

**Advanced Chemical Industries Limited**

**Half Yearly Report 2014**

Advanced Chemical Industries Limited

Statement of Financial Position

As at 30 June 2014

Unaudited

Figures in '000'

	Note	30-Jun-2014 Taka	31-Dec-2013 Taka
<b>Assets</b>			
<b>Property, plant and equipment:</b>			
At cost / revaluation		3,685,530	3,423,342
Accumulated depreciation		(747,270)	(624,110)
	2	<b>2,938,260</b>	<b>2,799,232</b>
<b>Capital work-in-progress</b>		418,425	585,257
<b>Intangible assets</b>		1,153	1,359
<b>Investment</b>	3	1,954,909	1,846,292
<b>Total non-current assets</b>		<b>5,312,747</b>	<b>5,232,140</b>
<b>Current assets:</b>			
Inventories	4	2,903,117	2,553,331
Accounts receivables	5	1,509,003	1,576,569
Other receivables		179,449	146,161
Advance, deposits & prepayments	6	508,716	371,619
Advance income tax		291,333	350,014
Inter-company receivable	7	5,279,798	4,077,096
Cash and cash equivalents		233,645	250,325
		<b>10,905,061</b>	<b>9,325,115</b>
<b>Total assets</b>		<b>16,217,808</b>	<b>14,557,255</b>
<b>Equity and liabilities</b>			
<b>Shareowners' equity:</b>			
Share capital		343,942	285,821
Share premium		351,231	333,303
Capital reserve		1,671	1,671
Revaluation surplus		892,464	892,464
Available for sale reserve		139,784	111,330
Retained earnings		4,190,718	4,012,664
		<b>5,919,810</b>	<b>5,637,253</b>
<b>Current liabilities:</b>			
Bank overdrafts		446,326	607,565
Short term loan from banks		5,937,598	4,677,922
Long-term loan-current portion		371,448	381,080
Trade payables		632,109	448,788
Other payables	8	1,459,650	1,017,887
Inter-company payables	9	317,948	364,071
Current portion of lease obligation		959	888
Current tax liability		443,005	466,635
		<b>9,609,043</b>	<b>7,964,836</b>
<b>Long term liabilities</b>	10	<b>688,955</b>	<b>955,166</b>
<b>Total equity and liabilities</b>		<b>16,217,808</b>	<b>14,557,255</b>



Dr. Arif Dowla  
Managing Director



Pradip Kar Chowdhury  
Chief Financial Officer

**Advanced Chemical Industries Limited**  
**Income statement**  
**for the half year ended 30 June 2014**  
**Unaudited**

Figures in '000'

	Note	January to June	January to June	April to June	April to June
		2014	2013	2014	2013
		Taka	Taka	Taka	Taka
Revenue	11	5,870,263	5,033,535	2,937,409	2,560,619
Cost of goods sold	12	(3,386,929)	(3,042,440)	(1,669,241)	(1,518,835)
Gross profit		2,483,334	1,991,095	1,268,169	1,041,784
Administrative, selling and distribution expenses	13	(1,731,357)	(1,522,834)	(863,652)	(817,868)
		751,977	468,261	404,516	223,916
Other income		86,754	139,228	74,386	126,666
		838,731	607,489	478,902	350,582
Financing cost		(164,612)	(129,002)	(79,839)	(61,240)
		674,119	478,487	399,063	289,342
Provision for contribution to WPPF		(33,706)	(23,924)	(19,953)	(14,467)
<b>Profit before tax</b>		<b>640,413</b>	<b>454,563</b>	<b>379,110</b>	<b>274,875</b>
Tax (expenses)/ income		(161,411)	(107,868)	(86,767)	(59,353)
<b>Profit after tax</b>		<b>479,002</b>	<b>346,695</b>	<b>292,343</b>	<b>215,522</b>
<b>Earnings per share</b>		<b>13.93</b>	<b>10.11</b>	<b>8.50</b>	<b>6.28</b>



**Dr. Arif Dowla**  
**Managing Director**



**Pradip Kar Chowdhury**  
**Chief Financial Officer**

**Advanced Chemical Industries Limited**  
**Statement of Comprehensive Income**  
**for the half year ended 30 June 2014**  
**Unaudited**

**Figures in '000'**

	January to June 2014	January to June 2013	April to June 2014	April to June 2013
	<b>Taka</b>	<b>Taka</b>	<b>Taka</b>	<b>Taka</b>
<b>Net profit after tax for the period</b>	479,002	346,695	292,343	215,522
<b>Other comprehensive income:</b>				
Change in fair value of available-for-sale financial assets	31,616	(25,350)	35,346	(3,307)
Income tax on other comprehensive income	(3,162)	2,535	(3,535)	331
<b>Total other comprehensive income for the period, net of tax</b>	<b>28,454</b>	<b>(22,815)</b>	<b>31,811</b>	<b>(2,976)</b>
<b>Total comprehensive income for the period</b>	<b>507,456</b>	<b>323,880</b>	<b>324,154</b>	<b>212,546</b>



**Dr. Arif Dowla**  
**Managing Director**



**Pradip Kar Chowdhury**  
**Chief Financial Officer**

Advanced Chemical Industries Limited

Statement of changes in equity  
for the half-year ended 30 June 2014  
Unaudited

Figures in '000'

Particulars	Share capital	Share premium	Capital reserve	Revaluation surplus	Available for sale reserve	Retained earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
<b>Balance as at 31 December 2012</b>	<b>237,738</b>	<b>321,893</b>	<b>1,671</b>	<b>894,622</b>	<b>140,860</b>	<b>3,484,502</b>	<b>5,081,286</b>
Conversion of bonds into equity shares	446	-	-	-	-	-	446
Premium from conversion of bonds into shares	-	11,410	-	-	-	-	11,410
Issuance of bonus shares	47,637	-	-	-	-	(47,637)	-
Changes in fair value for available for sale assets	-	-	-	-	(22,815)	-	(22,815)
Net profit after tax for the period ended 30 June 2013	-	-	-	-	-	346,695	346,695
Dividend to equity holders	-	-	-	-	-	(190,547)	(190,547)
<b>Balance as at 30 June 2013</b>	<b>285,821</b>	<b>333,303</b>	<b>1,671</b>	<b>894,622</b>	<b>118,045</b>	<b>3,593,013</b>	<b>5,226,475</b>
<b>Balance as at 31 December 2013</b>	<b>285,821</b>	<b>333,302</b>	<b>1,671</b>	<b>892,464</b>	<b>111,330</b>	<b>4,012,664</b>	<b>5,637,252</b>
Conversion of bonds into equity shares	797	-	-	-	-	-	797
Premium from conversion of bonds into shares	-	17,929	-	-	-	-	17,929
Issuance of bonus shares	57,324	-	-	-	-	(57,324)	-
Changes in fair value for available for sale assets	-	-	-	-	28,454	-	28,454
Net profit after tax for the period ended 30 June 2014	-	-	-	-	-	479,002	479,002
Dividend to equity holders	-	-	-	-	-	(243,624)	(243,624)
<b>Balance as at 30 June 2014</b>	<b>343,942</b>	<b>351,231</b>	<b>1,671</b>	<b>892,464</b>	<b>139,784</b>	<b>4,190,718</b>	<b>5,919,810</b>



Dr. Arif Dowla  
Managing Director



Pradip Kar Chowdhury  
Chief Financial Officer

**Advanced Chemical Industries Limited**  
**Statement of Cash Flows**  
**for the half year ended 30 June 2014**  
**Unaudited**

	Figures in '000'	
	Half year ended 30 June 2014	Half year ended 30 June 2013
	Taka	Taka
<b>A. Cash flows from operating activities</b>		
Cash receipts from customers	5,953,398	5,011,128
Cash receipts from other income	26,589	22,783
Receipts from / (paid) to others	26,878	30,910
	<b>6,006,865</b>	<b>5,064,821</b>
Cash paid for:		
Purchase of inventory	(3,485,603)	(2,932,389)
Operating expenses	(1,554,696)	(1,410,394)
Payments to other payables	13,606	34,326
Payments for advances, deposits and prepayments	(152,666)	(26,796)
Paid to workers from WPPF	(2,874)	(3,793)
	<b>(5,182,233)</b>	<b>(4,339,046)</b>
Cash generated from operating activities	<b>824,632</b>	<b>725,775</b>
Financing cost	(151,774)	(119,041)
Income tax paid	(131,883)	(88,712)
	<b>(283,657)</b>	<b>(207,753)</b>
Net cash from operating activities	<b>540,975</b>	<b>518,022</b>
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(44,919)	(87,986)
Payments for capital work in progress	(49,506)	(276,088)
Investments	(77,001)	(53,544)
Sale proceeds from property, plant and equipment	(1,422)	3,964
	<b>(172,848)</b>	<b>(413,654)</b>
<b>C. Cash flows from financing activities</b>		
Inter-company receivables/ payables (paid)/ received	(1,229,873)	658,859
Dividend paid	1,315	192
Payment for finance lease	(427)	(366)
Redemption of ZCB	(231,911)	(221,889)
Short term bank loan (paid)/ received	1,259,675	126,015
Long term bank loan (paid)/received	(22,347)	110,066
	<b>(223,568)</b>	<b>672,877</b>
<b>D. Net cash inflows/(outflows) from total activities (A+B+C)</b>	<b>144,559</b>	<b>777,245</b>
<b>E. Opening cash and bank balances</b>	<b>(357,240)</b>	<b>(1,212,636)</b>
<b>F. Closing cash and bank balances (D+E)</b>	<b>(212,681)</b>	<b>(435,391)</b>
<b>Closing balance represents:</b>		
Cash and bank	233,645	202,855
Bank overdraft	(446,326)	(638,246)
	<b>(212,681)</b>	<b>(435,391)</b>



**Dr. Arif Dowla**  
**Managing Director**



**Pradip Kar Chowdhury**  
**Chief Financial Officer**

**Advanced Chemical Industries Limited**  
**Consolidated Statement of Financial Position**  
**As at 30 June 2014**  
**Unaudited**

		Figures in '000'	
	Note	30-Jun-2014 Taka	31-Dec-2013 Taka
<b>Assets</b>			
Property, plant and equipment At Cost / revaluation		9,266,516	8,818,556
Accumulated depreciation		(2,143,713)	(1,864,121)
	2(a)	<b>7,122,803</b>	<b>6,954,435</b>
Capital work-in-progress		814,307	761,927
Investment		843,890	766,291
Biological assets		5,395	-
Intangible assets		84,880	74,435
<b>Total non-current assets</b>		<b>8,871,275</b>	<b>8,557,088</b>
<b>Current assets:</b>			
Inventories	4(a)	5,654,200	5,388,657
Accounts receivables	5(a)	4,130,011	3,742,237
Other receivables		153,659	172,001
Advance, deposits & prepayments	6(a)	970,778	712,316
Advance income tax		796,810	793,072
Inter-company receivables	7(a)	16,329	18,325
Cash and bank balance		610,602	667,974
		<b>12,332,389</b>	<b>11,494,582</b>
<b>Total assets</b>		<b>21,203,664</b>	<b>20,051,670</b>
<b>Equity and liabilities:</b>			
<b>Share holders' equity</b>			
Share capital		343,942	285,821
Share premium		351,231	333,303
Capital reserve		1,671	1,671
Revaluation surplus		1,511,620	1,511,620
Available for sale reserve		139,784	111,330
Retained profit		1,405,939	1,548,581
		3,754,187	3,792,326
Minority interest		168,422	248,089
		<b>3,922,609</b>	<b>4,040,415</b>
<b>Current liabilities</b>			
Bank overdraft		836,185	1,024,270
Short term bank loan		8,643,870	7,996,384
Long-term loan-current portion		926,252	1,084,140
Trade payables		1,640,767	1,262,614
Other payables	8(a)	2,007,159	1,447,364
Current portion of lease obligation		12,746	11,639
Current tax liability		895,041	872,346
		<b>14,962,020</b>	<b>13,698,757</b>
<b>Long term liabilities</b>	10(a)	<b>2,319,035</b>	<b>2,312,498</b>
<b>Total equity and liabilities</b>		<b>21,203,664</b>	<b>20,051,670</b>



**Dr. Arif Dowla**  
**Managing Director**



**Pradip Kar Chowdhury**  
**Chief Financial Officer**

**Advanced Chemical Industries Limited**  
**Consolidated Income Statement**  
**for the half year ended 30 June 2014**

**Unaudited**

Figures in '000'

	Note	January to June 2014	January to June 2013	April to June 2014	April to June 2013
		Taka	Taka	Taka	Taka
Revenue	11(a)	12,205,950	10,817,069	6,281,286	5,366,335
Cost of goods sold	12(a)	(8,352,634)	(7,625,447)	(4,314,303)	(3,736,103)
Gross profit		3,853,316	3,191,622	1,966,983	1,630,232
Other income		57,255	58,680	30,418	33,028
		3,910,571	3,250,302	1,997,401	1,663,260
Administrative, selling and distribution expenses	13(a)	(2,815,727)	(2,404,273)	(1,430,184)	(1,271,058)
		1,094,844	846,029	567,217	392,202
Profit/ (loss) from Associates and Joint Ventures		36,225	29,455	30,475	20,613
		1,131,069	875,484	597,692	412,815
Financing cost		(738,776)	(656,219)	(381,465)	(323,934)
		392,293	219,265	216,227	88,881
Provision for contribution to WPPF		(46,565)	(35,951)	(24,795)	(18,984)
<b>Profit before tax</b>		<b>345,728</b>	<b>183,314</b>	<b>191,432</b>	<b>69,897</b>
Tax expenses		(248,677)	(212,330)	(119,209)	(107,167)
<b>Profit after tax</b>		<b>97,051</b>	<b>(29,016)</b>	<b>72,223</b>	<b>(37,270)</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		158,308	24,222	113,034	2,279
Non-controlling interest		(61,257)	(53,238)	(40,811)	(39,549)
<b>Profit after tax</b>		<b>97,051</b>	<b>(29,016)</b>	<b>72,223</b>	<b>(37,270)</b>
<b>Basic earnings per share (EPS)</b>		<b>4.61</b>	<b>0.71</b>	<b>3.29</b>	<b>0.07</b>



**Dr. Arif Dowla**  
**Managing Director**



**Pradip Kar Chowdhury**  
**Chief Financial Officer**



**Advanced Chemical Industries Limited**  
**Consolidated Statement of Comprehensive Income**  
**for the half year ended 30 June 2014**  
**Unaudited**

	<b>Figures in '000'</b>			
	<u>January to June 2014</u>	<u>January to June 2013</u>	<u>April to June 2014</u>	<u>April to June 2013</u>
	<b>Taka</b>	<b>Taka</b>	<b>Taka</b>	<b>Taka</b>
<b>Net profit after tax for the period</b>	97,051	(29,016)	72,223	(37,270)
<b>Other comprehensive income:</b>				
Change in fair value of available-for-sale financial assets	31,616	(25,350)	35,346	(3,307)
Income tax on other comprehensive income	(3,162)	2,535	(3,535)	331
<b>Total other comprehensive income for the period, net of tax</b>	<u>28,454</u>	<u>(22,815)</u>	<u>31,811</u>	<u>(2,976)</u>
<b>Total comprehensive income for the period</b>	<u><b>125,505</b></u>	<u><b>(51,831)</b></u>	<u><b>104,034</b></u>	<u><b>(40,246)</b></u>
<b>Profit attributable to:</b>				
Equity holders of the Company	186,762	1,407	144,845	(697)
Non-controlling interest	(61,257)	(53,238)	(40,811)	(39,549)
<b>Total comprehensive income</b>	<u><b>125,505</b></u>	<u><b>(51,831)</b></u>	<u><b>104,034</b></u>	<u><b>(40,246)</b></u>



**Dr. Arif Dowla**  
**Managing Director**



**Pradip Kar Chowdhury**  
**Chief Financial Officer**

**Advanced Chemical Industries Limited**  
**Consolidated Statement of Changes in Equity**  
**for the half year ended 30 June 2014**  
**Unaudited**

Particulars	Figures in '000'							Total Taka
	Share capital Taka	Share premium Taka	Capital reserve Taka	Revaluation surplus Taka	Available for sale reserve Taka	Retained earnings Taka	Non-controlling interest Taka	
<b>Balance as at 31 December 2012</b>	<b>237,738</b>	<b>321,893</b>	<b>1,671</b>	<b>1,513,778</b>	<b>140,860</b>	<b>1,580,925</b>	<b>358,514</b>	<b>4,155,379</b>
Conversion of bonds into equity shares	446	-	-	-	-	-	-	446
Premium from conversion of bonds into shares	-	11,410	-	-	-	-	-	11,410
Issuance of bonus shares	47,637	-	-	-	-	(47,637)	-	-
Changes in fair value for available for sale assets	-	-	-	-	(22,815)	-	-	(22,815)
Net profit after tax for the period ended 30 June 2013	-	-	-	-	-	24,222	(53,238)	(29,016)
Capital paid by minority	-	-	-	-	-	-	42,310	42,310
Dividends during the period	-	-	-	-	-	(190,547)	(52,335)	(242,882)
<b>Balance as at 30 June 2013</b>	<b>285,821</b>	<b>333,303</b>	<b>1,671</b>	<b>1,513,778</b>	<b>118,045</b>	<b>1,366,963</b>	<b>295,251</b>	<b>3,914,832</b>
<b>Balance as at 31 December 2013</b>	<b>285,821</b>	<b>333,303</b>	<b>1,671</b>	<b>1,511,620</b>	<b>111,330</b>	<b>1,548,581</b>	<b>248,089</b>	<b>4,040,415</b>
<b>Non controlling interest at acquisition date</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(294)</b>	<b>(294)</b>
Conversion of bonds into equity shares	797	-	-	-	-	-	-	797
Premium from conversion of bonds into shares	-	17,928	-	-	-	-	-	17,928
Issuance of bonus shares	57,324	-	-	-	-	(57,324)	-	-
Changes in fair value for available for sale assets	-	-	-	-	28,454	-	-	28,454
Net profit after tax for the period ended 30 June 2014	-	-	-	-	-	158,308	(61,257)	97,051
Capital paid by minority	-	-	-	-	-	-	12,160	12,160
Share money deposit by minority	-	-	-	-	-	-	22,000	22,000
Dividends during the period	-	-	-	-	-	(243,626)	(52,276)	(295,902)
<b>Balance as at 30 June 2014</b>	<b>343,942</b>	<b>351,231</b>	<b>1,671</b>	<b>1,511,620</b>	<b>139,784</b>	<b>1,405,939</b>	<b>168,422</b>	<b>3,922,609</b>



**Dr. Arif Dowla**  
**Managing Director**



**Pradip Kar Chowdhury**  
**Chief Financial Officer**

**Advanced Chemical Industries Limited**  
**Consolidated Statement of Cash Flows**  
**for the half year ended 30 June 2014**  
**Unaudited**

Figures in '000'

	Half year ended 30 June 2014	Half year ended 30 June 2013
	Taka	Taka
<b>A Cash flows from operating activities:</b>		
Cash receipts from customers	11,782,389	10,905,418
Cash receipts as other income	57,255	50,717
Receipts from / (payments to) others	28,670	30,910
	<u>11,868,314</u>	<u>10,987,045</u>
Cash paid for:		
Purchase of inventory	(8,058,900)	(7,192,215)
Operating expenses	(2,528,746)	(2,289,538)
Payments to other payables	13,372	30,660
Payments for advances, deposits and prepayments	(269,921)	(100,470)
Paid to workers from WPPF	(10,343)	(3,793)
	<u>(10,854,538)</u>	<u>(9,555,357)</u>
Cash generated from operations	<u>1,013,776</u>	<u>1,431,688</u>
Financing cost	(723,610)	(643,753)
Tax paid	(251,841)	(152,852)
	<u>(975,451)</u>	<u>(796,604)</u>
<b>Net cash provided by operating activities</b>	<u>38,325</u>	<u>635,084</u>
<b>B Cash flows from investing activities :</b>		
Purchase of fixed assets	(233,165)	(175,597)
Payments for capital work-in-progress	(226,422)	(301,760)
Sale proceeds from property, plant and equipment	(1,422)	3,964
Investments in shares/FDR	(18,627)	(31,330)
<b>Net cash used in investing activities</b>	<u>(479,636)</u>	<u>(504,723)</u>
<b>C Cash flows from financing activities :</b>		
Issue of shares	12,160	42,310
Share money deposit	22,000	-
Inter-company receivables / payables- received/(paid)	1,997	35,089
Dividend paid	1,300	151
Payment for finance lease	(5,554)	(9,321)
Redemption of ZCB	(231,911)	(221,889)
Short term bank loan received/(paid)	647,481	(140,660)
Long term bank loan (paid)/received	124,551	691,527
<b>Net cash flows from financing activities</b>	<u>572,024</u>	<u>397,207</u>
<b>D Net cash inflow/(outflow) from total activities (A+B+C)</b>	130,713	527,568
<b>E Opening balance</b>	(356,296)	(836,079)
<b>F Closing balance (D+E)</b>	<u>(225,583)</u>	<u>(308,511)</u>
Cash in hand and at bank	610,602	669,055
Bank overdraft	(836,185)	(977,566)
	<u>(225,583)</u>	<u>(308,511)</u>



**Dr. Arif Dowla**  
**Managing Director**



**Pradip Kar Chowdhury**  
**Chief Financial Officer**

**Advanced Chemical Industries Limited**  
**Notes to the consolidated financial statements**  
**for the half year ended 30 June 2014**  
**Unaudited**

1 Selected explanatory notes

These financial statements have been prepared in line with Accounting Policies as adopted in the preparation of financial statements for the year ended 31 December 2013. This interim financial report includes only those selected explanatory notes as were deemed appropriate for better understanding of unaudited financial statements.

	<b>30-Jun-2014</b>	<b>Figures in '000'</b>
	<b>Taka</b>	<b>31-Dec-2013</b>
	<u>Taka</u>	<u>Taka</u>
2 Property, plant and equipment at cost/ revaluation		
Fixed assets at cost/revaluation as on 1 January	3,423,342	2,975,420
Addition during the period/year	264,419	833,337
Disposal/adjustment made during the period	(2,231)	(385,415)
Closing accumulated depreciation	(747,270)	(624,110)
Closing balance	<u><b>2,938,260</b></u>	<u><b>2,799,232</b></u>
2 (a) Consolidated property, plant and equipment at cost/ revaluation		
Fixed assets at cost/revaluation as on 1 January	8,818,556	7,825,815
Addition during the period/year	449,006	1,433,207
Disposal/adjustment made during the period	(1,046)	(440,466)
Closing accumulated depreciation	(2,143,713)	(1,864,121)
Closing balance	<u><b>7,122,803</b></u>	<u><b>6,954,435</b></u>
3 Investment		
Investment in subsidiary	1,304,019	1,226,019
Investment in associates and joint ventures	460,426	460,453
Investment in shares	186,771	155,155
Investment in FDR/ other deposits	3,693	4,665
	<u><b>1,954,909</b></u>	<u><b>1,846,292</b></u>
4 Inventories		
Finished goods	1,964,020	1,774,219
Work-in-process	102,935	56,751
Raw materials	620,299	502,928
Packing materials	209,880	169,566
Stores & spares	29,244	30,789
Stock in transit	167,056	198,110
	<u><b>3,093,434</b></u>	<u><b>2,732,363</b></u>
Less: Provision for slow moving and damaged goods and write down to NRV	190,317	179,032
	<u><b>2,903,117</b></u>	<u><b>2,553,331</b></u>
4 (a) Consolidated inventories		
Finished goods	3,875,733	3,546,220
Work-in-process	143,783	96,764
Raw materials	1,288,991	1,316,958
Packing materials	331,565	272,375
Stores & spares	74,317	109,409
Stock in transit	245,205	318,478
	<u><b>5,959,594</b></u>	<u><b>5,660,204</b></u>
Less: Provision for slow moving and damaged goods and write down to NRV	305,394	271,547
	<u><b>5,654,200</b></u>	<u><b>5,388,657</b></u>

	30-Jun-2014	Figures in '000' 31-Dec-2013
	Taka	Taka
5 Trade receivables		
Debts due over six months	340,590	307,564
Debts due below six months	1,246,402	1,340,174
	<u>1,586,992</u>	<u>1,647,738</u>
Less: Provision for doubtful debts	77,989	71,169
	<u><b>1,509,003</b></u>	<u><b>1,576,569</b></u>
5 (a) Consolidated trade receivables		
Debts due over six months	801,307	1,699,640
Debts due below six months	3,534,919	2,228,004
	<u>4,336,226</u>	<u>3,927,644</u>
Less: Provision for doubtful debts	206,215	185,407
	<u><b>4,130,011</b></u>	<u><b>3,742,237</b></u>
6 Advances, deposits & prepayments		
Loan and advance to staff and others	309,990	220,135
VAT current account.	41,487	57,055
Advance for capital expenditure	119,685	59,551
Deposits	22,608	34,128
Prepayments	14,946	750
	<u><b>508,716</b></u>	<u><b>371,619</b></u>
6 (a) Consolidated advances, deposits & prepayments		
Loan and advance to staff and others	627,116	434,203
VAT current account.	50,016	61,472
Advance for capital expenditure	181,384	96,997
Deposits	64,529	94,508
Prepayments	47,733	25,136
	<u><b>970,778</b></u>	<u><b>712,316</b></u>
7 Inter-company receivables		
Flyban Insecticides Limited	1,023	1,014
Apex Leathercraft Limited	96,661	99,543
Computer Technology Limited	30	30
Tetley ACI (Bangladesh) Limited	497	442
Asian Consumer Care (Pvt.) Limited	8,499	8,205
ACI Salt Limited	308,596	354,572
ACI Godrej Agrovet (Pvt. ) Limited	880	880
ACI Foods Limited	739,274	746,527
ACI Agrochemicals Limited	241	229
Stochastic Logic Limited	6,423	8,768
Premiaflex Plastics Limited	217,868	210,565
ACI Motors Limited	26,252	39,370
Creative Communication Limited	-	10,724
ACI Pure Flour Limited	-	44,535
ACI Healthcare Limited	116,753	42,891
ACI Logistics Limited	3,756,801	2,508,801
	<u><b>5,279,798</b></u>	<u><b>4,077,096</b></u>

	30-Jun-2014	Figures in '000' 31-Dec-2013
	Taka	Taka
7 (a) Consolidated inter-company receivables		
Tetley ACI (Bangladesh) Limited	497	442
Asian Consumer Care (PVT.) Limited	8,499	8,205
Computer Technology Limited	30	30
ACI Godrej Agrovet (Pvt.) Limited	880	880
Stochastic Logic Limited	6,423	8,768
	<b>16,329</b>	<b>18,325</b>
8 Other payables		
Creditors for expenses	499,302	359,756
Security money received from customers	193,691	205,395
Workers' profit participation fund	275,351	231,681
Unclaimed dividend	289,712	44,771
Tax deducted at source	20,005	21,597
Employees welfare fund	147,207	122,826
Rights share deposit to be refunded	564	564
Family day fund	3,968	4,107
Non-management staff provident fund	121	2,735
Unclaimed refund warrant-Zero Coupon Bonds	3,647	3,647
Payable for redemption for ZCB	16,324	13,811
Provident fund	9,449	3,893
Electronics advertisement and promotional fund	309	-
Laser advertisement and promotional fund	-	3,104
	<b>1,459,650</b>	<b>1,017,887</b>
8 (a) Consolidated other payables		
Creditors for expenses	857,088	657,641
Security money received from customers	208,425	252,784
Workers' profit participation fund	341,251	295,109
Unpaid dividend	344,096	46,825
Provident fund	9,449	3,893
Tax deducted from suppliers and employees	36,557	31,518
Employees savings fund	153,908	122,826
Right share deposit to be refunded	564	563
Family day fund	3,968	4,107
Non-management staff provident fund	122	2,736
Unclaimed refund warrant-Zero Coupon Bonds	3,647	3,647
Payable for redemption for ZCB	16,324	13,811
Creditors for capital expenditure	31,451	8,800
Laser advertisement and promotional fund	-	3,104
Electronics advertisement and promotional fund	309	-
	<b>2,007,159</b>	<b>1,447,364</b>

	30-Jun-2014 Taka	Figures in '000' 31-Dec-2013 Taka
9 Inter-company payables		
ACI Formulations Limited	291,063	363,251
Creative Communication Limited	14,634	-
ACI Edible Oils Limited	502	820
ACI Pure Flour Limited	11,749	-
	<b>317,948</b>	<b>364,071</b>
10 Long term liabilities		
Staff gratuity provision	301,681	278,793
Other long term employee benefits	67,525	61,872
Deferred tax liabilities	92,351	94,712
Employees group insurance fund	400	400
Obligation under finance lease-due more than one year	1,639	2,137
ACI 20% Convertible Zero Coupon Bonds (ZCB)	-	241,751
Long term bank loans	225,359	275,501
	<b>688,955</b>	<b>955,166</b>
10 (a) Consolidated long term liabilities		
Staff gratuity provision	310,412	287,420
Other long term employee benefits	71,335	65,682
Deferred tax liabilities	297,981	316,345
Employees group insurance fund	400	400
Obligation under finance lease	15,988	22,129
ACI 20% Convertible Zero Coupon Bonds (ZCB)	-	241,751
Long term bank loans	1,622,919	1,378,771
	<b>2,319,035</b>	<b>2,312,498</b>
	30-Jun-2014 Taka	Figures in '000' 30-Jun-2013 Taka
11 Revenue		
Pharmaceuticals	2,857,522	2,411,678
Animal Health	816,838	616,296
Consumer brands	1,750,532	1,650,039
Seeds	100,598	94,764
Fertilizer	206,563	194,539
Cropex	138,210	66,219
	<b>5,870,263</b>	<b>5,033,535</b>
11 (a) Consolidated revenue		
Gross sales	13,000,332	11,493,965
Inter-company sales	(794,382)	(676,896)
Net sales	<b>12,205,950</b>	<b>10,817,069</b>

	<b>30-Jun-2014</b>	<b>Figures in '000'</b>
	Taka	<b>30-Jun-2013</b>
		Taka
12 Cost of goods sold		
Opening stock	2,503,464	2,045,799
Purchase	3,382,555	2,747,581
	<u>5,886,019</u>	<u>4,793,380</u>
Closing stock	(2,897,134)	(1,980,432)
	<u>2,988,885</u>	<u>2,812,948</u>
Manufacturing expenses	398,044	229,492
	<u><b>3,386,929</b></u>	<u><b>3,042,440</b></u>
12 (a) Consolidated cost of goods sold		
Opening stock	4,095,104	3,483,642
Purchase	7,816,757	7,492,717
	<u>11,911,861</u>	<u>10,976,359</u>
Closing stock	(4,317,896)	(3,332,212)
	<u>7,593,965</u>	<u>7,644,147</u>
Manufacturing expenses	758,669	(18,700)
	<u><b>8,352,634</b></u>	<u><b>7,625,447</b></u>
13 Administrative, selling and distribution expenses		
Administrative expenses	149,074	137,279
Distribution expenses	201,650	181,500
Selling expenses	1,380,633	1,204,055
	<u><b>1,731,357</b></u>	<u><b>1,522,834</b></u>
13 (a) Consolidated administrative, selling and distribution expenses		
Administrative expenses	415,295	325,031
Distribution expenses	313,489	274,334
Selling expenses	2,086,943	1,804,908
	<u><b>2,815,727</b></u>	<u><b>2,404,273</b></u>
14 Consolidated operating segments		
Please see at the next page		
15 Figures have been rounded off to the nearest '000' Taka and previous period's figures have been rearranged to conform to current period's presentation.		



**Dr. Arif Dowla**  
Managing Director



**Pradip Kar Chowdhury**  
Chief Financial Officer



## 14. Consolidated operating segments-30 June 2014

Figures in '000'

Particulars	Reportable segment										Non-reportable segment	Unallocated/adjustment	Total
	Pharmaceuticals	Animal Health	Consumer brands	Crop Care and Public Health	ACI Motors	ACI Pure Flour	ACI Foods	ACI Salt	Retail chain	Premiaflex			
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Total revenue	2,857,522	816,838	1,750,532	680,210	877,506	1,291,276	335,252	642,256	1,794,247	779,458	380,854		12,205,950
Inter-segment revenue	-	-	-	-	-	11,940	54,818	4,841	-	50,609	672,173	(794,382)	-
External revenue	2,857,522	816,838	1,750,532	680,210	877,506	1,279,335	280,434	637,415	1,794,247	728,849	(291,320)	794,382	12,205,950
Finance cost	73,137	14,535	56,975	20,002	47,457	8,872	81,076	56,711	304,413	49,335	26,262	-	738,776
Operating expenses	1,005,008	169,023	439,895	153,832	134,531	79,847	82,619	104,874	461,902	22,681	159,568	1,948	2,815,727
Depreciation and amortisation	91,440	9,097	18,139	11,353	460	12,265	8,653	38,864	52,151	20,999	5,559	14,578	283,559
Segment profit before tax	546,296	67,451	54,148	84,971	79,678	49,142	(87,987)	12,695	(510,812)	76,977	(57,856)	31,025	345,728
Segment assets	4,004,998	1,300,479	2,706,904	1,564,249	1,529,309	717,470	408,425	1,267,387	2,286,901	1,490,430	2,268,959	1,658,153	21,203,664
Segment external liabilities	1,220,253	564,916	934,193	375,403	1,253,594	446,108	1,388,990	923,323	5,888,676	1,019,081	787,941	2,478,576	17,281,055

## Consolidated operating segments-30 June 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	ACI Foods	ACI Salt	Retail Chain	Premiaflex			
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Total revenue	2,411,678	616,296	1,650,039	559,410	589,486	1,435,808	308,677	571,256	1,638,228	649,093	387,099	-	10,817,069
Inter-segment revenue	-	-	-	-	-	9,147	20,231	7,352	-	58,629	581,536	(676,895)	-
External revenue	2,411,678	616,296	1,650,039	559,410	589,486	1,426,661	288,446	563,904	1,638,228	590,463	(194,437)	676,895	10,817,069
Finance cost	56,365	11,541	45,556	37,409	17,061	22,232	75,390	59,844	254,406	55,736	20,679	-	656,218
Operating expenses	917,263	135,227	368,739	144,791	102,515	70,217	68,914	81,856	372,218	16,006	131,483	(4,956)	2,404,273
Depreciation and amortisation	78,322	8,412	16,887	11,556	689	12,965	8,891	38,437	45,517	20,834	4,178	12,785	259,474
Segment profit before tax	324,220	40,532	49,082	49,840	45,340	76,122	(74,193)	35,737	(396,628)	46,660	(44,601)	31,202	183,314
Segment assets	3,757,921	850,729	2,309,876	1,594,694	1,367,494	786,338	333,015	1,338,829	1,639,532	1,346,089	1,778,202	1,360,446	18,463,166
Segment external liabilities	1,167,336	343,279	829,058	263,627	1,202,357	602,261	1,135,999	1,113,787	4,292,973	966,309	337,930	2,293,417	14,548,333



Dr. Arif Dowla  
Managing Director



Pradip Kar Chowdhury  
Chief Financial Officer