1,332,050
Vehicles	50,756,150	-	-	(2,791,006)	-	47,965,144	20,302,459	9,593,028	(1,116,402)	-	28,779,085	-	19,186,059
Total (ii)	1,793,177,951	-	-	(2,976,613)	-	1,790,201,338	63,762,239	28,140,541	(1,201,339)	-	90,701,441	-	1,699,499,897
Total assets ( i + ii )	7,764,301,162	624,650,491	808,556,269	(384,390,036)	(54,630,627)	8,758,487,259	1,319,958,592	523,032,262	(1,483,007)	420,000	1,841,927,847	-	6,916,559,412

##### b) Leased assets

Office machinery	32,998,000	-	-	-	-	32,998,000	393,226	4,718,715	-	-	5,111,941	-	27,886,059
Vehicles	28,515,577	-	-	-	(1,445,000)	27,070,577	15,338,362	3,187,617	-	(1,444,999)	17,080,980	-	9,989,597
Total leased asset	61,513,577	-	-	-	(1,445,000)	60,068,577	15,731,588	7,906,332	-	(1,444,999)	22,192,921	-	37,875,656
Total 2013 ( a + b )	7,825,814,739	624,650,491	808,556,269	(384,390,036)	(56,075,627)	8,818,555,836	1,335,690,180	530,938,594	(1,483,007)	(1,024,999)	1,864,120,768	-	6,954,435,068
Total 2012	6,322,173,701	134,761,789	1,375,717,950	(6,838,702)	-	7,825,814,738	878,633,804	459,270,844	(2,191,467)	(25,000)	1,335,690,181	-	6,490,124,557



## Consolidated property plant and equipment-comparative-2012

### a) Freehold assets

#### i) Cost

Particulars	Cost					Depreciation					Written down value as at 31 December 2012		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Land	710,508,123	32,221,215	20,063,147	-	-	-	-	-	-	-	-	-	762,792,485
Building	777,902,550	2,912,750	429,448,605	-	-	-	1,210,263,905	64,943,358	24,709,043	-	-	-	1,120,611,504
Plant and machinery	2,121,760,067	27,159,330	827,020,802	(441,447)	-	-	2,975,498,752	475,445,088	264,829,638	(225,682)	-	-	2,235,449,708
Furniture and fixtures	379,414,751	13,031,374	33,762,292	(1,578,609)	-	-	424,629,808	105,160,568	57,565,873	(628,866)	-	-	262,532,233
Electric and other appliances	177,488,184	19,288,900	15,629,247	(13,860)	-	-	212,392,471	50,501,564	21,367,673	(1,386)	(25,000)	-	140,549,620
Office machinery and equipment	190,816,998	6,712,640	5,166,522	(372,028)	-	-	202,324,132	62,698,573	27,284,396	(135,040)	-	-	112,476,203
Vehicles	152,059,849	33,435,580	181,251	(2,455,023)	-	-	183,221,657	72,136,763	31,050,218	(480,428)	-	-	80,515,104
Total (i)	4,509,950,522	134,761,789	1,331,271,866	(4,860,967)	-	-	5,971,123,210	830,885,914	426,806,841	(1,471,402)	(25,000)	-	4,714,926,856

#### ii) Revaluation

Particulars	Revaluation					Depreciation					Written down value as at 31 December 2012		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Land	1,555,030,636	-	-	-	-	-	-	-	-	-	-	-	1,555,030,636
Building	82,265,271	-	-	-	-	-	82,265,271	2,356,085	2,423,791	-	-	-	77,485,395
Plant and machinery	84,012,700	-	-	(487,645)	-	-	83,525,055	16,062,240	13,577,931	(412,810)	-	-	54,297,694
Furniture and fixtures	7,179,622	-	-	(414)	-	-	7,179,208	2,096,685	1,066,829	(317)	-	-	4,016,011
Electric and other appliances	9,817,678	-	-	(13,860)	-	-	9,803,818	2,431,459	1,238,833	(1,386)	-	-	6,134,912
Office machinery and equipment	4,693,634	-	-	(75,821)	-	-	4,617,813	1,673,491	972,502	(25,552)	-	-	1,997,372
Vehicles	52,156,145	-	-	(1,399,995)	-	-	50,756,150	10,431,228	10,151,230	(280,000)	-	-	30,453,692
Total (ii)	1,795,155,686	-	-	(1,977,735)	-	-	1,793,177,951	35,051,188	29,431,116	(720,065)	-	-	1,729,415,712
<b>Total assets ( i + ii )</b>	<b>6,305,106,208</b>	<b>134,761,789</b>	<b>1,331,271,866</b>	<b>(6,838,702)</b>	<b>-</b>	<b>-</b>	<b>7,764,301,161</b>	<b>865,937,102</b>	<b>456,237,958</b>	<b>(2,191,467)</b>	<b>(25,000)</b>	<b>-</b>	<b>6,444,342,568</b>

b) Leased assets	
Office machinery	32,998,000
Vehicles	28,515,577
<b>Total leased asset</b>	<b>61,513,577</b>
<b>Total 2012 ( a + b )</b>	<b>7,825,814,738</b>



## 5. Capital work-in-progress- 2013

	Balance as at 1 January	Additions during the year	Transferred to fixed assets	Adjustments	Balance as at 31 December 2013
	Taka	Taka	Taka	Taka	Taka
Building	222,795,513	123,582,469	27,048,784	-	319,329,198
Plant and machinery	273,276,806	271,108,828	238,474,782	40,432,780	265,478,072
Land and land development	389,163,172	38,517,856	427,681,028	-	-
Furniture and fixtures	3,472,120	12,677,533	15,875,153	-	274,500
Electrical and other office appliances	963,702	847,000	1,060,702	575,000	175,000
	<u>889,671,313</u>	<u>446,733,686</u>	<u>710,140,449</u>	<u>41,007,780</u>	<u>585,256,770</u>

### Capital work-in-progress-comparative -2012

Building	212,617,596	200,879,063	190,701,146	-	222,795,513
Plant and machinery	136,906,923	291,910,460	155,540,577	-	273,276,806
Land and land development	261,937,003	127,226,169	-	-	389,163,172
Furniture and fixtures	-	7,314,437	3,842,317	-	3,472,120
Electrical and other office appliances	79,500	963,702	79,500	-	963,702
	<u>611,541,022</u>	<u>628,293,831</u>	<u>350,163,540</u>	<u>-</u>	<u>889,671,313</u>

## 5 (a) Consolidated capital work-in-progress-2013

Land	389,163,172	38,517,856	427,681,028	-	-
Building	223,317,947	156,000,800	44,796,332	-	334,522,415
Plant and machinery	299,107,850	358,832,785	261,269,300	40,432,780	356,238,555
Furniture and fixture	3,474,460	59,067,637	41,764,982	-	20,777,115
Electrical and other office appliances	963,702	18,912,242	19,125,944	575,000	175,000
Office machinery	-	13,918,683	13,918,683	-	-
Intangible assets	-	50,213,517	-	-	50,213,517
	<u>916,027,131</u>	<u>695,463,520</u>	<u>808,556,269</u>	<u>41,007,780</u>	<u>761,926,602</u>

### Consolidated capital work-in-progress-comparative-2012

Land	261,937,003	147,289,316	20,063,147	-	389,163,172
Building	383,450,701	269,315,851	429,448,605	-	223,317,947
Plant and machinery	644,372,157	481,906,495	827,170,802	-	299,107,850
Furniture and fixture	4,792,880	32,443,872	33,762,292	-	3,474,460
Electrical and other office appliances	743,501	15,849,450	15,629,249	-	963,702
Office machinery	-	38,014,521	38,014,521	-	-
Vehicles	-	11,629,335	11,629,335	-	-
	<u>1,295,296,242</u>	<u>996,448,840</u>	<u>1,375,717,951</u>	<u>-</u>	<u>916,027,131</u>

## 6. Consolidated intangible assets

	Balance as at 1 January	Additions during the year	Retirement and disposal	Balance as at 31 December 2013
	Taka	Taka	Taka	Taka
Goodwill on acquisition	49,261,574	-	-	49,261,574
Software	37,228,915	645,000	-	37,873,915
<b>Cost</b>	<u>86,490,489</u>	<u>645,000</u>	<u>-</u>	<u>87,135,489</u>
Less: Accumulated amortization	8,654,003	4,046,857	-	12,700,860
<b>Carrying amounts</b>	<u>77,836,486</u>	<u>(3,401,857)</u>	<u>-</u>	<u>74,434,629</u>



## 7. Long term investments

### i) Investment in shares

	2013					2012
	Number of shares	Face value	Called and	Share-	Value	Value
		per share	paid up capital per share	holding		
	Taka	Taka	%	Taka	Taka	
<b>Investment in subsidiaries</b>						
Flyban Insecticides Limited	25,500	100	100	51.00	2,550,000	2,550,000
ACI Formulations Limited	24,066,105	10	10	53.50	66,872,823	66,872,823
ACI Salt Limited	156,000	1,000	1,000	78.00	78,000,000	78,000,000
ACI Foods Limited	380,000	100	100	95.00	38,000,000	38,000,000
ACI Pure Flour Limited	380,000	100	100	95.00	38,000,000	38,000,000
Apex Leathercraft Limited	370,000	100	100	99.97	24,567,963	24,567,963
ACI Agrochemicals Limited	180	100	100	90.00	18,000	18,000
Creative Communication Limited	6,000	100	100	60.00	600,000	600,000
ACI Motors Limited	6,750	100	100	67.50	675,000	675,000
Premiaflex Plastics Limited	261,945	1,000	1,000	87.32	229,945,000	208,000,000
ACI Logistics Limited	273,600	1,000	1,000	76.00	273,600,000	273,600,000
ACI Healthcare Limited	46,469,000	10	10	92.94	464,690,000	-
ACI Edible Oils Limited	850,000	10	10	85.00	8,500,000	8,500,000
					1,226,018,786	739,383,786
<b>Investment in Associates and Joint Ventures</b>						
Asian Consumer Care (Pvt.) Limited	8,393,321	10	10	24.00	115,233,210	115,233,210
ACI Godrej Agrovat (Pvt.) Limited	1,850,000	100	100	50.00	185,000,000	185,000,000
Computer Technology Limited	200	100	100	40.00	20,000	20,000
Stochastic Logic Limited	2,000	100	100	20.00	200,000	200,000
Tetley ACI (Bangladesh) Limited	1,300,000	100	100	50.00	160,000,000	145,000,000
					460,453,210	445,453,210
<b>Investment in others</b>						
Mutual Trust Bank Limited	9,326,141	10	10	3.33	152,016,098	184,827,158
Central Depository Bangladesh Limited	1,142,362	10	10	0.58	3,138,890	3,138,890
					155,154,988	187,966,048
<b>ii) Other investment</b>						
Term deposit and others					4,665,303	34,794,727
<b>Total investment</b>						
					1,846,292,287	1,407,597,771

Other investment includes term deposit amounting to Taka 4,165,303 which is kept as lien against service received from Titas Gas Transmission and Distribution Limited. Therefore, the Company has no intention to encash the said amount and recorded as long term investment.

The Board of Directors of ACI Limited in their meeting on 30 April 2013 has decided to take over name, assets and liabilities of Apex Leathercraft Limited, a subsidiary of ACI Limited through a scheme of arrangement under section 228 and 229 of the Companies Act 1994 subject to approval from the Honorable High Court Division of Bangladesh Supreme Court, shareholders of ACI Limited, BSEC and other Government authorities if required. In this connection, Company has applied to Honorable High Court Division of Supreme Court for its approval.

### 7 (a) Consolidated long term investments

	2013					2012
	Number of shares	Face value	Called and	Share-	Value	Value
		per share	paid up capital per share	holding		
	Taka	Taka	%	Taka	Taka	
<b>Investment valued at fair value</b>						
Mutual Trust Bank Limited	9,326,141	10	10	3.33	152,016,098	184,827,158
					152,016,098	184,827,158
<b>Investment valued at cost</b>						
Central Depository Bangladesh Limited	1,142,362	10	10	0.58	3,138,890	3,138,890
Computer Technology Limited	200	100	100	40	20,000	20,000
Investment in term deposit					115,574,050	111,830,666
					118,732,940	114,989,556
<b>Investment valued under equity method</b>						
Tetley ACI (Bangladesh) Limited	1,300,000	100	100	50	(37,240,497)	(16,610,291)
Asian Consumer Care (Pvt) Limited	8,393,321	10	10	24	143,013,515	118,244,159
ACI Godrej Agrovat (Pvt) Limited	1,850,000	100	100	50	390,716,893	323,097,644
Stochastic Logic Limited	2,000	100	100	20	(947,744)	(1,045,786)
					495,542,167	423,685,726
<b>Total carrying amount of investment</b>						
					766,291,205	723,502,440

## 8. Inventories

	2013 Taka	2012 Taka
Finished goods	1,774,219,427	1,411,884,326
Work-in-process	56,750,090	55,334,309
Raw materials	502,928,357	449,579,159
Packing materials	169,566,009	184,335,981
Stores and spares	30,789,189	32,460,196
Stock in transit	198,109,813	154,304,945
	<u>2,732,362,885</u>	<u>2,287,898,916</u>
Less: Provision for slow moving and damaged goods and write down to NRV	179,032,543	158,914,520
	<u>2,553,330,342</u>	<u>2,128,984,396</u>

As the Company deals in large number of items which vary in units, item-wise quantity statement of inventories could not be given.

### 8 (a) Consolidated inventories

Finished goods	3,546,220,073	2,828,827,627
Work-in-process	96,764,330	95,983,354
Raw materials	1,316,957,802	1,152,832,118
Packing materials	272,374,638	209,916,578
Stores and spares	109,408,592	96,768,898
Stock in transit	318,478,143	266,357,606
	<u>5,660,203,578</u>	<u>4,650,686,181</u>
Less: Provision for slow moving and damaged goods and write down to NRV	271,546,695	218,878,822
	<u>5,388,656,883</u>	<u>4,431,807,359</u>

## 9. Trade receivables

	2013			2012
	Dues over 6 months Taka	Dues below 6 months Taka	Total Taka	Total Taka
	Pharmaceuticals	20,731,155	213,236,355	233,967,510
Animal health	51,316,547	225,992,239	277,308,786	180,778,248
Consumer brands	52,137,782	455,123,154	507,260,936	369,364,800
Seeds	21,204,189	216,293,504	237,497,693	186,727,206
Fertilizer	47,763,770	166,038,816	213,802,586	219,100,277
Cropex	114,410,293	63,490,220	177,900,513	144,632,167
	<u>307,563,736</u>	<u>1,340,174,288</u>	<u>1,647,738,024</u>	<u>1,336,438,377</u>
Less: Provision for doubtful debts			71,168,692	44,069,921
			<u>1,576,569,332</u>	<u>1,292,368,456</u>

Out of total trade receivables Tk. 1,647,738,024, an aggregated amount of Tk. 159,408,061 is under litigations. In order to assess the adequacy of provision as of Balance Sheet date against cases under litigations, management has reviewed the recovery chance of the receivables under litigations (based on past trend of recovery from litigation customers) and also obtained legal opinion on the possibility of recovery, and thus appropriately recommended Tk. 9,647,683 as provision against litigated customers. In such a situation, management feels that no provision is required for remaining Tk. 149,760,378.



### 9 (a) Consolidated trade receivables

	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
Pharmaceuticals	233,967,510	235,835,679
Agro-chemicals	537,074,149	654,274,699
Consumer brands	507,260,936	369,443,256
Animal health	277,308,786	180,778,248
Seeds	237,497,693	24,855,784
Fertilizer	213,802,586	186,727,206
Cropex	177,900,513	219,100,277
ACI Logistics	38,745,325	144,632,167
ACI Salt	15,240,268	11,052,003
ACI Foods	34,185,203	35,095,892
ACI Flour	99,781,313	130,013,724
Premiaflex Plastics	455,369,950	438,678,228
ACI Motors	1,075,425,385	914,031,409
Creative Communication	22,618,344	17,966,266
Edible Oils	1,465,755	3,155,175
	<u>3,927,643,716</u>	<u>3,565,640,013</u>
Provision for doubtful debts	185,406,765	130,691,599
	<u>3,742,236,951</u>	<u>3,434,948,414</u>
Debts due over six months	1,514,232,888	556,761,974
Debts due below six months	2,228,004,063	2,878,186,440
	<u>3,742,236,951</u>	<u>3,434,948,414</u>

### 10. Other receivables

	<u>2013</u>			<u>2012</u>
	<u>Dues over</u> <u>6 months</u>	<u>Dues below</u> <u>6 months</u>	<u>Total</u>	<u>Total</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Receivable from Novartis (Bangladesh) Limited	583,270	-	583,270	583,270
Receivable from Oram Limited	2,262,050	-	2,262,050	2,262,050
Godrej consumer product adv. and promotional fund	497,650	-	497,650	497,650
Merisant advertisement and promotional fund	-	1,826,359	1,826,359	1,655,719
Electronics advertisement and promotional fund	-	5,087,117	5,087,117	322,188
Colgate advertisement and promotional fund	-	193,876	193,876	-
Les Laboratories Servier	-	26,890,402	26,890,402	20,757,383
Transcom Distribution Limited	-	41,278,286	41,278,286	1,477
Bank guarantee margin	6,368,453	-	6,368,453	5,881,731
Other receivables	34,795,334	26,378,583	61,173,917	75,444,766
	<u>44,506,757</u>	<u>101,654,623</u>	<u>146,161,380</u>	<u>107,406,234</u>

### 10 (a) Consolidated other receivables

	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
Debts due over six months	44,506,757	11,488,228
Debts due below six months	127,494,163	114,842,936
	<u>172,000,920</u>	<u>126,331,164</u>



## 11. Advances, deposits and prepayments

### Advances

Loans and advances to staff
Advance to C&F agents and others
Advance for rent and others
VAT current account
Advance for Capital expenditure

2013	2012
Taka	Taka
71,637,664	107,729,377
92,925,780	100,832,564
55,570,644	66,732,375
57,055,444	42,488,904
59,550,792	88,581,516
<u>336,740,324</u>	<u>406,364,736</u>

### Deposits

Deposits for utilities
Tender deposits

6,855,366	6,403,366
27,273,019	26,569,216
<u>34,128,385</u>	<u>32,972,582</u>

### Prepayments

750,321	20,847,246
<u>371,619,030</u>	<u>460,184,564</u>

## 11 (a) Consolidated advances, deposits and prepayments

### Advances

Advance to staff
Advance to C&F agent and others
Advance for rent and others
VAT current account
Advance for Capital expenditure

92,160,672	112,933,833
93,100,780	101,260,654
248,940,656	232,191,985
61,472,473	124,497,606
96,996,692	45,695,829
<u>592,671,273</u>	<u>616,579,907</u>

### Deposits

Deposits for utilities
Tender deposits
L/C margin

37,624,578	18,312,251
48,223,224	37,601,831
8,659,975	1,256,000
<u>94,507,777</u>	<u>57,170,082</u>

### Prepayments

25,136,724	44,915,654
<u>712,315,774</u>	<u>718,665,643</u>

## 12 Inter-company receivables

Flyban Insecticides Limited
Apex Leathercraft Limited
Computer Technology Limited
Tetley ACI (Bangladesh) Limited
Asian Consumer Care (Pvt.) Limited
ACI Salt Limited
ACI Godrej Agrovet (Pvt.) Limited
ACI Foods Limited
ACI Agrochemicals Limited
Stochastic Logic Limited
Premiaflex Plastics Limited
ACI Motors Limited
Creative Communication Limited
ACI Pure Flour Limited
ACI Logistics Limited
ACI Healthcare Limited

1,014,308	1,007,330
99,543,253	100,969,874
30,000	30,000
442,622	558,756
8,205,086	7,997,023
354,571,804	275,314,945
879,726	879,726
746,527,424	658,522,965
229,202	177,262
8,767,739	7,229,293
210,564,943	303,644,620
39,369,746	90,249,594
10,723,821	-
44,534,754	50,324,940
2,508,800,927	2,536,870,074
42,890,842	-
<u>4,077,096,197</u>	<u>4,033,776,402</u>

## 12(a) Consolidated inter-company receivables

Tetley ACI (Bangladesh) Limited
Asian Consumer Care (Pvt.) Limited
Computer Technology Limited
ACI Godrej Agrovet (Pvt.) Limited
Stochastic Logic Limited

442,622	558,756
8,205,086	7,997,023
30,000	30,000
879,726	879,726
8,767,739	7,229,293
<u>18,325,173</u>	<u>16,694,798</u>



### 13. Cash and cash equivalents

	2013 Taka	2012 Taka
Cash in hand	18,243,393	12,980,735
Collection in hand	115,519,105	110,331,680
Cash at banks in current accounts	116,562,753	38,149,296
<b>Total cash and cash equivalents</b>	<b>250,325,251</b>	<b>161,461,711</b>

As the Company deals with large number of bank accounts, details of cash at bank could not be given.

#### 13.1 Cash and cash equivalents used for statement of cash flows' purpose

Total cash and cash equivalents	250,325,251	161,461,711
Bank overdrafts used for cash management purposes	(607,564,831)	(1,374,097,512)
Cash and cash equivalents in the statement of cash flows	<b>(357,239,580)</b>	<b>(1,212,635,801)</b>

Details of bank overdrafts along with terms and conditions are shown under note 20.

#### 13(a) Consolidated cash and cash equivalents

Cash in hand	31,268,210	32,121,931
Cash at banks in current accounts	260,697,820	113,567,017
Collection in hand	376,008,523	621,825,270
<b>Total consolidated cash and cash equivalents</b>	<b>667,974,553</b>	<b>767,514,218</b>

#### Consolidated cash and cash equivalents used for statement of cash flows' purpose

Total Consolidated cash and cash equivalents	667,974,553	767,514,218
Bank overdrafts used for cash management purposes (note-20.a)	(1,024,269,722)	(1,603,593,173)
<b>Consolidated cash and cash equivalents in the consolidated statement of cash flows</b>	<b>(356,295,169)</b>	<b>(836,078,955)</b>

### 14 Share capital

#### Authorized capital:

50,000,000 Ordinary shares of Tk. 10 each	500,000,000	500,000,000
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#### Issued and paid-up capital:

1,680,700 Ordinary shares of Tk. 10 each	16,807,000	16,807,000
1,049,300 Ordinary shares of Tk. 10 each issued for consideration other than cash	10,493,000	10,493,000
7,350,000 Rights shares of Tk. 10 each	73,500,000	73,500,000
18,049,985 Bonus shares of Tk. 10 each	180,499,854	132,863,050
452,097 Conversion of bond into equity of Tk. 10 each	4,520,970	4,075,280
<b>28,582,082</b>	<b>285,820,824</b>	<b>237,738,330</b>

The aforesaid share capital is subscribed as under :

	Number of shares	Percentage
Directors / Sponsors	10,038,279	35.12
Institutions	10,799,816	37.79
General shareholders	7,743,987	27.09
	<b>28,582,082</b>	<b>100</b>

A distribution schedule of the above shares is given below as required by the listing rules:

<u>Number of shareholders</u>	<u>Shareholdings</u>		<u>No of shares</u>	<u>% of total shareholdings</u>
14,411	Less than 500 shares		1,560,279	5.46
1,994	501-	5,000 shares	2,466,517	8.63
91	5,001-	10,000 shares	646,487	2.26
41	10,001-	20,000 shares	554,744	1.94
22	20,001-	30,000 shares	536,655	1.88
16	30,001-	40,000 shares	569,024	1.99
8	40,001-	50,000 shares	356,304	1.25
23	50,001-	100,000 shares	1,581,457	5.53
20	100,001-	1,000,000 shares	7,057,420	24.69
5	Over	1,000,000 shares	13,253,195	46.37
<u>16,631</u>			<u>28,582,082</u>	<u>100.00</u>

#### 15 Share premium-Tk. 333,302,465

This represents the amount received against issue of shares at premium in the years 1995, 1998, 2011, 2012 and 2013 respectively.

#### 16 Capital reserve and revaluation surplus

##### 16.1 Capital reserve-Tk. 1,671,386

This represents the total grant received from Imperial Chemical Industries plc, London towards the cost of property, plant and equipment.

##### 16.2 Revaluation surplus

Revaluation surplus represents revaluation of property, plant and equipments and its adjustment and realization at the time of disposal. Details of these are as follows:

	<u>2013</u>	<u>2012</u>
	<u>Taka</u>	<u>Taka</u>
Opening balance as at 1 January	894,621,959	895,636,955
Realized during the year due to disposal of property, plant and equipment	(2,158,044)	(1,014,996)
	<u>892,463,915</u>	<u>894,621,959</u>

##### 16.2(a) Consolidated revaluation surplus

Opening balance as at 1 January	1,513,778,354	1,515,015,779
Realized during the year due to disposal of property, plant and equipment	(2,158,044)	(1,237,425)
	<u>1,511,620,310</u>	<u>1,513,778,354</u>

#### 17 Change in fair value of available-for-sale (AFS) reserve

This represents changes in fair value of investment in shares of Mutual Trust Bank Limited. Details are as follows:

<u>Year</u>	<u>No. of shares held</u>	<u>Cost of investment</u>	<u>MV of shares</u>	<u>Movement in fair value</u>	<u>Changes in fair value of AFS financial assets</u>	<u>AFS reserve as at 31 December</u>
2008	498,960	28,316,000	159,542,460	131,226,460	131,226,460	118,103,814
2009	588,772	28,316,000	242,426,871	214,110,871	82,884,411	192,699,784
2010	706,526	28,316,000	500,397,040	472,081,040	257,970,169	424,872,936
2011	8,478,310	28,316,000	292,501,695	264,185,695	(207,895,345)	237,767,126
2012	8,478,310	28,316,000	184,827,158	156,511,158	(107,674,537)	140,860,043
2013	9,326,141	28,316,000	152,016,099	123,700,099	(32,811,059)	111,330,089



## 18 Long term liabilities

	<u>Notes</u>	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
Staff gratuity provision		278,792,990	225,633,571
Other long-term employee benefits		61,871,777	52,285,407
Employees group insurance fund		400,000	400,000
Obligation under finance lease - due more than one year	18.1	2,137,153	3,025,537
ACI 20% Convertible Zero Coupon Bonds (ZCBs)		241,750,570	460,500,200
Long-term bank loans	18.2	275,501,644	175,342,724
		<u>860,454,134</u>	<u>917,187,439</u>
<b>18 (a) Consolidated long term liabilities</b>			
Staff gratuity provision		287,420,069	234,267,994
Other long term employee benefits		65,681,688	58,148,473
Employees group insurance fund		400,000	400,000
Obligation under finance lease		22,129,083	33,767,729
ACI 20% Convertible Zero Coupon Bonds (ZCBs)		241,750,570	460,500,200
Long term bank loans	18.2 (a)	1,378,771,429	1,076,356,384
		<u>1,996,152,839</u>	<u>1,863,440,780</u>
<b>18.1 Obligation under finance lease</b>			
Payment due within one year		888,386	761,582
Payment due within 5 years but later than one year		2,137,153	3,025,537
		<u>3,025,539</u>	<u>3,787,119</u>
<b>18.2 Long term bank loans</b>			
IPDC Bangladesh Limited		78,471,244	136,255,384
AB Bank Limited		147,387,934	19,492,210
Eastern Bank Limited		49,642,466	19,595,130
Total long-term bank loans		<u>275,501,644</u>	<u>175,342,724</u>
<b>18.2 (a) Consolidated long term bank loans</b>			
The Hongkong and Shanghai Banking Corporation Limited		220,369,311	483,414,195
IPDC Bangladesh Limited		78,471,244	136,255,384
Bank Al-Arafah Limited		-	91,091,714
AB Bank Limited		147,387,934	19,492,210
Eastern Bank Limited		100,924,423	153,512,246
Bank Asia Limited		101,760,336	25,555,576
National Bank Limited		12,630,636	22,418,266
Dhaka Bank Limited		-	28,261,833
Prime Bank Limited		3,678,183	24,518,767
Jamuna Bank Limited		563,549,362	91,836,193
Loan from SEAF Bangladesh Agriventures Limited		150,000,000	-
		<u>1,378,771,429</u>	<u>1,076,356,384</u>



## 19 Deferred tax liabilities

	2013 Taka	2012 Taka
<b>(a) Deferred tax on temporary differences</b>		
(i) Taxable temporary differences		
Property, plant and equipment	1,915,204,569	1,799,303,322
(ii) Deductible temporary difference		
Inventories	179,032,543	158,914,520
Trade receivables	71,168,692	44,069,921
Gratuity	278,792,990	225,633,571
Total deductible temporary difference	<u>528,994,225</u>	<u>428,618,012</u>
Net taxable temporary differences	<u>1,386,210,344</u>	<u>1,370,685,310</u>
Deferred tax liability	82,341,710	90,659,547
<b>(b) Deferred tax liability on change in AFS Financial assets</b>	<u>12,370,010</u>	<u>15,651,116</u>
<b>Closing balance (a+b)</b>	<u><u>94,711,720</u></u>	<u><u>106,310,663</u></u>

## 20 Bank overdrafts

Standard Chartered Bank	(9,033,294)	315,140,134
Commercial Bank of Ceylon Plc	133,020,007	51,287,878
The Hongkong and Shanghai Banking Corporation Limited	15,239,752	25,836,383
Citibank, N.A.	5,000	27,708,998
Mercantile Bank Limited	69,518	64,656,393
The City Bank Limited	96,956,965	180,126,768
Eastern Bank Limited	32,946,124	22,340,783
Bank Alfalah Limited	10,269,038	116,097,720
BRAC Bank Limited	100,862,891	59,447,839
AB Bank Limited	9,382,182	121,170,070
The Premier Bank Limited	-	198,619,479
Pubali Bank Limited	20,542,652	-
National Credit and Commerce Bank Limited	194,374,060	-
Dutch-Bangla Bank Limited	4,010,911	103,094,803
One Bank Limited	(1,080,975)	88,570,264
	<u>607,564,831</u>	<u>1,374,097,512</u>

### 20(a) Consolidated Bank Overdrafts

Standard Chartered Bank	26,984,119	348,579,601
Commercial Bank of Ceylon Plc	152,439,910	71,488,238
The Hongkong and Shanghai Banking Corporation Limited	110,185,759	58,334,941
Citibank N.A.	10,000	27,708,998
The City Bank Limited	96,956,965	180,126,768
Mercantile Bank Limited	69,518	64,656,393
Eastern Bank Limited	45,696,839	42,889,324
Bank Alfalah Limited	10,269,038	116,097,720
BRAC Bank Limited	100,862,891	68,990,498
AB Bank Limited	9,383,757	121,170,070
Prime Bank Limited	73,620,310	30,333,716
National Bank Limited	65,741,380	67,936,785
Premier Bank Limited	-	198,619,479
Bank Asia Limited	1,356,505	14,680,943
Dutch Bangla Bank Limited	6,473,652	103,409,435
One Bank Limited	(1,080,975)	88,570,264
Pubali Bank Limited	130,925,994	-
NCC Bank Limited	194,374,060	-
	<u>1,024,269,722</u>	<u>1,603,593,173</u>



## 21 Short term loan from banks

	2013 Taka	2012 Taka
Standard Chartered Bank	400,375,734	1,008,190,815
Commercial Bank of Ceylon Plc	533,674,000	240,531,000
The Hongkong and Shanghai Banking Corporation Limited	327,148,470	281,585,274
AB Bank Limited	39,968,399	127,369,902
The City Bank Limited	40,646,652	376,494,801
Eastern Bank Limited	2,056,158,719	548,409,988
BRAC Bank Limited	532,168,038	586,917,605
One Bank Limited	-	395,930,582
Dutch Bangla Bank Limited	83,313,447	148,622,232
Pubali Bank Limited	239,833	-
Jamuna Bank Limited	400,000,000	-
Bank Alfalah Limited	264,229,176	142,562,433
	<u>4,677,922,468</u>	<u>3,856,614,632</u>
<b>21 (a) Consolidated short term loan from banks</b>		
Standard Chartered Bank	638,622,006	1,171,536,514
Commercial Bank of Ceylon Plc	900,927,000	383,377,000
The Hongkong and Shanghai Banking Corporation Limited	776,072,386	813,784,369
AB Bank Limited	39,968,399	127,369,902
The City Bank Limited	40,646,652	376,494,801
Eastern Bank Limited	2,661,133,805	1,133,036,113
Bank Al-Falah Limited	264,229,176	142,562,433
Bank Asia Limited	18,091,963	-
Dutch Bangla Bank Limited	167,727,535	148,622,232
National Bank Limited	150,000,000	151,404,489
Jamuna Bank Limited	581,903,169	-
Bank Al-Arafah Limited	116,189,503	103,919,444
BRAC Bank Limited	547,591,516	789,476,312
Foreign trade loan	352,584,041	362,694,746
ONE Bank Limited	177,778	594,838,486
Prime Bank Limited	-	147,194,884
Pubali Bank Limited	345,811,981	-
Trust Bank Limited	394,707,342	-
	<u>7,996,384,252</u>	<u>6,446,311,725</u>

Facility arrangement for bank overdraft, short term bank loan and term loan are as follows:

### Bank overdraft (Note: 20)

Limit : BDT 1,270,000,000  
 Purpose : Working capital financing  
 Tenure : 1 year

### LC/LATR (Note: 21)

Limit : BDT 4,680,000,000  
 Purpose : To import raw material, packing material, Finished Goods and spare parts etc.  
 Tenure : Ranges from 120 days to 180 days

### Short term loan/revolving loan (Note: 21)

Limit : BDT 3,100,000,000  
 Purpose : Working capital financing  
 Tenure : Range from 90 days to 180 days

### Term loan (Note: 18)

Limit : BDT 421,500,000  
 Purpose : Import of capital machinery  
 Tenure : Range from 1 year to 4 years

### Guarantee

Limit : BDT 560,000,000  
 Purpose : To issue guarantee to different government organizations, gas/electricity service providers and other organization to participate in tender.  
 Tenure : Range from 0 days to 5 years

**Securities for the facilities mentioned above are as under:**

- a) Demand promissory notes for BDT 6,803.69 million.
- b) Registered hypothecation over inventories and accounts receivables on pari-passu basis for BDT 8,050 million.
- c) Registered hypothecation over plant and machinery on pari-passu basis for BDT 2,102.5 million .
- d) Corporate guarantee issued to AB Bank Limited by ACI Formulations Limited, ACI Pure Flour Limited and ACI Salt Limited.
- e) Corporate guarantee issued to Bank Asia Limited by ACI Motors Limited and ACI Foods Limited.
- f) Corporate guarantee issued to Dutch Bangla Bank Limited by ACI Salt Limited, ACI Foods Limited, ACI Motors Limited and Premiaflex Plastics Limited.
- g) Post dated Cheque to NCC Bank Limited from SCB covering total overdraft limit BDT 200.00 million.

Facility for ACI 20% zero coupon bonds are as under:

**ACI 20% Convertible Zero Coupon Bonds (Note: 18.2)**

<i>Issue Price</i>	: BDT 1,000,017,310
<i>Face value</i>	: BDT 1,335,850,000
<i>Purpose</i>	: For project financing and repaying existing debts.
<i>Tenure</i>	: 5 years
<i>Repayment</i>	: From sales proceeds
<i>Redemption</i>	: At maturity of each respective bond, redemption will be made in cash to the extent of 80% and rest 20% is eligible for convertible option.
<i>Conversion strike price</i>	: Net Assets Value (NAV) per share as per last annual audited financial statements multiplied by 1.1
<i>Conversion value</i>	: 20% of the redemption value of the Zero Coupon Bonds at each maturity.

**Securities for the facility mentioned above are as follows:**

- i) The bonds are subordinated to the bank liabilities.
- ii) Post dated cheques equivalent to the total face value of the ZCBs.

**22 Long-term loan - current portion**

	<u>2013</u> Taka	<u>2012</u> Taka
IPDC Bangladesh Limited	59,995,145	50,690,333
AB Bank Limited	46,051,710	2,030,790
Eastern Bank Limited	15,932,847	5,510,027
ACI 20% Convertible Zero Coupon Bonds	259,099,938	255,631,178
	<u>381,079,640</u>	<u>313,862,328</u>

**22 (a) Consolidated long-term loans - current portion**

The Hongkong and Shanghai Banking Corporation Limited	178,967,481	130,241,844
The City Bank Limited	-	24,455,231
Dhaka Bank Limited	26,965,550	41,384,692
National Bank Limited	44,431,920	46,956,732
Eastern Bank Limited	139,951,656	318,657,934
Jamuna Bank Limited	156,964,326	183,672,387
Bank Asia Limited	71,759,266	47,853,186
Prime Bank Limited	27,360,000	27,360,000
IPDC Bangladesh Limited	59,995,145	50,690,333
Al-Arafah Islami Bank Limited	14,908,833	12,638,841
AB Bank Limited	46,051,710	2,030,790
Trust Bank Limited	57,684,155	-
ACI 20% Convertible Zero Coupon Bonds	259,099,938	255,631,178
	<u>1,084,139,980</u>	<u>1,141,573,149</u>



## 23 Other payables

	Note	2013 Taka	2012 Taka
Creditors for expenses		359,755,939	314,775,633
Security money received from customers		205,395,300	155,484,855
Workers' profit participation fund	23.1	231,680,915	185,846,613
Unclaimed dividend		44,771,201	40,216,840
Tax and VAT deducted at source		21,596,912	14,431,664
Employees welfare fund		122,826,050	121,044,570
Rights share deposit to be refunded		563,723	563,723
Family day fund		4,107,269	4,143,747
Non-management staff provident fund		2,734,630	200,738
Unclaimed refund warrant - Zero Coupon Bonds		3,647,450	3,665,042
Payable for redemption of Zero Coupon Bonds		13,810,873	13,012,184
Management staff provident fund		3,892,749	1,731,878
Laser advertisement and promotional fund		3,104,405	1,332,489
		<u>1,017,887,416</u>	<u>856,449,976</u>
<b>23.1 Workers' profit participation fund (WPPF)</b>			
Opening balance		185,846,613	163,641,857
Interest		19,796,251	17,731,321
Addition during the year		53,384,874	38,770,688
		<u>259,027,738</u>	<u>220,143,866</u>
Paid during the year		(27,346,823)	(34,297,253)
Closing Balance		<u>231,680,915</u>	<u>185,846,613</u>
<b>23 (a) Consolidated other payables</b>			
Creditors for expenses		657,639,513	553,023,239
Security money received from customers		252,783,510	181,468,671
Workers' profit participation fund	23.1 (a)	295,109,696	234,141,220
Unpaid dividend		46,825,800	41,564,305
Provident fund		3,892,749	-
Tax and VAT deducted at source		31,518,448	23,848,715
Employees savings fund		122,826,050	121,044,570
Rights share deposit to be refunded		563,723	563,723
Family day fund		4,107,269	4,143,747
Non-management staff provident fund		2,734,630	1,932,616
Unclaimed refund warrant - Zero Coupon Bonds		3,647,450	3,665,042
Payable for redemption of Zero Coupon Bonds		13,810,873	13,012,184
Creditors for capital expenditure		8,800,000	80,865,042
Laser advertisement and promotional fund		3,104,405	1,332,489
		<u>1,447,364,116</u>	<u>1,260,605,563</u>
<b>23.1 (a) Consolidated Workers' profit participation fund (WPPF)</b>			
Opening balance		234,141,220	197,050,389
Interest		19,796,251	17,731,321
Addition during the year		77,151,122	62,600,804
		<u>331,088,593</u>	<u>277,382,514</u>
Paid during the year		(35,978,897)	(43,241,294)
Closing Balance		<u>295,109,696</u>	<u>234,141,220</u>
<b>24 Inter-company payables</b>			
ACI Formulations Limited		363,250,594	143,489,021
Creative Communication Limited		-	16,878,914
ACI Edible Oils Limited		820,356	12,561,921
		<u>364,070,950</u>	<u>172,929,856</u>



## 25 Current tax liability

	<u>2013</u> Taka	<u>2012</u> Taka
Opening balance	208,193,234	216,421,641
Provision made during the year	258,442,537	199,460,929
	<u>466,635,771</u>	<u>415,882,570</u>
Adjustment made during the year	-	(207,689,336)
Closing balance	<u>466,635,771</u>	<u>208,193,234</u>

### 25 (a) Consolidated current tax liability

Opening balance	405,999,710	358,735,798
Provision made during the year	470,029,531	315,403,928
	<u>876,029,241</u>	<u>674,139,726</u>
Adjustment made during the year	(3,683,282)	(268,140,016)
Closing balance	<u>872,345,959</u>	<u>405,999,710</u>

### 25.1 Advance income tax

Opening Balance	150,489,441	122,788,615
Paid / withhold during the year	199,524,010	235,390,162
	<u>350,013,451</u>	<u>358,178,777</u>
Adjustment made during the year	-	(207,689,336)
Closing Balance	<u>350,013,451</u>	<u>150,489,441</u>

### 25.1 (a) Consolidated advance income tax

Opening Balance	431,426,787	291,909,295
Paid / withhold during the year	365,328,481	406,853,090
	<u>796,755,268</u>	<u>698,762,385</u>
Adjustment made during the year	(3,683,282)	(267,335,598)
Closing Balance	<u>793,071,986</u>	<u>431,426,787</u>

## 26 Revenue

Pharmaceuticals*	4,975,668,245	4,539,275,629
Animal health	1,271,620,170	820,215,207
Consumer brands	3,350,515,901	3,165,464,431
Seeds (Local)	365,547,389	323,683,181
Seeds (Import)	84,979,986	63,394,556
Fertilizer	377,719,065	381,857,720
Cropex	257,549,956	386,170,838
	<u>10,683,600,712</u>	<u>9,680,061,562</u>

\* Pharmaceuticals turnover includes sales of the following in units :

	<u>Quantity</u>	<u>Quantity</u>
Tablets (Pc)	14,861,505	12,800,012
Capsules (Pc)	3,764,771	3,761,519
Injection (Pc)	4,531,036	4,152,732
Bottled products (Pc)	22,310,616	21,794,873
Creams (Pc)	4,868,931	4,369,931
Inhaler	488,029	415,389

The rest relates to animal health, seeds, fertilizer, cropex and consumer goods.

### 26 (a) Consolidated revenue

Gross sales	23,558,501,309	23,520,277,181
Inter-company sales	(1,391,079,578)	(1,543,976,304)
Net sales	<u>22,167,421,731</u>	<u>21,976,300,877</u>



## 27. Cost of sales

Particulars	2013						2012	
	Pharmaceuticals	Animal Health	Consumer brands	Seeds	Fertilizer	Cropex	Total	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Raw and packing materials:								
Opening stock	463,485,301	75,987,128	44,930,571	10,224,677	39,287,463	-	633,915,140	504,274,572
Purchase	1,929,157,728	187,034,141	290,396,678	31,450,559	238,796,124	-	2,676,835,230	2,538,875,612
Closing stock	(455,540,173)	(80,327,870)	(71,251,002)	(15,701,405)	(49,673,915)	-	(672,494,365)	(633,915,140)
Manufacturing expenses - note-28	1,937,102,856	182,693,399	264,076,247	25,973,831	228,409,672	-	2,638,256,005	2,409,235,044
Quality control and development expenses - note-28	503,456,413	52,048,144	22,079,272	28,405,355	8,868,142	-	614,857,326	534,203,664
Cost of samples, product bonus and stock write off	91,282,947	-	-	-	-	-	91,282,947	74,039,383
Opening work-in-process	(83,630,347)	(17,240,493)	14,243,601	(3,677,686)	280,913	-	(90,024,012)	(19,394,337)
Closing work-in-process	32,275,726	6,505,199	-	16,553,384	-	-	55,334,309	59,307,201
Cost of goods manufactured / sold	(36,313,417)	(6,952,615)	-	(13,484,058)	-	-	(56,750,090)	(55,334,309)
	2,444,174,178	217,053,634	300,399,120	53,770,826	237,558,727	-	3,252,956,485	3,002,056,646
Finished goods:								
Opening stock	305,430,837	335,339,580	626,943,137	80,046,185	64,124,587	-	1,411,884,326	1,176,656,093
Purchase	62,547,451	700,728,548	2,241,849,656	264,612,928	15,901,028	249,809,153	3,535,448,764	3,323,049,910
Closing stock	(288,430,888)	(459,307,583)	(848,117,700)	(115,428,794)	(62,934,462)	-	(1,774,219,427)	(1,411,884,326)
Inter business adjustment	(259,709,238)	80,732,582	178,976,656	-	-	-	-	-
	(180,161,838)	657,493,127	2,199,651,749	229,230,319	17,091,153	249,809,153	3,173,113,663	3,087,821,677
Cost of sales	2,264,012,340	874,546,761	2,500,050,869	283,001,145	254,649,880	249,809,153	6,426,070,148	6,089,878,323

As per Part II of Schedule XI of the Companies Act 1994, the quantities of raw materials, purchases and stocks should be expressed in quantitative denomination, however this could not be provided as the Company deals with large number of products both locally made and imported.

Raw and packing materials have been procured from local sources and also imported from the following countries:

China	India	Italy	Switzerland	Thailand
France	Belgium	Japan	Taiwan	Spain
USA	UK	Malaysia	Netherlands	Turkey
			Germany	
			Korea	
			Singapore	

### 27(a) Consolidated cost of sales

Opening stock	4,335,041,774	3,049,029,563
Purchase	15,107,125,967	15,546,830,333
Closing stock	(19,442,167,741)	(18,595,859,896)
Manufacturing expenses	(5,282,274,600)	(3,483,642,251)
	14,159,893,141	15,112,217,645
	1,409,951,007	1,223,985,834
	16,569,844,148	16,336,203,479

## 28 Allocation of expenses

Particulars	2013						2012
	Administrative expenses	Distribution expenses	Manufacturing expenses	QC and development expenses	Selling expenses	Total	Total
	Taka (a)	Taka (a)	Taka (b)	Taka (c)	Taka (a)	Taka	Taka
Salary and wages	195,129,633	102,441,524	207,100,183	59,014,283	880,965,397	1,444,651,020	1,257,316,345
Traveling and conveyance	4,994,327	74,857,846	3,315,342	850,892	280,053,813	364,072,220	342,617,115
Rent and rates	12,597,577	25,130,817	47,435,072	-	59,069,599	144,233,065	90,467,668
Repair and maintenance	7,751,401	3,843,610	35,683,583	1,146,947	6,477,670	54,903,211	60,653,854
Fuel and power	5,572,180	3,870,163	143,543,235	3,904,541	7,805,105	164,695,224	123,019,514
Postage	5,671,767	2,160,023	1,616,258	132,272	20,399,256	29,979,576	28,214,910
Printing and stationery	5,272,463	13,182,527	2,753,848	876,003	14,260,892	36,345,733	37,332,336
Promotional expenses	7,886,985	-	83,938	-	855,795,964	863,766,887	782,664,705
Entertainment	1,702,765	4,577,424	3,598,595	181,625	8,898,291	18,958,700	18,705,865
Vehicle maintenance	5,562,323	51,761,644	4,310,859	302,457	29,031,347	90,968,630	87,540,259
Bad debts	-	-	-	-	28,818,195	28,818,195	7,664,759
Truck and handling	-	74,653,174	4,919,123	150	77,465,126	157,037,573	127,591,221
Legal and professional charges	4,188,190	68,265	-	-	2,619,449	6,875,904	9,006,591
Audit fees	450,000	-	-	-	-	450,000	450,000
Insurance	620,425	7,075,372	7,824,604	272,700	6,797,286	22,590,387	23,607,824
Directors' fees	21,526	-	-	-	-	21,526	18,750
Bank charges	-	1,902,514	-	-	6,441,763	8,344,277	11,415,289
Sundry expenses	-	549,938	-	-	-	549,938	186,151
Product development expenses	-	-	68,173	207,515	15,024,639	15,300,327	8,294,508
Training expenses	558,542	229,474	226,345	143,402	5,963,394	7,121,157	11,228,528
Depreciation	9,663,453	15,306,250	149,204,668	12,536,492	37,716,506	224,427,369	188,268,758
Amortization	518,932	-	7,000	-	57,500	583,432	518,932
Lab chemical and apparatus	-	-	2,946,373	11,713,667	-	14,660,040	11,912,716
Meeting expenses	4,937,812	11,114	1,440	-	20,040,878	24,991,244	22,426,363
Share department expenses	902,199	-	-	-	-	902,199	965,918
Export expenses	-	-	-	-	4,639,151	4,639,151	4,483,760
ISO / TQM related expenses	553,287	-	148,562	-	-	701,849	713,018
Market research	31,420	-	-	-	5,460,556	5,491,976	16,882,183
Corporate Social Responsibility exp.	1,637,269	-	70,127	-	-	1,707,396	4,210,664
	276,224,476	381,621,679	614,857,328	91,282,946	2,373,801,777	3,737,788,206	3,278,378,504

	2013 Taka	2012 Taka
(a) Administrative expenses	276,224,476	205,485,930
(b) Distribution expenses	381,621,679	338,806,017
(c) Selling expenses	2,373,801,777	2,125,843,510
	<u>3,031,647,932</u>	<u>2,670,135,457</u>

### 28 (a) Consolidated administrative, selling and distribution expenses

Administrative expenses	626,861,633	564,410,792
Distribution expenses	639,230,081	565,968,986
Selling expenses	3,488,755,072	3,147,730,533
	<u>4,754,846,786</u>	<u>4,278,110,311</u>



## 29 Other income

	<u>2013</u> Taka	<u>2012</u> Taka
Service charges	1,905,190	640,676
Dividend income	63,021,166	53,711,233
Rental income	2,388,000	2,388,000
Proceeds from sales of fixed assets	56,294,280	248,954
Income from ACI Trading Limited	-	70,998,619
Gain / (loss) from foreign currency translations	544,059	1,263,181
Proceeds from scrap sales	6,800,094	6,769,580
Miscellaneous income	6,638,459	1,901,224
	<u>137,591,248</u>	<u>137,921,467</u>

### 29(a) Consolidated other income

Service charges	1,905,190	2,880,007
Dividend income	2,855,904	13,601,058
Rental income	6,194,672	2,388,000
Sales proceeds of scrap and used bags	39,365,862	43,935,066
Gain / (loss) from foreign currency translations	544,059	1,263,181
Commission income	5,416,975	5,478,796
Proceeds from sale of fixed assets	1,243,653	445,855
Income from ACI Trading Limited	-	70,998,619
Miscellaneous income	6,806,707	1,901,224
	<u>64,333,022</u>	<u>142,891,806</u>

## 30 Financing costs

### Interest expenses on

Bank loan *	199,782,600	172,094,475
Employees' welfare fund	13,085,490	13,401,285
Finance lease	534,407	643,111
Security deposits	10,583,375	9,109,161
Workers' profit participation fund	19,796,251	17,731,321
ACI 20% Zero Coupon Bonds	51,889,132	69,561,851
Other funds / borrowings	105,145	14,286
	<u>295,776,400</u>	<u>282,555,490</u>

\* The Company has capitalized borrowing costs to the extent of Tk. 48,677,713 and 41,970,530 using the weighted average cost of borrowing on acquisition of qualifying assets during the year 2013 and 2012 respectively.

### 30(a) Consolidated financing costs

### Interest expenses on

Bank loans	1,230,820,590	1,153,010,918
Employees' welfare fund	13,085,490	13,401,285
Finance lease	534,407	643,111
Security deposits	10,583,375	9,109,161
Workers' profit participation fund	19,796,251	17,731,321
ACI 20% Convertible Zero Coupon Bond (ZCBs)	51,889,132	69,561,851
Other funds / borrowings	105,145	14,286
	<u>1,326,814,390</u>	<u>1,263,471,933</u>



### 31 Deferred tax expenses

	2013 Taka	2012 Taka
Net taxable temporary differences	1,386,210,344	1,370,685,310
Tax rate	27.50%	27.50%
Deferred tax liability as at 31 December	82,341,710	90,659,547
Less:- Opening balance as at 1 January	90,659,547	98,593,278
	<u>(8,317,837)</u>	<u>(7,933,731)</u>

### 32 Earnings per share

#### 32.1 Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December is as follows:

	ACI Limited		ACI Group	
	2013	2012	2013	2012
Profit for the year	764,187,906	545,115,873	203,681,693	(165,894,513)
Weighted average number of shares	28,574,654	28,521,385	28,574,654	28,521,385
Basic earnings per share (Taka)	<u>26.74</u>	<u>19.11</u>	<u>7.13</u>	<u>(5.82)</u>

#### 32.2 Diluted earnings per share

The calculation of diluted earnings per share for the year ended 31 December is as follows:

	ACI Limited		ACI Group	
	2013	2012	2013	2012
Attributable profit for basic earnings per share	764,187,906	545,115,873	203,681,693	(165,894,513)
Interest savings for conversion of bond into equity	6,779,439	10,169,158	6,779,439	10,169,158
Adjusted profit for diluted earnings per share	<u>770,967,345</u>	<u>555,285,031</u>	<u>210,461,132</u>	<u>(155,725,355)</u>
Weighted average number of shares for basic earnings per share	28,574,654	28,521,385	28,574,654	28,521,385
Incremental number of shares from conversion	455,283	605,172	455,283	605,172
Weighted average number of share outstanding for diluted earnings per share	<u>29,029,937</u>	<u>29,126,557</u>	<u>29,029,937</u>	<u>29,126,557</u>
Diluted earnings per share (Taka)	<u>26.56</u>	<u>19.06</u>	<u>7.25</u>	<u>(5.35)</u>

The Group's diluted and basic EPS is taka 7.25 and taka 7.13 respectively. Since the diluted EPS is higher than the basic EPS, the effect of dilution has created anti-dilution. So, in the Group level, basic and diluted EPS are same i.e. taka 7.13.



### 33 Financial instruments for ACI Limited

#### 33.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations which arises principally from the Company's receivables from customers and investment securities.

##### **Exposure to credit risk**

	Note	Carrying amount	
		2013 Taka	2012 Taka
Trade receivables	9	1,576,569,332	1,292,368,456
Other receivables	10	146,161,380	107,406,234
Financial assets classified as available for sale	17	152,016,099	184,827,158
Inter-company receivables		3,977,552,944	3,932,806,528
Investment in term deposit		4,165,303	34,294,727
Cash at bank		232,081,858	148,480,976

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region are as follows:

	2013 Taka	2012 Taka
Domestic	1,569,526,660	1,284,620,612
Sri Lanka	4,499,358	7,730,190
Myanmar	-	17,654
Yemen	2,543,314	-
	<u>1,576,569,332</u>	<u>1,292,368,456</u>

The aging of trade receivables at the reporting date are

	2013 Taka	2012 Taka
Due below 6 months	1,340,174,288	1,065,540,150
Due above 6 months	307,563,736	270,898,227
	<u>1,647,738,024</u>	<u>1,336,438,377</u>
Less: provision for doubtful debts	71,168,692	44,069,921
	<u>1,576,569,332</u>	<u>1,292,368,456</u>

The movement in the provision for doubtful debts in respect of trade receivables during the year are as follows:

	2013 Taka	2012 Taka
Balance at 1st January	44,069,920	38,604,563
Impairment loss recognized	28,818,195	7,664,759
Adjustment made during the year	(1,719,423)	(2,199,402)
Balance at 31 December	<u>71,168,692</u>	<u>44,069,920</u>

#### 33.2 Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets or liabilities. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity and arrangements in place to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation.

The following are the contractual maturities of financial liabilities of the Company as at 31 December 2013:

<b>Exposure to liquidity risk</b>	Carrying amount	Contractual cash flows	Less than 1 year	1-5 years
	Taka	Taka	Taka	Taka
Short term interest bearing loans (note - 21)	4,677,922,468	(4,677,922,468)	(4,677,922,468)	-
Long term interest bearing loans	397,481,346	(397,481,346)	(121,979,702)	(275,501,644)
ACI 20% Convertible Zero Coupon Bonds	500,850,508	(500,850,508)	(259,099,938)	(241,750,570)
Finance lease liabilities (note - 18.1)	3,025,539	(3,025,539)	(888,386)	(2,137,153)
Inter-company payables (note - 24)	364,070,950	(364,070,950)	(364,070,950)	-
Trade and other payables	1,466,675,310	(1,466,675,310)	(1,466,675,310)	-
Bank overdraft (note - 20)	607,564,831	(607,564,831)	(607,564,831)	-
	<u>8,017,590,952</u>	<u>(8,017,590,952)</u>	<u>(7,498,201,585)</u>	<u>(519,389,367)</u>

The following are the contractual maturities of financial liabilities of the Company as at 31 December 2012:

	Carrying amount Taka	Contractual cash flows Taka	Less than 1 year Taka	1-5 years Taka
Short term interest bearing loans (note - 21)	3,856,614,632	(3,856,614,632)	(3,856,614,632)	-
Long term interest bearing loans	233,573,874	(233,573,874)	(58,231,150)	(175,342,724)
ACI 20% Convertible Zero Coupon Bonds	716,131,378	(716,131,378)	(255,631,178)	(460,500,200)
Finance lease liabilities (note - 18.1)	3,787,119	(3,787,119)	(761,582)	(3,025,537)
Inter-company payables (note - 24)	172,929,856	(172,929,856)	(172,929,856)	-
Trade and other payables	1,175,223,600	(1,175,223,600)	(1,175,223,599)	-
Bank overdraft (note - 20)	1,374,097,512	(1,374,097,512)	(1,374,097,512)	-
	<u>7,532,357,972</u>	<u>(7,532,357,972)</u>	<u>(6,893,489,509)</u>	<u>(638,868,461)</u>

### 33.3 Market risk

Market risk is the risk that include changes in market prices, such as foreign exchange rates, interest rates and equity prices that may 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, while optimizing the return.

#### Exposure to currency risk

The Company's exposure to foreign currency risk are as follows based on the notional amounts:

	31 December 2013			31 December 2012		
	GBP	Euro	USD	GBP	Euro	USD
Short term interest bearing loan	-	286,385	948,177	-	234,540	3,845,231
Trade and other payables	-	319,569	640,333	-	38,482	359,417
Trade receivables	-	-	91,499	-	-	97,913
Cash at bank	1,439	2,220	201,610	1,439	2,220	323,483
	<u>1,439</u>	<u>608,174</u>	<u>1,881,619</u>	<u>1,439</u>	<u>275,242</u>	<u>4,626,044</u>

The following significant exchange rates are applied:

	Reporting date spot rate	
	2013	2012
Euro	108.73	108.00
USD	78.25	80.35
GBP (Prevailing rate at 2010)	104.35	104.35

#### Market risk-interest rate risk

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments are:

	Carrying amount	
	2013 Taka	2012 Taka
<b>Fixed rate instruments</b>		
Financial assets	4,165,303	34,294,727
Financial liabilities	(6,079,793,149)	(5,846,849,279)
	<u>(6,075,627,846)</u>	<u>(5,812,554,552)</u>
<b>Variable rate instruments</b>		
Financial assets	-	-
Financial liabilities	107,051,543	337,355,236
	<u>107,051,543</u>	<u>337,355,236</u>



### 34 Operating leases-lessee

Cancelable operating lease rentals are payable for ACI Limited as follows:

	2013 Taka	2012 Taka
Less than one year	90,951,803	58,020,065
Between one and five years	222,258,482	129,186,119
More than five years	170,013,018	35,318,400
	483,223,303	222,524,584

The Company obtained leases of 69 agreements for 21 Depots and 5 agreements for 5 warehouses, 12 agreements for 9 office premises and 5 agreement for 5 show-room under operating leases. The leases typically run for 1-5 years, with an option to renew the leases after that date. Lease payments are increased at the time of renewal of the rent agreements to reflect market rental.

During the year ended 31 December 2013, Tk. 76,210,897 was recognized as expense in the income statement in respect of operating leases (2012: Tk. 58,803,051).

### 35 Sale/adjustment of fixed assets

Particulars	Original cost	Accumulated depreciation	Book value	Sale value	Mode of disposal/adjustment
	Taka	Taka	Taka	Taka	
Motor Vehicle	723,500	723,499	1	487,000	Sold through tender
Motor Vehicle	990,000	989,999	1	738,000	Sold through tender
Motor Vehicle	480,693	480,692	1	221,600	Sold through tender
Motor Vehicle	505,000	504,999	1	76,002	Sold through tender
Motor Vehicle	660,000	659,999	1	206,700	Sold through tender
Motor Vehicle	728,000	727,999	1	163,000	Sold through tender
Motor Vehicle	728,000	727,999	1	160,000	Sold through tender
Motor Vehicle	570,000	569,999	1	231,100	Sold through tender
Motor Vehicle	703,000	702,999	1	181,000	Sold through tender
Motor Vehicle	555,000	554,999	1	261,002	Sold through tender
Motor Vehicle	703,000	702,999	1	300,000	Sold through tender
PABX	224,000	223,999	1	50,000	Spot sale
Air Conditions	1,535,078	1,522,818	12,260	127,500	Sold through tender
	9,105,271	9,092,999	12,272	3,202,904	

### 36 Subsequent events

The Board of Directors in their meeting held on 29 April 2014 have recommended cash dividend @ 85% per share of Taka 10 each that aggregating to Taka 243,625,031 and stock dividend @ 20% (i.e. 1 (one) bonus share for every 5 (five) ordinary share) of Taka 10 each that aggregating to Taka 57,323,537 for the year ended 31 December 2013 subject to approval of the shareholders in the Annual General Meeting scheduled to be held on 10 June 2014. The financial statements for the year ended 31 December 2013 do not include the effects of the above cash dividend and stock dividend which will be accounted for in the period when shareholders' right to receive the payment will be established.

There are no other events identified after the statement of financial position date which require adjustment or disclosure in these financial statements.



### 37 Consolidated operating segments - 2013

Particulars	Reportable segment												Non-reportable segment	Unallocated / adjustment	Total								
	Pharmaceuticals		Animal Health		Consumer brands		Crop Care and Public Health		ACI Motors		ACI Pure Flour					Retail chain		ACI Salt		ACI Foods		Premiaflex	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka				Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
External revenue	4,975,668,245	1,271,620,170	3,350,515,901	1,163,673,316	1,401,110,707	2,648,481,606	3,199,729,767	1,153,976,863	575,253,826	1,279,063,434	1,148,327,896	-	22,167,421,731										
Inter-segment revenue	-	-	-	-	-	16,451,185	-	9,417,085	50,527,679	134,338,310	1,180,345,319	(1,391,079,578)	-										
Finance cost	131,413,454	26,117,056	101,999,609	54,165,440	4,972,684	37,549,945	540,805,077	118,492,666	158,300,341	106,950,244	46,047,874	-	1,328,814,390										
Operating expenses	1,767,139,548	271,498,541	754,120,366	287,411,080	189,065,009	142,380,557	732,126,112	138,526,454	144,373,227	36,191,910	301,925,982	(9,912,000)	4,754,846,786										
Depreciation and amortization	168,100,645	16,946,266	34,149,829	22,454,949	1,370,951	24,813,820	92,203,820	77,153,444	17,785,682	41,718,924	9,157,879	25,665,817	531,522,026										
Segment profit before tax	785,385,141	94,484,921	98,051,529	131,942,332	130,435,907	132,910,394	(832,994,292)	44,715,066	(165,273,504)	101,646,574	37,751,891	898,789	559,954,748										
Segment assets	3,805,204,450	1,046,123,991	2,699,017,831	1,695,216,109	1,604,643,448	725,003,621	1,900,962,478	1,418,006,937	352,310,184	1,402,464,943	1,959,078,740	1,443,637,012	20,051,669,744										
Segment external liabilities	1,094,492,486	372,493,040	1,009,450,095	450,769,018	1,384,233,852	503,858,406	4,998,702,943	1,186,325,370	1,244,173,703	983,906,504	899,348,129	1,883,501,411	16,011,254,957										

### Consolidated operating segments - 2012

Particulars	Reportable segment												Non-reportable segment	Unallocated / adjustment	Total								
	Pharmaceuticals		Animal Health		Consumer brands		Crop Care and Public Health		ACI Motors		ACI Pure Flour					Retail chain		ACI Salt		ACI Foods		Premiaflex	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka				Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
External revenue	4,539,275,629	820,215,207	3,165,464,431	1,254,685,403	1,287,026,530	2,480,001,639	4,367,914,814	995,066,598	594,651,923	1,281,369,399	1,190,629,304	-	21,976,300,877										
Inter-segment revenue	-	-	-	-	-	15,027,038	-	23,243,451	13,788,032	148,725,452	1,343,192,331	(1,543,976,304)	-										
Finance cost	125,539,404	24,949,650	103,270,291	80,336,908	65,174,633	52,056,101	421,113,116	61,006,788	133,302,573	149,909,006	46,813,463	-	1,263,471,933										
Operating expenses	1,624,564,450	225,583,557	620,546,848	260,525,567	194,651,106	110,858,541	707,395,885	108,651,685	154,886,079	26,641,843	253,716,750	(9,912,000)	4,278,110,311										
Depreciation and amortization	137,063,030	12,590,541	31,713,644	21,915,975	1,353,438	25,280,935	82,581,421	52,222,236	18,992,986	41,169,019	8,011,940	26,375,684	459,270,849										
Segment profit before tax	689,202,923	2,764,577	29,260,168	144,060,343	(18,471,275)	88,366,754	(798,208,702)	115,378,777	(164,481,408)	48,807,272	(35,193,890)	2,248,446	103,733,985										
Segment assets	3,886,936,308	776,520,626	2,148,515,589	1,908,787,011	1,304,879,544	718,785,684	1,490,352,534	1,573,794,656	328,359,983	1,271,087,711	1,177,887,610	1,548,971,740	18,134,878,996										
Segment external liabilities	881,704,743	258,280,744	682,550,542	395,132,666	1,167,852,460	581,044,414	3,738,975,382	1,368,088,102	1,059,010,647	953,277,285	288,949,420	2,604,632,110	13,979,498,515										



### 38 Related party transactions

During the year, the Company carried out a number of transactions with related parties in the normal course of business. The names of the related parties and nature of these transactions have been set out in accordance with the provisions of Bangladesh Accounting Standard 24 *Related Party Disclosures*.

(a) Name of related parties	Relationship	Nature of transactions	Transactions value during the year				Outstanding balance as at 31 December			
			2013		2012		2013		2012	
			Taka	Taka	Taka	Taka	Taka	Taka	Taka	
ACI Formulations Limited	Subsidiary	Purchase of products	1,136,140,719	1,326,358,082	(363,250,594)	(143,489,021)				
ACI Salt Limited	Subsidiary	Providing working capital finance	105,778,484	1,312,655,479	354,571,804	275,314,945				
Apex Leathercraft Limited	Subsidiary	Lease of corporate office	5,633,134	14,122,105	99,543,253	100,969,874				
Flyban Insecticides Limited	Subsidiary	Providing working capital finance	6,978	7,469	1,014,308	1,007,330				
ACI Pure Flour Limited	Subsidiary	Providing working capital finance	70,343,199	108,918,998	44,534,754	50,324,940				
ACI Foods Limited	Subsidiary	Providing working capital finance	163,977,637	571,399,549	746,527,424	658,522,965				
ACI Agrochemicals Limited	Subsidiary	Providing working capital finance	51,940	26,035	229,202	177,262				
Creative Communication Limited	Subsidiary	Providing working capital finance	30,597,762	27,184,900	10,723,821	(16,878,914)				
ACI Motors Limited	Subsidiary	Providing working capital finance	165,581,800	99,194,435	39,369,746	90,249,594				
Premiaflex Plastics Limited	Subsidiary	Providing working capital finance	90,772,738	109,633,707	210,564,943	303,644,620				
ACI Logistics Limited	Subsidiary	Providing working capital finance	480,273,462	516,882,129	2,508,800,927	2,536,870,074				
ACI Edible Oils Limited	Subsidiary	Providing working capital finance	1,776,071	2,074,216	(820,356)	(12,561,921)				
ACI Healthcare Limited	Subsidiary	Providing working capital finance	108,035,187	-	42,890,842	-				
Tetley ACI (Bangladesh) Limited	Joint Venture	Purchase of products	1,938,056	2,356,077	442,622	558,756				
Asian Consumer Care (Pvt.) Limited	Associate	Promotional expenses	2,519,010	2,938,645	8,205,086	7,997,023				
ACI Godrej Agrovet (Pvt.) Limited	Joint Venture	Providing working capital finance	-	-	879,726	879,726				
Stochastic Logic Limited	Associate	Providing working capital finance	1,549,047	2,109,558	8,767,739	7,229,293				

### (b) Directors' emoluments

	2013		2012	
	Taka	Taka	Taka	Taka
Salary		20,142,200		18,044,500
Benefits		8,096,090		8,048,960
Provident fund contribution		1,542,870		1,383,600
		<u>29,781,160</u>		<u>27,477,060</u>

### 39 Off-balance sheet items

#### 39.1 Commitments

On the date of statement of financial position, the Company was enjoying unfunded credit facilities from the following banks:

	2013 Taka	2012 Taka
<b>Letters of credit</b>		
Standard Chartered Bank	138,427,958	140,027,035
Commercial Bank of Ceylon Plc	39,277,294	12,308,189
The Hongkong and Shanghai Banking Corporation Limited	85,533,647	9,182,403
BRAC Bank Limited	13,062,868	5,363,626
Eastern Bank Limited	108,074,012	5,661,638
The City Bank Limited	46,483,262	31,218,666
Bank Alfalah Limited	4,766,806	31,260,000
Dutch Bangla Bank Limited	36,863,373	43,194,786
One Bank Limited	-	2,217,512
AB Bank Limited	31,736,000	46,516,000
	<u>504,225,220</u>	<u>326,949,855</u>

#### 39.2 Contingent liabilities

##### Shipping guarantees

Eastern Bank Limited	-	66,908
Standard Chartered Bank	7,839,810	35,830,840
	<u>7,839,810</u>	<u>35,897,748</u>

##### Bank guarantees

Standard Chartered Bank	3,000,000	-
Eastern Bank Limited	501,946,888	-
Bank Asia Limited	3,152,866	-
	<u>508,099,754</u>	<u>-</u>

#### 39.3 Capital expenditure

i) Contracted but not approved for	Nil	Nil
ii) Approved but not contracted for	64,730,141	179,686,853

These capital expenditure commitment is in respect of import of plant and machinery, building renovation, central warehouse and laboratory.

#### 40 Payments made in foreign currencies

Raw and packing materials	1,578,017,129	1,567,971,411
Finished goods	1,279,669,417	942,598,846
	<u>2,857,686,546</u>	<u>2,510,570,257</u>

#### 41 Production capacity and utilization

	Capacity in units pack per 8hr / month		Utilization	
	2013	2012	2013	2012
Pharmaceuticals, Consumer Brand and Animal Health	5,650,000	5,050,000	99%	105%

#### 42 Number of employees engaged for drawing remuneration

The number of employees drawing Tk. 3,000 or more per month was 4,955 in 2013 (2012: 4,560) during the year.

#### 43 General

- i) Figures appearing in the financial statements have been rounded off to the nearest Taka.
- ii) Previous year's figures have been rearranged, wherever considered necessary to conform current year's presentation.



#### 44 Name of auditors of the group companies

<u>Name of the company</u>		<u>Auditors</u>
ACI Formulations Limited	Subsidiary	Hoda Vasi Chowdhury & Co
ACI Salt Limited	"	Hoda Vasi Chowdhury & Co
ACI Logistics Limited	"	Rahman Rahman Huq
ACI HealthCare Limited	"	Rahman Rahman Huq
ACI Godrej Agrovvet (Pvt.) Limited	Joint venture	Rahman Rahman Huq
Tetley ACI (Bangladesh) Limited	"	Rahman Rahman Huq
ACI Foods Limited	Subsidiary	M. J. Abedin & Co.
ACI Pure Flour Limited	"	M. J. Abedin & Co.
Apex Leather Craft Limited	"	M. J. Abedin & Co.
Creative Communication Limited	"	Ashraful Haque Nabi & Co.
ACI Motors Limited	"	Ashraful Haque Nabi & Co.
Premiaflex Plastics Limited	"	Ashraful Haque Nabi & Co.
ACI Edible Oils Limited	"	Ashraful Haque Nabi & Co.
Flyban Insecticides Limited	"	Shiraz Khan Bashak & Co.
ACI Agrochemical Limited	"	Shiraz Khan Bashak & Co.
Stochastic Logic Limited	Associate	Shiraz Khan Bashak & Co.
Asian Consumer Care (Pvt.) Limited	"	Ahmed Mashuque & Co.





# Advanced Chemical Industries Limited

## Report of the Directors and Audited Financial Statements of the Subsidiary Companies for the year 2013





## ACI Formulations Limited Directors' Report

Agriculture plays an important role in our economic development, contributing to our GDP by about 20% and providing employment and occupation to a large number of people. Crop protection is a major business of ACI Formulations and we take our responsibility seriously in providing support to the farmers in enhancing output and protecting their crops through expert advice and supply of effective chemicals. In doing so we advise the farmers on safety, timely application and care for the consumers.

### **SALES**

This year there has been some reluctance and general financial distress on the part of farmers in use of Agro Chemicals on their crops, because the price they got from the previous crop was often below their cost of production. Also, there was less infestation in crops, the overall demand was less. During the last quarter, we faced many difficulties as a result of countrywide political turmoil; timely product delivery was challenging, the cost of delivery was higher and security became a major issue. Despite all the adverse conditions, our dedicated team put tremendous effort at all levels and we managed to improve our market share.

In 2013 we have focused on improvement on our policies and procedures. We have taken a number of new initiatives which will result in better financial management, better inventory management and more restrictive credit facility. We have improved yield in production and increase production output. Both production and marketing have undergone major restructuring for better performance.

### **EXPORT**

For the first time, we have exported several formulations of significant value and the products are moving satisfactorily. We expect export to increase substantially in the coming years.

### **PUBLIC HEALTH**

ACI Formulations successfully developed and supplied products for controlling Vector-Borne Diseases like Malaria, Kala-zor etc by means of Indoor Residual Spray. Our principals are developing new applications of their researched products for the purpose of Public Health and we are assisting them in field trials and getting regulators approval. We also work closely with Universities and research organizations in developing product profiles required for regulatory purposes.

### **MANUFACTURING**

Apart from Crop Care products, products like Aerosol, Vanish, Mosquito Coil, Air freshener of ACI Ltd. Consumer Brands Division are also manufactured in ACI FL Factory. We have improved the overall efficiency of the factory, introduced modern maintenance system, evaluated and regrouped manpower, and reorganised warehouse management with better accountability. We have also reviewed the wage rate in line with local practice. We are also looking for new areas of engagement to expand our range of activities.



### **NEW PRODUCT**

Several new products have been introduced in Crop Care. This has strengthened our product range and we can provide efficient solutions to farmers which are cost effective and environmentally more friendly.

### **PEOPLE**

We have strengthened our field force and engaged them in more intensive coverage of their respective territories. The new sales force is a well-motivated group with a mission to support the farmers with sound advices in protecting their crops from pests.

### **CSR**

We are working with our Cooperate CSR initiative – "Adopt-A-Village". We are giving extensive training to farmers in good agronomic practices in ten villages which are under the "Adopt- A-Village" program and we will monitor the improvement in yield of the crops as a result of this training initiative.

### **WASTE MANAGEMENT**

We process the entire effluent from our factory, through our ETP to make them benign and ensure full compliance with the environmental regulations.

### **PROSPECT**

We have included eco-friendly pesticides in our product portfolio. The use of bio-pesticide is slowly growing as consciousness is increasing about environment amongst the public. We are working with a renowned bio-pesticides Company and we strongly believe that these products would not only open up a new business opportunities, but also make a substantial mark in the bio-pesticide market in the year to come.



## Financial Results

In 2013, total revenue of the Company was Taka 2,340 million, a decrease of Taka 241 million from 2012, resulting into 9.3% lower revenue over last year. The cost of sales to revenue has reduced by 10.9% mainly due to lower sales volume together with positive material price variance over last year. As a result, Gross profit has reduced by only 4.15% compared to 2012. The operating cost has increased by 10.6% due to normal pay rise and inflationary adjustment; on the other side financing cost has reduced by 33.33% over last year because of efficient working capital management coupled with enjoying lower borrowing cost during the year under review. In 2013, the profit before tax and profit after tax of the Company were Taka 172 million and Taka 129 million respectively. The earnings per share was Taka 2.87 in 2013 which is 13.8% lower than last year.

### Appropriation of profit

Considering the financial results of the Company during the year and free reserve carried over, the Directors recommended appropriation of net profit as follows:

	<u>2013</u> Taka	<u>2012</u> Taka
Un-appropriated profit from previous year	458,281,132	420,401,577
Add: Net profit after tax for the year	129,230,532	149,963,811
Add: Transferred from revaluation surplus	-	415,744
Total available for appropriation	<u>587,511,664</u>	<u>570,781,132</u>
Appropriation proposed:		
Proposed dividend:		
Cash dividend	112,500,000	112,500,000
Balance carried forward	<u>475,011,664</u>	<u>458,281,132</u>

With the balance carried forward in this year and with ploughing back of the profit, Directors are confident that Company will be able to maintain prudent dividend policy in years to come.

### Dividend

The Board of Directors is pleased to recommend cash dividend @25% per share of Taka 10 i.e. Taka 2.5 per share for the year 2013 to those shareowners whose names will appear in the Share Register of Members of the Company or in the Depository list of CDBL on the Record Date which is Monday, 12th May 2014.

### Contribution to the National Exchequer

During 2013, the Company contributed Tk. 165.58 million to the National Exchequer in the form of corporate tax, custom duty, VAT, etc. This is equivalent to 7.07% of our gross sales revenue for the year 2013.

### Corporate Governance Compliance Statement

ACI Formulations' Board of Directors is committed to meeting the highest standard of corporate governance and disclosure. The Directors are conscious of their responsibilities in supervision and direction of the affairs of the Company in conformity with the practices of sound corporate governance. In fulfillment of those responsibilities the directors have set for themselves the principles that will be followed in their own involvement in the oversight function and in setting up clear guidelines for the executive management.

We have the pleasure to confirm herewith that the Company has meanwhile complied with all the necessary guidelines under BSEC Notification No. SEC/CMRRC/2006-158/134/Admin/44 dated 7 August 2012. The compliance report along with the necessary remarks/disclosure is appended in the Directors' Report of the Company for the year 2013 in continuation pages of Annexure - III. Further a Certificate of Compliance required under the said Guidelines, as provided by K. M. Hasan & Co., Chartered Accountants, is also annexed to this report in Annexure - III.

On behalf of the Board

**Shusmita Anis**

Managing Director

**Juned Ahmed Choudhury**

Director

# Hoda Vasi Chowdhury & Co

## Chartered Accountants

### INDEPENDENT AUDITOR'S REPORT to the Shareholders of ACI Formulations Limited

We have audited the accompanying financial statements of ACI Formulations Limited (the Company) which comprise the statement of financial position as at 31 December 2013, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other relevant explanatory notes thereon.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

#### Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements prepared in accordance with the Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the financial position of ACI Formulations Limited as at 31 December 2013 and the results of its financial performance and its cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statement of financial position and income statement along with the annexed notes 1 to 34 dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred and payments made were for the purposes of the Company's business.

Dhaka, 29 April 2014



Hoda Vasi Chowdhury & Co.  
Chartered Accountants

**National Office :** BTMC Bhaban (8th Floor), 7-9 Karwan Bazar Commercial Area, Dhaka-1215, Bangladesh  
**Motijheel Office :** Ispahani Building (3rd Floor), 14-15 Motijheel Commercial Area, Dhaka 1000, Bangladesh  
**Chittagong Office :** Delwar Bhaban (4th Floor), 104 Agrabad Commercial Area, Chittagong-4100, Bangladesh





## ACI Formulations Limited

### Statement of Financial Position

as at 31 December 2013

#### **Assets**

##### **Non-current assets**

Property, plant and equipment  
At cost/revaluation  
Less: Accumulated depreciation

Capital work-in-progress  
Investment

##### **Total non-current assets**

##### **Current assets**

Inventories  
Trade receivables  
Other receivables  
Advances, deposits and prepayments  
Advance income tax  
Inter-company receivables  
Cash and cash equivalents

##### **Total current assets**

##### **Total assets**

##### **Equity and liabilities**

##### **Shareholders' equity**

Share capital  
Revaluation surplus  
Retained earnings

##### **Total equity**

##### **Non-current liabilities**

Long term liabilities  
Deferred tax liabilities

##### **Total non-current liabilities**

##### **Current liabilities**

Bank overdrafts  
Short term loan from banks  
Long term loan from bank- current portion  
Trade payables  
Other payables  
Inter-company payable  
Current tax liability

##### **Total current liabilities**

##### **Total equity and liabilities**

2013 Taka	2012 Taka
1,363,150,050	1,327,776,045
144,624,291	97,075,474
1,218,525,759	1,230,700,571
26,282,530	25,977,950
2,808,233	2,600,184
1,247,616,522	1,259,278,705
573,655,124	669,134,103
454,260,458	593,570,865
7,129,187	-
40,103,083	37,848,062
94,366,386	47,849,264
363,815,990	161,977,411
118,780,242	79,626,787
1,652,110,470	1,590,006,492
2,899,726,992	2,849,285,197
450,000,000	450,000,000
692,960,311	692,960,311
587,511,664	570,781,132
1,730,471,975	1,713,741,443
10,987,355	13,633,614
53,149,289	60,388,523
64,136,644	74,022,137
52,490,536	72,830,194
757,296,347	746,553,165
-	24,455,231
76,339,936	46,943,524
99,534,559	95,667,820
3,336,616	9,246,666
116,120,379	65,825,017
1,105,118,373	1,061,521,617
2,899,726,992	2,849,285,197

Managing Director

Director

Company Secretary

As per our report of same date.

Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 29 April 2014



## ACI Formulations Limited

### Statement of Comprehensive Income

for the year ended 31 December 2013

	<u>2013</u> Taka	<u>2012</u> Taka
Revenue	2,340,431,716	2,581,043,485
Cost of sales	(1,755,875,325)	(1,971,183,482)
<b>Gross profit</b>	584,556,391	609,860,003
Administrative, selling and distribution expenses	(346,726,896)	(313,474,009)
<b>Results from operating activities</b>	237,829,495	296,385,994
Other income	6,449,304	8,690,939
Finance costs	(62,924,420)	(94,319,665)
	181,354,379	210,757,268
Provision for contribution to WPPF	(9,067,719)	(10,537,863)
<i>Profit before taxation</i>	172,286,660	200,219,405
Income tax:		
Current tax expense	(50,295,362)	(49,101,540)
Deferred tax income/(expense)	7,239,234	(1,154,054)
	(43,056,128)	(50,255,594)
<b>Profit for the year</b>	129,230,532	149,963,811
Other comprehensive income	-	-
<b>Total comprehensive income</b>	129,230,532	149,963,811
<b>Earnings per share (EPS)</b>		
Basic earnings per share (par value Tk. 10)	<b>2.87</b>	<b>3.33</b>

Managing Director

Director

Company Secretary

As per our report of same date.

Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 29 April 2014



## ACI Formulations Limited Statement of Changes in Equity

for the year ended 31 December 2013

<u>Particulars</u>	<u>Paid-up capital</u>	<u>Revaluation reserve</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
<b>Balance as at 31 December 2011</b>	300,000,000	693,376,055	645,401,577	1,638,777,632
<b>Comprehensive income for the year 2012</b>				
Profit for the year	-	-	149,963,811	149,963,811
<b>Total Comprehensive income for the year</b>	-	-	149,963,811	149,963,811
<b>Contributions by and distributions to owners of the Company</b>				
Issue of bonus shares	150,000,000	-	(150,000,000)	-
Dividends paid during the year	-	-	(75,000,000)	(75,000,000)
<b>Transaction recognized directly in equity</b>				
Realization of revaluation surplus	-	(415,744)	415,744	-
Transactions with owners of the Company, recognized directly in equity	150,000,000	(415,744)	(224,584,256)	(75,000,000)
<b>Balance as at 31 December 2012</b>	450,000,000	692,960,311	570,781,132	1,713,741,443
<b>Comprehensive income for the year 2013</b>				
Profit for the year	-	-	129,230,532	129,230,532
<b>Total Comprehensive income for the year</b>	-	-	129,230,532	129,230,532
<b>Contributions by and distributions to owners of the Company</b>				
Dividends paid during the year	-	-	(112,500,000)	(112,500,000)
<b>Total contributions by and distributions to owners of the Company</b>	-	-	(112,500,000)	(112,500,000)
<b>Balance as at 31 December 2013</b>	450,000,000	692,960,311	587,511,664	1,730,471,975



## ACI Formulations Limited Statement of Cash Flows

for the year ended 31 December 2013

	2013 Taka	2012 Taka
<b>A) Cash flows from operating activities</b>		
Cash received from customers	2,452,150,300	2,558,081,714
Cash received from other income	6,449,304	8,690,939
	<u>2,458,599,604</u>	<u>2,566,772,653</u>
Cash received/(paid) from/(for):		
Purchase of inventory	(1,586,609,442)	(1,943,792,760)
Operating expenses	(325,433,907)	(329,229,000)
Other payables	(585,070)	(1,880,195)
Payment for WPPF	(4,972,224)	(5,509,036)
Advances, deposits and prepayments	(2,255,021)	(13,102,227)
Other receivables	(7,129,187)	-
	<u>(1,926,984,851)</u>	<u>(2,293,513,218)</u>
Cash generated from operating activities	<u>531,614,753</u>	<u>273,259,435</u>
Finance costs	(62,924,420)	(94,319,665)
Income tax	(46,517,122)	(60,673,188)
	<u>(109,441,542)</u>	<u>(154,992,853)</u>
<i>Net cash inflows from operating activities</i>	<u>422,173,211</u>	<u>118,266,582</u>
<b>B) Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(11,378,125)	(38,708,417)
Sale proceeds from property, plant and equipment	-	494,440
Investment	(208,049)	(203,367)
Payments for capital work-in-progress	(24,300,460)	(53,363,589)
<i>Net cash used in investing activities</i>	<u>(35,886,634)</u>	<u>(91,780,933)</u>
<b>C) Cash flows from financing activities</b>		
Inter-company debts received/(paid)	(201,288,549)	66,461,549
Dividend paid	(111,792,866)	(74,124,058)
Short term loan received/(paid) from/(to) banks	10,743,182	(15,724,185)
Long term loan paid to banks	(24,455,231)	(21,369,960)
<i>Net cash used in financing activities</i>	<u>(326,793,464)</u>	<u>(44,756,654)</u>
<b>D) Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	59,493,113	(18,271,005)
<b>E) Cash and cash equivalents at 1 January</b>	6,796,593	25,067,598
<b>F) Cash and cash equivalents at 31 December (D+E)</b>	<u>66,289,706</u>	<u>6,796,593</u>
<b>Closing balance represents</b>		
Cash and cash equivalents	118,780,242	79,626,787
Bank overdrafts	(52,490,536)	(72,830,194)
	<u>66,289,706</u>	<u>6,796,593</u>



## ACI Logistics Limited Directors' Report

ACI Logistics Limited (Shwapno) is a subsidiary of Advanced Chemical Limited Industries (ACI) Limited having 76% ownership of equity share. Established in 2008, Shwapno went into its full-fledged commercial operation in 2009. The philosophy behind Shwapno is to provide value for money in a daily modern retail set-up that would deliver convenience, comfort, quality and be a next-door solution provider.

2013 has been a year of innovation in diversification and an endeavor in excellence for ACI Logistics. Shwapno has gone beyond its traditional model and expanded its horizon to cater to the other necessities of life. Shwapno Lifestyle and other newly introduced categories offer higher margin range than its other categories. Incorporating these untapped segments ACI Logistics Limited increased its overall gross profit margin. A significant improvement in operating profitability is observed in this year with a noteworthy improvement in gross profit percentage as well. Meanwhile, imposition of 4% VAT had created a negative impact in the overall retail industry. But with the reduction of VAT by 2% in 2014 it is expected that the retail-industry will revive its growth track. As the business progressed, Shwapno incorporated effective changes to the operating model with new ideas, resources, and infrastructure.

The financial result of the company for the year-end 2013 is stated below:

### Key Financial Results

	<u>Taka</u>
Revenue	3,199,729,767
Gross profit	425,092,712
Operating loss	(307,033,402)
Loss before tax	(832,994,293)
Loss after tax	(849,117,617)

On behalf of the Board

**Dr. Arif Dowla**  
Managing Director

Dhaka, 24 April 2014





## Rahman Rahman Huq

### Chartered Accountants

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# Independent Auditor's Report to the Shareholders of ACI Logistics Limited

## Report on the Financial Statements

We have audited the accompanying financial statements of ACI Logistics Limited ("the Company"), which comprises the statement of financial position as at 31 December 2013, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRS) and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

## Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2013, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS).

## Emphasis of matter

We draw attention to Note 3.13 to the financial statements where management explains how they will continue in operational existence for the foreseeable future in spite of having net current liabilities and overall net liabilities as at the reporting date. Our opinion is not qualified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

- 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;
- 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; and
- the balance sheet and the profit and loss account dealt with by the report are in agreement with the books of account.

Dhaka, 24 April 2014

Rahman Rahman Huq  
Chartered Accountants

Rahman Rahman Huq, a partnership firm registered in Bangladesh and a member firm of the KPMG network of independent member firms affiliated with KPMG International cooperative ("KPMG International"), a Swiss entity.

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# ACI Logistics Limited

## Statement of Financial Position

as at 31 December 2013

### Assets

#### Non-current assets

Property, plant and equipment  
Intangible assets  
Capital work-in-progress  
Investments in FDR

#### Current assets

Inventory  
Trade receivables  
Advances, deposits and prepayments  
Cash and cash equivalents

#### Total assets

### Equity and liabilities

#### Shareholders' equity

Share capital  
Accumulated loss

#### Non-current liability

Long term bank loan  
Provision for gratuity  
Finance lease - non-current portion

#### Current liabilities

Long term finance-current portion  
Short term finance  
Finance lease - current portion  
Trade payables  
Other payables  
Inter-company liabilities  
Accruals and provisions  
Provision for tax

#### Total equity and liabilities

	2013 <u>Taka</u>	2012 <u>Taka</u>
<b>Non-current assets</b>		
Property, plant and equipment	338,323,858	372,653,279
Intangible assets	23,814,149	27,277,574
Capital work-in-progress	20,500,275	-
Investments in FDR	98,767,602	66,031,762
	<u>481,405,884</u>	<u>465,962,615</u>
<b>Current assets</b>		
Inventory	1,116,171,058	813,857,008
Trade receivables	38,745,325	24,855,785
Advances, deposits and prepayments	197,083,121	145,068,289
Cash and cash equivalents	67,557,090	40,608,837
	<u>1,419,556,594</u>	<u>1,024,389,919</u>
<b>Total assets</b>	<u><u>1,900,962,478</u></u>	<u><u>1,490,352,534</u></u>
<b>Equity and liabilities</b>		
<b>Shareholders' equity</b>		
Share capital	347,840,000	347,840,000
Accumulated loss	(3,445,580,465)	(2,596,462,848)
	<u>(3,097,740,465)</u>	<u>(2,248,622,848)</u>
<b>Non-current liability</b>		
Long term bank loan	563,549,362	182,927,908
Provision for gratuity	1,449,635	863,875
Finance lease - non-current portion	19,991,930	30,742,191
	<u>584,990,927</u>	<u>214,533,974</u>
<b>Current liabilities</b>		
Long term finance-current portion	229,557,314	196,311,228
Short term finance	1,022,404,878	302,827,348
Finance lease - current portion	10,750,261	9,123,637
Trade payables	532,057,115	330,095,761
Other payables	29,002,665	88,572,421
Inter-company liabilities	2,508,215,107	2,536,870,074
Accruals and provisions	29,712,020	24,751,607
Provision for tax	52,012,656	35,889,332
	<u>4,413,712,016</u>	<u>3,524,441,408</u>
<b>Total equity and liabilities</b>	<u><u>1,900,962,478</u></u>	<u><u>1,490,352,534</u></u>

Managing Director

Director

Company Secretary

As per our report of same date.

Rahman Rahman Huq  
Chartered Accountants

Dhaka, 24 April 2014



## ACI Logistics Limited

### Statement of Comprehensive Income

for the year ended 31 December 2013

	<u>2013</u> Taka	<u>2012</u> Taka
Revenue	3,199,729,767	4,367,914,814
Cost of sales	(2,774,637,055)	(4,042,527,133)
<b>Gross profit</b>	<u>425,092,712</u>	<u>325,387,681</u>
Administrative expenses	(192,488,060)	(228,447,507)
Marketing, selling and distribution expenses	(539,638,054)	(478,948,381)
<b>Operating loss</b>	<u>(307,033,402)</u>	<u>(382,008,207)</u>
Finance cost, net	(540,805,077)	(420,876,885)
Other income	14,844,186	4,676,389
<b>Loss before income tax</b>	<u>(832,994,293)</u>	<u>(798,208,702)</u>
Income tax expenses	(16,123,324)	(21,862,956)
<b>Net loss for the year</b>	<u>(849,117,617)</u>	<u>(820,071,658)</u>
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive loss for the year</b>	<u><u>(849,117,617)</u></u>	<u><u>(820,071,658)</u></u>

Managing Director

Director

Company Secretary

As per our report of same date.

Rahman Rahman Huq  
Chartered Accountants

Dhaka, 24 April 2014



## ACI Logistics Limited Statement of Changes in Equity

for the year ended 31 December 2013

	Share capital	Accumulated loss	Total
	Taka	Taka	Taka
<b>Balance as at 1 January 2012</b>	347,840,000	(1,776,391,190)	(1,428,551,190)
Total comprehensive loss for the year 2012	-	(820,071,658)	(820,071,658)
<b>Balance as at 31 December 2012</b>	347,840,000	(2,596,462,848)	(2,248,622,848)
Total comprehensive loss for the year 2013	-	(849,117,617)	(849,117,617)
<b>Balance as at 31 December 2013</b>	347,840,000	(3,445,580,465)	(3,097,740,465)



# ACI Logistics Limited

## Statement of Cash Flows

for the year ended 31 December 2013

	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
<b>A) Cash flows from operating activities</b>		
Cash receipts from customers	3,185,840,226	4,352,509,927
Cash receipts from other income	14,844,185	4,462,718
	<u>3,200,684,412</u>	<u>4,356,972,645</u>
<b>Cash paid for:</b>		
Purchase of inventory	(2,863,809,454)	(4,073,567,180)
Operating expenses	(702,249,154)	(585,847,437)
Advances, deposits and prepayments	(48,359,608)	(54,181,224)
<i>Cash used in operation</i>	<u>(3,614,418,216)</u>	<u>(4,713,595,841)</u>
Finance cost	(541,575,613)	(411,332,119)
Income tax	(3,655,224)	(1,764,230)
	<u>(545,230,837)</u>	<u>(413,096,349)</u>
<i>Net cash used in operating activities</i>	<u>(958,964,641)</u>	<u>(769,719,545)</u>
<b>B) Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(78,374,029)	(38,269,014)
Proceeds from disposal of property, plant and equipment	-	1,621,214
Investment in fixed deposit receipts (FDR)	(31,965,304)	8,251,099
<i>Net cash used in investing activities</i>	<u>(110,339,333)</u>	<u>(28,396,701)</u>
<b>C) Cash flows from financing activities</b>		
Inter-company payables	(28,069,207)	836,304,689
Payment for finance lease	(9,123,637)	(4,580,256)
Net outflow for long term loans	413,867,541	(33,653,966)
Net inflow for short term loans	719,577,529	6,779,531
Net cash from financing activities	<u>1,096,252,227</u>	<u>804,849,998</u>
<b>D) Net increase in cash and cash equivalents (A+B+C)</b>	26,948,253	6,733,752
<b>E) Opening cash and cash equivalents</b>	40,608,837	33,875,085
<b>F) Closing cash and cash equivalents</b>	<u>67,557,090</u>	<u>40,608,837</u>





## ACI Pure Flour Limited Directors' Report

ACI Pure Flour Limited, a private limited company, is a subsidiary of Advanced Chemical Industries (ACI) Limited with 95% shareholding was incorporated in 2006 with the Registrar of Joint Stock Companies. Since its commencement in 2008, ACI Pure Flour has been providing flour products to the people of Bangladesh. It is now one of the largest flour producing company in Bangladesh that incorporate the most modern state-of-the-art European technology, boasting a modern factory on around a 7 acre land in Dewli, Chourapara, Narayanganj.

During the year under review the company's operational and financial performance reached a new height. The company continues to utilize its 100% capacity for the couple of years. ACI Pure Flour Limited has seen a 25% growth in gross profit and a 50% bottom line growth in 2013. Total revenues increased by a decent amount, on account of better prices, higher volumes, achievement of rated capacity and a consistent improvement in value-added consumer packs. The brand "Pure" gained increased recognition by the consumers and was able to increase its mind share within the consumers as well. The details of financial performance for the year ended 31 December, 2013 are given below:

### Key Financial Results

	<u>Taka</u>
Revenue	2,664,932,791
Gross Profit	316,873,067
Operating Expenses	(142,380,557)
Operating Profit	174,492,510
Profit after tax	83,403,945

On behalf of the Board

**Dr. Arif Dowla**  
Managing Director

**Mr. Syed Alamgir**  
Director

Dhaka, 24 April 2014

এম.জে. আবেদীন এন্ড কোং  
চার্টার্ড একাউন্টেন্টস  
**M.J. ABEDIN & CO**  
CHARTERED ACCOUNTANTS

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## ACI Pure Flour Limited **Auditors' Report to the Shareholders**

We have audited the accompanying financial statements of ACI Pure Flour Limited which comprises the statement of financial position as at 31 December 2013 and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and explanatory notes thereto.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), and for such internal control as management determines is necessary to enable the preparation of these financial statements that are free from material misstatement, whether due to fraud and error.

### **Auditors' responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the financial position of the Company as at 31 December 2013 and of the financial performance and its cash flows for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

### **We also report that :**

- 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;
- 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; and
- Company's statement of financial position and statement of comprehensive income together with the annexed notes 1 to 26 dealt with by the report are in agreement with the books of account.

Dated : 24 April 2014  
Place : Dhaka



M. J. Abedin & CO  
Chartered Accountants

*An independent member firm of*  
**MOORE STEPHENS**  
INTERNATIONAL LIMITED



## ACI Pure Flour Limited

### Statement of Financial Position

as at 31 December 2013

	<u>2013</u> Taka	<u>2012</u> Taka
<b>Assets</b>		
Property, plant and equipment - at cost	453,192,937	452,502,293
Accumulated depreciation	(131,111,378)	(106,297,558)
	322,081,559	346,204,735
<b>Non-current assets</b>		
<b>Current assets :</b>		
Inventories	81,566,149	88,680,463
Advances, deposits and prepayments	9,320,992	10,812,433
Trade receivables	95,291,785	125,766,660
Other receivables	2,219,020	1,957,225
Advance income tax	99,992,117	69,109,651
Receivable from inter-companies	88,217,020	20,072,590
Cash and bank balances	26,314,979	56,181,927
<b>Current assets</b>	402,922,062	372,580,949
<b>Total assets</b>	725,003,621	718,785,684
<b>Equity</b>		
Share capital	40,000,000	40,000,000
Retained earnings	181,145,215	97,741,270
<b>Total equity</b>	221,145,215	137,741,270
<b>Liabilities</b>		
Long term bank loan	-	28,261,833
Deferred tax liability	70,380,552	71,409,984
<b>Non-current liabilities</b>	70,380,552	99,671,817
Bank overdrafts	74,636,269	20,864,083
Short term bank loan	110,000,000	248,000,000
Long term bank loan - current portion	26,965,550	41,384,692
Trade payables	51,780,538	76,480,544
Other payables	53,048,090	31,833,912
Inter-company payables	54,027,100	50,324,940
Liability for tax	63,020,307	12,484,426
<b>Current liabilities</b>	433,477,854	481,372,597
<b>Total liabilities</b>	503,858,406	581,044,414
<b>Total equity and liabilities</b>	725,003,621	718,785,684

Managing Director

Director

Company Secretary

As per our separate report of even date annexed.

M. J. Abedin & CO  
Chartered Accountants

Dated : 24 April 2014

Place : Dhaka



## ACI Pure Flour Limited Statement of Comprehensive Income

for the year ended 31 December 2013

	<u>2013</u> Taka	<u>2012</u> Taka
Revenue	2,664,932,791	2,495,028,677
Cost of goods sold	(2,348,059,724)	(2,240,952,867)
<b>Gross profit</b>	<u>316,873,067</u>	<u>254,075,810</u>
Operating expenses	(142,380,557)	(110,858,541)
<b>Operating profit</b>	<u>174,492,510</u>	<u>143,217,269</u>
Financial expenses	(37,549,945)	(52,056,101)
Other income	2,963,113	1,856,468
	<u>139,905,678</u>	<u>93,017,636</u>
<b>Provision for contribution to WPPF</b>	(6,995,284)	(4,650,882)
<b>Net profit before tax</b>	<u>132,910,394</u>	<u>88,366,754</u>
<b>Income tax expenses:</b>		
Current tax expenses	(50,535,881)	(12,484,426)
Deferred tax income / (expenses)	1,029,432	(33,901,270)
	<u>(49,506,449)</u>	<u>(46,385,696)</u>
<b>Net profit after tax</b>	<u>83,403,945</u>	<u>41,981,058</u>
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<u><u>83,403,945</u></u>	<u><u>41,981,058</u></u>

Managing Director

Director

Company Secretary

As per our separate report of even date annexed.

M. J. Abedin & CO  
Chartered Accountants

Dated : 24 April 2014  
Place : Dhaka



## ACI Pure Flour Limited Statement of Changes in Equity

for the year ended 31 December 2013

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
<b>Balance as at 01 January 2012</b>	40,000,000	55,760,212	95,760,212
Net profit after tax for the year	-	41,981,058	41,981,058
Total other comprehensive income	-	-	-
<b>Balance as at 31 December 2012</b>	<u>40,000,000</u>	<u>97,741,270</u>	<u>137,741,270</u>
Net profit after tax for the year	-	83,403,945	83,403,945
Total other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	83,403,945	83,403,945
Transactions with owners of the company recognized directly in equity	-	-	-
<b>Balance at 31st December 2013</b>	<u><u>40,000,000</u></u>	<u><u>181,145,215</u></u>	<u><u>221,145,215</u></u>

Managing Director

Director

Company Secretary

As per our separate report of even date annexed.

M. J. Abedin & CO  
Chartered Accountants

Dated : 24 April 2014  
Place : Dhaka





## ACI Pure Flour Limited Statement of Cash Flows

for the year ended 31 December 2013

	2013 Taka	2012 Taka
<b>A Cash flows from operating activities</b>		
Cash received from customers	2,695,407,666	2,468,939,983
Cash received from other income	2,963,113	1,856,468
	<u>2,698,370,779</u>	<u>2,470,796,451</u>
Cash paid for :		
Purchase and production	(2,342,528,249)	(2,195,272,073)
Operating expenses	(125,164,887)	(112,784,278)
Financing cost	(37,549,945)	(52,056,101)
Other receivables	(261,795)	(1,825,105)
Advance, deposits and prepayments	1,491,441	(311,685)
Workers' profit participation fund	(1,300,123)	-
Income tax	(30,882,466)	(21,177,490)
	<u>(2,536,196,024)</u>	<u>(2,383,426,732)</u>
<b>Net cash flow from/(used in) operating activities</b>	<u>162,174,755</u>	<u>87,369,719</u>
<b>B Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(690,644)	(6,647,256)
Sale proceeds from property, plant and equipment	-	361,768
<b>Net cash used in investing activities</b>	<u>(690,644)</u>	<u>(6,285,488)</u>
<b>C Cash flows from financing activities</b>		
Inter-company debts (paid)/received	(64,442,270)	62,159,227
Short term loan (paid)/received	(138,000,000)	(36,400,000)
Long term bank loan paid	(42,680,975)	(41,384,692)
<b>Net cash flows provided by financing activities</b>	<u>(245,123,245)</u>	<u>(15,625,465)</u>
<b>D Net cash flow from all activities (A+B+C)</b>	(83,639,134)	65,458,766
<b>E Cash and bank balances at 01 January</b>	35,317,844	(30,140,922)
<b>F Cash and bank balances at 31 December (D + E)</b>	<u>(48,321,290)</u>	<u>35,317,844</u>
<b>Closing Balance represents :</b>		
Cash in hand and at bank	26,314,979	56,181,927
Bank overdraft	(74,636,269)	(20,864,083)
	<u>(48,321,290)</u>	<u>35,317,844</u>

Managing Director

Director

Company Secretary

As per our separate report of even date annexed.

M. J. Abedin & CO  
Chartered Accountants

Dated : 24 April 2014  
Place : Dhaka



## ACI Foods Limited Directors' Report

ACI Foods Ltd. was incorporated in 2006 with the Registrar of Joint Stock Companies as a subsidiary of Advanced Chemical Industries (ACI) Limited with 95% shareholding. ACI Foods is engaged in manufacturing, marketing, and distribution of various branded food products and condiments. These products exist under the brand names: "Pure" and "FUN". ACI Foods has two modern production facilities: one is the Cake factory in Savar that solely manufactures cakes and the other one is at Kutirchar, Shirajganj that produces candy, chutney, chanachur, crackers and biscuits.

ACI Foods Limited has achieved a 22% growth in Gross Profit with a 7% drop in operating expenses and the Trading Loss for the year has dropped to a satisfactory level, due to higher volumes, richer product mix and branding efforts. The quality of business has improved considerably that reflects proper optimization of factory resources, efficient buying and inventory management, effective cost minimization, market lubrication and enhanced distribution. Exports received a big push due to strong demand abroad and saw an appreciable growth in 2013. It will now be the Company's endeavor to not only maintain this quality of business, but improve on it in the years ahead. The financials for the year 2013 are as follows:

### Key Financial Results

	<u>Taka</u>
Revenue	625,781,505
Gross Profit	128,984,267
Operating Expenses	(144,373,226)
Operating loss	(15,388,959)
Loss after tax	(161,212,853)

On behalf of the Board

**Dr. Arif Dowla**

Managing Director

**Mr. Syed Alamgir**

Director

Dhaka, 24 April 2014

এম.জে. আবেদীন এন্ড কোং  
চার্টার্ড একাউন্টেন্টস্  
**M.J. ABEDIN & CO**  
CHARTERED ACCOUNTANTS

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National Plaza (3rd Floor)  
109, Bir Uttam C.R. Datta Road,  
Dhaka-1205

## ACI Foods Limited

### Auditors' Report to the Shareholders

We have audited the accompanying financial statements of ACI Foods Limited which comprises the statement of financial position as at 31 December 2013 and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and explanatory notes thereto.

#### Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), and for such internal control as management determines is necessary to enable the preparation of these financial statements that are free from material misstatement, whether due to fraud and error.

#### Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the financial position of the Company as at 31 December 2013 and of the financial performance and its cash flows for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

#### Emphasis of matter

Without qualifying our opinion, we draw attention to note- 1.5.10 to the financial statements which describes the uncertainty related to the company's ability to continue as a going concern.

#### We also report that:

- 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;
- 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; and
- Company's statement of financial position and statement of comprehensive income together with the annexed notes 1 to 26 dealt with by the report are in agreement with the books of account.

Dated : 24 April 2014  
Place : Dhaka



M. J. Abedin & CO  
Chartered Accountants

An independent member firm of  
**MOORE STEPHENS**  
INTERNATIONAL LIMITED



## ACI Foods Limited

### Statement of Financial Position

as of 31 December 2013

#### Assets

	<u>2013</u> Taka	<u>2012</u> Taka
Property, plant and equipment:		
At cost	290,179,200	286,227,625
Accumulated depreciation	(100,420,773)	(82,635,091)
	189,758,427	203,592,534
Capital work-in-progress	27,018,299	217,774
<b>Total non-current assets</b>	<b>216,776,726</b>	<b>203,810,308</b>
<b>Deferred tax asset</b>	<b>33,800,105</b>	<b>26,868,828</b>
Inventories	63,834,647	66,602,508
Trade receivables	21,301,432	21,926,841
Other receivables	10,897,898	7,289,401
Advances, deposits and prepayments	11,684,816	10,485,684
Advance income tax	697,470	2,181,481
Inter-company receivable	-	22,200
Cash and cash equivalents	27,117,196	16,041,560
<b>Total current assets</b>	<b>135,533,459</b>	<b>124,549,675</b>
<b>Total assets</b>	<b>386,110,290</b>	<b>355,228,811</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Share capital	40,000,000	40,000,000
Retained earnings	(931,863,517)	(770,650,664)
<b>Total equity</b>	<b>(891,863,517)</b>	<b>(730,650,664)</b>
<b>Liabilities</b>		
Long term liabilities	12,630,636	22,418,266
Bank overdraft	145,890,357	67,936,785
Short term bank loan	151,750,160	151,404,489
Long term bank loan -current portion	44,431,920	46,956,732
Trade payables	31,255,437	46,437,496
Other payables	34,622,062	44,153,970
Inter-company liabilities	852,739,944	701,105,794
Current tax liability	4,653,291	5,465,943
<b>Total current liabilities</b>	<b>1,265,343,171</b>	<b>1,063,461,209</b>
<b>Total liabilities</b>	<b>1,277,973,807</b>	<b>1,085,879,475</b>
<b>Total equity and liabilities</b>	<b>386,110,290</b>	<b>355,228,811</b>

Managing Director

Director

Company Secretary

As per our separate report of even date annexed.

M. J. Abedin & CO  
Chartered Accountants

Dated : 24 April 2014  
Place : Dhaka



## ACI Foods Limited

### Statement of Comprehensive Income

for the year ended 31 December 2013

	<u>2013</u> Taka	<u>2012</u> Taka
Revenue	625,781,505	608,439,955
Cost of sales	(496,797,238)	(502,749,402)
<b>Gross profit</b>	<u>128,984,267</u>	<u>105,690,553</u>
Administration, selling and distribution expenses	(144,373,226)	(154,886,079)
	(15,388,959)	(49,195,526)
Other income	8,415,800	16,177,442
<b>Result from operating activities</b>	<u>(6,973,159)</u>	<u>(33,018,084)</u>
Finance cost	(158,300,341)	(131,463,324)
<b>Profit/(loss) before income tax</b>	<u>(165,273,500)</u>	<u>(164,481,408)</u>
Income tax expense :		
Current tax expenses	(2,870,630)	(3,477,864)
Deferred tax income	6,931,277	7,019,141
	4,060,647	3,541,277
<b>Net profit/(loss) after tax</b>	<u><u>(161,212,853)</u></u>	<u><u>(160,940,131)</u></u>

Managing Director

Director

Company Secretary

As per our separate report of even date annexed.

M. J. Abedin & CO  
Chartered Accountants

Dated : 24 April 2014  
Place : Dhaka





## ACI Foods Limited

### Statement of Changes in Equity

for the year ended 31 December 2013

<u>Particulars</u>	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Balance on 01 January 2012	40,000,000	(609,710,533)	(569,710,533)
Net loss for the year	-	(160,940,131)	(160,940,131)
Other comprehensive income/(Loss) for the year	-	-	-
<b>Total comprehensive income for the year</b>		(160,940,131)	(160,940,131)
Transaction with owner of the Company recognized directly in equity	-	-	-
<b>Balance at 31 December 2012</b>	<u>40,000,000</u>	<u>(770,650,664)</u>	<u>(730,650,664)</u>
Balance on 01 January 2013	40,000,000	(770,650,664)	(730,650,664)
Net loss for the year	-	(161,212,853)	(161,212,853)
Other comprehensive income/(Loss) for the year	-	-	-
<b>Total comprehensive income for the year</b>		(161,212,853)	(161,212,853)
Transaction with owner of the Company recognized directly in equity	-	-	-
<b>Balance at 31 December 2013</b>	<u>40,000,000</u>	<u>(931,863,517)</u>	<u>(891,863,517)</u>

Managing Director

Director

Company Secretary

As per our separate report of even date annexed.

M. J. Abedin & CO  
Chartered Accountants

Dated : 24 April 2014  
Place : Dhaka



## ACI Foods Limited Statement of Cash Flows

for the year ended 31 December 2013

	2013 Taka	2012 Taka
<b>A) Cash flows from operating activities</b>		
Cash receipts/(paid) from /(to) customers	622,798,416	607,674,760
Cash receipts from other income	8,415,800	18,016,691
	<u>631,214,216</u>	<u>625,691,451</u>
<b>Cash paid for:</b>		
Purchase of inventory	(492,194,625)	(461,597,805)
Operating expenses	(153,136,263)	(159,147,177)
Advances, deposits and prepayments	(1,199,132)	(6,789,048)
	<u>(646,530,020)</u>	<u>(627,534,030)</u>
<b>Cash generated from operations</b>	<u>(15,315,804)</u>	<u>(1,842,579)</u>
Financing cost	(158,300,341)	(133,302,573)
Income tax	(2,199,271)	(732,864)
	<u>(160,499,612)</u>	<u>(134,035,437)</u>
<b>Net cash used in operating activities</b>	<u>(175,815,416)</u>	<u>(135,878,016)</u>
<b>B) Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(3,951,575)	(1,915,937)
Payment for capital work-in-progress	(26,800,524)	(102,491)
<b>Net cash from (used in) investing activities</b>	<u>(30,752,099)</u>	<u>(2,018,428)</u>
<b>C) Cash flows from financing activities</b>		
Inter-company debts (paid)/received	151,656,350	166,769,037
Short term loan (paid)/received	345,671	1,041,408
Long term loan (paid)/received	(12,312,442)	(46,956,732)
<b>Net cash flows from financing activities</b>	<u>139,689,579</u>	<u>120,853,713</u>
<b>D) Net cash flow from all activities (A+B+C)</b>	<u>(66,877,936)</u>	<u>(17,042,731)</u>
<b>E) Cash and cash equivalent at 1 January</b>	<u>(51,895,225)</u>	<u>(34,852,494)</u>
<b>F) Cash and cash equivalent at year ended (D+E)</b>	<u>(118,773,161)</u>	<u>(51,895,225)</u>
<b>Closing balance represents:</b>		
Cash in hand and at bank	27,117,196	16,041,560
Bank overdraft	(145,890,357)	(67,936,785)
	<u>(118,773,161)</u>	<u>(51,895,225)</u>

Managing Director

Director

Company Secretary

As per our separate report of even date annexed.

M. J. Abedin & CO  
Chartered Accountants

Dated : 24 April 2014  
Place : Dhaka



## ACI Salt Limited Directors' Report

ACI Salt Limited was incorporated in 2004 with the Registrar of Joint Stock Companies, Dhaka, Bangladesh under Companies Act 1994 as a private limited company and 78 % shares held by Advanced Chemical Industries Limited.

ACI Pure Salt has been achieving breakthrough outcomes since the new plant being launched at June, 2012. Yet the outcome is derived from utilization of only half the full potential of the plant, an increase of 44% in production volume has enabled the business to sustain its No.1 position in the market. With increasing efficiency, the business can only achieve further growth and strengthen its position as the leading producer.

As a measure of performance, ACI Pure Salt has given 44% volume growth over the year 2012. Profitability in 2013 compared to 2012 has decreased due to significant reduction in MRP of Salt and maintenance and modification of the new plant to improve production yield. We are expecting to sustain this excellence performance for future as well.

### Key Financial Results

	<u>Taka</u>
Revenue	1,163,393,948
Gross profit	303,936,090
Operating profit	165,409,637
Profit before tax	44,715,066
Profit after tax	25,975,013

On behalf of the Board

**Dr. Arif Dowla**  
Director

**Mr. Syed Alamgir**  
Managing Director

Dhaka, 24 April 2014

# Hoda Vasi Chowdhury & Co

## Chartered Accountants

### ACI Salt Limited

## Auditors' Report to the Shareholders

We have audited the accompanying financial statements of ACI Salt Limited, which comprise the statement of financial position as at 31 December 2013, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of ACI Salt Limited as at 31 December 2013, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs).

We also report that:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- c) the company's statement of financial position and statement of comprehensive income along with the annexed notes 1 to 30 dealt with by the report are in agreement with the books of account.



Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dated : 24 April 2014

Place : Dhaka

**National Office :** BTMC Bhaban (8th Floor), 7-9 Karwan Bazar Commercial Area, Dhaka-1215, Bangladesh  
**Motijheel Office :** Ispahani Building (3rd Floor), 14-15 Motijheel Commercial Area, Dhaka 1000, Bangladesh  
**Chittagong Office :** Delwar Bhaban (4th Floor), 104 Agrabad Commercial Area, Chittagong-4100, Bangladesh



# ACI Salt Limited

## Statement of Financial Position

as at 31 December 2013

	<u>2013</u> Taka	<u>2012</u> Taka
<b>Assets</b>		
Property, plant and equipment - at cost	1,285,362,049	1,269,050,790
Accumulated depreciation	(298,565,039)	(221,411,594)
	986,797,010	1,047,639,196
Capital work-in-progress	7,074,552	160,095
	993,871,562	1,047,799,291
Long term investment	9,332,911	8,444,117
<b>Non-current assets</b>	<b>1,003,204,473</b>	<b>1,056,243,408</b>
Inventories	342,800,762	174,423,457
Trade receivables	15,071,660	10,883,395
Other receivable	-	66,168
Advances, deposits and prepayments	14,666,460	20,867,000
Advance income tax	8,199,552	4,066,333
Receivables from ACI Formulations Limited.	-	9,246,666
Cash and cash equivalents	34,064,030	297,998,228
<b>Current assets</b>	<b>414,802,464</b>	<b>517,551,248</b>
<b>Total assets</b>	<b>1,418,006,937</b>	<b>1,573,794,656</b>
<b>Equity</b>		
Share capital	200,000,000	100,000,000
Retained earnings	31,681,567	105,706,554
<b>Total equity</b>	<b>231,681,567</b>	<b>205,706,554</b>
<b>Liabilities</b>		
Long term bank loan	220,369,311	411,397,503
Deferred tax	93,480,045	80,557,719
<b>Non-current liabilities</b>	<b>313,849,356</b>	<b>491,955,222</b>
Bank overdraft	123,799,487	15,912,159
Short-term loan from banks	41,979,560	251,969,530
Long term loan - current portion	176,550,789	178,870,074
Trade payables	69,217,609	62,092,260
Other payables	87,711,674	81,523,911
Inter-company payables	356,949,168	275,314,946
Current tax	16,267,727	10,450,000
<b>Total current liabilities</b>	<b>872,476,014</b>	<b>876,132,880</b>
<b>Total equity and liabilities</b>	<b>1,418,006,937</b>	<b>1,573,794,656</b>

Managing Director

Director

Company Secretary

Auditors' report to the shareholders  
See annexed report of date

Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dated : 24 April 2014

Place : Dhaka





## ACI Salt Limited

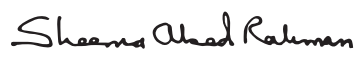
### Statement of Comprehensive Income

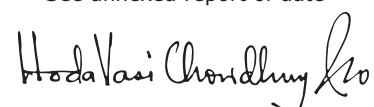
for the year ended 31 December 2013

	<u>2013</u> Taka	<u>2012</u> Taka
Revenue	1,163,393,948	1,018,310,049
Cost of sales	(859,457,858)	(727,200,232)
<b>Gross profit</b>	<u>303,936,090</u>	<u>291,109,817</u>
Administrative, selling and distribution expenses	(138,526,454)	(108,651,685)
<b>Operating profit</b>	<u>165,409,636</u>	<u>182,458,132</u>
Other income	151,520	-
	<u>165,561,156</u>	<u>182,458,132</u>
Financing cost	(118,492,666)	(61,006,788)
	<u>47,068,490</u>	<u>121,451,344</u>
Provision for contribution to WPPF	(2,353,424)	(6,072,567)
<b>Profit before income tax</b>	<u>44,715,066</u>	<u>115,378,777</u>
<b>Income tax expenses</b>		
Current tax	(5,817,727)	(8,250,000)
Deferred tax	(12,922,326)	(43,625,127)
	<u>(18,740,053)</u>	<u>(51,875,127)</u>
<b>Net profit after tax for the year</b>	<u><u>25,975,013</u></u>	<u><u>63,503,649</u></u>

  
\_\_\_\_\_  
Managing Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Company Secretary  
Auditors' report to the shareholders  
See annexed report of date

  
\_\_\_\_\_  
Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dated : 24 April 2014  
Place : Dhaka



## ACI Salt Limited

### Statement of Changes in Equity

for the year ended 31 December 2013

<u>Particulars</u>	Share capital <u>Taka</u>	Retained earnings <u>Taka</u>	Total <u>Taka</u>
<b>Balance as per 01 January 2012</b>	100,000,000	42,202,905	142,202,905
Total comprehensive income for the year	-	-	-
Net profit after tax for the year	-	63,503,649	63,503,649
Total other comprehensive income for the year	-	-	-
Balance as at 01 January 2013	<u>100,000,000</u>	<u>105,706,554</u>	<u>205,706,554</u>
<b>Comprehensive income for the year</b>	-	-	-
Net profit after tax for the year	-	25,975,013	25,975,013
Total other comprehensive income for the year	-	-	-
Issuance of bonus share during the year	100,000,000	(100,000,000)	-
<b>Balance as at 31 December 2013</b>	<u>200,000,000</u>	<u>31,681,567</u>	<u>231,681,567</u>

  
 \_\_\_\_\_  
 Managing Director

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Company Secretary

Auditors' report to the shareholders  
See annexed report of date



## ACI Salt Limited Statement of Cash Flows

for the year ended 31 December 2013

	2013 Taka	2012 Taka
<b>A Cash flows from operating activities</b>		
Cash received from customers	1,159,205,683	1,012,732,224
Cash received from other income	151,520	-
	1,159,357,203	1,012,732,224
Cash received/(paid) from/(for):		
Purchase of inventories	(943,585,847)	(719,040,620)
Operating expenses	(134,662,637)	(151,298,277)
Other receivable	66,168	(4,788)
Worker's profit participation fund	-	(3,435,051)
Advances, deposits and prepayments	5,311,746	(10,812,810)
	(1,072,870,570)	(884,591,546)
Cash generated from operating activities	86,486,633	128,140,678
Financing cost	(118,492,666)	(61,006,788)
Advance income tax	(4,133,219)	(1,867,326)
	(122,625,885)	(62,874,114)
<i>Net cash (used in)/ form operating activities</i>	(36,139,252)	65,266,564
<b>B Cash flows from investing activities</b>		
Purchase of property, plant and equipments	(16,311,259)	(31,005)
Payment of capital work-in-progress	(6,914,457)	(227,926,677)
<i>Net cash used in investing activities</i>	(23,225,716)	(227,957,682)
<b>C Cash flows from financing activities</b>		
Proceed/(payment) of short term loan	(209,989,969)	(247,675,081)
Repayment of long term bank loan	(193,347,477)	533,458,379
Payment/(proceed) of inter-company payable/receivable	90,880,888	148,605,994
<i>Net cash from in financing activities</i>	(312,456,558)	434,389,292
<b>D Net cash flows (A+B+C)</b>	(371,821,526)	271,698,174
<b>E Cash and cash equivalents at the beginning of the year</b>	282,086,069	10,387,895
<b>F Cash and cash equivalents at the end of the year (D+E)</b>	(89,735,457)	282,086,069
<b>Closing balance represents:</b>		
Cash and cash equivalents	34,064,030	297,998,228
Bank overdraft	(123,799,487)	(15,912,159)
	(89,735,457)	282,086,069



## ACI Motors Limited Directors' Report

ACI Motors Limited is a private limited company incorporated in 2007 with the Registrar of Joint Stock Companies, Dhaka, under Companies Act 1994 as a subsidiary of Advanced Chemical Industries (ACI) Limited with ACI holds 66.5% shareholding. The company was established with an objective to market high quality agri-machineries and light commercial vehicle.

In 2013, the company has focused to establish a premium tractor brand in the market. The company heavily emphasized to improve the quality of its customer service. This gives a confidence to tractor customers over its competitors and ACI Motors was able to charge a premium in the market. The company has also introduced new and innovative models of Power Tiller with better efficiency. Some of the new Power Tillers are positioned in the higher segment of the market to ensure better gross profit for the company. With a mission to introduce new technology and new machineries for the farmers, the company has partnered with government and international NGOs to demonstrate and supply to the farmers.

### Key Financial Results

	<u>Taka</u>
Revenue	1,401,110,707
Gross profit	324,473,601
Operating profit	135,408,592
Profit before tax	130,435,908
Profit after tax	83,382,507

On behalf of the Board

**Dr. Arif Dowla**  
Managing Director

**Dr. F H Ansarey**  
Director

Dhaka, 24 April 2014

## ACI Motors Limited Auditors' Report to the Shareholders

We have audited the accompanying financial statements of ACI Motors Limited which comprise the statement of financial position as at 31 December, 2013 and the related statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other relevant explanatory notes thereon.

### Management's responsibility for the financial statement:

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs) and Bangladesh Accounting Standards (BASs), the Companies act 1994 and other applicable laws and regulations and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

### Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements prepared in accordance with the Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act, 1994 and other applicable laws and regulations.

### We also report that

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of comprehensive income along with the annexed notes 1 to 28 dealt with by the report are in agreement with the books of account and returns.

Dated : 24 April, 2014  
Place : Dhaka



Ashraful Haque Nabi & Co.  
Chartered Accountants





## ACI Motors Limited Statement of Financial Position

as at 31 December 2013

	2013 <u>Taka</u>	2012 <u>Taka</u>
<b>Assets:</b>		
Property, plant and equipment- at cost	8,972,305	8,972,305
Accumulated depreciation	(5,684,405)	(4,313,453)
	<u>3,287,900</u>	<u>4,658,852</u>
<b>Total non-current assets</b>	3,287,900	4,658,852
<b>Deferred tax assets</b>	2,913,650	1,825,353
Inventories	332,144,109	209,039,722
Trade receivables	1,068,682,156	908,728,751
Other receivables	5,593,435	9,612,136
Advances, deposits and prepayments	49,864,158	24,771,747
Advance income tax	70,597,003	53,652,563
Cash and cash equivalents	74,474,687	94,415,770
<b>Total current assets</b>	<u>1,601,355,548</u>	<u>1,300,220,689</u>
<b>Total assets</b>	<u>1,607,557,098</u>	<u>1,306,704,894</u>
<b>Equity and liabilities:</b>		
Share capital	1,000,000	1,000,000
Retained earnings	219,409,588	136,027,081
<b>Total equity</b>	<u>220,409,588</u>	<u>137,027,081</u>
<b>Liability:</b>		
Long term liabilities	256,232,363	84,850,441
Bank overdraft	(43,211,883)	(3,939,685)
Short term bank loan	728,853,691	537,248,248
Long term bank loan-current portion	178,480,845	361,001,093
Trade payables	44,959,058	20,410,115
Other payables	80,991,610	26,505,426
Inter-company liabilities	39,369,746	90,271,793
Current tax liability	101,472,080	53,330,382
<b>Total current liabilities</b>	<u>1,130,915,147</u>	<u>1,084,827,372</u>
<b>Total liabilities</b>	<u>1,387,147,510</u>	<u>1,169,677,813</u>
<b>Total equity and liabilities</b>	<u>1,607,557,098</u>	<u>1,306,704,894</u>

Managing Director

Director

Company Secretary

As per our separate report of even date annexed.

Ashraf Haque Nabi & Co.  
Chartered Accountants

Dated : 24 April, 2014  
Place : Dhaka



## ACI Motors Limited

### Statement of Comprehensive Income

for the year ended 31 December 2013

	2013 Taka	2012 Taka
Revenue	1,401,110,707	1,287,026,530
Cost of sales	(1,076,637,106)	(1,045,878,816)
<b>Gross profit</b>	<u>324,473,601</u>	<u>241,147,714</u>
Administrative, selling and distribution expenses	(189,065,009)	(194,651,106)
	<u>135,408,592</u>	<u>46,496,608</u>
Other income	-	206,750
<b>Result from operating activities</b>	<u>135,408,592</u>	<u>46,703,358</u>
Finance cost	(4,972,684)	(65,174,633)
<b>Profit/(loss) before income tax</b>	<u>130,435,908</u>	<u>(18,471,275)</u>
<b>Income tax expenses</b>		
Current tax expenses	(48,141,698)	(6,462,527)
Deferred tax income	1,088,297	2,174,602
	<u>(47,053,401)</u>	<u>(4,287,925)</u>
<b>Net profit/(loss) after tax</b>	<u><u>83,382,507</u></u>	<u><u>(22,759,200)</u></u>

Managing Director

Director

Company Secretary

As per our separate report of even date annexed.

Ashraf Haque Nabi & Co.  
Chartered Accountants

Dated : 24 April, 2014  
Place : Dhaka



## ACI Motors Limited Statement of Changes in Equity

for the year ended 31 December 2013

<u>Particulars</u>	Share capital	Retained earnings	Total
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
<b>Balance on 1 January 2012</b>	1,000,000	158,786,281	159,786,281
Net loss for the year		(22,759,200)	(22,759,200)
<b>Other comprehensive income/(Loss) for the year</b>	-	-	-
<b>Total comprehensive income for the year</b>	-	(22,759,200)	(22,759,200)
<b>Balance at 31 December 2012</b>	1,000,000	136,027,081	137,027,081
Balance on 01 January 2013	1,000,000	136,027,081	137,027,081
Net profit for the year		83,382,507	83,382,507
Other comprehensive income/(Loss) for the year	-	-	-
<b>Total comprehensive income for the year</b>	-	83,382,507	83,382,507
<b>Balance at 31 December 2013</b>	1,000,000	219,409,588	220,409,588

Managing Director

Director

Company Secretary

As per our separate report of even date annexed.

Dated : 24 April, 2014  
Place : Dhaka

Ashraf Haque Nabi & Co.  
Chartered Accountants



## ACI Motors Limited Statement of Cash Flows

for the year ended 31 December 2013

	2013 <u>Taka</u>	2012 <u>Taka</u>
<b>A) Cash flows from operating activities</b>		
Cash receipts/(paid) from /(to) customers	1,241,157,306	1,357,263,242
Cash receipts from other income	-	267,050
Cash receipts from other receivables	4,018,701	(3,099,528)
	<u>1,245,176,007</u>	<u>1,354,430,764</u>
<b>Cash paid for :</b>		
Purchase of inventory	(1,175,192,551)	(1,099,836,284)
Operating expenses	(133,207,880)	(197,008,083)
Advances, deposit and prepayments	(25,092,411)	6,486,503
	<u>(1,333,492,842)</u>	<u>(1,290,357,864)</u>
<b>Cash generated from operations</b>	<u>(88,316,835)</u>	<u>64,072,900</u>
Financing cost	(4,972,684)	(65,174,633)
Income tax	(16,944,440)	(40,816,618)
	<u>(21,917,124)</u>	<u>(105,991,251)</u>
<b>Net cash used in operating activities</b>	<u>(110,233,959)</u>	<u>(41,918,351)</u>
<b>B) Cash flows from investing activities</b>		
Purchase of property, plant and equipment	-	(350,260)
Sale proceeds from property, plant and equipment	-	1,807,200
<b>Net cash from (used in) investing activities</b>	<u>-</u>	<u>1,456,940</u>
<b>C) Cash flows from financing activities</b>		
Inter-company debts (paid)/received	(50,902,047)	77,756,711
Short term loan (paid)/received	191,605,447	37,244,808
Long term long (paid)/received	(11,138,327)	31,989,861
<b>Net cash flows from financing activities</b>	<u>129,565,073</u>	<u>146,991,380</u>
<b>D) Net cash flows from all activities (A+B+C)</b>	19,331,115	106,529,969
<b>E) Cash and cash equivalent at 1 January</b>	98,355,455	(8,174,514)
<b>F) Cash and cash equivalent at year ended (D+E)</b>	<u>117,686,570</u>	<u>98,355,455</u>
<b>Closing balance represents:</b>		
Cash in hand and at bank	74,474,687	94,415,770
Bank overdraft	43,211,883	3,939,685
	<u>117,686,570</u>	<u>98,355,455</u>



## Creative Communication Limited Directors' Report

Creative Communication Limited is a private limited company incorporated in 2007 with the Registrar of Joint Stock Companies, Dhaka, Bangladesh under Companies Act 1994 as a subsidiary of Advanced Chemical Industries (ACI) Limited with 60% shareholding. The company is an integrated communication house staffed by dedicated and pragmatic specialists working as a team. As a forward-thinking marketing and advertising firm, Creative Communication Limited is a solid partner at both strategic and tactical levels and has developed several partnerships with the most state-of-the-art players in numerous fields.

The principal business of the Company is to provide result-oriented advertisement, public relation and complete corporate communication solutions and has long experience in handling outdoors, events and project management along with strong rapport in the electronic and press media. The financial result of the Company for the year ended 31 December 2013 is as follows:

### Key Financial Results

	<u>Taka</u>
Revenue	29,536,152
Expenses	(829,720)
Profit before tax	12,568,649
Profit after tax	7,602,708

On behalf of the Board

Handwritten signature of Dr. Arif Dowla in black ink.

**Dr. Arif Dowla**  
Managing Director

Handwritten signature of Bilkis Mansoor in black ink.

**Bilkis Mansoor**  
Director

Dhaka, 24 April 2014



## Auditors' Report to the Shareholders of Creative Communication Limited

We have audited the accompanying financial statements of Creative Communication Limited which comprise the statement of financial position as at 31 December 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other relevant explanatory notes.

### Management's responsibility for the financial statement:

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs) and Bangladesh Accounting Standards (BASs), the Companies act 1994 and other applicable laws and regulations and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

### Auditor's responsibility:

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion:

In our opinion, the financial statements give a true and fair view of the financial position of Creative Communication Limited as at 31 December 2013 and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs), Bangladesh Accounting Standards (BASs) and comply with the Companies Act, 1994 and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of comprehensive income along with the annexed notes 1 to 18 dealt with by the report are in agreement with the books of account.

Dated : 24 April, 2014  
Place : Dhaka



Ashraful Haque Nabi & Co.  
Chartered Accountants



## Creative Communication Limited Statement of Financial Position

as at 31 December 2013

	<u>2013</u> Taka	<u>2012</u> Taka
<b>Assets</b>		
<b>Non-current assets :</b>		
Property, plant and equipment	3,761,987	3,058,857
Accumulated depreciation	(1,925,192)	(1,377,302)
	1,836,795	1,681,555
<b>Current assets :</b>		
Advances, deposits and prepayments	568,867	428,090
Trade receivables	22,618,344	17,966,266
Advance income tax	4,493,273	555,997
Inter-company receivables	-	16,878,914
Cash and cash equivalents	29,185,388	20,000
	56,865,872	35,849,267
<b>Total assets</b>	58,702,667	37,530,822
<b>Equity and liabilities</b>		
<b>Shareholders' equity :</b>		
Share capital	1,000,000	1,000,000
Retained earnings	35,884,338	28,281,630
	36,884,338	29,281,630
<b>Non-current liabilities</b>		
Deferred tax liabilities	10,052	43,294
	10,052	43,294
<b>Current liabilities</b>		
Bank overdraft	-	1,182,506
Inter-company payables	10,723,821	-
Other payables	1,209,682	2,147,801
Current tax liability	9,874,774	4,875,591
	21,808,277	8,205,898
<b>Total liabilities</b>	21,818,329	8,249,192
<b>Total equity and liabilities</b>	58,702,667	37,530,822

Managing Director

Director

Company Secretary

Auditors' Report to the Shareholders  
See annexed report of date.

Ashraf Haque Nabi & Co.  
Chartered Accountants

Dated : 24 April, 2014  
Place : Dhaka



## Creative Communication Limited Statement of Comprehensive Income

for the year ended 31 December 2013

	<u>2013</u> Taka	<u>2012</u> Taka
Revenue	29,536,152	32,107,629
Cost of service	(18,925,747)	(21,063,202)
<b>Gross profit</b>	<u>10,610,405</u>	<u>11,044,427</u>
Administrative & selling expenses	(829,720)	(720,007)
<b>Operating profit</b>	<u>9,780,685</u>	<u>10,324,420</u>
Financing income	2,787,964	2,239,331
<b>Profit before income tax</b>	<u>12,568,649</u>	<u>12,563,751</u>
<b>Income tax expenses</b>		
Current tax expense	(4,999,183)	(4,859,285)
Deferred tax income/(expense)	33,242	284,549
	<u>(4,965,941)</u>	<u>(4,574,736)</u>
<b>Net profit after tax</b>	<u>7,602,708</u>	<u>7,989,015</u>
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<u><u>7,602,708</u></u>	<u><u>7,989,015</u></u>

Managing Director

Director

Company Secretary

Auditors' Report to the Shareholders  
See annexed report of date.

Ashrafal Haque Nabi & Co.  
Chartered Accountants

Dated : 24 April, 2014  
Place : Dhaka



## Creative Communication Limited Statement of Changes in Equity

for the year ended 31 December 2013

### Particulars

	Share capital	Retained earnings	Total
	Taka	Taka	Taka
<b>Balance as at 1 January 2012</b>	1,000,000	20,292,615	21,292,615
Net profit after tax for the year	-	7,989,015	7,989,015
Total other comprehensive income	-	-	-
<b>Total other comprehensive income for the year</b>	-	7,989,015	7,989,015
<b>Balance as at 31 December 2012</b>	1,000,000	28,281,630	29,281,630
Net profit after tax for the year	-	7,602,708	7,602,708
Total other comprehensive income	-	-	-
<b>Total other comprehensive income for the year</b>	-	7,602,708	7,602,708
<b>Balance as at 31 December 2013</b>	1,000,000	35,884,338	36,884,338

Managing Director

Director

Company Secretary

Auditors' Report to the Shareholders  
See annexed report of date.

Ashraf Haque Nabi & Co.  
Chartered Accountants

Dated : 24 April, 2014  
Place : Dhaka

## Creative Communication Limited

### Statement of cash flows

for the year ended 31 December 2013

	<u>2013</u> Taka	<u>2012</u> Taka
<b>A) Cash flows from operating activities</b>		
Cash receipts from income	24,884,074	24,656,863
	24,884,074	24,656,863
Cash paid for:		
Operating expenses	(20,145,696)	(23,070,282)
Advances, deposits and prepayments	(140,777)	(418,090)
Cash used in operation	(20,286,473)	(23,488,372)
Financing income/(cost)	2,787,964	2,239,331
Income tax	(3,937,276)	(3,669,851)
	(1,149,312)	(1,430,520)
Net cash generated from/(used in) operating activities	3,448,289	(262,029)
<b>B) Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(703,130)	(34,000)
Net cash used in investing activities	(703,130)	(34,000)
<b>C) Cash flows from financing activities</b>		
Inter-company debts received/(paid)	27,602,735	285,706
Net cash from financing activities	27,602,735	285,706
<b>D) Net increase in cash and cash equivalent (A+B+C)</b>	30,347,894	(10,323)
<b>E) Cash and cash equivalent at 1 January 2013</b>	(1,162,506)	(1,152,183)
<b>F) Cash and cash equivalent at 31 December 2013 (D+E)</b>	29,185,388	(1,162,506)
<b>Closing balance represents:</b>		
Bank overdraft	-	(1,182,506)
Cash and cash equivalents	29,185,388	20,000
	29,185,388	(1,162,506)





## Premiaflex Plastics Limited Directors' Report

Premiaflex Plastics Limited is a private limited company incorporated in 2007 with the Registrar of Joint Stock Companies, Dhaka, Bangladesh under Companies Act 1994 having 87.32% shares held by Advanced Chemical Industries Limited. The principal activities of the company are to manufacturing and marketing of plastic products, flexible printing and doing other ancillary business associated with plastic and flexible printing.

The company produces a large number of flexi printing items like Shampoo Laminates, Tea Tag Wrapper, Oil Pack Pouch and Shrink Film. The company had a great success in terms of acquisition of branded customers especially multinational companies among its entire competitors. In the year 2013, in spite of having political turmoil, the company maintained its turnover and enjoyed growth in gross profit (7.68%) which also contributed positively to enhance operating profit (3.87%) over 2012. Considering the business prospect, the shareholders of the company has further invested in 2012 and 2013 Tk. 220Mn for which financing cost has decreased significantly in 2013. The company is planning to go for further expansion in 2014 through the introduction of Metalized Coating Machine which will facilitate backward linkage along with meeting the increasing customers demand. It is expected that the company will be able to keep up its good performance in the years to come. The financial result of the company for the year ended 31 December 2013 is as follows:

### Key Financial Results

	<u>Taka</u>
Revenue	1,413,401,744
Gross profit	241,004,808
Operating profit	204,812,899
Profit before tax	101,646,576
Profit after tax	71,803,014

On behalf of the Board

**Dr. Arif Dowla**  
Managing Director

**Dr. F H Ansarey**  
Director

Dhaka, 24 April 2014

## Premiaflex Plastics Limited Auditors' Report to the Shareholders

We have audited the accompanying financial statements of Premiaflex Plastics Limited which comprise the statement of financial position as at 31 December 2013, the Statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other relevant explanatory notes.

### Management's responsibility for the financial statement:

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs) and Bangladesh Accounting Standards (BASs), the Companies act 1994 and other applicable laws and regulations and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatements whether due to fraud or error.

### Auditor's responsibility:

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion:

In our opinion, the financial statements give a true and fair view of the financial position of Premiaflex Plastics Limited as at 31 December 2013 and of its financial performance and its cash flows for the year then ended in accordance with the Bangladesh Financial Reporting Standards (BFRSs), Bangladesh Accounting Standards (BASs) and comply with the Companies Act, 1994 and other applicable laws and regulations.

### We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of comprehensive income along with the annexed notes 1 to 29 dealt with by the report are in agreement with the books of account.

Dated : 24 April 2014  
Place : Dhaka



Ashraful Haque Nabi & Co.  
Chartered Accountants



## Premiaflex Plastics Limited Statement of Financial Position

as at 31 December 2013

	2013 Taka	2012 Taka
<b>Assets</b>		
Property, plant and equipment-at cost	521,652,032	517,049,007
Accumulated depreciation	(172,088,666)	(130,369,742)
	349,563,366	386,679,265
Capital work-in-progress	37,250,781	-
<b>Total non-Current assets</b>	<b>386,814,147</b>	<b>386,679,265</b>
<b>Current assets</b>		
Inventories	331,314,365	294,380,135
Advances, deposits and prepayments	20,524,841	9,145,684
Trade receivables	447,079,487	435,647,765
Advance income tax	155,416,656	98,913,204
Inter-company receivables	23,709,480	25,279,269
Cash and cash equivalents	37,605,967	21,042,389
<b>Total current assets</b>	<b>1,015,650,796</b>	<b>884,408,446</b>
<b>Total assets</b>	<b>1,402,464,943</b>	<b>1,271,087,711</b>
<b>Equity</b>		
Share capital	300,000,000	80,000,000
Share money deposit	-	191,055,000
Retained earnings	118,558,440	46,755,426
<b>Total equity</b>	<b>418,558,440</b>	<b>317,810,426</b>
<b>Liability</b>		
Long term bank loan	50,488,113	101,557,710
Deferred tax liability	41,327,156	42,924,429
<b>Non-current liabilities</b>	<b>91,815,269</b>	<b>144,482,139</b>
Bank overdraft	63,100,125	51,647,700
Inter-company liabilities	210,564,943	322,054,555
Short term bank loan	506,177,149	351,694,313
Long term bank loan-current portion	47,073,922	48,331,771
Trade payables	7,939,358	13,595,767
Other Payables	17,075,114	12,751,251
Current tax liability	40,160,624	8,719,789
<b>Current liabilities</b>	<b>892,091,235</b>	<b>808,795,146</b>
<b>Total liabilities</b>	<b>983,906,504</b>	<b>953,277,285</b>
<b>Total equity and liabilities</b>	<b>1,402,464,943</b>	<b>1,271,087,711</b>

Managing Director

Director

Company Secretary

Auditors' Report to the Shareowners  
See annexed report of date.

Ashraful Haque Nabi & Co.  
Chartered Accountants

Dated : 24 April, 2014  
Place : Dhaka



## Premiaflex Plastics Limited Statement of Comprehensive Income

for the year ended 31 December 2013

	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
Revenue	1,413,401,744	1,430,094,851
Cost of sales	(1,172,396,936)	(1,206,277,076)
<b>Gross profit</b>	<u>241,004,808</u>	<u>223,817,775</u>
Administrative, selling and distribution expenses	(36,191,909)	(26,641,843)
<b>Operating profit</b>	<u>204,812,899</u>	<u>197,175,932</u>
Other income	9,133,740	4,109,150
	<u>213,946,639</u>	<u>201,285,082</u>
Financing cost	(106,950,244)	(149,909,006)
	<u>106,996,395</u>	<u>51,376,076</u>
Provision for contribution to WPPF	(5,349,820)	(2,568,804)
<b>Profit before income tax</b>	<u>101,646,576</u>	<u>48,807,272</u>
<b>Income tax expenses</b>		
Current tax expenses	(31,440,835)	(8,719,789)
Deferred tax income/ (expenses)	1,597,273	(8,645,690)
	<u>(29,843,562)</u>	<u>(17,365,479)</u>
<b>Net profit after tax</b>	<u>71,803,014</u>	<u>31,441,793</u>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<u><u>71,803,014</u></u>	<u><u>31,441,793</u></u>

Managing Director

Director

Company Secretary

Auditors' Report to the Shareowners  
See annexed report of date.

Ashraf Haque Nabi & Co.  
Chartered Accountants

Dated : 24 April, 2014  
Place : Dhaka



## Premiaflex Plastics Limited

### Statement of changes in Shareowners' Equity

for the year ended 31 December 2013

<u>Particulars</u>	Share Capital	Share Money Deposited	Retained Earnings	Total
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
<b>Balance as at 01 January 2012</b>	40,000,000	-	55,313,633	95,313,633
Total comprehensive income for the year:				
Net profit after tax for the year	-	-	31,441,793	31,441,793
Total other comprehensive income	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	31,441,793	31,441,793
Contributions by and distributions to owners of the Company:				
Issuance of Bonus Shares	40,000,000	-	(40,000,000)	-
Share money deposited	-	191,055,000	-	191,055,000
<b>Total contributions by and distributions to owners of the company</b>	40,000,000	191,055,000	(40,000,000)	191,055,000
<b>Balance as at 31 December 2012</b>	80,000,000	191,055,000	46,755,426	317,810,426
Net profit after tax for the year	-	-	71,803,014	71,803,014
Total other comprehensive income	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	71,803,014	71,803,014
Contributions by and distributions to owners of the Company:				
Share money deposited	-	28,945,000	-	28,945,000
Raising share capital	220,000,000	(220,000,000)	-	-
<b>Total contribution by and distribution to owners of the company</b>	220,000,000	(191,055,000)	-	28,945,000
<b>Balance as at 31 December 2013</b>	300,000,000	-	118,558,440	418,558,440

Managing Director

Director

Company Secretary

Auditors' Report to the Shareowners  
See annexed report of date.

Ashraf Haque Nabi & Co.  
Chartered Accountants

Dated : 24 April, 2014  
Place : Dhaka



## Premiaflex Plastics Limited Statement of cash flows

for the year ended 31 December 2013

	2013 Taka	2012 Taka
<b>A) Cash flows from operating activities</b>		
Cash receipts from customers	1,401,970,022	1,344,774,465
Cash receipts from other income	9,133,740	4,109,150
	<u>1,411,103,762</u>	<u>1,348,883,615</u>
Cash paid for:		
Purchase of inventory	(1,173,485,759)	(1,100,348,405)
Operating expenses	(35,974,802)	(26,516,552)
Receipts from/(payments to) other payables	(1,025,957)	(11,915,339)
Advances, deposits and prepayments	(11,379,157)	2,840,987
	<u>(1,221,865,675)</u>	<u>(1,135,939,308)</u>
<b>Cash generated from operating activities</b>	<u>189,238,087</u>	<u>212,944,307</u>
Financing cost	(106,950,244)	(149,909,006)
Income tax paid	(56,503,452)	(32,350,390)
	<u>(163,453,696)</u>	<u>(182,259,396)</u>
<b>Net cash from operating activities</b>	<u>25,784,391</u>	<u>30,684,911</u>
<b>B) Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(4,354,955)	(3,925,763)
Payments for capital-work-in-progress	(37,498,851)	(4,047,154)
<b>Net cash used in investing activities</b>	<u>(41,853,806)</u>	<u>(7,972,917)</u>
<b>C) Cash flows from financing activities</b>		
Inter-company received/(Paid)	(109,919,823)	(263,595,758)
Receipts from share money deposited	28,945,000	191,055,000
Short term bank loan received	154,482,836	9,557,354
Long term bank loan received/(Paid)	(52,327,446)	27,440,964
<b>Net cash flows provided by financing activities</b>	<u>21,180,567</u>	<u>(35,542,440)</u>
<b>D) Net cash inflows/(outflows) in cash and cash equivalents (A+B+C)</b>	5,111,152	(12,830,446)
<b>E) Cash and cash equivalents at 1 January</b>	(30,605,311)	(17,774,864)
<b>F) Cash and cash equivalents at 31 December (D+E)</b>	<u>(25,494,158)</u>	<u>(30,605,311)</u>
<b>Closing Balance represents:</b>		
Cash and cash equivalents	37,605,967	21,042,389
Bank overdraft	(63,100,125)	(51,647,700)
	<u>(25,494,158)</u>	<u>(30,605,311)</u>



## ACI Agrochemicals Limited Directors' Report

ACI Agrochemicals Limited is a private limited company, which was incorporated in 2006 with the Registrar of Joint Stock Companies, Dhaka, Bangladesh under Companies Act 1994 as a subsidiary with 90% shares owned by Advanced Chemical Industries (ACI) Limited.

The principal activities of the company are formulating and packaging of pesticides, fertilizer, plant nutrient products. The company is yet to start its operation.

### Key Financial Results

	<u>Taka</u>
Revenue	-
Expenses	(53,690)
Loss after tax	(53,690)

On behalf of the Board

**Dr. Arif Dowla**  
Managing Director

**Dr. F H Ansarey**  
Director

Dhaka, 24 April 2014

## ACI Agrochemicals Limited Auditors' Report to the Shareholders

We have audited the accompanying statement of financial position of ACI Agrochemicals Limited as at 31 December 2013 and the related statement of comprehensive income and notes to the accounts for the year then ended. The preparation of these financial statements is the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, based on our audit, the financial statements, prepared in accordance with Bangladesh Accounting Standards (BASs), give a true and fair view of the state of the company's affairs as of 31 December 2013 and of the results of its operations for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof ;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books ;
- c) the Company's statement of financial position dealt with by the report are in agreement with the books of accounts ;
- d) the expenditure incurred was for the purposes of the Company's business ; and
- e) there was no commercial activities during the period.

Dated : 24 April, 2014  
Place : Dhaka



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Shiraz Khan Basak & CO.  
Chartered Accountant



## ACI Agrochemicals Limited Statement of Financial Position

As at 31 December 2013

	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
<b><u>Assets</u></b>		
<b>Current assets</b>		
Cash in hand	-	-
	-	-
<b><u>Equity and liabilities</u></b>		
Share capital	20,000	20,000
Accumulated loss	(256,702)	(203,012)
	(236,702)	(183,012)
<b>Current liabilities</b>		
Current Account with ACI Limited	229,202	177,262
Audit fee payable	7,500	5,750
	236,702	183,012
	-	-

*Sheema Akmal Rahman*

Company Secretary

*M. J. Akbar*

Director

*M. J. Akbar*

Director

As per our report of same date.

Dated : 24 April 2014  
Place : Dhaka

*Shiraz Khan Basak*


Shiraz Khan Basak & CO.  
Chartered Accountants



## ACI Agrochemicals Limited Statement of Comprehensive Income

For the year ended 31 December 2013

	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
<b>Revenue</b>	-	-
<b>Less expenses:</b>		
Bank Charge	810	345
Audit Fee	7,500	5,975
Govt tax & license fee	45,380	20,465
	<u>53,690</u>	<u>26,785</u>
<b>Net Profit/(Loss)</b>	<u>(53,690)</u>	<u>(26,785)</u>

  
Company Secretary

  
Director

  
Director

As per our report of same date.

Dated : 24 April 2014  
Place : Dhaka

  
Shiraz Khan Basak & CO.  
Chartered Accountants





## Flyban Insecticides Limited Directors' Report

Flyban Insecticides Limited is a private limited company which was incorporated in 1991 with the Registrar of Joint Stock Companies, Dhaka, Bangladesh under Companies Act 1994 as a subsidiary with 51% shares owned by Advanced Chemical Industries (ACI) Limited.

The company has been dormant for last ten years. The principal business of the company was manufacturing and marketing of Mosquito coils.

### Key Financial Results

	<u>Taka</u>
Revenue	-
Expenses	(8,728)
Loss after tax	(8,728)

On behalf of the Board

Handwritten signature of Dr. F H Ansarey in black ink.

**Dr. F H Ansarey**  
Managing Director

Handwritten signature of Sheema Abed Rahman in black ink.

**Sheema Abed Rahman**  
Director

Dhaka, 24 April 2014

## Flyban Insecticides Limited Auditors' Report to the Shareholders

We have audited the statement of financial position of Flyban Insecticides Limited as at 31 December 2013 and the related statement of comprehensive Income and notes to the accounts for the year then ended. The preparation of these financial statements is the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, based on our audit, the financial statements, prepared in accordance with Bangladesh Accounting Standards (BASs), give a true and fair view of the state of the company's affairs as of 31 December 2013 and of the results of its operations for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof ;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books ;
- c) the Company's statement of financial position dealt with by the report are in agreement with the books of accounts ;
- d) the expenditure incurred was for the purposes of the Company's business ; and
- e) there was no commercial activities during the period.

Dated : 24 April, 2014  
Place : Dhaka



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Shiraz Khan Basak & CO.  
Chartered Accountants



## Flyban Insecticides Limited Statement of Financial Position

As at 31 December 2013

	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
<b><u>Assets</u></b>		
<b>Property, plant and equipment:</b>		
At cost	6,349,299	6,349,299
<b>Total asset:</b>	6,349,299	6,349,299
<b><u>Equity and liabilities</u></b>		
<b>Shareholders' equity:</b>		
Share capital	5,000,000	5,000,000
Accumulated loss	(477,675)	(468,947)
	4,522,325	4,531,053
<b>Current liabilities:</b>		
Current Account with ACI Limited	1,014,308	1,007,331
Other liabilities	812,666	810,915
	1,826,974	1,818,246
	6,349,299	6,349,299

*Sheema Akhmed Rahman*  
\_\_\_\_\_  
Director & Company Secretary

*[Signature]*  
\_\_\_\_\_  
Managing Director

As per our report of same date

Dated : 24 April 2014  
Place : Dhaka

*[Signature]*  
\_\_\_\_\_  
Shiraz Khan Basak & CO.  
Chartered Accountants



## Flyban Insecticides Limited Statement of Comprehensive Income

for the year ended 31 December 2013

	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
<b>Revenue</b>	-	-
<b>Less: expenses</b>		
Rent, rates and taxes	1,228	2,244
Audit fee	7,500	5,525
	<u>8,728</u>	<u>7,769</u>
<b>Net loss</b>	<u>(8,728)</u>	<u>(7,769)</u>

*Sheema Akmal Rahman*

Director & Company Secretary

*[Signature]*

Managing Director

As per our report of same date

*[Signature]*

Shiraz Khan Basak & CO.  
Chartered Accountants

Dated : 24 April 2014  
Place : Dhaka



## Apex Leathercraft Limited Directors' Report

Apex Leathercraft Limited is a private limited company incorporated in 1990 with the Registrar of Joint Stock Companies, Dhaka, Bangladesh under Companies Act 1994 having 99.97% shares owned by Advanced Chemical Industries (ACI) Limited. The company is in the business of owning property and letting them on rents to its Parent, ACI Limited.

### Key Financial Results

	<u>Taka</u>
Revenue	9,912,000
Profit before tax	554,138
Profit after tax	117,890

On behalf of the Board

Handwritten signature of Dr. Arif Dowla in black ink.

**Dr. Arif Dowla**  
Managing Director

Handwritten signature of Mr. Syed Alamgir in black ink.

**Mr. Syed Alamgir**  
Director

Dhaka, 24 April 2014



এম.জে. আবেদীন এন্ড কোং  
চার্টার্ড একাউন্টেন্টস  
**M.J. ABEDIN & CO**  
CHARTERED ACCOUNTANTS

Telephone Off : 8629771, 8612203  
Fax : (880-2) 8617681  
Res : 8631678  
E-mail : mjabedin@bangla.net  
mjabedinbd@gmail.com

National Plaza (3rd Floor)  
109, Bir Uttam C.R. Datta Road,  
Dhaka-1205

## Apex Leathercraft Limited

### Auditors' Report to the Shareholders

We have audited the accompanying financial statements of Apex Leathercraft Limited which comprise statement of financial position as at 31 December 2013 and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and explanatory notes thereto.

#### Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

The financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the Company's affairs as on 31 December 2013 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

#### We also report that:

- 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;
- 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 and
- company's statement of financial position and statement of comprehensive income together with the annexed notes 1 to 8 dealt with by the report are in agreement with the books of account.

Dated : 24 April 2014  
Place : Dhaka



M. J. ABEDIN & CO.  
Chartered Accountants



## Apex Leathercraft Limited Statement of Financial Position

as at 31 December 2013

	<u>2013</u> Taka	<u>2012</u> Taka
<b>Assets</b>		
Investment property	315,496,730	318,986,852
<b>Current Assets</b>		
Advance income tax	6,073,910	3,456,271
Prepaid expenses	3,340,223	2,844,623
Cash at bank	381,282	608,320
	2,352,405	3,328
Security deposit	210,000	210,000
<b>Total assets</b>	321,780,640	322,653,123
<b>Equity and Liabilities</b>		
<b>Shareholders Equity</b>		
Share capital	221,426,626	221,308,736
Share money deposit	37,010,000	37,010,000
Accumulated profit	25,325,000	25,325,000
	159,091,626	158,973,736
<b>Loan from ACI limited (Unsecured)</b>		
Non interest bearing	55,416,328	55,416,328
Interest bearing	44,126,925	45,553,546
	810,761	374,513
<b>Current liabilities</b>		
Accrued expenses	23,000	23,000
Income tax payable	787,761	351,513
<b>Total liabilities</b>	321,780,640	322,653,123

Managing Director

Director

Company Secretary

As per our separate report of even date annexed.

M. J. ABEDIN & CO.  
Chartered Accountants

Dated : 24 April, 2014  
Place : Dhaka



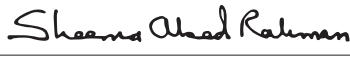
## Apex Leathercraft Limited Statement of Comprehensive Income

for the year ended 31 December 2013

	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
<b>Revenue from</b>		
Investment property rentals	9,912,000	9,912,000
<b>Less: Expenses</b>		
Municipal and land revenue tax	710,902	667,001
Audit fee	23,000	23,000
Entertainment	62,100	6,320
Bank charge	7,568	920
Insurance premium	293,500	515,548
	(1,097,070)	(1,212,789)
Change in fair value of investment property	(3,490,122)	(3,565,498)
<b>Profit before interest and tax</b>	<u>5,324,808</u>	<u>5,133,713</u>
Financing cost	(4,770,670)	(4,928,841)
<b>Profit/(loss) before tax</b>	554,138	204,872
Provision for tax	(436,248)	(310,129)
<b>Profit/(loss) after tax</b>	<u>117,890</u>	<u>(105,257)</u>
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<u><u>117,890</u></u>	<u><u>(105,257)</u></u>

  
Managing Director

  
Director

  
Company Secretary

As per our separate report of even date annexed.



M. J. ABEDIN & CO.  
Chartered Accountants

Dated : 24 April, 2014  
Place : Dhaka



## Apex Leathercraft Limited Statement of Changes in Equity

for the year ended 31 December 2013

Particulars	Share capital	Share Money deposit	Accumulated Profit/(loss)	Total
	Taka	Taka	Taka	Taka
<b>Balance at 1 January 2012</b>	37,010,000	25,325,000	159,078,993	221,413,993
Net Profit/(loss) for the year	-	-	(105,257)	(105,257)
Total other comprehensive income	-	-	-	-
<b>Balance as at 31 December 2012</b>	37,010,000	25,325,000	158,973,736	221,308,736
Net Profit/(loss) for the year 2013	-	-	117,890	117,890
Total other comprehensive income	-	-	-	-
<b>Balance as at 31 December 2013</b>	<u>37,010,000</u>	<u>25,325,000</u>	<u>159,091,626</u>	<u>221,426,626</u>

  
 Managing Director

  
 Director

  
 Company Secretary

As per our separate report of even date annexed.



M. J. ABEDIN & CO.  
Chartered Accountants

Dated : 24 April, 2014  
Place : Dhaka

## Apex Leathercraft Limited Statement of Cash Flows

for the year ended 31 December 2013

	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
<b>A. Cash flows from operating activities</b>		
Cash received from customer	9,912,000	9,912,000
Payment of cost & expenses	<u>(6,136,302)</u>	<u>(6,928,776)</u>
<b>Net cash provided by operating activities</b>	<b>3,775,698</b>	<b>2,983,224</b>
<b>B. Cash flows from investing activities</b>		
Payments for fixed assets	-	(2,744,650)
<b>Net cash used in investing activities</b>	<b>-</b>	<b>(2,744,650)</b>
<b>C. Cash flows from financing activities</b>		
Interest bearing loan received	<u>(1,426,621)</u>	<u>(4,945,199)</u>
<b>Net cash flows from financing activities</b>	<b>(1,426,621)</b>	<b>(4,945,199)</b>
<b>D. Net cash flow from total activities (A+B+C)</b>	<b>2,349,077</b>	<b>(4,706,625)</b>
Cash balance as at 01 January	3,328	4,709,953
<b>Cash balance as at 31 December</b>	<b><u>2,352,405</u></b>	<b><u>3,328</u></b>

  
\_\_\_\_\_  
Managing Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Company Secretary

As per our separate report of even date annexed.

  
\_\_\_\_\_

M. J. ABEDIN & CO.  
Chartered Accountants

Dated : 24 April, 2014  
Place : Dhaka





## ACI Edible Oils Limited Directors' Report

Established in 2010 as a private limited company under the Companies Act 1994, ACI Edible Oils is a subsidiary of Advanced Chemical Industries (ACI) Limited that owns 85% shares. The edible oil market in Bangladesh is increasingly shifting towards healthier oil as consumer priorities move in that direction. ACI Edible Oils is moving forwards with its prestigious brand ACI Nutrilife.

ACI Edible Oils Limited respecting the consumers' priorities and preferences, is providing the market with healthy edible oils and following financials give a glimpse of how far the company has succeeded in attaining its goal: there is a gross profit growth of 79% with a bottom line growth that is double than that of 2012. The financial figures of the year ended 31 December, 2013 are as follows:

### Key Financial Results

	<u>Taka</u>
Revenue	26,670,267
Gross Profit	2,867,198
Operating Expenses	(270,431)
Operating Profit	2,596,767
Profit after Tax	2,270,589

On behalf of the Board

**Dr. Arif Dowla**  
Managing Director

**Mr. Syed Alamgir**  
Director

Dhaka, 24 April 2014

## Auditors' Report to the Shareholders of ACI Edible Oils Limited

We have audited the accompanying financial statements of ACI Edible Oils Limited which comprise the statement of financial position as at 31 December, 2013 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other relevant explanatory notes.

### Management's responsibility for the financial statement:

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs) and Bangladesh Accounting Standards (BASs), the Companies act 1994 and other applicable laws and regulations and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

### Auditor's responsibility:

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion:

In our opinion, the financial statements give a true and fair view of the financial position of ACI Edible Oils Limited as at 31 December 2013 and of its financial performance and its cash flows for the year then ended in accordance with the Bangladesh Financial Reporting Standards (BFRSs), Bangladesh Accounting Standards (BASs) and comply with the Companies Act, 1994 and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of comprehensive income along with the annexed notes 1 to 16 dealt with by the report are in agreement with the books of account.

Dated : 24 April 2014  
Place : Dhaka



Ashraful Haque Nabi & Co.  
Chartered Accountants



## ACI Edible Oils Limited Statement of Financial Position

as at 31 December 2013

	<u>2013</u> Taka	<u>2012</u> Taka
<b>Current assets :</b>		
Inventories	2,856,344	1,832,338
Advances, deposits and prepayments	80,676	-
Trade receivables	1,465,755	3,155,175
Receivable from inter-company	10,312,703	12,561,921
Advance tax	536,403	-
Cash and bank balances	176,820	117,010
	15,428,701	17,666,444
<b>Total assets</b>	15,428,701	17,666,444
<b>Equity and liabilities</b>		
<b>Shareholders' equity:</b>		
Share capital	10,000,000	10,000,000
Retained earnings	2,860,654	590,065
	12,860,654	10,590,065
<b>Current liabilities:</b>		
Bank overdraft	-	3,061,919
Trade payables	277,514	319,689
Other payables	203,567	201,129
Current tax liability	2,086,966	724,612
Inter-company liability	-	2,769,030
	2,568,047	7,076,379
<b>Total equity and liabilities</b>	15,428,701	17,666,444

Managing Director

Director

Company Secretary

Auditors' report to the shareholders  
See annexed report of date

Ashrafal Haque Nabi & Co.  
Chartered Accountants

Dated : 24 April 2014  
Place : Dhaka



## ACI Edible Oils Limited

### Statement of Comprehensive Income

for the year ended 31 December 2013

	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
Revenue	26,670,267	10,337,629
Cost of goods sold	(23,803,069)	(8,739,215)
<b>Gross profit</b>	2,867,198	1,598,414
Operating expenses	(270,431)	(573,144)
<b>Operating profit</b>	2,596,767	1,025,270
Financing cost	1,036,176	894,279
Other income	-	12,750
<b>Net profit before tax</b>	3,632,943	1,932,299
<b>Income tax expenses:</b>		
Current tax expenses	(1,362,354)	(724,612)
Deferred tax income	-	(231,608)
	(1,362,354)	(956,220)
<b>Net profit after tax</b>	2,270,589	976,079
Total other comprehensive income	-	-
<b>Total comprehensive income</b>	2,270,589	976,079

Managing Director

Director

Company Secretary

Auditors' report to the shareholders  
See annexed report of date

Ashraful Haque Nabi & Co.  
Chartered Accountants

Dated : 24 April 2014  
Place : Dhaka



## ACI Edible Oils Limited

### Statement of Changes in Equity

for the year ended 31 December 2013

<u>Particulars</u>	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total Taka</u>
<b>Balance at 1 January 2012</b>	10,000,000	(386,014)	9,613,986
Net profit after tax for the year	-	976,079	976,079
Total other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	976,079	976,079
Transactions with owners of the company, recognized directly in equity	-	-	-
<b>Balance at 31 December 2012</b>	<u>10,000,000</u>	<u>590,065</u>	<u>10,590,065</u>
Net profit after tax for the year	-	2,270,589	2,270,589
Total other comprehensive income	-	-	-
Total comprehensive income for the year	-	2,270,589	2,270,589
Transactions with owners of the company, recognized directly in equity	-	-	-
<b>Balance at 31 December 2013</b>	<u><u>10,000,000</u></u>	<u><u>2,860,654</u></u>	<u><u>12,860,654</u></u>

Managing Director

Director

Company Secretary

Auditors' report to the shareholders  
See annexed report of date

Ashraful Haque Nabi & Co.  
Chartered Accountants

Dated : 24 April 2014  
Place : Dhaka



# ACI Edible Oils Limited Statement of Cash Flows

for the year ended 31 December 2013

	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
<b>A Cash flows from operating activities</b>		
Cash received from customers	28,359,687	14,867,244
Cash received from other income	-	12,750
	<hr/> 28,359,687	<hr/> 14,879,994
<b>Cash paid for :</b>		
Suppliers of materials and others	(24,869,250)	(7,938,978)
Operating expenses	(267,993)	(546,754)
Other receivable/advance tax	(536,403)	-
Financing cost	1,036,176	894,279
Advance, deposits and prepayments	(80,676)	200,000
	<hr/> (24,718,146)	<hr/> (7,391,453)
<b>Net cash flows from/(used in) operating activities</b>	<hr/> 3,641,541	<hr/> 7,488,541
<b>B Cash flows from financing activities</b>		
Inter-company debts (paid)/received	(519,812)	(12,223,120)
<b>Net cash flows provided by financing activities</b>	<hr/> (519,812)	<hr/> (12,223,120)
<b>C Net cash flows from all activities (A+B)</b>	3,121,729	(4,734,579)
<b>D Cash and bank balances at the beginning of the year</b>	(2,944,909)	1,789,670
<b>E Cash and bank balances at the end of the year</b>	<hr/> 176,820	<hr/> (2,944,909)
<b>Closing balance represents :</b>		
Cash in hand and at bank	176,820	117,010
Bank overdraft	-	(3,061,919)
	<hr/> 176,820	<hr/> (2,944,909)





## ACI HealthCare Limited Directors' Report

ACI HealthCare Limited, a public limited company, is a subsidiary of Advanced Chemical Industries (ACI) Limited with 92.94% shareholding was incorporated in 18 February 2013 under the Companies Act 1994.

The principal activities of the Company are to be manufacturing and marketing of pharmaceutical products for regulated markets, especially for USA. With this aim, the company has planned to establish a state-of-the-art pharmaceutical factory in Sonargaon, Narayanganj. The Company has already acquired 1,241.71 decimal land valued at BDT 434,600,000 located at mouza- Tripurdi, Sonargaon, Narayanganj. The plant will manufacture products for domestic and international markets.

The Company had not gone into commercial production as at the date of statement of financial position.

On behalf of the Board

**Dr. Arif Dowla**  
Director

**M Mohibuz Zaman**  
Managing Director

Dhaka, 24 April 2014



**Rahman Rahman Huq**  
Chartered Accountants  
9 Mohakhali C/A (11th & 12th Floors)  
Dhaka 1212  
Bangladesh

Telephone +880 (2) 988 6450-2  
Fax +880 (2) 988 6449  
Email kpmg-rrh@citech-bd.com  
Internet www.kpmg.com/bd

## Independent Auditor's Report to the Shareholders of ACI HealthCare Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of ACI HealthCare Limited ("the Company") which comprise the statement of financial position as at 31 December 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards, 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.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2013, and of its financial performance and its cash flows for the period then ended in accordance with Bangladesh Financial Reporting Standards.

### Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and Securities and Exchange Rules 1987, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred was for the purpose of the Company's business.

Dated : 24 April 2014

Place : Dhaka

Rahman Rahman Huq  
Chartered Accountants

Rahman Rahman Huq, a partnership firm registered in Bangladesh and a member firm of the KPMG network of independent member firms affiliated with KPMG International cooperative ("KPMG International"), a Swiss entity.

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E-mail kpmgrrh@globalctg.net  
Internet www.kpmg.com/bd



# ACI HealthCare Limited

## Statement of Financial Position

as at 31 December 2013

### **Assets**

#### **Non-current assets**

Property, plant and equipment  
 Capital work-in-progress:  
     Property, plant and equipment  
     Intangible asset

#### **Current assets**

Advances, deposits and prepayments  
 Cash and cash equivalents

#### **Total assets**

### **Equity and Liabilities**

#### **Equity**

Share capital  
 Loss for the period

#### **Current liabilities**

Inter company payables  
 Other payables  
 Provision for expenses

#### **Total equity and liabilities**

Taka

480,361,836
8,329,879
50,213,517
538,905,232

1,627,902
17,180
1,645,082

540,550,314
-------------

500,000,000
(2,654,203)
497,345,797

42,890,842
129,675
184,000
43,204,517

540,550,314
-------------

Managing Director

Director

Company Secretary

As per our report of same date.

Rahman Rahman Huq  
 Chartered Accountants

Dhaka, 24 April 2014



## ACI HealthCare Limited

### Statement of Comprehensive Income

for the period from 18 February 2013 to 31 December 2013

	Taka
Revenue	-
Cost of sales	-
<b>Gross profit</b>	-
Pre-incorporation expenses	(1,076,177)
General and administrative expenses	(1,481,943)
<b>Loss from operation</b>	(2,558,120)
Finance cost	(96,083)
<b>Loss before income tax</b>	(2,654,203)
Income tax expenses	-
<b>Net loss after tax</b>	(2,654,203)

Managing Director

Director

Company Secretary

As per our report of same date.

Rahman Rahman Huq  
Chartered Accountants

Dhaka, 24 April 2014



## ACI HealthCare Limited Statement of Changes in Equity

for the period from 18 February 2013 to 31 December 2013

	<u>Share capital</u>	<u>Loss for the period</u>	<u>Total</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Issue of shares	500,000,000	-	500,000,000
Loss for the period	-	(2,654,203)	(2,654,203)
Balance as at 31 December 2013	<u>500,000,000</u>	<u>(2,654,203)</u>	<u>497,345,797</u>

Dhaka, 24 April 2014



## ACI HealthCare Limited Statement of Cash Flows

for the period from 18 February 2013 to 31 December 2013

	<u>Taka</u>
<b>A. Cash flows from operating activities:</b>	
Payment to suppliers	(2,169,170)
Bank charge	(3,875)
<i>Net cash used in operating activities</i>	<u>(2,173,045)</u>
<b>B. Cash flows from investing activities:</b>	
Acquisition of property, plant and equipment - Land	(95,600)
Expenditure incurred for capital work-in-progress - PPE	(4,439,175)
Expenditure incurred for capital work-in-progress - intangible asset	(50,213,517)
<i>Net cash used in investing activities</i>	<u>(54,748,292)</u>
<b>C. Cash flows from financing activities:</b>	
Received from share issue	65,400,000
Net payment to parent company	(8,461,483)
<i>Net cash from financing activities</i>	<u>56,938,517</u>
<b>D. Net increase in cash and cash equivalents (A+B+C)</b>	17,180
<b>E. Opening cash and cash equivalents</b>	-
<b>F. Closing cash and cash equivalents (D+E)</b>	<u><u>17,180</u></u>





## Corporate Directory

### Registered Office

ACI Centre  
245 Tejgaon Industrial Area  
Dhaka 1208  
Phone : (8802) 8878603  
Fax : (8802) 8878626 & 8878619

### Share Office

9 Motijheel C/A  
Dhaka 1000  
Phone : (8802) 9556254  
Fax : (8802) 9565257

### Manufacturing Facilities

#### **1. Pharmaceuticals Plant**

7 Hajiganj Road, Narayanganj  
Phone : (8802) 7630496, 7630525, 7630493  
Fax : (8802) 7630524

#### **2. ACI Formulations Plant**

Rajabari, Sreepur, Gazipur  
Phone : (8802) 0682555135  
Fax : (8802) 9201070

#### **3. ACI Salt Limited**

Murapara, Rupganj  
Narayanganj  
Phone : (8802) 7650017  
Fax : (8802) 7650028

#### **4. ACI Foods Limited**

Kutirchar, Bhadrghat  
Kamarkhand, Sirajgonj  
PABX : 01961559762

#### **5. ACI Pure Flour Limited**

6/3 Dewli Chowrapara  
Bondor, Narayanganj  
Phone : 7661419  
Fax : 7661420

#### **6. ACI Napkin Plant**

Nil Nagar, Konabari  
Gazipur  
Phone : 01730007780

#### **7. Premiaflex Plastics Limited**

Kewa Poschim Khondo,  
Mouna, Sreepur, Gazipur  
Phone : 01730028466

#### **8. Electrical Products Factory**

208-209, Block-D, BSCIC  
Industrial Estate, Tongi,  
Gazipur-1700  
Phone : 01730028419



# Advanced Chemical Industries Limited

Registered Office  
ACI Centre, 245 Tejgaon Industrial Area, Dhaka 1208

## PROXY FORM

I/We \_\_\_\_\_  
of \_\_\_\_\_  
being a Member of Advanced Chemical Industries Limited, hereby appoint \_\_\_\_\_  
of \_\_\_\_\_

whose signature is appended below as my/our proxy to attend and vote for me/us and on my/our behalf at the 41st Annual General Meeting of the Company to be held on Tuesday, 10 June 2014 at 10:30 a.m. and/or at any adjournment thereof.

As witness my hands this \_\_\_\_\_ day of \_\_\_\_\_ 2014.

Signature on  
Tk.20  
Revenue Stamp

\_\_\_\_\_  
(Signature of the Proxy)

\_\_\_\_\_  
(Signature of the Shareowner)  
Registered Folio/BO ID No. \_\_\_\_\_  
No. of Shares held \_\_\_\_\_

Note : A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The Proxy Form, duly completed, must be deposited at the Share Office of the Company at 9 Motijheel C/A, Dhaka 1000, not later than 48 hours before the time fixed for the meeting.



**Please complete the attendance slip and hand it over at the venue of the Meeting.**



**ADVANCED CHEMICAL INDUSTRIES LIMITED**

Registered Office

ACI Centre, 245 Tejgaon Industrial Area, Dhaka 1208

**ATTENDANCE SLIP**

I hereby record my attendance at the 41st Annual General Meeting being held on Tuesday, 10 June 2014 at 10:30 a.m. at Officers Club, 26 Baily Road, Dhaka.

Name of member/proxy \_\_\_\_\_

Registered Folio/BO ID No. \_\_\_\_\_

\_\_\_\_\_  
Signature



## Quality Policy

One of our important vision is to provide products and services of high and consistent quality, ensuring value for money to our customers.

To attain the Vision ACI will:

- Aim to achieve business excellence by understanding, accepting, meeting and exceeding customer expectations.
- Follow International Standards on Quality Management System to ensure consistent quality of products and services to achieve customer satisfaction. ACI will also meet all national and regulatory requirements relating to its current businesses and ensure that current Good Manufacturing Practice (cGMP) as recommended by World Health Organisation is followed for its pharmaceutical operations and conform to all other guidelines and best practices relating to its other businesses.
- Commit itself to quality as the prime consideration in all its business decisions. All employees of ACI follow documented procedures to ensure compliance with quality standards.
- Develop a pool of human resources of the Company to their full potential through regular training and participation in seeking continuous improvement of the Quality Management System.



## Environmental Policy

ACI is committed to formulate and conduct all its operations in an environmentally friendly manner, ensuring continual improvement in the utilisation of resources and prevention of pollution or degradation of the environment.

In pursuit of this Goal, ACI will:

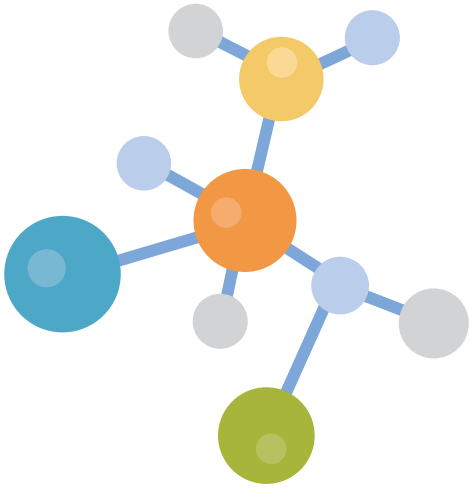
- Comply with all local and national legislations and regulations.
- Conserve natural resources like water and energy for sustainable development, and adopt environmentally safe processes.
- Ensure appropriate treatment of all effluents prior to discharge.
- Ensure appropriate communication with internal and external interested parties on environmental issues.
- Create awareness on environmental issues among our employees and contractors.
- Ensure waste management in an environmentally responsible manner through continuous upgradation of technology.

## Safety, Health and Environment (SHE) Policy

ACI is committed to conduct all its operations in a manner that is protective of the environment, health and safety of employees, customers and the community. To this end, the company has already obtained ISO 14001 Certification for Environmental Management System. ACI will provide the resources to educate and involve every individual in the Company in achieving this objective. In fulfillment of this commitment, we shall maintain a continuing effort to adhere to the following principles.

### Principles

- 1 We believe that all accidents, incidents and work-related ill health are preventable and with this aim in mind we will manage our businesses. We will deploy adequate resources for the prevention and control of accident.
- 2 We will investigate all workplace accidents and illnesses in order to promptly correct any unsafe conditions or practices, and to prevent repetition of these occurrences.
- 3 We will fully comply with all the national regulations but in addition will set our own stringent internal corporate standards on matters relating to safety, health and the environment, and endeavour to strictly adhere to them.
- 4 We will continue to improve communication and exchange views with employees, employee representatives, customers, contractors, suppliers, neighbours and any other individual or organisation affected by our business.
- 5 We will integrate SHE considerations into business planning and decision-making.
- 6 We will continue to innovate in order to improve our products and processes so that their effects on safety, health and the environment are reduced.
- 7 We will increase shareowners' value through SHE excellence.



**Advanced Chemical Industries Limited**  
ACI Centre, 245 Tejgaon Industrial Area, Dhaka 1208

