

**Advanced Chemical Industries Limited**

**1st Quarter Report 2014**

**for the period of three months ended on 31 March 2014**

Advanced Chemical Industries Limited

Statement of Financial Position

As at 31 March 2014

Unaudited

Figures in '000'

	Note	31-Mar-2014 Taka	31-Dec-2013 Taka
<b>Assets</b>			
<b>Property, plant and equipment:</b>			
At cost / revaluation		3,507,451	3,423,342
Accumulated depreciation		(682,684)	(624,110)
	2	2,824,767	2,799,232
Capital work-in-progress		538,586	585,257
Intangible assets		1,312	1,359
Long term investment	3	1,842,562	1,846,292
<b>Total non-current assets</b>		<b>5,207,227</b>	<b>5,232,140</b>
<b>Current assets:</b>			
Inventories	4	2,579,457	2,553,331
Trade receivables	5	1,546,288	1,576,569
Other receivables		111,766	146,161
Advance, deposits & prepayments	6	481,131	371,619
Advance income tax		407,703	350,014
Inter-company receivable	7	4,382,748	4,077,096
Cash and cash equivalents		303,351	250,325
		<b>9,812,444</b>	<b>9,325,115</b>
<b>Total assets</b>		<b>15,019,671</b>	<b>14,557,255</b>
<b>Equity and liabilities</b>			
<b>Shareowners' equity:</b>			
Share capital		286,618	285,821
Share premium		351,231	333,302
Capital reserve		1,671	1,671
Revaluation surplus		892,464	892,464
Available for sale reserve		107,973	111,330
Retained earnings		4,199,323	4,012,664
		<b>5,839,280</b>	<b>5,637,252</b>
<b>Current liabilities:</b>			
Bank overdraft		614,620	607,565
Short term bank loan		4,774,993	4,677,922
Long term loan- current portion		363,833	381,080
Trade payables		480,446	448,789
Other payables	8	1,223,867	1,017,887
Inter-company payables	9	479,572	364,071
Current portion of lease obligation		923	888
Current tax liability		548,978	466,635
		<b>8,487,232</b>	<b>7,964,837</b>
<b>Long term liabilities</b>	10	<b>693,159</b>	<b>955,166</b>
<b>Total equity and liabilities</b>		<b>15,019,671</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 1st Quarter ended 31 March 2014**  
**Unaudited**

	Note	Figures in '000'	
		1st Quarter ended on	
		31 March 14	31 March 13
		Taka	Taka
Revenue	11	2,932,854	2,472,915
Cost of sales	12	(1,717,688)	(1,523,605)
Gross profit		1,215,166	949,310
Operating expenses	13	(867,705)	(704,965)
		347,461	244,345
Other income		12,368	12,562
Financing cost		359,829	256,907
		(84,773)	(67,762)
Provision for contribution to WPPF		275,056	189,145
		(13,753)	(9,457)
Profit before tax		261,303	179,688
Tax (expenses)/ income		(74,644)	(48,516)
Profit after tax		<b>186,659</b>	<b>131,172</b>
Earnings per share		6.52	4.59



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



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

**Advanced Chemical Industries Limited**  
**Statement of Comprehensive Income**  
for the 1st Quarter ended 31 March 2014  
Unaudited

Figures in '000'

	31 March 14 Taka	31 March 13 Taka
<b>Net profit after tax for the period</b>	186,659	131,172
<b>Other comprehensive income:</b>		
Change in fair value of available-for-sale financial assets	(3,730)	(22,044)
Income tax on other comprehensive income	373	2,204
<b>Total other comprehensive income for the period, net of tax</b>	(3,357)	(19,839)
<b>Total comprehensive income for the period</b>	183,302	111,332



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



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

**Advanced Chemical Industries Limited**  
**Statement of changes in equity**  
**for the 1st Quarter ended 31 March 2014**  
**Unaudited**

Figures in '000'

<u>Particulars</u>	<u>Share capital Taka</u>	<u>Share premium Taka</u>	<u>Capital reserve Taka</u>	<u>Revaluation surplus Taka</u>	<u>Available for sare reserve Taka</u>	<u>Retained earnings Taka</u>	<u>Total Taka</u>
<b><u>Balance at 31 December 2012</u></b>	237,738	321,893	1,671	894,622	140,860	3,484,502	5,081,286
Conversion of bonds into equity shares	446						446
Premium from conversion of bonds into shares	-	11,410	-	-	-	-	11,410
Changes in fair value for available for sale assets	-	-	-	-	(19,839)	-	(19,839)
Net profit after tax for the period ended 31 March 2013	-	-	-	-	-	131,172	131,172
<b>Balance at 31 March 2013</b>	<b>238,184</b>	<b>333,303</b>	<b>1,671</b>	<b>894,622</b>	<b>121,021</b>	<b>3,615,674</b>	<b>5,204,475</b>
<b><u>Balance at 31 December 2013</u></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
Changes in fair value for available for sale assets	-	-	-	-	(3,357)	-	(3,357)
Net profit after tax for the period ended 31 March 2014	-	-	-	-	-	186,659	186,659
<b>Balance at 31 March 2014</b>	<b>286,618</b>	<b>351,231</b>	<b>1,671</b>	<b>892,464</b>	<b>107,973</b>	<b>4,199,323</b>	<b>5,839,280</b>



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



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

**Advanced Chemical Industries Limited**  
**Statement of Cash Flows**  
**for the 1st Quarter ended 31 March 2014**  
**Unaudited**

	Figures in '000'	
	1st Quarter ended on	
	31 March 14	31 March 13
	Taka	Taka
<b>A. Cash flows from operating activities</b>		
Cash receipts from customers	2,960,031	2,364,497
Cash receipts from other income	12,368	12,436
Receipts from / (paid) to others	34,395	(44,604)
	<b>3,006,794</b>	<b>2,332,329</b>
Cash paid for:		
Purchase of inventory	(1,641,876)	(1,456,104)
Operating expenses	(698,899)	(663,897)
Payments to other payables	35,741	9,651
Payments for advances, deposits and prepayments	(106,409)	(71,705)
Paid to workers from WPPF	(1,302)	(2,291)
Cash generated from operating activities	(2,412,745)	(2,184,346)
Financing cost	(79,357)	(63,005)
Income tax	(57,689)	(43,789)
	(137,046)	(106,794)
<b>Net cash from operating activities</b>	<b>457,003</b>	<b>41,189</b>
<b>B. Cash flows from investing activities</b>		
Purchases of fixed assets	(7,300)	(65,876)
Proceeds from sale of fixed assets	-	1,296
Payments for capital work-in-progress	(30,138)	(99,739)
Investments in shares	-	(21,945)
<b>Net cash used in investing activities</b>	<b>(37,438)</b>	<b>(186,265)</b>
<b>C. Cash flows from financing activities</b>		
Inter-company receivables/ payables (paid)/ received	(218,116)	94,462
Dividend paid	(128)	(330)
Payment for finance lease	(209)	(180)
Payment for redemption of Zero Coupon Bonds	(238,255)	(233,970)
Short term bank loan (paid)/ received	97,071	401,607
Long term bank loan (paid)/received	(13,957)	23,217
<b>Net cash used in financing activities</b>	<b>(373,594)</b>	<b>284,806</b>
<b>D. Net cash inflows/(outflows) from total activities (A+B+C)</b>	45,971	139,731
<b>E. Opening cash and bank balances</b>	(357,240)	(1,212,636)
<b>F. Closing cash and bank balances (D+E)</b>	<b>(311,269)</b>	<b>(1,072,905)</b>
<b>Closing balance represents:</b>		
Cash and bank	303,351	132,243
Bank overdraft	(614,620)	(1,205,148)
	<b>(311,269)</b>	<b>(1,072,905)</b>



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



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

**Advanced Chemical Industries Limited**  
**Consolidated Statement of Financial Position**  
**As at 31 March 2014**  
**Unaudited**

		Figures in '000'	
	Note	31-Mar-2014 Taka	31-Dec-2013 Taka
<b>Non- current assets:</b>			
Property, plant and equipment At Cost / revaluation		8,931,739	8,818,556
Accumulated depreciation		(1,999,314)	(1,864,121)
	2(a)	6,932,425	6,954,435
Capital work-in-progress		801,075	761,927
Investment		773,012	766,291
Biological assets		5,395	-
Intangible assets		85,904	74,435
<b>Total non-current assets</b>		<b>8,597,811</b>	<b>8,557,088</b>
<b>Current assets:</b>			
Inventories	4(a)	5,251,471	5,388,657
Trade receivables	5(a)	3,888,296	3,742,237
Other receivables		150,213	172,001
Advance, deposits & prepayments	6(a)	922,422	712,316
Advance income tax		894,501	793,072
Inter-company receivables	7(a)	15,654	18,325
Cash and bank balance		599,402	667,974
		<b>11,721,959</b>	<b>11,494,582</b>
<b>Total assets</b>		<b>20,319,770</b>	<b>20,051,670</b>
<b>Equity and liabilities:</b>			
<b>Share holders' equity</b>			
Share capital		286,618	285,821
Share premium		351,232	333,302
Capital reserve		1,671	1,671
Revaluation surplus		1,511,620	1,511,620
Available for sale reserve		107,973	111,330
Retained profit		1,593,855	1,548,581
		3,852,969	3,792,325
Minority interest		239,508	248,088
		<b>4,092,477</b>	<b>4,040,413</b>
<b>Current liabilities</b>			
Bank overdraft		967,287	1,024,270
Short term bank loan		7,869,977	7,996,384
Long-term loan-current portion		1,062,544	1,084,140
Trade payables		1,363,805	1,262,616
Other payables	8(a)	1,724,114	1,447,364
Current portion of lease obligation		12,320	11,639
Current tax liability		1,008,429	872,346
		<b>14,008,476</b>	<b>13,698,759</b>
<b>Long term liabilities</b>	10(a)	<b>2,218,817</b>	<b>2,312,498</b>
<b>Total equity and liabilities</b>		<b>20,319,770</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 1st Quarter ended 31 March 2014**

**Unaudited**

		Figures in '000'	
		<b>1st quarter ended on</b>	
	Note	31- March-14	31- March-13
		Taka	Taka
Revenue	11(a)	5,924,664	5,450,734
Cost of sales	12(a)	(4,038,331)	(3,889,344)
Gross profit		1,886,333	1,561,390
Other income		26,837	25,653
		1,913,170	1,587,043
Operating expenses	13(a)	(1,385,543)	(1,133,215)
		527,627	453,828
Profit/ (loss) from Associates and Joint Ventures		5,750	8,841
		533,377	462,669
Financing cost		(357,311)	(332,286)
		176,066	130,383
Provision for contribution to WPPF		(21,770)	(16,968)
<b>Profit before tax</b>		<b>154,296</b>	<b>113,415</b>
Tax expenses		(129,468)	(105,164)
Profit after tax		24,828	8,251
Non-controlling interest		20,446	13,688
Profit after tax and minority interest		45,274	21,939
<b>Basic earnings per share (EPS)</b>		<b>1.58</b>	<b>0.77</b>



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



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



**Advanced Chemical Industries Limited**  
**Consolidated Statement of Comprehensive Income**  
**for the period ended 31 March 2014**  
**Unaudited**

**Figures in '000'**

	<b>31- March-14</b>	<b>31- March-13</b>
	<b>Taka</b>	<b>Taka</b>
<b>Net profit after tax for the period</b>	24,828	8,251
<b>Other comprehensive income:</b>		
Change in fair value of available-for-sale financial assets	(3,730)	(22,044)
Income tax on other comprehensive income	373	2,204
<b>Total other comprehensive income for the period, net of tax</b>	(3,357)	(19,840)
<b>Total comprehensive income for the period</b>	21,471	(11,589)
<b>Profit attributable to:</b>		
Equity holders of the Company	41,917	2,099
Non-controlling interest	(20,446)	(13,688)
<b>Total comprehensive income</b>	21,471	(11,589)



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



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

**Advanced Chemical Industries Limited**  
**Consolidated Statement of Changes in Equity**  
**for the 1st Quarter ended 31 March 2014**  
**Unaudited**

Figures in '000'

Particulars	Share capital Taka	Share premium Taka	Capital reserve Taka	Revaluation surplus Taka	Available for sale reserve Taka	Retained earnings Taka	Non-controlling interest Taka	Total Taka
<b>Balance 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
Changes in fair value for available for sale assets	-	-	-	-	(19,839)	-	-	(19,839)
Net profit after tax for the period ended 31 March 2013	-	-	-	-	-	21,939	(13,688)	8,251
Equity paid by non-controlling interest	-	-	-	-	-	-	7,000	7,000
<b>Balance at 31 March 2013</b>	<b>238,184</b>	<b>333,303</b>	<b>1,671</b>	<b>1,513,778</b>	<b>121,021</b>	<b>1,602,864</b>	<b>351,826</b>	<b>4,162,646</b>
<b>Balance at 31 December 2013</b>	<b>285,821</b>	<b>333,302</b>	<b>1,671</b>	<b>1,511,620</b>	<b>111,330</b>	<b>1,548,581</b>	<b>248,088</b>	<b>4,040,413</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	-	17,930	-	-	-	-	-	17,930
Changes in fair value for available for sale assets	-	-	-	-	(3,357)	-	-	(3,357)
Net profit after tax for the period ended 31 March 2014	-	-	-	-	-	45,274	(20,446)	24,828
Equity paid by non-controlling interest	-	-	-	-	-	-	12,160	12,160
<b>Balance at 31 March 2014</b>	<b>286,618</b>	<b>351,232</b>	<b>1,671</b>	<b>1,511,620</b>	<b>107,973</b>	<b>1,593,855</b>	<b>239,508</b>	<b>4,092,477</b>



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



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

**Advanced Chemical Industries Limited**  
**Consolidated Statement of Cash Flows**  
**for the 1st Quarter ended 31 March 2014**  
**Unaudited**

Figures in '000'

	1st Quarter ended on	
	31 March 14	31 March 13
	Taka	Taka
<b>A Cash flows from operating activities:</b>		
Cash receipts from customers	5,697,945	5,179,031
Cash receipts as other income	26,837	20,526
Receipts from / (payments to) others	32,037	(45,526)
	<u>5,756,819</u>	<u>5,154,031</u>
Cash paid for:		
Purchase of inventory	(3,663,450)	(3,687,809)
Operating expenses	(1,129,122)	(1,098,588)
Payments to other payables	31,126	14,761
Payments for advances, deposits and prepayments	(203,931)	(56,266)
Paid to workers from WPPF	(4,892)	(2,291)
Cash generated from operating activities	(4,970,269)	(4,830,193)
Financing cost	(350,698)	(325,642)
Tax paid	(102,549)	(73,136)
	<u>(453,247)</u>	<u>(398,778)</u>
<b>Net cash provided by operating activities</b>	<u>333,303</u>	<u>(74,939)</u>
<b>B Cash flows from investing activities :</b>		
Purchase of fixed assets	(73,019)	(81,818)
Proceeds from sale of fixed assets	-	1,296
Payments for capital work-in-progress	(49,218)	(113,743)
Investments in shares/FDR	(13,569)	(1,886)
<b>Net cash used in investing activities</b>	<u>(135,806)</u>	<u>(196,151)</u>
<b>C Cash flows from financing activities :</b>		
Inter-company receivables / payables- received/(paid)	2,671	(177)
Paid by non-controlling interest for shares	(9)	7,000
Dividend paid	(128)	(400)
Payment for finance lease	(2,730)	(2,322)
Payment for redemption of Zero Coupon Bonds	(238,255)	(233,970)
Short term bank loan received/(paid)	(126,407)	344,795
Long term bank loan (paid)/received	155,792	(76,045)
<b>Net cash flows from financing activities</b>	<u>(209,066)</u>	<u>38,881</u>
<b>D Net cash inflows/(outflows) from total activities (A+B+C)</b>	(11,569)	(232,209)
<b>E Opening cash and bank balances</b>	<u>(356,316)</u>	<u>(836,079)</u>
<b>F Closing cash and bank balances (D+E)</b>	<u><u>(367,885)</u></u>	<u><u>(1,068,289)</u></u>
Cash in hand and at bank	599,402	420,888
Bank overdraft	(967,287)	(1,489,178)
	<u>(367,885)</u>	<u>(1,068,289)</u>



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



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

**Advanced Chemical Industries Limited**  
**Notes to the consolidated financial statements**  
**for the period ended 31 March 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.

	31-Mar-14	Figures in '000'
	Taka	31-Dec-13
	Taka	Taka
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	84,109	833,337
Disposal/adjustment made during the period	-	(385,415)
Closing accumulated depreciation	(682,684)	(624,110)
<b>Closing balance</b>	<b>2,824,767</b>	<b>2,799,232</b>
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	113,183	1,433,207
Disposal/adjustment made during the period	-	(440,466)
Closing accumulated depreciation	(1,999,314)	(1,864,121)
<b>Closing balance</b>	<b>6,932,425</b>	<b>6,954,435</b>
3 Long term investment		
Investment in subsidiary	1,226,019	1,226,019
Investment in associates and jointventures	460,453	460,453
Investment in shares	151,425	155,155
Investment in FDR/ other deposits	4,665	4,665
	<b>1,842,562</b>	<b>1,846,292</b>
4 Inventories		
Finished goods	1,823,269	1,774,219
Work-in-process	66,169	56,751
Raw materials	518,301	502,928
Packing materials	206,896	169,566
Stores & spares	30,611	30,789
Stock in transit	117,262	198,110
	2,762,508	2,732,363
Less: Provision for slow moving and damaged goods and write down to NRV	183,051	179,032
	<b>2,579,457</b>	<b>2,553,331</b>
4 (a) Consolidated inventories		
Finished goods	3,558,957	3,546,220
Work-in-process	96,883	96,764
Raw materials	1,256,006	1,316,958
Packing materials	318,394	272,375
Stores & spares	78,061	109,409
Stock in transit	229,157	318,478
	5,537,458	5,660,204
Less: Provision for slow moving and damaged goods and write down to NRV	285,987	271,547
	<b>5,251,471</b>	<b>5,388,657</b>

	31-Mar-14	Figures in '000'
	Taka	31-Dec-13
	<u>Taka</u>	<u>Taka</u>
5 Trade receivables		
Debts due over six months	339,730	307,263
Debts due below six months	1,282,620	1,340,475
	<u>1,622,350</u>	<u>1,647,738</u>
Less: Provision for doubtful debts	76,062	71,169
	<u><b>1,546,288</b></u>	<u><b>1,576,569</b></u>
5 (a) Consolidated trade receivables		
Debts due over six months	792,393	1,699,640
Debts due below six months	3,290,023	2,228,004
	<u>4,082,416</u>	<u>3,927,644</u>
Less: Provision for doubtful debts	194,120	185,407
	<u><b>3,888,296</b></u>	<u><b>3,742,237</b></u>
6 Advances, deposits & prepayments		
Loan and advance to staff and others	313,321	220,135
VAT current account.	60,158	57,055
Advance for capital expenditure	61,549	59,551
Deposits	28,851	34,128
Prepayments	17,252	750
	<u><b>481,131</b></u>	<u><b>371,619</b></u>
6 (a) Consolidated advances, deposits & prepayments		
Loan and advance to staff and others	600,191	434,203
VAT current account.	67,341	61,472
Advance for capital expenditure	124,394	96,997
Deposits	85,907	94,508
Prepayments	44,589	25,136
	<u><b>922,422</b></u>	<u><b>712,316</b></u>
7 Inter-company receivables		
Flyban Insecticides Limited	1,014	1,014
Apex Leathercraft Limited	98,198	99,543
Computer Technology Limited	30	30
Tetley ACI (Bangladesh) Limited	535	442
Asian Consumer Care (Pvt.) Limited	8,184	8,205
ACI Salt Limited	375,843	354,572
ACI Godrej Agrovat (Pvt. ) Limited	880	880
ACI Foods Limited	662,934	746,527
ACI Agrochemicals Limited	229	229
Stochastic Logic Limited	6,025	8,768
Premiaflex Plastics Limited	252,230	210,565
ACI Motors Limited	-	39,370
Creative Communication	-	10,724
ACI Pure Flour Limited	28,088	44,535
ACI Logistics Limited	2,868,194	2,508,801
ACI HealthCare Limited	80,364	42,891
	<u><b>4,382,748</b></u>	<u><b>4,077,096</b></u>

	31-Mar-14 Taka	Figures in '000' 31-Dec-13 Taka
7 (a) Consolidated inter-company receivables		
Tetley ACI (Bangladesh) Limited	535	442
Asian Consumer Care (PVT.) Limited	8,184	8,205
Computer Technology Limited	30	30
ACI Godrej Agrovvet (Pvt.) Limited	880	880
Stochastic Logic Limited	6,025	8,768
	<b>15,654</b>	<b>18,325</b>
8 Other payables		
Creditors for expenses	512,256	359,756
Security money received from customers	224,175	205,395
Workers' profit participation fund	249,548	231,681
Unclaimed dividend	44,643	44,771
Tax deducted at source	23,437	21,597
Employees welfare fund	126,016	122,826
Rights share deposit to be refunded	564	564
Family day fund	3,992	4,107
Unclaimed refund warrant-Zero Coupon Bonds	3,647	3,647
Payable for redemption of Zero Coupon Bonds	26,664	13,811
Provident fund	8,646	6,628
Advertisement and promotional fund	279	3,104
	<b>1,223,867</b>	<b>1,017,887</b>
8 (a) Consolidated other payables		
Creditors for expenses	837,911	657,641
Security money received from customers	298,848	252,784
Workers' profit participation fund	314,484	295,109
Unpaid dividend	46,615	46,825
Provident fund	8,646	6,629
Tax deducted from suppliers and employees	47,649	31,518
Employees savings fund	126,016	122,826
Rights share deposit to be refunded	564	563
Family day fund	3,992	4,107
Unclaimed refund warrant-Zero Coupon Bonds	3,647	3,647
Payable for redemption of Zero Coupon Bonds	26,664	13,811
Creditors for capital expenditure	8,799	8,800
Advertisement and promotional fund	279	3,104
	<b>1,724,114</b>	<b>1,447,364</b>
9 Inter-company payables		
ACI Formulations Limited	444,304	363,251
Creative Communication Limited	17,853	-
ACI Motors Limited	16,907	-
ACI Edible Oils Limited	508	820
	<b>479,572</b>	<b>364,071</b>

	31-Mar-14	Figures in '000'
	Taka	31-Dec-13
		Taka
10 Long term liabilities		
Staff gratuity provision	290,530	278,793
Other long term employee benefits	63,957	61,872
Deferred tax liabilities	86,640	94,712
Employees group insurance fund	400	400
Obligation under finance lease-due more than one year	1,893	2,137
Long term bank loan	249,739	275,501
ACI 20% Convertible Zero Coupon Bonds (ZCB)	-	241,751
	<b>693,159</b>	<b>955,166</b>
10 (a) Consolidated long term liabilities		
Staff gratuity provision	299,520	287,420
Other long term employee benefits	67,767	65,682
Deferred tax liabilities	304,829	316,345
Employees group insurance fund	400	400
Obligation under finance lease	19,195	22,129
Long term bank loan	1,527,106	1,378,771
ACI 20% Convertible Zero Coupon Bonds (ZCB)	-	241,751
	<b>2,218,817</b>	<b>2,312,498</b>
11 Revenue		
Pharmaceuticals	1,381,799	1,144,506
Animal Health	412,369	300,167
Consumer brands	894,381	867,324
Seeds	13,738	15,729
Fertilizer	131,666	124,671
Cropex	98,901	20,518
	<b>2,932,854</b>	<b>2,472,915</b>
11 (a) Consolidated revenue		
Gross sales	6,357,371	5,833,016
Inter-company sales	(432,707)	(382,282)
Net sales	<b>5,924,664</b>	<b>5,450,734</b>
12 Cost of sales		
Opening stock	2,491,116	2,101,134
Purchase	1,647,379	1,275,431
	<b>4,138,495</b>	<b>3,376,565</b>
Closing stock	(2,614,636)	(2,014,146)
	<b>1,523,859</b>	<b>1,362,419</b>
Manufacturing expenses	193,829	161,186
	<b>1,717,688</b>	<b>1,523,605</b>

	31-Mar-14 Taka	Figures in '000' 31-Mar-13 Taka
12 (a) Consolidated cost of sales		
Opening stock	4,095,104	3,483,642
Purchase	3,551,888	3,363,903
	<u>7,646,992</u>	<u>6,847,545</u>
Closing stock	(3,979,433)	(3,280,857)
	<u>3,667,559</u>	<u>3,566,688</u>
Manufacturing expenses	370,772	322,656
	<u>4,038,331</u>	<u>3,889,344</u>
13 Operating expenses		
Administrative expenses	79,567	60,430
Distribution expenses	101,701	90,178
Selling expenses	686,437	554,357
	<u>867,705</u>	<u>704,965</u>
13 (a) Consolidated operating expenses		
Administrative expenses	190,677	155,853
Distribution expenses	159,546	172,986
Selling expenses	1,035,320	804,376
	<u>1,385,543</u>	<u>1,133,215</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



**Note-14**

**Consolidated operating segments-1st Quarter 2014**

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
External revenue	1,381,799	412,369	894,381	448,860	337,596	626,350	762,474	319,880	150,408	322,574	267,974	-	5,924,664
Inter-segment revenue	-	-	-	-	-	3,373	-	1,916	20,550	50,609	356,259	(432,707)	-
Finance cost	37,665	7,485	29,345	11,705	1,148	4,807	154,728	29,588	41,394	26,061	13,383	-	357,311
Operating expenses	492,871	87,917	217,971	81,696	66,018	38,965	199,659	59,196	40,433	10,067	92,349	(1,601)	1,385,543
Depreciation and amortisation	44,110	4,387	8,829	5,514	115	5,923	23,577	19,404	4,324	10,487	2,348	6,175	135,193
Segment profit before tax	238,479	37,339	32,033	85,937	21,543	19,386	(247,607)	3,103	(44,024)	31,700	(32,618)	9,024	154,296
Segment assets	3,911,569	1,121,306	2,759,894	1,710,200	1,475,348	723,064	2,078,857	1,366,583	371,410	1,452,770	1,999,297	1,349,472	20,319,770
Segment external liabilities	1,251,725	502,355	966,910	489,823	1,240,159	485,091	5,415,856	1,133,407	1,306,441	1,014,399	806,442	1,614,684	16,227,293

**Consolidated operating segments-1st Quarter 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
External revenue	1,144,506	300,167	867,324	403,368	255,920	701,347	837,129	296,131	149,663	318,509	176,668	-	5,450,734
Inter-segment revenue	-	-	-	-	-	4,048	-	3,594	10,448	40,422	323,772	(382,283)	-
Finance cost	30,107	5,983	23,567	21,567	9,029	11,879	123,887	30,210	36,801	28,038	11,217	-	332,286
Operating expenses	415,510	63,429	178,935	77,254	40,852	32,391	183,141	42,617	33,333	7,740	60,491	(2,478)	1,133,215
Depreciation and amortisation	37,277	4,205	8,404	5,688	345	6,485	22,538	19,178	4,444	10,416	2,062	6,190	127,231
Segment profit before tax	162,260	25,276	26,501	72,950	12,031	20,145	(201,512)	16,629	(37,223)	21,956	(21,683)	16,085	113,415
Segment assets	4,257,996	806,978	2,068,940	1,831,615	1,267,599	844,020	1,500,262	1,352,139	339,891	1,295,846	1,187,334	1,391,089	18,143,708
Segment liabilities	1,035,321	266,678	758,552	286,966	1,123,103	697,411	3,954,582	1,137,560	1,106,916	934,368	294,811	2,384,791	13,981,061