



ACI Formulations Limited

Annual Report 2022-2023



কৃষকের সোনালী স্বপ্নের সাথে...





ACI Formulations Limited

এ সি আই ফরমুলেশন্স লিমিটেড
এসিআই সেন্টার
২৪৫, তেজগাঁও ইন্ডাস্ট্রিয়াল এরিয়া
ঢাকা ১২০৮, বাংলাদেশ
পি ও বক্স ৭২১৮
টেলিফোন (৮৮-০২) ৮৮৭ ০৯৮২-৭, ৮৮৭ ৮৬০৩
ফ্যাক্স (৮৮-০২) ৮৮৭ ০৯৮৮, ৮৮৭ ৮৬২৬

ACI Formulations Limited
ACI Centre
245, Tejgaon Industrial Area
Dhaka 1208, Bangladesh
PO Box 7218
Telephone (88-02) 887 0982-7, 887 8603
Fax (88-02) 887 0988, 887 8626
Email: info@aci-bd.com
Web: www.aci-bd.com

Your ref

Our ref

Date

04 December 2023

Letter of Transmittal

To

All Shareholders of ACI Formulations Limited (ACI FL)
Bangladesh Securities and Exchange Commission (BSEC)
Registrar of Joint Stock Companies and Firms (RJSCF)
Dhaka Stock Exchange Limited (DSE)
Chittagong Stock Exchange PLC (CSE)
Other Stakeholders of ACI Formulations Limited (ACI FL)

Dear Concern,

Re: Annual Report of ACI Formulations Limited (ACI FL) for the year ended 30 June 2023.

We are pleased to enclose a copy of ACI FL's Annual Report together with the Audited Financial Statements as on 30 June 2023, statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year ended 30 June 2023 along with notes thereto of ACI Formulations Limited for your kind information and record.

General review of this report, unless explained otherwise, is based on the financials of 'ACI FL'.

With best regards,

Yours truly,

Mohammad Mostafizur Rahman
Company Secretary (Acting)

Forward-looking Statements

This forward-looking statements include the company's business prospects, future developments, trends and conditions in the industry it operates, its strategies, plans, objectives and goals, operations, margins, overall market condition and risk management. The Annual Report reveals management's viewpoints based on the year's events as well as future events and the Company's proposition. These statements do not provide assurance against certain risks and uncertainties. Thus, the actual future outcome and trends expected in the statements may vary due to the following factors:



Changes in national, economic and financial conditions

Geopolitical impact



Changes in Government policy

Volatility of capital market



Changes of interest rate

Changes in corporate Tax and VAT structure



Instabilities of price in the foreign exchange market

Unexpected ecological and demographic changes



Inconsistency of competitors, suppliers and pricing

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Corporate Information

Company Profile

Basic Information

Full Name	: ACI Formulations Limited	Authorized Capital (Taka)	: 50,00,00,000
Incorporation Date	: 29 October 1995	Issued & Paid Capital (Taka)	: 47,25,00,000
Registration No	: C-29594 (882)/95	Number of Shares	: 4,72,50,000
Company Type	: Public Limited	Face Value (Taka)	: 10
Number of Employees	: 985	Year End	: 30 June

Statutory Position

Chief Financial Officer	: Mr. Pradip Kar Chowdhury
Company Secretary	: Mr. Mohammad Mostafizur Rahman (Acting)
Head of Risk Management & Internal Audit	: Mr. Amitava Saha

Auditors

Statutory Auditor	: A. Wahab & Co., Chartered Accountants
Governance Compliance Auditor	: Al-Muqtadir Associates, Chartered Secretaries & Consultants

Advisors

Legal Advisor	: Barrister Nihad Kabir
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Contact Address

Registered Office

ACI Centre, 245, Tejgaon Industrial Area, Dhaka-1208
Phone # (8802) 8878603
Fax # (8802) 8878619, 8878626
Email # info@aci-bd.com
Web # www.aci-bd.com/acifl/

Investors Relation's Office

9 Motijheel C/A, Dhaka-1000
Phone # (8802) 2223350179-82

Factory Location

Rajabari, Sreepur, Gazipur
Phone # (8802) 0682555135

Principal Bankers

- Standard Chartered Bank
- The Hongkong and Shanghai Banking Corporation Limited
- Commercial Bank of Ceylon PLC
- BRAC Bank Limited
- Prime Bank Limited
- The City Bank Limited
- Bengal Commercial Bank Limited
- Al-Arafah Islami Bank Limited

Board of Directors

■ Mr. M. Anis Ud Dowla	Chairman
■ Dr. Arif Dowla	Director
■ Dr. A.K.M. Fareyzul Haque Ansarey	Director
■ Mr. Golam Mainuddin	Independent Director
■ Mr. Abdul-Muyeed Chowdhury	Independent Director
■ Mr. Juned Ahmed Choudhury	Director
■ Ms. Shusmita Anis	Managing Director

Board Audit Committee

• Mr. Abdul-Muyeed Chowdhury	Chairman
• Dr. A.K.M. Fareyzul Haque Ansarey	Member
• Mr. Juned Ahmed Choudhury	Member
• Mr. Mohammad Mostafizur Rahman	Secretary (Acting)

Nomination and Remuneration Committee

■ Mr. Golam Mainuddin	Chairman
■ Mr. Abdul-Muyeed Chowdhury	Member
■ Mr. Juned Ahmed Choudhury	Member
■ Mr. Mohammad Mostafizur Rahman	Secretary (Acting)

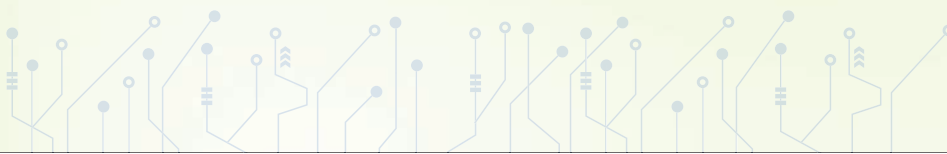
ACI Formulations in Brief

ACI Formulations Limited (ACI FL) was established as the subsidiary of Advanced Chemical Industries (ACI) Limited in 1995. The Company obtained listing with both Dhaka and Chittagong Stock Exchanges in 2008.

ACI FL's Crop Care & Public Health (CC&PH) business is one of the most renowned names and leading agrochemical manufacturers and suppliers in Bangladesh. Since its inception, the business is contributing to the food security of Bangladesh marking a huge footprint in the agriculture sector. ACI Crop Care helps farmers protect their crops from diseases, insects and weeds thereby increasing farm production through the use of crop protective solutions. ACI Crop Care is providing a complete range of cost-effective solutions, inputs to protect the crop and help farmers increase crop yield and quality produce.

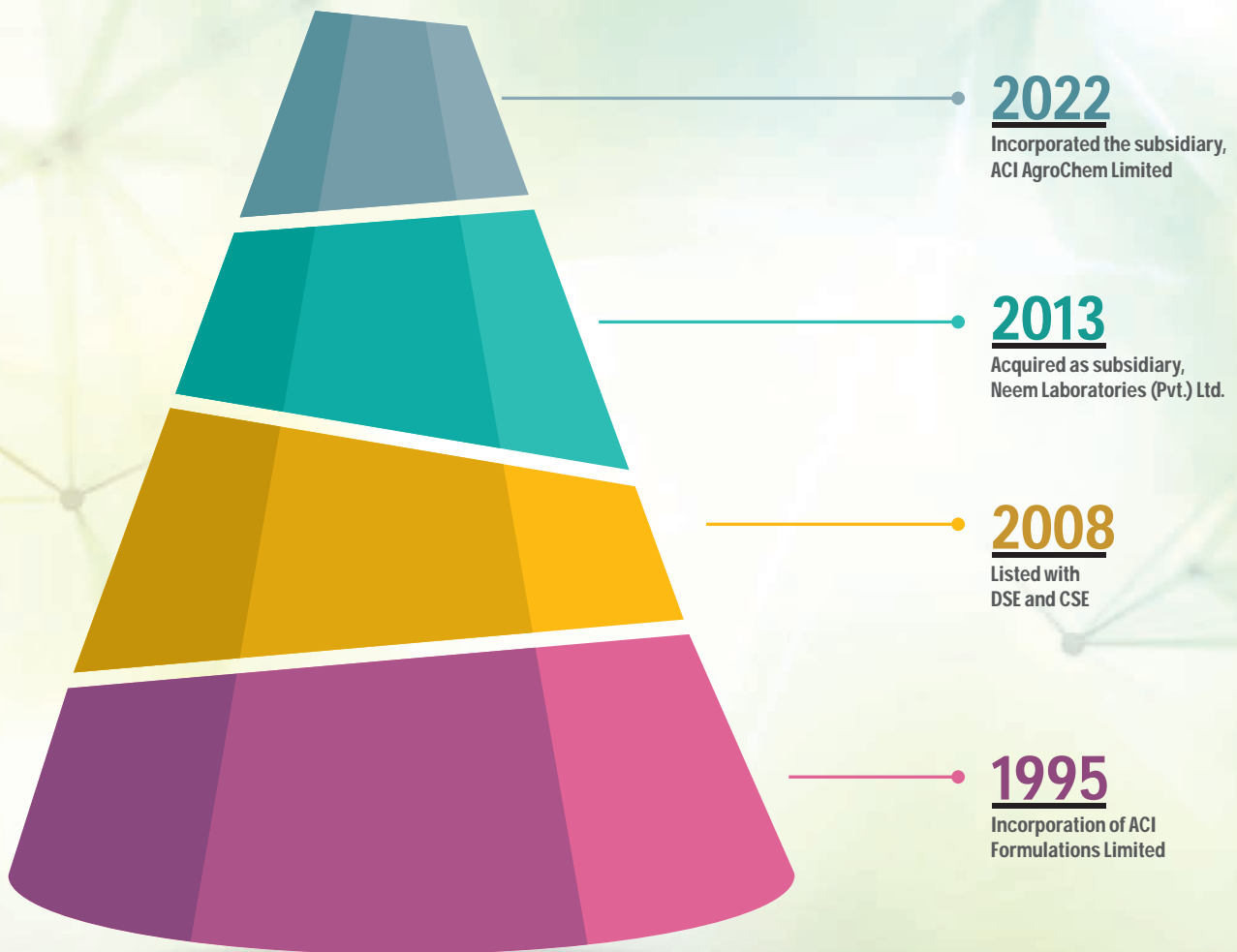
Subsidiary Companies

■ Neem Laboratories (Pvt.) Ltd.
■ ACI AgroChem Limited





Milestones



Board of Directors' Profile



Mr. M. Anis Ud Dowla
Chairman

Mr. M. Anis Ud Dowla, the Chairman of ACI Group, is one of the most successful personalities in Bangladesh business circle. Mr. Dowla has maintained a high profile, and has provided leadership to the business community in different capacities. Mr. Dowla served in the British Oxygen Group of UK in Pakistan, Bangladesh and Kenya for 27 years, including 12 years as Managing Director of Bangladesh Oxygen Ltd. In 1987, he became the Group Managing Director of the three ICI companies in Bangladesh. With experience gathered while working with two British multi-nationals for over 32 years, Mr. Dowla has continued to maintain the multinational culture and management style in ACI, with special emphasis on quality, productivity and customer services. He was the President of Metropolitan Chamber of Commerce & Industries, Dhaka in 1977, 1978, 1995 and 2010. Mr. Dowla has considerable contribution in the field of Industrial Relations of the country. He was elected President of Bangladesh Employers' Federation for the terms in 1975-1976, 1976-1977, 1991-1992, 1992-1993, 2003-2004 and 2004-2005. He is the President of the Bangladesh Seed Association. He is the Chairman of Pioneer Insurance Company Limited and Director of the Credit Rating Agency of Bangladesh. He is as well a member of the Board of Trustees of the Independent University of Bangladesh, and the President of Bangladesh Association of Publicly Listed Companies.



Dr. Arif Dowla
Director

Dr. Arif Dowla was inducted as Director of the Company in 2003. He is the Managing Director of the parent company, Advanced Chemical Industries Limited and functional head of ACI Group. He has significant contribution in the advancement of Industrial as well as Agricultural sector of the country. His business strategy and various backward and forward linkages have diversified the Group business in manifold resulting ACI a largest turnover based conglomerate in Bangladesh. Dr. Dowla obtained Ph.D in Mathematics from the University of California, USA. He is a member of the American Mathematical Society and the Society of Quantitative Analyst, New York, as well. He has been included in the Forum of Young Global Leader Honorees 2009 by the World Economic Forum. He has been serving as the Honorary Consul of Belgium in Bangladesh since September 2013. Dr. Dowla is the Chairman of Tetley ACI (Bangladesh) Limited, a Joint-venture between Bangladesh and UK, and Chairman of ACI CO-RO Bangladesh Limited, a Joint-venture between Bangladesh and Denmark. He is a Director of Mutual Trust Bank Limited and former Chairman of the Bank (2012-2014). He was also the Director of Pioneer Insurance Company Limited from 2002 to 2009. He is a Director of Metropolitan Chamber of Commerce and Industry. Besides, Dr. Dowla is the Managing Director of ACI Logistics Limited and Stochastic Logic Limited. He, however, occupies Directorship in ACI Formulations Limited, ACI Salt Limited, ACI Pure Flour Limited, ACI Motors Limited, ACI Foods Limited, Premiaflex Plastics Limited, ACI Agrolink Limited, ACI HealthCare Limited, ACI Edible Oils Limited, Creative Communication Limited, Consolidated Chemicals Limited, ACI Chemicals Limited, ACI Boitech Limited, INFOLYTX Bangladesh Limited, ACI Marine and Riverine Technologies Limited, ACI AgroChem Limited, ACI Premio Plastics Limited, Dowla Agricultural Development Company Limited, ACI Godrej Agrovvet Private Limited and ACI Foundation (a non-profit organization).



**Dr. A.K.M. Fareyzul
Haque Ansarey**
Director

Dr. A.K.M. Fareyzul Haque Ansarey, esteemed for his Doctorate in Ecology, fortifies a technologically reliant company with his adept high-profile management acumen. With an expansive career in the chemical industry, including pivotal roles at multinational corporations like Ciba-Geigy and national enterprises such as Shetu Corporation Limited, he infuses confidence in harnessing the Company's business potential. Dr. Ansarey, a promoter of ACI Formulations Limited, has conscientiously steered its direction as a Director since November 1995, paralleled by a prosperous tenure as the Executive Director of Agribusinesses at Advanced Chemical Industries Limited.

In his current role as President of the ACI Agribusinesses Division, his leadership permeates through various facets of the organization. Concurrently, he has been entrusted with the role of Managing Director at multiple entities, including ACI Motors Limited, Premiaflex Plastics Limited, ACI Agrolink Limited, and ACI Marine and Riverine Technologies Limited. Moreover, Dr. Ansarey holds distinguished Directorship positions across a spectrum of ACI subsidiaries, such as ACI Salt Limited, ACI Premio Plastics Limited, ACI Avionics and Airlines Services Limited, ACI CO-RO Bangladesh Ltd., and ACI Godrej Agrovvet Private Limited, substantiating his integral role in the expansive reach and growth of the Company.



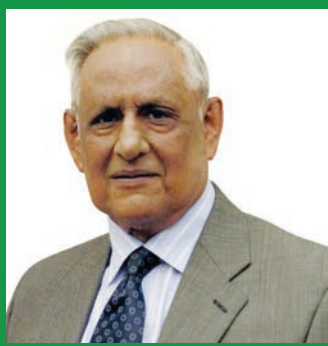
Mr. Golam Mainuddin
Independent Director

Mr. Golam Mainuddin joined the Board of Advanced Chemical Industries Limited in October 2009. Prior to that he served the Company in the capacity of Independent Director as well as Chairman of the Board's Audit Committee. Mr. Mainuddin has been the Chairman of British American Tobacco (BAT) Bangladesh since August 2008. He has been with BAT Bangladesh over 39 years and served in different management capacity. After obtaining his Masters of Science degree from Dhaka University, Mr. Mainuddin pursued the first 28 years of his career in the agro-based industry followed by corporate management over the last 22 years. He was a Tea Garden Manager at Duncan Brothers from 1969 to 1982, and then joined BAT Bangladesh to soon become the Head of Leaf in 1985. He was inducted as Director of BAT in 1986, and was given the responsibility of Deputy Managing Director in 1996. He is the Director of Metropolitan Chambers of Commerce & Industry, Dhaka and is the Chairman of Chamber Finance and Membership Sub Committee. He was the Vice-President of Metropolitan Chambers of Commerce & Industry (MCCI), the Vice-President of Bangladesh Employers' Federation (BEF) and Director of Federation of Bangladesh Chambers of Commerce and Industries (FBCCI). He was the Independent Director as well as Chairman of the Audit Committee of Apex Footwear Limited. He is the Director of Infrastructure Investment Facilitation Company (IIFC) at the Ministry of Finance (ERD) of the Government of Bangladesh. He has been a Commercially Important Person (CIP) by the Government of Bangladesh since 2010.



**Mr. Abdul-Muyeed
Chowdhury**
Independent Director

Mr. Abdul-Muyeed Chowdhury joined the Board as Director on 28 January 2019. He is serving as an Independent Director of ACI Formulations Limited from October 2018. Mr. Chowdhury obtained his Bachelor of Arts with Honors in History and Master of Arts (1st Class) from Dhaka University. He also attended Certificate of Participation in an acceptable program of special study in Political Science, Public Administration in the University of Tennessee, Knoxville. Mr. Chowdhury, a CSP, served as an Adviser to the Care Taker Government of Bangladesh in 2001 and was in charge of five Ministries. He was the Executive Director of BRAC from 2000 to 2006. Prior to that, he spent more than three decades in the civil service of Bangladesh and was the Secretary to the Government from 1994 to 2000 holding charge of various ministries. He served as the Chairman of NBR, Managing Director of Biman Bangladesh Airlines and Executive Director of Jamuna Multipurpose Bridge Authority, President of National Shooting Federation of Bangladesh, Chairman of SME Foundation and Vice-President of Bangladesh Olympic Association. He was the Chairperson of BRACNet Limited. Currently, he is serving as the CEO of Tiger Tours Limited. Besides, he is an Independent Director of gameenphone and Director of MJL Bangladesh Limited, Omera Petroleum Limited, Omera Fuels Limited, Omera Cylinders Limited, Summit Alliance Port Limited, and Tiger Tours Limited. He is also a Member of the Governing Body of BRAC University.



**Mr. Juned Ahmed
Choudhury**
Director

Mr. Juned Ahmed Choudhury joined the Board as Director on 17 August 2021. He obtained B. A (Hons.) degree in Economics from Dhaka University in 1957 and Master of Public Administration from Karachi University in 1959. He received training on Personnel Management in Public and Private Organisations at the National School of Administration in Paris; and on Industrial Relations at the Institute of Labour Studies in ILO, Geneva. Mr. Choudhury was Director of Shell Oil Company Ltd., and Public Affairs Adviser of Bangladesh Shell Petroleum Development B.V. He was decorated Knight of the Order of Arts and Letters by the Government of France for his contribution to promotion of better Bangladesh-France relationship in the fields of language and culture. Mr. Juned Ahmed Choudhury served ACI Formulations Limited as Independent Director for the period 2012 to 2018 in two consecutive tenures.



Ms. Shusmita Anis
Managing Director

Ms. Shusmita Anis completed her graduation in Fine Arts in Graphics Design from San Jose, California, USA. She was inducted as Director of ACI Formulations Limited in 2003 and appointed as the Managing Director of the Company in 2012. She has also been a Director of Advanced Chemical Industries Limited since 2000 and performing as a Member of the Audit Committee. Besides, she is the Director of ACI Logistics Limited, ACI Foods Limited, ACI Motors Limited, Premiaflex Plastics Limited, Creative Communication Limited, Consolidated Chemicals Limited, ACI Pure Flour Limited, Stochastic Logic Limited, ACI Salt Limited, ACI Chemicals Limited, Neem Laboratories (Pvt.) Ltd., ACI AgroChem Limited, ACI Premio Plastics Limited, ACI Shwapno e-Commerce Limited, Dowla Agricultural Development Company Limited and ACI Foundation (a non-profit organization). She was the Director of Pioneer Insurance Company Limited. She was also the Vice President of Bangladesh Employers' Federation.



Mr. Mohammad Mostafizur Rahman
Company Secretary
(Acting)

Mohammad Mostafizur Rahman joined ACI Formulations Limited as the Company Secretary. He is currently playing this role as an acting Company Secretary. He is also serving the Head of the Estate & Legal and Administration Departments, in addition to his other responsibilities. Previously, he worked with Heidelberg Cement Bangladesh Ltd., Bata Shoe Company (Bangladesh) Limited, Square Pharma and Rangs Properties Limited in various capacities. In the year of 2010 the Institute of Chartered Secretaries of Bangladesh recognized him as a qualified Chartered Secretary. He completed both LL.B. (Hons.) and LL.M from University of Dhaka. He earned Post Graduate Diploma in Human Resources Management (PGDHRM) from Bangladesh Institute of Management (BIM) in 2013. Mr. Rahman is a Fellow member of Institute of Chartered Secretaries of Bangladesh. He is also acting as the Member on the part of the owners in the 2nd Labour Court, Dhaka since 15 October 2020 being selected and appointed by the Government of Bangladesh, and Member of the Labor Law Sub-Committee of Bangladesh Employers' Federation.



ACI Formulations Limited

Registered Office Address: ACI Centre, 245 Tejgaon Industrial Area, Dhaka 1208

Notice of the 27th Annual General Meeting

Notice is hereby given that the 27th Annual General Meeting (AGM) of ACI Formulations Limited will be held on Thursday, 28 December 2023 at 10:00 am. The AGM will be held virtually using digital platform through the following link: <https://agmbd.live/aciformulation>

AGENDA

- 1) To receive, consider and adopt the Audited Financial Statements for the year ended 30 June 2023 together with Reports of the Directors and Auditors thereon;
- 2) To declare recommended dividend for the year ended 30 June 2023;
- 3) To elect/re-elect Directors;
- 4) To appoint Statutory and Compliance Auditors for the year 2023-2024 and to fix their remunerations;
- 5) To confirm re-appointment of Independent Director.

By Order of the Board

Mohammad Mostafizur Rahman
Company Secretary (Acting)

Dhaka
23 November 2023

Notes

- a. The Shareholders whose names appeared in the Members/Depository Register as on the Record Date i.e. 16 November 2023, will be eligible to attend the virtual AGM and receive the dividend;
- b. Members can join the AGM using their Laptop, PC, Mobile or Tab providing their respective name, 16-digit BO ID and No. of Shares. Members can also find the link easily by scanning the QR Code given;
- c. The members will be able to submit their questions/comments and vote electronically 24 hours before commencement of the AGM and during the AGM;
- d. The Shareholders are requested to submit their written option to receive dividend to the Company's Share Office on or before 16 December 2023. In case of non-receipt of such option within the stipulated date, the dividend will be paid off as deemed appropriate by the Company;
- e. The Proxy Form, duly completed, stamped at BDT. 100 must be deposited at the Share Office of the Company at 9 Motijheel Commercial Area, Dhaka-1000 at least 48 hours before the time fixed for the Meeting;
- f. The Annual Report 2022-2023 will be available in Company's website: www.aci-bd.com/acifl/



To Join AGM



Financial Calendar

13

13 November 2022
Sunday

Quarter One
Adoption of unaudited first quarter financial statements ended 30 September 2022

30

30 January 2023
Monday

Quarter Two
Adoption of unaudited second quarter financial statements ended 31 December 2022

30

30 April 2023
Sunday

Quarter Three
Adoption of unaudited third quarter financial statements ended 31 March 2023

26

26 October 2023
Thursday

Annual
Adoption of audited financial statements for the year ended 30 June 2023

16

16 November 2023
Thursday

Record Date
Record Date in lieu of Book Closure

23

23 November 2023
Thursday

AGM Notice
Notice of 27th Annual General Meeting

04

04 December 2023
Monday

Annual Report
Issuance of Annual Report

28

28 December 2023
Thursday

AGM Day
27th Annual General Meeting

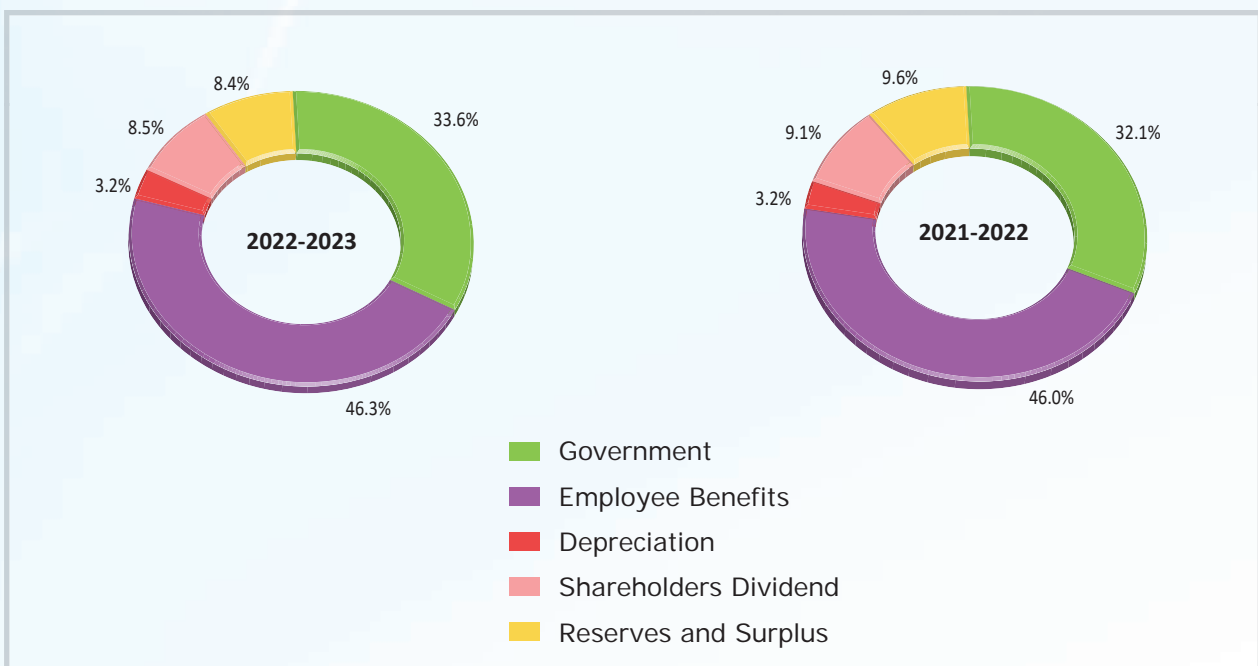
25

25 January 2024
Thursday

Dividend Payment
Payment of Dividend to the shareholders whose name would appear in the register of the Company on record date

Value Added Statement

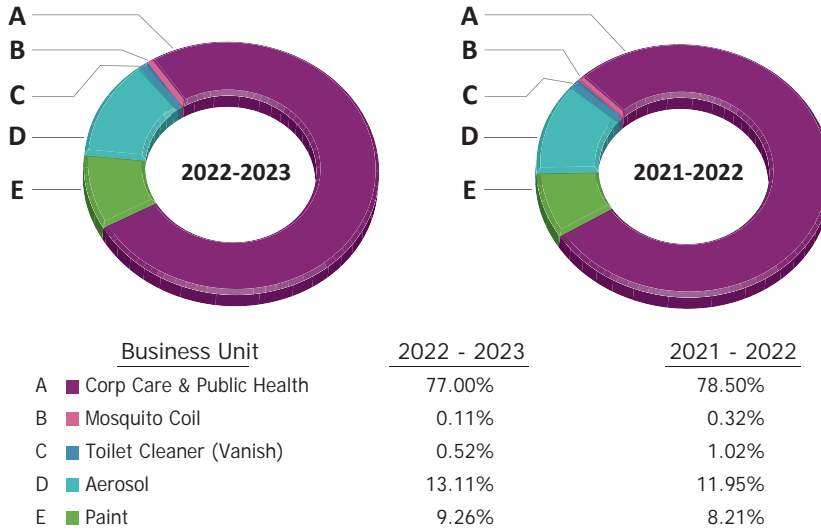
Particulars	2022-2023		2021-2022	
	Taka in Million	%	Taka in Million	%
Gross Turnover	5,121		4,389	
Less: Purchase of Materials & Service	3,725		3,088	
Value added	1,396	100%	1,301	100%
Applications				
Government	469	33.6%	418	32.1%
Employee Benefits	647	46.3%	599	46.0%
Depreciation	45	3.2%	41	3.2%
Shareholders Dividend	118	8.5%	118	9.1%
Reserves and Surplus	117	8.4%	125	9.6%
Total	1,396	100%	1,301	100%



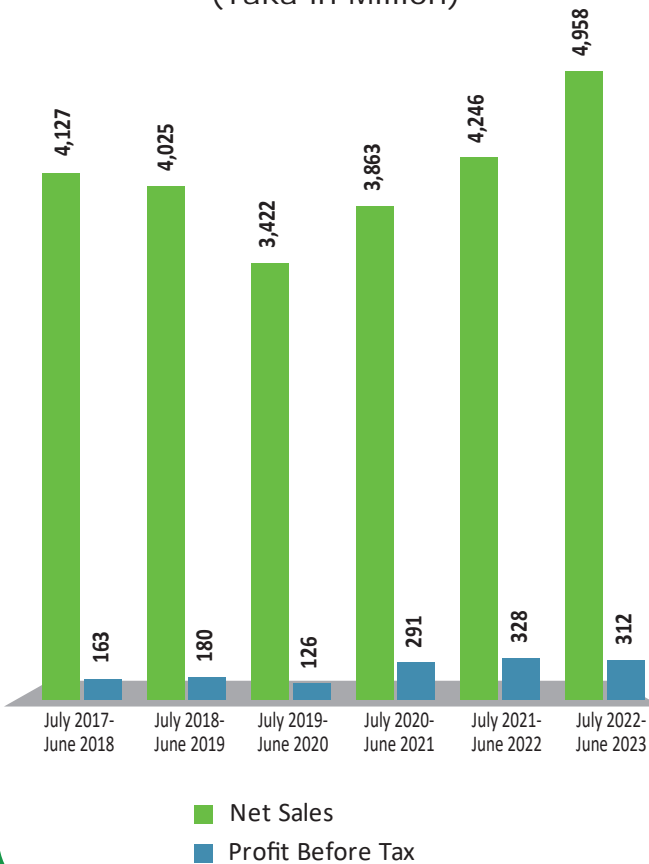


Financial Highlights and Analysis

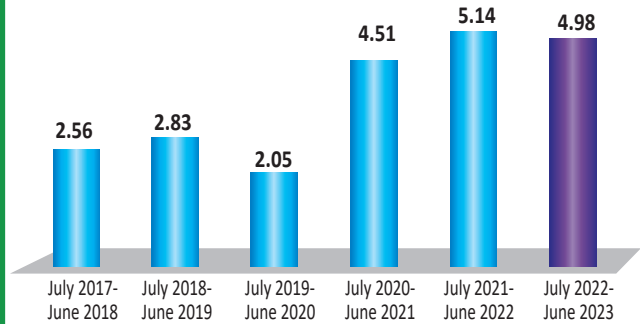
Turnover Contribution by Business Unit



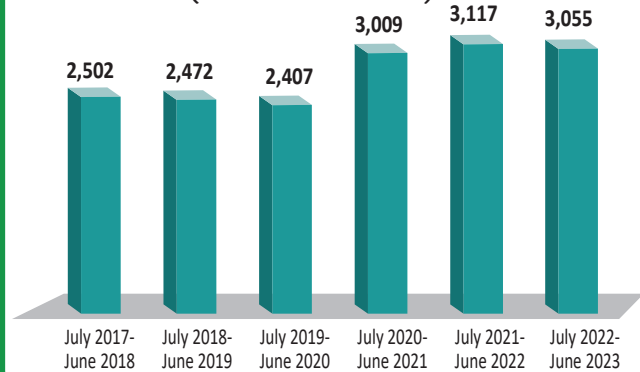
Net Sales & Profit Before Tax (Taka in Million)



Earnings Per Share (Taka)



Shareowners' Equity (Taka in Million)

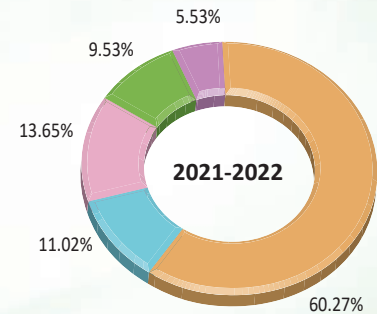
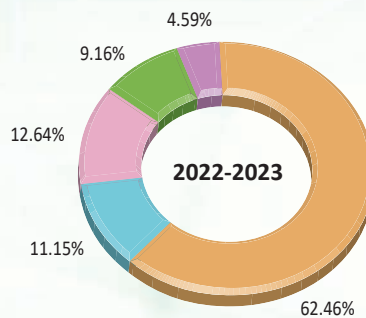


Comparative Statistics

Particulars	July 17- June 18	July 18- June 19	July 19- June 20	July 20- June 21	July 21- June 22	July 22- June 23
Taka in million						
Authorized capital	500.00	500.00	500.00	500.00	500.00	500.00
Issued & paid-up capital	450.00	450.00	450.00	450.00	472.50	472.50
Current assets	3,994.18	4,010.05	3,563.12	3,236.64	4,054.75	4,142.31
Tangible fixed assets (gross)	1,912.42	2,155.61	2,176.81	2,694.88	2,709.38	2,769.48
Shareowners' equity	2,502.33	2,471.79	2,406.74	3,009.38	3,117.06	3,055.40
Turnover (net)	4,127.46	4,025.29	3,422.45	3,863.35	4,246.34	4,958.31
Gross profit	1,026.50	1,210.67	1,065.17	1,125.50	1,217.24	1,315.43
Profit before tax	163.30	180.26	125.57	290.45	328.36	311.81
Profit after tax	115.03	127.52	92.45	213.26	242.68	235.11
Dividend	157.50	157.50	90.00	157.50	118.13	118.13
Current ratio (times)	1.24	1.17	1.17	1.27	1.25	1.24
Quick ratio (times)	0.74	0.69	0.76	0.77	0.83	0.75
Return on equity (%)	4.60	5.16	3.84	7.09	7.79	7.69
Inventory turnover (times)	1.93	1.73	1.85	2.14	2.23	2.23
Debtors turnover (times)	2.78	2.19	2.02	2.69	3.56	3.78
Fixed assets turnover (times)	2.30	2.07	1.80	1.63	1.80	2.03
Net asset per share (Taka)	55.59	54.93	53.48	63.69	65.97	64.66
Market price per share (Taka)	163.70	152.40	110.20	148.20	158.10	156.20
Earnings per share (Taka)	2.56	2.83	2.05	4.51	5.14	4.98
Dividend per share (Taka)	3.50	3.50	2.00	3.50	2.50	2.50
Dividend rate (%)	35.00	35.00	20.00	35.00	25.00	25.00
Dividend payout ratio (%)	136.92	123.51	97.35	73.85	48.68	50.24
Price earnings ratio (times)	63.95	53.85	53.76	32.83	30.78	31.39
Dividend yield (%)	2.14	2.30	1.81	2.36	1.58	1.60
Number of employees	1,785	1,361	1,113	1,047	982	985

Analysis of Turnover (%)

- Cost of Materials
- Expenses
- Salaries, Wages & Benefits Paid to Employees
- Duties & Taxes Paid to Government Exchequer
- Profit



Comparison of Turnover & Costs

	For the year ended 30 June 2023		For the year ended 30 June 2022	
	Taka in Million	%	Taka in Million	%
Turnover (Gross)	5,121.54	100	4,388.76	100
Cost of Materials	3,198.80	62.46	2,644.96	60.27
Expenses	571.20	11.15	483.71	11.02
Salaries, Wages & Benefits Paid to Employees	647.43	12.64	598.93	13.65
Duties & Taxes Paid to Government Exchequer	469.00	9.16	418.48	9.53
Profit	235.11	4.59	242.68	5.53
Total	5,121.54	100.00	4,388.76	100.00



Message from the Chairman

চেয়ারম্যানের বাণী

Dear Shareowners,

Assalamu Alaikum,

As we reflect on the fiscal year ending June 30, 2023, I must acknowledge that we faced significant challenges. Despite these headwinds, I want to share our commitment and the path forward with you.

The economic landscape for the year under review was exceptionally challenging, marked by factors beyond our control. Despite our best efforts and unwavering dedication, our company's profit for the year decreased by 3% compared to the previous year. While this result is not what we had hoped for, we believe it is essential to provide context to this decline.

The serious macroeconomic stress we encountered included inflationary pressures, fluctuating exchange rates, and market uncertainties. These external factors posed substantial hurdles to our operations and profitability.

Our response to adversity has been resolute. We have taken steps to streamline our operations, optimize costs, and enhance efficiency. Our investments in research and development continue to yield promising results, strengthening our product portfolio for the future.

We remain committed to sustainable practices, emphasizing responsible production and environmental stewardship. These principles not only align with our values but also position us for long-term success in an evolving market landscape.

While we acknowledge the challenges, we are steadfast in our belief that our company has the resilience and adaptability required to overcome them. We have a clear strategy in place to rebound, driven by innovation, customer-centricity, and prudent financial management.

I want to extend my heartfelt gratitude to our shareholders, customers, and dedicated team for your continued trust and support. We understand the faith you have placed in us, and we are determined to honor it.

As we look ahead, we remain committed to delivering value to our shareholders and contributing to the prosperity of Bangladesh's agriculture sector. The path may be challenging, but we are confident that our enduring commitment to excellence will lead to brighter days.

Thank you for your unwavering support.

With best regards,

Sincerely,

M. Anis Ud Dowla

Chairman

“

we remain committed to delivering value to our shareholders and contributing to the prosperity of Bangladesh's agriculture sector.

আমরা প্রতিশ্রুতিবদ্ধ শেয়ারমালিকদের শেয়ারের মূল্যমান বৃদ্ধি এবং বাংলাদেশের কৃষিখাতের সমৃদ্ধিতে অবদান রাখতে। ”



প্রিয় শেয়ারমালিকগণ

আসসালামু-আলাইকুম,

আমরা প্রতিবছর বার্ষিক প্রতিবেদনে সমাপ্ত অর্থবছরের প্রতিফলন লিপিবদ্ধ করে থাকি, সেই ধারাবাহিকতায় ৩০ শে জুন ২০২৩ এ সমাপ্ত অর্থবছর নিয়ে পর্যালোচনা করতে গেলে আমাদের অবশ্যই স্বীকার করতে হবে যে আমরা বিগত বছর নানাবিধ প্রতিকূলতার সম্মুখীন হয়েছি। এইসব প্রতিবন্ধকতার মাঝেও আপনাদের কাছে আমাদের যে প্রতিশ্রুতি তা পরিপালনের জন্য আমাদের ভবিষ্যৎ পথ-পরিক্রমা সম্পর্কে আপনাদের অবহিত করতে চাই।

আলোচ্য বছরে দেশের অর্থনৈতিক প্রতিবন্ধকতা অন্যান্য বছরের তুলনায় ছিল ব্যতিক্রমী। আমাদের কঠোর পরিশ্রম এবং নিরলস প্রচেষ্টা সত্ত্বেও এই অর্থবছরে কোম্পানির মুনাফা বিগত অর্থবছরের তুলনায় ৩% হ্রাস পেয়েছে। যেহেতু এই ফলাফল আমাদের নিকট আশাব্যঞ্জক নয় তাই আমরা এই ফলাফলের প্রেক্ষাপট আপনাদের কাছে অবগত করার প্রয়োজনীয়তা অনুভব করছি।

আমরা বেশ কিছু গুরুতর সামষ্টিক অর্থনৈতিক নিয়ামকের দ্বারা প্রভাবিত হয়েছি। তন্মধ্যে অস্বাভাবিক মুদ্রাস্ফীতি, অস্থিতিশীল বৈদেশিক মুদ্রার বিনিময় হার এবং অনিশ্চিত বাজার ব্যবস্থা অন্যতম। এই বাহ্যিক কারণগুলো আমাদের ব্যবসা পরিচালনা এবং মুনাফা অর্জনকে বাধাগ্রস্ত করেছিল। এই সব প্রতিকূলতার বিপরীতে আমাদের অবস্থান ছিল তাই ব্যবসা পরিচালনা, ব্যয় সংকোচন এবং দক্ষতা বৃদ্ধির লক্ষ্যে আমরা সুদূর প্রসারী পরিকল্পনা গ্রহন করেছি। এই পদক্ষেপের পাশাপাশি আমরা গবেষণা এবং উন্নয়নের জন্য যে বিনিয়োগ করেছি তা চলমান থাকবে যা ভবিষ্যতে আমাদের ভালো ফলাফল পেতে সাহায্য করবে এবং আমাদের পণ্য সম্ভারকে আরোও সমৃদ্ধ করবে।

আমরা প্রতিশ্রুতিবদ্ধ আমাদের সকল ক্ষেত্রে মানসম্পন্ন পণ্য উৎপাদন ও পরিবেশগত ভারসাম্য রক্ষা করার জন্য প্রগতিশীল নিয়ম কঠোরভাবে অনুসরণ করতে। এই মূলনীতি গুলো শুধুমাত্র আমাদের মূল্যবোধের

সাথেই সম্পূর্ণ নয় বরং সদা পরিবর্তনশীল বাজার ব্যবস্থায় অভিযোজিত হয়ে দীর্ঘমেয়াদি সাফল্য বয়ে আনতে সহায়তা করবে।

নানাবিধ ঘাত-প্রতিঘাত মোকাবেলা করা সত্ত্বেও আমরা অবিচল মানসিকতার অধিকারী, আমরা বিশ্বাস করি যে যেকোন বৈরী পরিস্থিতি থেকে উত্তোরণের জন্যে যে অটুট মনোবল এবং অভিযোজন ক্ষমতা প্রয়োজন, তা আমাদের আছে। সর্বোপরি বহুমুখী উদ্ভাবন প্রতিভা, গ্রাহক কেন্দ্রিক দৃষ্টিভঙ্গি, এবং বিচক্ষণ আর্থিক ব্যবস্থাপনার সমন্বয়ে আমাদের একটি সুপরিকল্পিত কৌশল রয়েছে, যেটি যেকোন প্রতিকূলতা মোকাবেলা করতে সক্ষম।

আমি আমাদের সম্মানিত শেয়ারমালিকবৃন্দ, গ্রাহক এবং কর্মীদের আমাদের প্রতি তাদের অবিচল আস্থা এবং নিরবিচ্ছিন্ন সহযোগিতার জন্য অন্তরের অন্তস্থল থেকে সাধুবাদ জানাই। আপনাদের এই বিশ্বাসের মর্যাদা রাখতে আমরা দৃঢ় প্রতিজ্ঞ।

আমাদের শেয়ারমালিকদের শেয়ারের মূল্যমান বৃদ্ধি এবং বাংলাদেশের কৃষিখাতের সমৃদ্ধিতে অবদান রাখতে আমরা প্রতিশ্রুতিবদ্ধ। এই পথ বন্ধুর হলেও, আমরা আত্মবিশ্বাসী যে শ্রেষ্ঠত্বের প্রতি আমাদের অটুট অঙ্গীকার আমরা উজ্জল ভবিষ্যতের দিকে নিয়ে যাবে।

আপনাদের অবিচল আস্থার প্রতি কৃতজ্ঞতা জ্ঞাপন করছি।

আপনাদের বিশ্বস্ত,



এম. আনিস উদ্ দৌলা

চেয়ারম্যান



Statement of Corporate Governance

In ACI FL Corporate Governance (CG) is a maxim that is intertwined in responsibility, compliance, transparency and finally accountability. As a part of it, ACI FL acknowledges good corporate governance as the essential element for success in business and recognizes that it is to be established by means of an effective CG Regime. Accordingly, ACI FL emphasizes on stronger diligence to business, all operations being transparent and invites larger involvement of the stakeholders. Aspiring on that, the Company has always strived to remain vigilant on good governance and good business conduct so as to create and maintain value for shareholders, safeguard stakeholders' interest and justify investor confidence. In this respect the Directors of ACI FL are also committed to meeting the highest standards of governance and disclosure. And with that aim, the Board ensures the integrity and firm attention of its employees, supported by a comprehensive framework of policies, guidelines and internal control. The Directors are conscious of their own responsibilities in supervision and direction of 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 functions and in setting up clear guidelines for the executive management.

The Governing Board

The Board of Directors of ACI FL, being the highest authority in the Company, is constituted by a body of knowledgeable persons and includes core competencies considered relevant in the context of the Company. To further ensure a balanced representation, the Board also includes Independent Directors, who are very resourceful and dignified members of the society. Thus, the Board of ACI FL is a compact body and meets all the criteria required under the BSEC governing Code. Further details about members of the Board are appended at the appropriate parts in this report.

Composition of the Board

The Board consists of 7 (seven) members drawn from the major shareowners and business professionals. Mr. M. Anis Ud Dowla is the Chairman of the Board and Ms. Shusmita Anis is the Managing Director. Of the seven Directors, four are non-executive Directors including two Independent Directors. The non-executive Directors are, however, available whenever business operations call for their attention and involvement.

Roles and Responsibilities of the Board

The Board is the supreme authority of the Company to oversee its operations through appropriate delegation, monitoring, control and reporting. The Directors hold the ultimate responsibility of conducting the activities of the Company in accordance with law and in the interest of its shareowners and other stakeholders, keeping in view the long-term interest and aspirations of the Company, while also discharging Company's legal obligations to its shareowners.

Functioning of the Board

The Directors meet together for the dispatch of the business and regulate the meetings and proceedings

according to the needs of the Company. Every Board meeting is preceded by service of Notice well ahead of scheduled time. Notice with agenda supported by working papers for every meeting of the Board are sent to all Directors well in advance so that they can come up with their considered views and can actively participate at the deliberations. During the meeting, the Board gets a thorough review of the performance of the Company through a PowerPoint presentation by the Managing Director. All pertinent matters are discussed in details and decisions are taken based on thorough considerations. Questions arising at any meeting are decided by a majority of votes. However, there is a procedure supported by the Articles of Associations of the Company which allows taking care of any urgent matter through Resolution by Circulation. Such circular resolution is adopted by the Directors present in Bangladesh, without having to call a formal Board Meeting. To make it transparent, such resolutions passed by circulation are subsequently tabled at the immediate following Board meeting and included in the minutes accordingly.

Management through People

The directors believe that a successful Board directs and not manage; rather they manage the management. And with that spirit, the Board has delegated adequate operational and financial authorities to the Managing Director which empowers her to set up the organizational structure, recruit appropriate people, empower them to manage the Strategic Business Units and functional areas and provide them guidance for achievement of the desired results.

As the apex corporate authority, the Board is kept informed of the goals, targets and initiatives of the Business Units and apprised of the financial performance on a regular quarterly basis.

The Managing Director is in charge of operations of the Company and manages the affairs of the Company through close consultation with relevant people from within the Company and outside experts.

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 achievements.

The shareowners are informed about the AGM well in advance and meeting materials are dispatched to them with priority abiding by laws and guidelines. The Directors attending the Annual General Meeting note the views, aspirations and suggestions of the shareowners and institutional stakeholders offered at the AGM and consider them with utmost attention. The Managing Director also brings to the notice of the Board any written communication received by her from the shareowners.

Internal Control and Risk Management

The Managing Director has to satisfy the Board that adequate internal check and controls are in place through



Reporting and Communication

The Managing Director reviews and approves the strategic plans of each Business Unit every quarter. She also reviews monthly report and commentary on the sales and financial performance of 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 Board considers that good governance involves openness and trustful cooperation among all stakeholders concerned, including the shareowners of the Company. Shareowners, being the ultimate controllers of the Company, deserve to be informed in all corporate respects required under the law. Annual General Meeting (AGM) is the highest forum for interaction between shareowners and management of the Company. Accordingly, the Company holds the AGM regularly and in

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 9001:2015 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 14001:2015 Environmental Management System, 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, demonstrating the Board's commitment to ensure that adequate risk management and internal control systems are in place across the Company.



Independent Director

In compliance with the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC), the existing Board of Directors of the Company includes two Independent Directors, Mr. Golam Mainuddin and Mr. Abdul-Muyeed Chowdhury. Mr. Chowdhury is the Chairman of the Board Audit Committee and Mr. Golam Mainuddin is the Chairman of the Nomination and Remuneration Committee. The Independent Directors of the Company have been elected amongst the senior corporate leaders and bureaucrats of the country who are elite members of the society having requisite qualifications as prescribed by BSEC.

Re-appointment of Independent Director

Mr. Golam Mainuddin completed his 1st tenure as Independent Director of the Company on 8 June 2023. Being eligible, the Board of Directors of the Company re-appointed him as Independent Director of the Company for 2nd tenure of three years with effect from 9 June 2023. The Board requested the shareholders to confirm the appointment at their 27th Annual General Meeting.

Distinctive Role of Chairman and Managing Director

According to the Governance Code, the positions of Chairman and Managing Director are being held by separate individuals and their roles and responsibilities are clearly established, set out in writing and which are distinct from each other to ensure transparency and better governance. The Chairman is a non-executive director and responsible for smooth functioning of the Board, while the Managing Director acts as the Chief Executive Officer and in charge of the day-to-day operations of the Company.

Chief Financial Officer, Head of Internal Audit and Company Secretary

Under requirements of the BSEC Governance Code, the Company has in place the above three key positions held by three qualified professionals. Mr. Pradip Kar Chowdhury, a Fellow Chartered Accountant, acts as the Chief Financial Officer and Mr. Amitava Saha, acts as the Head of Risk Management & Internal Audit. Mr. Mohammad Mostafizur Rahman, a Fellow Chartered Secretary, is currently acting as the Company Secretary of the Company, and is responsible for overall governing compliance of the Company and performs as the bridge between the Board, Management and Shareholders. The roles, responsibilities and duties of these three key positions have clearly set forth in writing by the Board.

The Board Audit Committee

Following the Code of Bangladesh Securities and Exchange Commission (BSEC), the Board has constituted an Audit

Committee for the Company the details of which are stated in the Audit Committee Report forming part of this Annual Report. The Committee comprises of 3 (three) Members from the Board of Directors. All members of the Audit Committee are financially literate and enable to scrutinize and interpret financial statements while discharging their duties and responsibilities as member of the Committee. The Chairman of the Committee is an Independent Director having the requisite qualification in line with BSEC Code. The Company Secretary acts as the Secretary of the Committee, as required by the BSEC Code. The Chief Financial Officer and Head of Internal Audit and Compliance attend all meetings of the Committee regularly as special invitees.

The Audit Committee held four meetings during FY 2022-2023. The key responsibilities of the Audit Committee include:

1. Review and monitor the integrity of the financial reporting system and ensure that Company complies with the accounting policies, principles and applicable standards;
2. Review and appraisal of the performance of the internal audit and internal control system;
3. Review of the risks associated with the Company's business operation including mitigation and awareness plan;
4. Overseeing hiring and performance of external auditors;
5. Other matters as per terms of reference as well as time to time requirements of the Regulators.

Nomination and Remuneration Committee (NRC)

In compliance with the Corporate Governance Code, the Board of Directors of the Company in its meeting held on 28 October 2020 constituted a Nomination and Remuneration Committee as a sub-committee of the Board with the following non-executive Directors:

Mr. Golam Mainuddin, Independent Director	- Chairman
Mr. Abdul-Muyeed Chowdhury, Independent Director	- Member
Mr. Juned Ahmed Choudhury, Director	- Member
Mr. Mohammad Mostafizur Rahman, Company Secretary	- Secretary (Acting)

A detailed Terms of Reference (ToR) and Policy of the NRC has also been approved by the Board.

The terms of reference of the Nomination & Remuneration Committee and Policy include, among other items, the determination of the Company's policy on unique remuneration for Executive Directors, the



review, recommendation and/or approval of remuneration to Directors, the review and approval of the Company's remuneration policy, the creation of evaluation criteria for Independent Directors and the Board of Directors, identifying persons who are eligible to become Directors and who may be appointed to senior management in accordance with the criteria laid down and recommending the appointment or removal of such persons to the Board and discharging such other functions and exercising such other powers as the Board of Directors may delegate/direct from time to time. During the financial year 2022-2023, one (1) meeting of the Nomination and Remuneration Committee (NRC) was conducted on 9 November 2022.

Reviewing of Business and Financial operations

The operations of the Company are regularly supervised, monitored and guided by the Board. The purpose of business review is to ensure strategic control and follow-up of results based on the prevailing strategic objectives and value considerations. Financial reviews provide the internal quarterly results follow-up for the Company. The purpose is to provide an analysis of the economic and financial situations, which will then form the basis for external reporting and presentations, and to provide quality assurance for the financial reporting.

Independent Scrutinizer

As per the BSEC's Directive No. BSEC/CMRRC/2009/193/08 dated 10 March 2021, the Board in its 131st meeting held on 26 October 2023 appointed M/s Jasmine & Associates, Chartered Secretaries, as the Independent Scrutinizer to

observe the 27th AGM of the Company to be held on Thursday 28 December 2023 ensuring the facility to exercise the voting rights of shareholders on the resolution proposed to be considered at the AGM. The due process of election and detailed information of voting result shall be authenticated by the Independent Scrutinizer and be reported to BSEC accordingly.

Governance in Subsidiary Companies

ACI Formulation Limited (ACI FL) has 2 (two) subsidiary companies under its corporate canopy. ACI FL, being the holding company, applies the same governance strategy in its subsidiaries. In that exercise, the Company has duly implemented the following as per requirements of the BSEC CG Code:

- a) Provisions relating to the composition of the Board of holding company has also been applied in the composition of the Board of the subsidiary companies;
- b) The Board Directors of subsidiary companies include one Independent Director from the Board of the holding company;
- c) The minutes of the Board meeting of the subsidiary companies are placed for review at the following Board meeting of the holding company;
- d) The minutes of the respective Board meeting of the holding company duly record that the Board has also reviewed the affairs of the subsidiary companies; and
- e) The Board Audit Committee of ACI FL duly reviews the financial statements, in particular the investments made by its subsidiary companies.



Report of The Audit Committee

For the year ended 30 June 2023

The Audit Committee Report presented under Condition No. 5 (7) of the Corporate Governance Code as adopted on 3 June 2018 by Bangladesh Securities and Exchange Commission (BSEC) provides an insight on the functions of the Audit Committee during 2022-2023.

Audit Committee in ACI Formulations Limited is a sub-committee of the Board of Directors that assists the Board in fulfilling its oversight responsibilities by ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and by effective monitoring of the business. The Audit Committee acts on behalf of the Board and is responsible to it. The jurisdiction of the Audit Committee extends over the Company covering risk management with special emphasis on ensuring compliance with all applicable legislation and regulation.

Composition and Meetings

Chairman : Mr. Abdul-Muyeed Chowdhury,
Independent Director

Member : Dr. A.K.M. Fareyzul Haque Ansarey,
Director

Member : Mr. Juned Ahmed Choudhury,
Director

Secretary : Mr. Mohammad Mostafizur Rahman,
Company Secretary (Acting)

A total of 4 (four) meetings of the Audit Committee were held during the year under report. Company Secretary functioned as the ex-officio Secretary to the Committee as per regulatory guidelines. In addition to that the Chief Financial Officer, Head of Internal Audit and Compliance attended the meetings on invitation and other officials attended as and when the Committee required the presence to clarify any issue.

The detailed responsibilities of Audit Committee are well defined in the Terms of Reference (ToR). However, the major roles of the Audit Committee are mentioned below:

(a) To review the quarterly and annual financial statements before submission to the Board for approval, ensure adequacy of internal audit function, examine Management's Discussions and Analysis of important and pertinent issues, review

statement of all related party transactions on a random basis and ensure action on Management Letters or Letter of Internal Control weakness issued by statutory auditors etc.;

- (b) To oversee the financial reporting process, hiring and performance of external auditors;
- (c) To monitor choice of accounting policies, and principles, and their adjustment, where so required;
- (d) To oversee risk management, internal controls arrangements and compliance with legal and regulatory requirements;
- (e) To review the activity and performance of the Internal Audit function.

The Audit Committee reports on its activities to the Board of Directors. Audit Committee also immediately reports to the Board of Directors on:

- a) report on conflicts of interests;
- b) suspected or presumed fraud or irregularity or material defect in the internal control system;
- c) suspected infringement of laws, rules and regulations including those relating to securities;
- d) any other matter which needs disclosure to the Board of Directors.

The Committee considered the scope and methodology of the audits, as well as the independence, objectivity and qualification of the external auditors. The Audit Committee reviewed the external audit works and concluded that the financial reporting was satisfactory and in compliance with generally accepted accounting principles in Bangladesh and that the audit was satisfactorily conducted. In connection with financial reporting, the Audit Committee also reviewed the Company's financial statements. The Audit Committee concluded that all reported financial results have been presented in accordance with applicable rules.

The Audit Committee also reviewed ACI FL's self-assessment of Corporate Governance practices, based on a checklist provided by Bangladesh Securities and Exchange Commission (BSEC). The Committee concluded that Corporate Governance practices within ACI FL generally exceeded the standards laid down.

Besides these, the Audit Committee reviewed risk identification, assessment and mitigation methodologies, process and management. The Committee concluded that risk management was reasonably satisfactory, with the formulation of highly structured and well-defined risk categories, as well as the identification and review of the major risks affecting ACI FL's flow of operations and their impact in upcoming years.

The Audit Committee will continue to monitor the progress made by Internal Audit Division for "Risk Based Audit" by conducting critical examination of random samples of Corporate Governance and Ethics compliance issues, and ensuring the clearance/resolution of outstanding items.

Summary of activities during the year

During the year under review the Committee, inter alia, focused on the following activities:

- a) Reviewed and recommended the Annual Financial Statements for the year ended on 30 June 2023 to the Board for approval;
- b) Reviewed the Management Letter from external auditors for the year under review along with management's responses on the findings;
- c) Reviewed the Auditors' Certification on Corporate Governance compliance;
- d) Reviewed the performance of the external auditors during the year, their appointment and remuneration for the next year and recommended the same to the Board for consideration;
- e) Reviewed and ensured that the internal control system including financial and operational controls, accounting system, and reporting structure are satisfactory;
- f) Endorsed the internal audit plan 2023-2024 and reviewed the progress against the approved internal audit plan 2022-2023;
- g) Reviewed the regular reports submitted by the Head of Risk Management and Internal Audit and oversee the progress on implementation of Management responses against internal audit findings;
- h) Reviewed the actions taken by the management for implementation of Audit Committee observations on issues deliberated in Audit Committee reports;
- i) The Committee placed its reports regularly to the Board for reviewing and monitoring the activities recommended on the internal control system, compliance with rules and regulation of the regulatory bodies;
- j) The Committee reviewed unaudited quarterly Financial Statements during the year under review and recommended those to the Board for its approval;
- k) Based on the above review and discussion, the Audit Committee is of the view that the internal control and compliance procedures are satisfactory to present a true and fair view of the activities and financial status of the Company;
- l) Reviewed the financial statements of the subsidiary companies and recommended the same to the Board for consideration;
- m) Reviewed the capital investments made by the subsidiary companies.



Mohammad Mostafizur Rahman
Secretary of the Committee (Acting)



Abdul-Muyeed Chowdhury
Chairman of the Committee

Dhaka, 26 October 2023



Report of the Nomination and Remuneration Committee

For the year ended 30 June 2023

The Nomination and Remuneration Committee (NRC) of ACI FL is one of its Board sub-committees that assists the Board generally in formulation of policy with regard to defining qualifications, positive attributes, experiences, remuneration for Directors and Top-Level Executives of the Company.

Dear Shareholders,

This report provides an overview of how the Committee operates, an insight into the Committee's activities and its role. A brief of the NRC and its roles, responsibilities and functions are given below:

Composition and Meetings

The NRC of ACI Formulations Limited comprises 3 (three) members who are exclusively Non-Executive Directors, including one Independent Director. The Committee consists of:

- Mr. Golam Mainuddin, Independent Director - Chairman
- Mr. Abdul-Muyeed Chowdhury, Independent Director - Member
- Mr. Juned Ahmed Choudhury, Director - Member
- Mr. Mohammad Mostafizur Rahman, Company Secretary - Secretary (Acting)

A total of 1 (one) meeting was held during the financial year 2022-2023. A record of the Members' attendance at the NRC meetings during 2022-2023 is given below:

Committee members	Attendance	% (Percentage)
Mr. Golam Mainuddin	1	100
Mr. Abdul-Muyeed Chowdhury	1	100
Mr. Juned Ahmed Choudhury	1	100

Major Responsibilities of NRC

The role of the NRC shall be to oversee, among others, the following matters and make report with recommendations to the Board:

- a) The NRC is an independent Committee and responsible or accountable to the Board and to the shareholders;
- b) NRC is responsible to supervise, among others, the following matters and make report along with its recommendations to the Board:
 - (i) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board relating to the remuneration of directors and top level executives, considering the following;
 - (a) that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the Company successfully;
 - (b) that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) that remunerations to directors and top-level executives involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

- (ii) devising a policy on Board's diversity taking into consideration of age, experience, gender, ethnicity, educational background and nationality;
- (iii) identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
- (iv) formulating the criteria for evaluation of performance of independent directors and members of the Board;
- (v) identifying Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
- (vi) developing, recommending and reviewing annually the Company's human resources and training policies;
- (vii) establishing the levels of pay and benefits of top level executives. For this purpose 'top level executive' means and includes the Managing Director (MD) or Chief Executive Officer (CEO), Additional or Deputy Managing Director (AMD or DMD), Chief Operating Officer (COO), Chief Financial Officer (CFO), Company Secretary (CS), Head of Internal Audit and Compliance (HIAC), Head of Administration and Human Resources or equivalent positions and same level or ranked or salaried officials of the Company;
- (viii) reviewing and authorising changes to pay or benefits policy covering all employees;
- (ix) reviewing and recommending on periodic/annual employee assessments and their increment proposals, if any;
- (x) furthermore, the Nomination and Remuneration Committee will also be authorised to recommend collective awards for negotiated pay settlements; and
- (xi) reviewing and recommending Company's Codes of Conduct (CoC) for the Chairman, Board members, CEO and other senior executives.

Appraisal of the Board

Directors in the Company Board are also subject to appraisal and assessment about their respective performances and collective wisdom. The NRC is responsible for ensuring ability and effectiveness of the Board. With that in view, the Committee carries out yearly evaluation of Board's work modalities, functional performances as well as its level of monitoring of internal control over financial reporting for preparation of the financial statements and the safeguarding of Company assets. Such evaluation process is led by the Chairman and assisted by the Company Secretary. For this purpose, directors are required to complete a yearly confidential pre-set questionnaire. The evaluation includes an annual review of administration of the Board and its committees covering their operations, serving of meeting notices, agenda, reports and information produced for consideration and its overall relationship with the Management.

The NRC Policy

The Company follows a nomination and remuneration policy the benchmark of which relies on standards and also recognisable in the market context and sufficient to fit and meet the current and future needs of the Company. The broad criteria in that respect are as follows:



(a) Nomination criteria -

- (i) To follow a selection process that is absolutely transparent in all respects;
- (ii) To pursue a policy that is compatible to international standards;
- (iii) To only recognise core competencies considered relevant in the context of the Company;
- (iv) To follow general diversity in age, qualification, expertise and gender disciplines;
- (v) To identify the Company's needs for employees at different levels and determine their selection, transfer or replacement and also promotion principles.

(b) Remuneration (basic) criteria -

- (i) The structure, scale and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors and/or managers to run the Company effectively;
- (ii) The context of packages including remuneration/benefits monthly, yearly and in long run are categorically laid down and meets appropriate performance benchmarks;
- (iii) There is a clear balance in benefits between fixed and incentive pay of the directors and senior management reflecting short and long-term performance goals and objectives of the Company;
- (iv) The remuneration/compensation/benefits (or in whatever form) payable to the directors and senior managers shall be determined by the NRC and recommended to the Board for approval;
- (v) The remuneration to be paid to the whole-time directors shall be in accordance with the provisions (if any) laid down in the Articles of Association of the Company;
- (vi) Increments (if any) to the existing structure of remuneration shall be determined by the NRC and recommended to the Board for approval.

(c) Detailed scope of remuneration strategy -

The Nomination and Remuneration Committee will review all aspects of the terms and conditions of the services of Directors and top level executives. It will also cover the pay and benefits policy for the rest of the organisation. The overall scope and criteria of the NRC with respect to remuneration will encompass the following aspects:

- (i) To recognise that the remuneration & benefits package is a major cost, but which is also a significant management instrument which must be used strategically and positively with a clear view of the cost/benefit implications of any pay proposal;
- (ii) To review the volume and terms and conditions of all benefits in kind while ensuring that the reward practices are aligned to the Company's reward strategy;
- (iii) To identify the market competitors of the same type, level and caliber where employment and recruitment policies are pursued in nearly same measurement;
- (iv) To ensure arrangement for regular surveys of remuneration and benefits in peer companies to obtain a reliable measure of the market;
- (v) To formulate and justify a pay and/or remuneration level compatible to the market with appropriate relative position recognising that the Company will need to attract and retain managers and professionals of high caliber;
- (vi) To ensure that any changes to the packages are based on the market and which are affordable. The remuneration review process should consider inflation level which is reflected also with those of the comparator companies and based on normal practice amongst the peer companies;
- (vii) To ensure reviewing the reward packages as a whole, seeking overall competitiveness and market comparability;
- (viii) To review the individual components of the total reward package to determine by examining market trends, the benefit value of each element and adjust the package to achieve the greatest perceived value for cost;
- (ix) To ensure that the remuneration package is at all times fully in compliance with individual taxation and other legal requirements, whilst at the same time maximizing legitimate individual pay advantages;

- (x) To maintain an effective system of job evaluation to ensure that the applicable grade structure is maintained at management level;
- (xi) To consider the employment terms and conditions of the unionised employees, management staff, directors and/or expatriates, if any, separately;
- (xii) To grant prior approval to collective pay/benefit awards for unionised employees. The NRC may authorise the Managing Director or any relevant management member of the Company to negotiate pay/benefit settlements with recognised Trades Unions or Collective Bargaining Agent within predetermined limits, while any agreement being notified to the Committee members on completion of negotiations;
- (xiii) To also ensure that the employment and retirement benefit packages comply with the best practice guidelines.

Functionality and management of NRC

The Nomination and Remuneration Committee will formally meet at least once in a year or more frequently depending on necessity. The annual format for managing the Nomination and Remuneration Committee will be somewhat as follows:

- Committee secretary (who is the Company Secretary) initiates the raw planning and finalises the date for the forthcoming NRC meeting with the Chairman of the Committee and ensures ultimate membership attendance at the meetings;
- The Head of Human Resources compiles background data for the next meeting and communicates to the Company Secretary who prepares agenda for submission to the Committee members for pre-reading;
- Members agree on agenda and the key areas of focus in advance with the Chairman for the forthcoming meeting;
- The NRC meeting, convened by the secretary, goes into session with necessary quorum being present and followed by due preparation of minutes of the meeting by the Committee secretary;
- The draft minutes are circulated to the Committee members for study, review and concurrence. Signed/initialed copies of the minutes are returned to the secretary;
- Minutes of the Nomination and Remuneration Committee meetings are subsequently considered and approved at regular meetings of the Board;

Overall, ACI Formulations Limited, being a responsible Company, pursues a uniformly transparent strategy in all respects. Accordingly, its nomination and remuneration policy, evaluation criteria, activities and basic constitution of NRC, as a Board sub-committee, are reflected at a glance in the Annual Report of the Company for general information of all.

Major Activities of the NRC during the period were as follows:

- The NRC reviewed the mix and composition of the Board;
- The NRC reviewed the background of the independent Directors, their level of independence and performance attributes of the Board as a whole;
- Recommended the re-appointment of the Independent Director;
- Reviewed and evaluated the salary of the Managing Director.



Mohammad Mostafizur Rahman
Secretary of the Committee (Acting)



Golam Mainuddin
Chairman of the Committee

Dhaka, 26 October 2023



Dividend Distribution Policy

ACI Formulations Limited's Board pursues a dividend policy which is flexible and designed to ensure a steady cash income for the investors with occasional extra gain by way of interim dividend and stock dividend if the cash flow permits.

A portion of the profit of the Company is put in investors' fund for future appropriation, either in equity or to make up for any shortfall, in case in any year the profit is not adequate and in that case the fund can be used to meet the expectations of shareowners.

The Dividend Policy is the result of many interactions over the years between the sponsors and other shareowners which have developed a general understanding of the expectations and the dividend declaration has been based on that understanding.

The Dividend Policy has stood the test of time and has enabled the Company to fulfil the expectations of the shareowners.

This policy is dynamic and will change over time as the sponsors' perceive the change in the expectations of the general shareowners.

Information of Unpaid and Unclaimed Dividend

CASH DIVIDEND

PARTICULARS	AMOUNT IN TAKA
Dividend for 2008 to 2019	4,381,852

NB: Partial amount of Unclaimed Dividend of Tk. 8,000,000.00 transferred to the Capital Market Stabilization Fund (CMSF).

CASH DIVIDEND

PARTICULARS	AMOUNT IN TAKA
Dividend for 2020	354,663
Dividend for 2021	426,958
Dividend for 2022	539,279
Total	1,320,900

STOCK DIVIDEND

PARTICULARS	Number of Shares
Dividend for 2008	200
Dividend for 2011	600
Total	800

NB: 800 Number of Bonus Shares as Unclaimed Stock Dividend from 2008 to 2019 transferred to the Capital Market Stabilization Fund (CMSF).

A detail information (year-wise) is also available at Company's website: www.aci-bd.com/acifl/

CSR Activities and Employee Welfare Initiatives

CSR activities during the period

Winter Cloth Drive

As a part of Corporate Social Responsibility, ACI drives an organized “Winter Cloth Distribution” program every year. The campaign religiously rolls out this event to share the comfort and warmth during the shivering cold of winter for the underprivileged population of the nation. Members of ACI fraternity are very much keen to participate in the event with the slogan of “An effort to be someone’s reason to smile”. ACI FL has distributed a blanket to the northern region of Bangladesh this year.

ACI Formulations LTD (ACI FL) believes that our employees are a valuable resource of the Company and the driving force behind our success. The company always strives to ensure that our people are engaged and aligned with our mission, vision, and values. ACI FL has been working relentlessly for employee safety, welfare, and well-being through various well-structured programs and activities.

Employee Welfare Initiatives

ACI FL, with a workforce of approximately a thousand dedicated individuals, has been consistently recognized as one of the most preferred employers in the country. The organization is committed to uphold employee welfare, which has resulted in a culture where every employee passionately contributes to the betterment of the Company, society, and the country.

ACI FL has implemented several key initiatives to ensure robust employee welfare, including:

Food and Nutrition

ACI FL places a strong emphasis on employee health and has constructed a well-ventilated canteen with

modern amenities where all employees at the factory can enjoy healthy lunches. In addition to this, ACI FL provides tiffin to all workers to ensure that the employees receive essential nutrition.

Work with recreation

ACI FL organizes Annual Sports Day and Cultural Programs for its employees to enhance team bonding, diversity, physical fitness and productivity.

During the holy month of Ramadan, ACI FL hosted an “Iftar Mahfil”. These gatherings brought together individuals from diverse backgrounds, reinforcing the spirit of togetherness and harmony within our community. A special prayer took place for the organization, society, and nation.

Medical and health benefit

ACI FL provides medical treatment to the employees & their families to ensure smooth and timely health support with the help of renowned hospitals across the country. To ensure the facility we have a significant number of Hospitals, Clinics, and Diagnosis Centers under our agreement. Along with the treatment facilities, ACI organizes different vaccination, health awareness programs and campaigns for the employees round the year.

Free Medical Campaign

A basic health checkup campaign was arranged for workers of ACI FL factory. The full day session was supported by doctors of Ibn Sina Hospital. In the campaign, employees received consultations and prescriptions from eye doctors and general practitioners.





Educational assistance

Scholarship

ACI FL being a responsible corporate citizen, always focuses on education, up skilling & knowledge development of the people within the organization and beyond. As a part of it, we provide scholarships to the offspring of our employees every year. In 2023, four bright students received scholarship from the company. The company believes today's students are the future of our nation and if we nurture them in the right manner, the future of the nation is secured.

Nurturing Environmental Consciousness

The Managing Director of ACI FL planted a tree on the premises, symbolizing the company's commitment to the environmental values. This action serves as an inspiring example for our employees, encouraging them to prioritize environmental consciousness and sustainability in their daily activities.

Safety and Security

The company promotes occupational health and safety by educating employees about the benefits of maintaining good health, a proper diet, and practicing workplace safety.

The Company has modern fire safety alarms, fire extinguishers, and emergency exits at all its premises in order to protect employees in case of emergencies.

Online Health and Safety Programs

To ensure physical well-being, The Company is continuously arranging online health and safety programs for every employee. Collaborating with top hospitals and renowned health practitioners, these health and safety programs are targeted to create awareness among employees on alarming health hazards. The most notable health and safety programs arranged by ACI HR are as follows;

Awareness session on "Consequences of Vitamin-D Deficiencies and Its Management"

On 30th October 2022, an awareness session was arranged on "Consequences of Vitamin-D Deficiencies and Its Management". The resource person of the session was Dr. Mirza Tasnim Nahar, a consultant from Impulse Hospital. Dr. Mirza Tasnim Nahar highlighted the significant consequences of Vitamin D deficiencies and provide guidelines for its management and prevention.

Dengue awareness

Amid the dengue surge, HR made a graphical awareness communication to raise awareness on the issue. This communication focused on prevention, detection, and remedy for dengue fever.



Directors' Report to the Shareowners

For the year ended 30 June 2023

Under section 184 of the Companies Act 1994 and Corporate Governance Code as adopted June 2018 by Bangladesh Securities and Exchange Commission (BSEC).

We are pleased to present herewith the Directors' and Auditors' Report together with the audited Financial Statements of ACI Formulations Limited for the financial year ended 30 June 2023.

Bangladesh is an agriculture-dependent economy and achieved many milestones in the agricultural sector. Half of our population is directly connected to agriculture contributing 15% of GDP. ACI Crop Care division is also trying to keep pace with the development of the country with positive contributions by supplying quality inputs to help the farmers increase the yield of the crop. Our team is tirelessly working with the farming community, inputs suppliers, agricultural experts, Govt. officials along with National and International Research personnel to fulfil the vision of increasing the crop yield and thus contributing to the national food security of Bangladesh.

During the post-COVID time, the Russia-Ukraine war posed a new set of challenges resulting in overall stress in the macro-economic environment of the global business community. Bangladesh currency vis-à-vis the dollar has continued to increase. This in turn has impacted the price of raw materials, packaging materials and finished goods that are often imported into the agriculture sector of Bangladesh. ACI Crop Care has also suffered in this context ultimately impacting our overall profitability. The ongoing disruption in the global supply chain and the scarcity of foreign exchange have had an impact on both the micro and macroeconomic situations in our country. We have witnessed an abnormal increase in prices for fuel, gas, and electricity which has raised costs across all operational aspects.

Bangladesh is a climate disaster-prone country. Climate change is increasingly having an impact on many different aspects of agricultural practices—changes in cropping patterns, rainfall distribution, temperature fluctuation, untimely sporadic intense

rainfall, seasonal shifts, crop rotation and pest and disease dynamics. It is also impacting the crop life cycle. Last year, extreme sustained dry heat and insufficient monsoon rain resulted in a season delay in Aman rice transplantation. Farmers did not get enough time to cultivate the potato in many areas. Besides, Cyclone Sitrang damaged the early winter vegetables last year.

In order to overcome all the challenges, ACI Crop Care had numerous project-based initiatives and innovative approaches to marketing with quality execution to fit customer needs. As a result, we have achieved a 14.54% growth in the Crop Care business, while the industry declined by around 7%. Thanks to our strong and vibrant team for their relentless effort to achieve this result. ACI Crop Care has grown in the Granular Insecticide category by 26%. In the Powder and Liquid Insecticide segment, we have been able to maintain our position with 1% growth. ACI Crop Care is the market leader in the Herbicide segment with 33% growth. In the Fungicide market, we have grown by 24%. Farmers remain confident in the effectiveness of our crop pest solutions.

Flora is a well-known brand in Bangladesh. It is a yield booster and plant energizer that significantly boosts the yield of rice. The farmers are benefitting not only in rice, but they are using Flora in the fruit segment such as mango, watermelon, pineapple, citrus etc. extending to cereals like maize and wheat. Flora is also being used in the tea gardens. Numerous demonstration plots and field activities are contributing to exhibiting the benefits of using Flora to the farmers. There is huge prospect to grow in this segment.

In each category, ACI Crop Care is increasingly bringing in more formulated products manufactured in the ACI Formulations factory. This is strengthening our capacity to respond very quickly to the market, keeping in view quality and standard as the highest priority. We are in collaboration with



global MNCs to bring in the latest products that will strengthen our product portfolio hence increasing the product range with greener and more environment-friendly chemistry. We are also looking to biological solutions keeping the predicted crop pest dynamics changes in mind.

ACI Formulations Limited is always searching for opportunities to help relevant stakeholders. Every year we participate in many different CSR activities, especially in the flood-affected areas of Kurigram, Jamalpur and Sunamganj, distributing winter clothes to the poor masses in different parts of the country. We are also providing financial support to the children of our factory workers through scholarships for the best-performing students, in addition to offering medical checkups and assistance.

Our R&D wing has expanded its capacity and capability conducting field trials for existing and new molecules and exploring new opportunities for potential partners that will have a significant impact on enhancement of our portfolio.

We are actively engaging in digital platforms through ACI Crop Care YouTube Channel and ACI Crop Care Facebook page providing instantaneous and timely solutions of crops to farmers. Now farmers can order products online.

Extensive training and development programs have been introduced to increase the skill and capability of our field force as well as the marketing team. Through strong monitoring and execution of our marketing activity such as awareness campaigns, deep product positioning and demand generation activities in the field, working closely with the farmers and field government officials we have been successfully able to make our mark in this industry.

Our global partner is AkzoNobel Paints, one of the leading companies in the paints industry. We are manufacturing AkzoNobel paints in our factory. AkzoNobel Paints covers two categories- decorative paints and protective coatings. In decorative paints, we have done better compared to protective coatings and ended the year with an overall sales growth of 2%. There were many challenges in the decorative paints as the market had to readjust with price increases. We are focusing on more channel partners to penetrate the market, adopting consumer-centric marketing approaches and most importantly, maintaining constant communication with our principals in pursuit of enhancing our market standing for the upcoming year.



The Home Care Solutions business is committed to enhancing human safety and convenience through a comprehensive range of top-tier products. In the pest-control category, ACI Aerosol Insect Spray has maintained market leadership with a 90% market share as vector-borne diseases like Dengue, Malaria and Chikungunya play a contributing factor. Despite macroeconomic challenges and category stagnancy, ACI Aerosol successfully managed to grow consistently.

In the non-pest category, among other products Angelic air freshener has grown by 18% and holds the top position in the air freshener category with a 32% market share. Its well-assorted range consists of nine fragrances satisfying diversified needs. Vanish has maintained a steady position in the Toilet Cleaner Segment over the years. Following its re-launch in September 2022, Vanish has been actively striving to recapture market share and has introduced a new variant infused with a refreshing citrus fragrance.

ACI Neem Original has effectively upheld its premium soap and handwash quality by utilizing natural ingredients, ensuring the commitment to provide consumers with germ-free and nourished skin. ACI Neem Original has grown by almost 41%. To promote a more environmentally friendly planet and align its brand identity with nature-conscious initiatives, ACI Neem Original launched a distinctive tree planting campaign connected to consumer purchases. In addition to this, the brand has established a strong digital presence and successfully executed numerous

impactful campaigns. Through these endeavours, ACI Neem Original has been elevating its brand value and working towards becoming the favoured choice for natural products.

ACI Formulations factory is situated in Gazipur on a 42-acre land. It has several manufacturing facilities serving different businesses such as ACI Crop Care, globally reputed MNCs, SC Johnson and AkzoNobel Paints. Maintaining the high standard of QC lab, ACI Formulations Limited factory has increased its capability and capacity in manufacturing agrochemicals in several categories. Our advanced Effluent Treatment Plant effectively transforms all liquid toxic waste materials into non-hazardous substances. The ACI Formulations factory has consistently been highly rated for its technological excellence by our foreign associates and partners. ACI Formulations Limited has implemented various new initiatives, focusing specifically on increasing productivity, standardization of systems and processes and automation to enhance the efficiency of our business operations.

ACI AgroChem Limited is a new subsidiary of ACI Formulations Limited under which we will be producing more agrochemicals in certain categories. A couple of products are already in the pipeline for registration.

ACI Formulations Limited remains diligent and dynamic addressing all the challenges to carefully navigate the business that allows us to grow steadily.





Financial Results

For the year ended 30 June 2023, total revenue of ACI Formulations Limited was Taka 4,958 million which was Taka 4,246 million for comparative year FY 2021-22, an increase of Taka 712 million resulting in 16.77% growth over last year. Cost of sales increased by 20.26% mainly due to higher sales volume coupled with increased material cost and foreign currency fluctuation impact on imported material. Higher turnover and favorable product mix, partially offset by the increased cost of sales has contributed to the increase in gross profit by 8.10% over last year. On the other hand, effective and efficient internal control over operating cost led to register operating profit Tk 531 million from Tk 474 million of FY 2021-22. However, despite having efficient working capital management, financing cost increased by Taka 74 million mainly due to increased interest rate over last year. In the reported financial year, profit before tax (PBT) was Tk.312 million and profit after tax (PAT) was Taka 235 million against Taka 328 million and Taka 243 million of FY 2021-22 respectively. This resulted Earnings per Share Taka 4.98 from Taka 5.14 of last year.

Key Operating & Financial Information at a Glance

The key operating and financial information for the year 2022-23 along with the preceding five years are presented below:

Figures are in million Taka

Particulars	July 2022- June 2023	July 2021- June 2022	July 2020- June 2021	July 2019- June 2020	July 2018- June 2019	July 2017- June 2018
Turnover (net)	4,958	4,246	3,863	3,422	4,025	4,127
Gross profit	1,315	1,217	1,126	1,065	1,211	1,027
Profit before tax	312	328	291	126	180	163
Profit after tax	235	243	213	92	128	115
Earnings per share (Taka)	4.98	5.14	4.51	2.05	2.83	2.56
Issued & paid capital	473	473	450	450	450	450
Shareowners' equity	3,055	3,117	3,009	2,407	2,472	2,502
Net asset per share (Taka)	64.66	65.97	63.69	53.48	54.93	55.59
Net operating cash flows per share (Taka)	0.23	7.22	12.78	14.85	(6.00)	(2.74)
Number of employees	985	982	1,047	1,113	1,361	1,785
Total contribution to National Exchequer	469	418	343	244	522	669

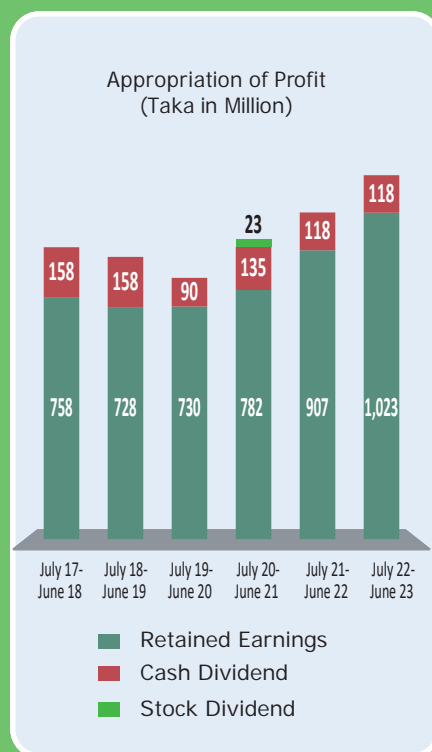
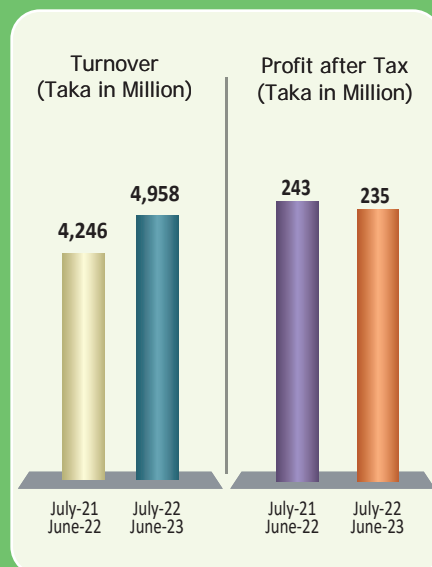
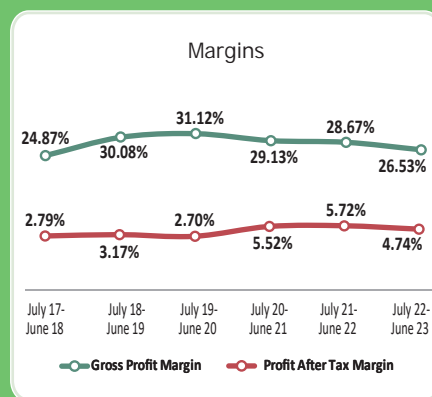
Appropriation of Profit

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

Figures in Taka

Particular	For the year ended 30 June 2023	For the year ended 30 June 2022
Un-appropriated profit	906,694,306	782,136,392
Add: Net profit after tax	235,112,038	242,682,914
Add: Other comprehensive income	(1,102,327)	-
Total profit available for appropriation	1,140,704,017	1,024,819,306
Appropriation of profit:		
Final Dividend Proposed:		
Cash Dividend	118,125,000	118,125,000
Stock Dividend	-	-
Total Dividend	118,125,000	118,125,000
Balance carried forward	1,022,579,017	906,694,306

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



Dividend

The Board of Directors is pleased to recommend cash dividend @ 25% on face value of Tk. 10 per share (i.e. Taka 2.50 per share) for the year ended 30 June 2023 to those shareowners whose names were appeared in the Share Register of Members of the Company or in the Depository list of CDBL on the Record Date which is 16 November 2023. No interim dividend was declared during the year.

Contribution To The National Exchequer

For the year ended 30 June 2023, the company contributed Taka 469 million to the National Exchequer in the form of corporate tax, custom duty and Value Added Tax (VAT). This is equivalent to 9.16% of the Company's gross sales revenue for the year 2022-23.

Cost Of Goods Sold And Profit Margins

For the year ended 30 June 2023, cost of goods sold was Taka 3,643 million (73.47% of net revenue) which was Taka 3,029 million (71.33% of net revenue) during the FY 2021-22, resulting an increase of 2.14% cost due to unfavorable material cost variance led by rising price in international market coupled with strengthening of US Dollar against local currency over FY 2021-22. This has resulted to decrease gross profit margin 26.53% (Taka 1,315 million) during the year ended 30 June 2023 as against 28.67% (Taka 1,217 million) of FY 2021-22. Higher sales along with favorable product mix, coupled with controlled operating cost and increased financing cost led to register PAT 4.74% in FY 2022-23 against 5.72% of FY 2021-22.

Related Party Transactions

All transactions with related parties are made on a commercial basis and the basis was the principle of "Arm's length Transaction". Details of related party transaction are disclosed in the Note - 38 of the Financial Statements.

Disclosure For Significant Deviation

Despite macro-economic challenges, revenue of ACI Formulations Limited registered a notable growth in operating profit during the reported financial year as reflected in Statement of Profit or Loss. This was mainly resulted from a double-digit growth in revenue which was Taka 4,958 million in FY 2022-23 against Taka 4,246 million in FY 2021-2022, resulting in 16.77% higher revenue over last year. During the reported financial year, gross margin was impacted to some extent due to rising price in international market and strengthening of US Dollar against local currency. Higher sales and efficient control over operating cost in line with sales growth contributed to increase operating profit by 12% over last year (Taka 531 million in FY 2022-23 from Taka

474 million of FY 2021-22). However, despite having efficient working capital management, financing cost increased by Taka 74 million mainly due to increased interest rate over last year. Due to these collective outcomes, in the reported financial year, Profit Before Tax (PBT) was Taka 312 million and Profit After Tax (PAT) was Taka 235 million resulting in Earnings per Share for Taka 4.98. On the other hand, Net Operating Cash Flows Per Share (NOCFPS) decreased due to investing in working capital to facilitate revenue growth in coming months.

Consolidation of Accounts

The financial statements of the subsidiary companies, Neem Laboratories (Pvt.) Ltd. and ACI AgroChem Limited have duly been consolidated with the financial statements of ACI Formulations Limited as per requirements of the Companies Act-1994, Bangladesh Securities and Exchange Commission's guidelines and in line with the International Accounting Standards (IASs)/IFRSs adopted by Bangladesh. However, separate reports including the audited financial statements, auditors' and directors' report for the subsidiary companies is provided at the respective section of this report.

Segment-wise performance

Segment-wise performance has been shown in Note-7(ii) of the notes to the accounts of the financial statements.

Risk and Concern

The Company is aware of the different risks associated with doing business and is prepared to counter those risks through systematic approach. However, business may be affected by risks and uncertainties presently not known to us or that we currently believe to be immaterial. Financial risks management has been disclosed in the Note - 35 of the Financial Statements.

Extraordinary Gain/Loss

No extra-ordinary gain or loss exists during the year as prescribed by the International Financial Reporting Standards (IFRS).

Utilization of Proceed (Public Issue)

No proceed has been raised by the Company through public issue, right issue and any instruments during the year under review. And, the financial results of the Company have continued to grow as reflected in the annual financial statements of the Company.



ETP

Research Center



Preparation and Fair Presentation of Financial Statements

The Financial statements prepared by the management of the Company present a true and fair view of Company's state of affairs, result of its operation and changes in equity and cash flows.

Books of Accounts

The books of accounts of the Company have been maintained in accordance with provisions of the Companies Act 1994.

Accounting Policies

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.

Application of IAS or IFRS to the Financial Statements

International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) have been followed in preparation of the financial statements.

Internal Control

Internal Control Policies in ACI FL is designed to ensure operational efficiency, reliable financial reporting and sound governance within and outside the Company. Accordingly, the Board of Directors of the Company is of the opinion that the system of Internal Control is sound in design and has been effectively implemented and monitored.

Declaration/Certification of CEO & CFO

The declaration or certification by the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) to the Board of the Company as prescribed under the Codes of Corporate Governance issued by Bangladesh Securities and Exchange Commission is disclosed in Annexure - IV of this report.

Management Discussion & Analysis

The discussion and analysis duly signed by the Managing Director of the Company presenting, among others, the detailed analysis of the company's operations, financial position, performance, risk and concern, accounting policies & estimation to the financial statements any changes thereof have been disclosed in Annexure III of this report.

Board of Directors

The Board of Directors of the Company consists of 7 (seven) members including 2 (two) Independent Directors. The majority of members of the Board are non-executive. The list and details of Directors are available under the 'Directors Profile' of this report.

Re-election of Directors

By operation of Article 47 of the Company's Articles of Association Mr. M. Anis Ud Dowla and Dr. A.K.M. Fareyzul Haque Ansarey retire by rotation at the 27th AGM and being eligible, offer themselves for re-election. The brief resume along with required information of the re-elected Directors are available under the 'Directors Profile' of this report.



Independent Director

In compliance with the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC), the existing Board of Directors of the Company includes two Independent Directors, Mr. Abdul-Muyeed Chowdhury and Mr. Golam Mainuddin. Mr. Chowdhury is the Chairman of the Board of Audit Committee. The Independent Directors of the Company have been elected amongst the senior corporate leaders and bureaucrats of the country who are elite members of the society having requisite qualifications as prescribed by BSEC.

Re-appointment of Independent Director

Mr. Golam Mainuddin completed his 1st tenure as Independent Director of the Company on 8 June 2023. Being eligible, the Board of Directors of the Company re-appointed him as Independent Director of the Company for 2nd tenure of three years with effect from 9 June 2023. The Board requested the shareholders to confirm the re-appointment at their 27th Annual General Meeting.

Nomination and Remuneration Committee (NRC)

In compliance with the Corporate Governance Code, the Board of Directors of the Company in its meeting held on 28 October 2020 has constituted a Nomination and Remuneration Committee as a sub-committee of the Board with the following non-executives Directors:

Mr. Golam Mainuddin, Independent Director	- Chairman
Mr. Abdul-Muyeed Chowdhury, Independent Director	- Member
Mr. Juned Ahmed Choudhury, Director	- Member
Mr. Mohammad Mostafizur Rahman, Company Secretary	- Secretary (Acting)

A detailed Terms of Reference (ToR) and Policy of the NRC has also been approved by the Board.

The terms of reference of the Nomination and Remuneration Committee and Policy include, among other items, the determination of the Company's policy on unique remuneration for Executive Directors, the review, recommendation and/or approval of remuneration to Directors, the review and approval of the Company's remuneration policy, the creation of evaluation criteria for Independent Directors and the Board of Directors, identifying persons who are eligible to become Directors and who may be appointed to senior management in accordance with the criteria laid down and recommending the appointment or removal of such persons to the Board and discharging such other functions and exercising such other powers as the Board of Directors may delegate/direct from time to

time. During the financial year 2022-23 one (1) meeting of the Nomination and Remuneration Committee (NRC) was conducted on 9 November 2022.

Board Meeting & Attendance

During the financial year 2022-2023, a total number of 5 (five) meetings of the Board of Directors were held to transact Company's affairs. The Attendance record of the Directors are furnished in Annexure-I of this report.

Remuneration to Directors

During the year, the Company has paid a total of BDT 23,250/- as meeting attendance fees. The remuneration of Directors has been mentioned in Note-31 and Note-38(b) of the Financial Statements.

Shareholding Pattern

The pattern of shareholding as on 30 June 2023 of the Company as prescribed by the Code of Corporate Governance issued by the Bangladesh Securities and Exchange Commission (BSEC) is furnished in Annexure-II of this report.

Minority Interest

The Board of Directors ensures that the Company operates within the limit of its charter supported by the laws and Codes of Corporate Governance with regard to the rights of its minority shareholders are protected from any direct or indirect abusive actions by, or in the interest of, the controlling shareholders. However, for contingency, there has been effective means of redress.

Appointment of Auditors

The existing Auditors of the Company, M/s. A. Wahab & Co., Chartered Accountants, retire at this Annual General Meeting on completion of their audit works for the year ended on 30 June 2023. They are not eligible for re-appointment as per BSEC notification. M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants, expressed their interest to be appointed as auditors of the Company for the FY 2023-2024 at a fee of Tk.7,62,300/- plus VAT. Accordingly, Board recommends the appointment to the shareholders of the Company.

Corporate Governance Compliance Status

ACI Formulations Limited believes in sustainable business development through quality assurance, customer focus, innovation, fairness, transparency and compliance, and continuous improvement for enriching



the quality of life of the people. However, the Board and management of the Company are committed to continuously strive for the highest standards and ethics in governance practices with a view to safeguarding the interest of its shareowners and innumerable stakeholders as well. In this connection, we are pleased to confirm that the Company has meanwhile complied with all the requirements under the Corporate Governance Code adopted by Bangladesh Securities and Exchange Commission. The compliance checklist for the year ended 30 June 2023 in this regard is appended in Annexure – V of the Directors' Report. However, the Corporate Governance Compliance Certificate as provided by M/s. Al-Muqtadir Associates, Chartered Secretaries & Consultants, is also enclosed in Annexure-VI of this report.

Going Concern

The Board is of the opinion that the Company is indeed a going concern. This is recognized through appropriate enquiries and analyses, which establishes that the resources are adequate to support the operations and that sufficient business opportunities exist to justify the organization as a going concern and the Directors analyze the financial statements accordingly to ensure that. Accordingly, the Financial Statements are prepared on a going concern basis and there is no doubt, whatsoever, upon the Company's ability to continue as going concern.

Corporate Social Responsibility (CSR)

CSR is a central function of ACI FL and the projects and programs under CSR are selected on basis of their relevance to the business objectives of the Company. We are conscious of our responsibility to manage a sustainable business organization which requires a strong team to manage CSR and at the same time respect the social aspirations concerning us.

The People of ACI FL

We firmly believe that our greatest wealth is our devoted and highly competent people. The quality of human capital makes ACI Formulations stand out. We value each employee's contribution to achieving our goal as we consider our dynamic people as the catalyst for our advancement. Our main goal is to uphold the

ideal workplace culture, which is one that is open, flexible, and inclusive, by making sure that everyone is aware of their responsibilities to the company and the nation. To nurture diverse talents we focus on innovation, openness, diversity, culture of leadership and fair treatment of all employees.

People of ACI FL have been guided by its well-articulated values from its founding. Transparency, Fairness, Customer Focus, Quality, Continuous Improvement and Innovation as the values, strengthen our people with confidence, empowerment, collaboration and co-creation. All throughout the year, we reinforce the set of values in diverse manners to assist our people to internalize the philosophy.

As industry is transforming into one that is driven and shaped by data and technological skills, ACI is committed to roll out the learning & development programs employing various digital platforms and classroom facilities. Numerous upskilling programs have been ensured for our people through online & network-based sessions, tutorials, knowledge sharing & ideating platforms and sharing learning materials.

Acknowledgements

The Board of Directors firmly believes that ACI Formulations has the necessary strengths, resources and commitments to further propel the Company to newer heights. The performance of the Company during the period under review, even with so many challenges confronted, demonstrates the resolves and determination of the Board, Management and overall the peoples in the Company. At this occasion, the Board expresses on record their appreciation to the partners of ACI Formulations, shareowners, suppliers, customers, bankers, regulators, media and all other well-wishers for their support and patronage to bring the company to this level. We value their continued support to fulfill our mission to improve the lives of people.

Finally, and most importantly, we, on behalf of the Board of Directors thank the employees of ACI Formulations in factories, depots, offices and other locations across the country, for their untiring efforts. They have worked hard, against all odds, uncertainties and adversities and built a stronger organization that can create a greater positive impact on the quality of life of the people.

On behalf of the Board

Shusmita Anis
Managing Director

Golam Mainuddin
Independent Director

Dhaka, 26 October 2023

শেয়ার মালিকদের নিকট পরিচালনা পর্ষদের প্রতিবেদন

৩০শে জুন ২০২৩ তারিখে সমাপ্ত অর্থবছরের জন্য

আমরা অত্যন্ত আনন্দের সঙ্গে এসিআই ফরমুলেশনস লিমিটেড-এর পরিচালনা পর্ষদের পক্ষ থেকে ৩০শে জুন ২০২৩ তারিখে সমাপ্ত অর্থবছরের নিরীক্ষিত আর্থিক বিবরণী সমূহ ও নিরীক্ষা প্রতিবেদনসহ পরিচালক মণ্ডলীর প্রতিবেদন আপনাদের বিবেচনার জন্য উপস্থাপন করছি।

বাংলাদেশের অর্থনীতি কৃষি-নির্ভরশীল এবং এই খাতে আমরা নানাবিধ মাইলফলক অর্জন করেছি। আমাদের মোট জনসংখ্যার অর্ধেক প্রত্যক্ষভাবে কৃষিকাজের সঙ্গে জড়িত, যা জিডিপিতে ১৫% অবদান রাখে। এসিআই গ্রুপকেয়ার বিভাগ কৃষকদের ফলন বৃদ্ধিতে সহায়তা করার জন্য মানসম্পন্ন উপকরণ সরবরাহ করে থাকে। এই ইতিবাচক অবদানের মাধ্যমে আমরা দেশের উন্নয়নে অংশীদারিত্ব অর্জন করে আসছি। আমাদের কর্মীরা দেশীয় কৃষক সম্প্রদায়, যোগান সরবরাহকারী, কৃষিবিদ এবং সরকারের সাথে অক্লান্তভাবে কাজ করার পাশাপাশি জাতীয় এবং আন্তর্জাতিক গবেষকদের সাথেও কাজ করে যাচ্ছে এবং এক্ষেত্রে ফসলের ফলন বৃদ্ধির মাধ্যমে জাতীয় খাদ্য নিরাপত্তা নিশ্চিত করাই তাদের মূল লক্ষ্য।

কোভিড-পরবর্তী সময়ে, রাশিয়া-ইউক্রেন যুদ্ধ বিশ্বব্যাপী সামষ্টিক অর্থনীতিতে প্রতিকূল পরিবেশ সৃষ্টি করেছে যা ব্যবসায়ী সম্প্রদায়ের উপর নেতিবাচক প্রভাব ফেলেছে। বাংলাদেশী মুদ্রার বিপরীতে ডলারের উর্দ্ধমুখী মূল্যের ফলে বাংলাদেশের কৃষিখাতের প্রয়োজনীয় কাঁচামাল, প্যাকেজিং এর উপকরণ এবং তৈরি পণ্যের আমদানি নেতিবাচকভাবে প্রভাবিত হয়েছে। এসিআই গ্রুপকেয়ারও এই প্রেক্ষাপটে নানাবিধ প্রতিকূলতার সম্মুখীন হয়েছে, যা আমাদের সামগ্রিক লাভে নেতিবাচক প্রভাব ফেলেছে। সেই সাথে জ্বালানি, গ্যাস এবং বিদ্যুতের দামের অস্বাভাবিক উর্দ্ধগতি আমাদের পরিচালনা ব্যয়ও বৃদ্ধি করেছে।

বাংলাদেশ জলবায়ু দুর্যোগপ্রবণ একটি দেশ। ফসল চাষাবাদের ধরন পরিবর্তন, বৃষ্টিপাতের স্বল্পতা, তাপমাত্রার তারতম্য, অসময়ে বিক্ষিপ্তভাবে তীব্র বৃষ্টিপাত, ঋতু পরিবর্তন, ফসলের আবর্তন, কীটপতঙ্গ এবং ফসলে রোগের সক্রিয়তা জলবায়ু পরিবর্তনে চাষাবাদের উপর বিরূপ প্রভাব বিস্তার করে থাকে। এটি ফসলের জীবনচক্রকেও প্রভাবিত করেছে। খরা এবং অনাবৃষ্টি জনিত কারণে বিগত বছর আমন ধান রোপনের মৌসুম বিলম্বিত হয়েছিল এবং অনেক এলাকায় আলু চাষের জন্য পর্যাপ্ত সময়ও পাননি কৃষকেরা। এছাড়াও ঘূর্ণিঝড় “সিত্রাং” এর প্রভাবে শীতকালীন সজির আগাম উৎপাদন ব্যাহত হয়েছিল।

এইসব প্রতিকূলতা মোকাবেলা করার জন্য এসিআই গ্রুপকেয়ার গ্রাহকদের চাহিদার সাথে মানানসই সেবা প্রদানের লক্ষ্যে নানাবিধ প্রকল্পভিত্তিক এবং উদ্ভাবন কেন্দ্রিক উদ্যোগ নিয়েছে। ফলস্বরূপ, গ্রুপকেয়ার ব্যবসায় ১৪.৫৪% প্রবৃদ্ধি অর্জিত হয়েছে, যেখানে এই শিল্পটির জাতীয় প্রবৃদ্ধি প্রায় ৭% হ্রাস পেয়েছে এবং এই অসাধারণ ফলাফল অর্জনের জন্য আমাদের গোটা টিমের নিরলস প্রচেষ্টাকে আমরা সাধুবাদ জানাই। এসিআই গ্রুপকেয়ার গ্রানুলার পেস্টিসাইড বিভাগে আমরা ২৬% প্রবৃদ্ধির সাথে বাজারে আমাদের দৃঢ় অবস্থান বজায় রাখতে সক্ষম হয়েছি। পাউডার ও তরল কীটনাশকের ক্ষেত্রে ১% প্রবৃদ্ধিসহ আমরা আমাদের অবস্থানকে আরও সুদৃঢ় করেছি। এসিআই গ্রুপকেয়ার ফাংগিসাইড বিভাগে ২৪% প্রবৃদ্ধি পেয়েছে এবং হার্বিসাইড বিভাগে ৩৩% প্রবৃদ্ধি নিয়ে বাজারে শীর্ষস্থানে অবস্থান করেছে। আমাদের পেস্ট সলিউশনের কার্যকারিতার উপর কৃষকদের পূর্ণ আস্থা রয়েছে।

ফ্লোরা বাংলাদেশের একটি সুপরিচিত ব্র্যান্ড। এটি একটি ফলন বৃদ্ধিকারী এবং উদ্ভিদ শক্তিবর্ধককারী, যা উল্লেখযোগ্যভাবে ধানের ফলন বৃদ্ধি করে। কৃষকরা শুধু ধানেই লাভবান হচ্ছেন না, তারা আম, তরমুজ, আনারস, সাইট্রাস প্রভৃতি ফলসহ ভুট্টা এবং গমের মতো খাদ্যশস্যে ফ্লোরা ব্যবহার করছে। চা বাগানেও ফ্লোরা ব্যবহার করা হচ্ছে এবং পাশাপাশি বিভিন্ন প্রদর্শনী ও মার্চ পর্যায়ের প্রচার কার্যক্রমের মাধ্যমেও কৃষকদের ফ্লোরা ব্যবহারের তাৎপর্য সম্পর্কে অবহিত করা হয়েছে যা এই বিভাগের ভবিষ্যতে প্রবৃদ্ধির অপার সম্ভাবনা সৃষ্টি করেছে।

প্রতিটি বিভাগে এসিআই গ্রুপকেয়ার ক্রমবর্ধমানভাবে এসিআই ফরমুলেশনস ফ্যাক্টরিতে উৎপাদিত নানাবিধ পণ্য নিয়ে আসছে। আমরা আমাদের পণ্যের গুণাগুণ ও মানের দিকে সর্বোচ্চ সতর্কতা অবলম্বন করে থাকি যা পরিবর্তনশীল বাজার ব্যবস্থায় আমাদের নিজেদের অবস্থানকে সুদৃঢ় করেছে।

আমরা বিভিন্ন আন্তর্জাতিক প্রতিষ্ঠানের সহযোগিতায় নানাবিধ নতুন উদ্ভাবিত পণ্যের মাধ্যমে আমরা বিভিন্ন ধরনের জৈবিক সমাধানের সহায়তায় ফসলের কীটপতঙ্গের সংক্রমন প্রতিহত করার উপায় খুঁজছি।

এসিআই ফরমুলেশনস লিমিটেড তার স্টেকহোল্ডারদের স্বার্থ রক্ষায় সদা তৎপর। আমরা প্রতিবছর বিভিন্ন CSR কার্যক্রমে অংশগ্রহণ করি। বিশেষ করে এইবছর কুড়িগ্রাম, জামালপুর ও সুনামগঞ্জের বন্যা কবলিত এলাকায় দরিদ্র জনসাধারণের মাঝে শীতবস্ত্র বিতরণ করেছি। পাশাপাশি আমরা আমাদের কারখানার শ্রমিকদের ছেলেমেয়েদের পরীক্ষার ফলাফলের উপর ভিত্তি করে শিক্ষা উপবৃত্তি প্রদান এবং তাদের সুস্বাস্থ্যের কথা মাথায় রেখে স্বাস্থ্য পরীক্ষা ও চিকিৎসার জন্য আর্থিক সহায়তা প্রদান করে আসছি।

আমাদের গবেষণা ও উন্নয়ন শাখা তার সক্ষমতা বৃদ্ধিपूर्ক নতুন এবং বর্তমান উপাদানগুলোর উন্নয়নের লক্ষ্যে ফিল্ড-ট্রায়াল পরিচালনা এবং সম্ভাব্য অংশীদারদের জন্য নতুন নতুন সুযোগ অন্বেষণ করার ক্ষমতা প্রসারিত করেছে; যা আমাদের পেটিফোলিওর উন্নতিতে উল্লেখযোগ্য প্রভাব ফেলবে।

আমরা সক্রিয়ভাবে এসিআই গ্রুপকেয়ার ইউটিউব চ্যানেল এবং এসিআই গ্রুপকেয়ার ফেসবুক পেজের মাধ্যমে ডিজিটাল প্ল্যাটফর্মের সহায়তায় কৃষকদের ফসলের তাৎক্ষণিক এবং সমায়োপযোগী সমাধান প্রদান করে আসছি। এখন কৃষকরা অনলাইনে পণ্য অর্ডার করতে পারছেন। আমাদের ফিল্ড ফোর্সের পাশাপাশি মার্কেটিং দলের দক্ষতা ও সক্ষমতা বৃদ্ধির জন্য ব্যাপক প্রশিক্ষণ ও উন্নয়ন কর্মসূচি চালু রয়েছে। সচেতনতামূলক প্রচারণা, পণ্যের অবস্থান এবং বাজার-চাহিদা তৈরী কার্যক্রমের পাশাপাশি যথাযথ বিপণন কার্যক্রম সম্পাদন ও মনিটরিংয়ের মাধ্যমে কৃষক এবং মার্চ পর্যায়ের সরকারি কর্মকর্তাদের সাথে ঘনিষ্ঠভাবে কাজ করে সফলতার সহিত এই শিল্পে আমাদের সুদৃঢ় অবস্থান তৈরি করতে সক্ষম হয়েছি।



পেইন্টস ইন্ডাস্ট্রির মধ্যে অন্যতম শীর্ষস্থানীয় কোম্পানি AkzoNobel Paints আমাদের গ্লোবাল পার্টনার এবং আমাদের কারখানায় আমরা তাদের পণ্যগুলো উৎপাদন করে আসছি। AkzoNobel Paints এর দুটি বিভাগ রয়েছে- ডেকোরোটিভ পেইন্টস এবং প্রটেক্টিভ কোটিং। ডেকোরোটিভ পেইন্টসে আমরা প্রটেক্টিভ কোটিং এর তুলনায় ভাল করেছি এবং ২% সামগ্রিক প্রবৃদ্ধির সাথে এই বিক্রয় বছরটি শেষ করেছি। ডেকোরোটিভ পেইন্টস ব্যবসায় অন্যতম প্রধান চ্যালেঞ্জ ছিল মূল্য বৃদ্ধির সাথে বাজার সমন্বয় সাধন করা। আমরা নতুন নতুন বাজারে প্রবেশ করতে চ্যানেল অংশীদারদের উপর ফোকাস করেছি, ভোক্তা-কেন্দ্রিক বিপণন পদ্ধতি অবলম্বন করেছি এবং সবচেয়ে গুরুত্বপূর্ণভাবে, আমাদের মার্কেট পজিশন বাড়ানোর জন্য আমাদের প্রধান প্রধান স্টেকহোল্ডারদের সাথে নিরবিচ্ছিন্নভাবে যোগাযোগ বজায় রেখেছি।

হোমকেয়ার সলিউশন ব্যবসা উন্নত পণ্য সম্ভারের মাধ্যমে মানুষের নিরাপত্তা এবং সুবিধা বৃদ্ধি করতে প্রতিশ্রুতিবদ্ধ। কীট-নিয়ন্ত্রণ বিভাগে, এসিআই অ্যারোসল ইনসেস্টেব্র ৯০% মার্কেট শেয়ারের সাথে নেতৃত্ব বজায় রেখেছে। কারণ এটি ডেঙ্গু, ম্যালেরিয়া এবং চিকুনগুনিয়ার মতো ভেক্টর-বাহিত রোগগুলি দমন করতে বিশেষ অবদান রেখেছে। সামষ্টিক অর্থনৈতিক চ্যালেঞ্জ এবং শ্রেণীগত স্থবিরতা সত্ত্বেও, এসিআই অ্যারোসল ধারাবাহিক প্রবৃদ্ধি নিশ্চিত করতে সক্ষম হয়েছে।

নন-পেস্ট ক্যাটাগরিতে, অন্যান্য পণ্যেও মধ্যে অ্যাঞ্জেলিক এয়ারফ্রেশনার ১৮% বৃদ্ধি পেয়েছে এবং ৩২% মার্কেট শেয়ার নিয়ে এয়ারফ্রেশনার বিভাগে শীর্ষ অবস্থানে রয়েছে। এর সুবিন্যাস্ত পরিসরে নয়টি সুগন্ধি রয়েছে যা বৈচিত্র্যময় চাহিদা পূরণ করে। বছরের পর বছর ধরে টয়লেট ক্লিনার সেগমেন্টে ভ্যানিশ একটি স্থির অবস্থান বজায় রেখেছে। ২০২২ সালের সেপ্টেম্বরে ভ্যানিশ এর পুনঃপ্রবর্তনের পর, এটি সক্রিয়ভাবে বাজারের শেয়ার পুনরুদ্ধার করার জন্য প্রয়াস চালিয়েছে এবং একটি সতেজ সাইটাস সুগন্ধযুক্ত নতুন বৈপ্লবিক পণ্য প্রবর্তন করেছে।

এসিআই নিম অরিজিনাল কার্যকরভাবে প্রাকৃতিক উপাদান ব্যবহার নিশ্চিতপূর্বক এর প্রিমিয়াম সাবান এবং হ্যান্ড ওয়াশের গুণগতমান বজায়

রেখে গ্রাহকদের জীবাণুমুক্ত এবং সুস্থ ত্বক প্রদানের অঙ্গীকার নিশ্চিত করেছে এবং প্রায় ৪১% বিক্রয় বৃদ্ধি পেয়েছে। পরিবেশবান্ধব এবং প্রকৃতি-সচেতন উদ্যোগের সাথে একাত্মতা ঘোষণা করতে, এসিআই নিম অরিজিনাল ভোক্তাদের কেনাকাটার সাথে যুক্ত করে বৃক্ষরোপণ অভিযান করেছিল। এর পাশাপাশি, ব্র্যান্ডটি একটি শক্তিশালী ডিজিটাল উপস্থিতি প্রতিষ্ঠা এবং সফলভাবে অসংখ্য প্রভাবশালী প্রচার অভিযান সম্পাদন করেছে। এই প্রচেষ্টার মাধ্যমে, এসিআই নিম অরিজিনাল তার ব্র্যান্ডভালু বাড়িয়েছে এবং প্রাকৃতিক পণ্যগুলির ক্ষেত্রে পছন্দের প্রথমসারির পণ্য হবার লক্ষ্যে কাজ করছে।

গাজীপুরে ৪২ একর জমিতে এসিআই ফর্মুলেশনসের কারখানা অবস্থিত। এটির বিভিন্ন ব্যবসায়িক পরিষেবা যেমন এসিআই ড্রপ কেয়ার, বিশ্বব্যাপী স্বনামধন্য বহুজাতিক প্রতিষ্ঠান SC Johnson এবং AkzoNobel Paints এর বিভিন্ন উৎপাদন সুবিধা বর্তমান রয়েছে। QC ল্যাবের উচ্চমান বজায় রেখে, এসিআই ফর্মুলেশনস লিমিটেড কারখানাটি বিভিন্ন ক্যাটাগরিতে এগ্রোকেমিক্যালস তৈরিতে তার সক্ষমতা বাড়িয়েছে। আমাদের উন্নত এফ্লুয়েন্ট ট্রিটমেন্ট প্ল্যান্ট কার্যকরভাবে সমস্ত বিষাক্ত বর্জ্য পদার্থকে অ-বিপজ্জনক পদার্থে রূপান্তরিত করে। এসিআই ফর্মুলেশনস ফ্যাক্টরিটি আমাদের বিদেশী সহযোগী এবং অংশীদারদের থেকে প্রযুক্তিগত উৎকর্ষতার জন্য ধারাবাহিকভাবে উচ্চ রেটিং পেয়ে আসছে। এসিআই ফর্মুলেশনস লিমিটেড আমাদের ব্যবসায়িক ক্রিয়াকলাপের দক্ষতা বাড়ানোর জন্য উৎপাদনশীলতা বৃদ্ধি, সিস্টেম অটোমেশনের উপর বিশেষভাবে ফোকাস দিয়ে বিভিন্ন নতুন উদ্যোগ বাস্তবায়ন করেছে।

ACI AgroChem Limited একটি নতুন সাবসিডিয়ারি যার অধীনে আমরা নির্দিষ্ট শ্রেণীর আরও কৃষি বিষয়ক রাসায়নিক পণ্য উৎপাদন করব। কিছ কিছু পণ্য ইতোমধ্যেই নিবন্ধনের জন্য অপেক্ষমান রয়েছে।

এসিআই ফর্মুলেশনস লিমিটেড সমস্ত চ্যালেঞ্জ সাবধানতার সহিত মোকাবেলা করে ব্যবসায় উত্তরোত্তর অগ্রগতি অব্যাহত রাখতে সহায়তা করবে।

এক নজরে মূখ্য পরিচালনগত ও আর্থিক তথ্য

২০২২-২৩ অর্থবছর সহ কোম্পানির বিগত পাঁচ বছরের মূখ্য পরিচালনগত ও আর্থিক তথ্যাদি নিম্নে প্রদর্শন করা হলোঃ

মিলিয়ন টাকায়

বিবরণ	জুলাই ২০২২ - জুন ২০২৩	জুলাই ২০২১ - জুন ২০২২	জুলাই ২০২০ - জুন ২০২১	জুলাই ২০১৯ - জুন ২০২০	জুলাই ২০১৮ - জুন ২০১৯	জুলাই ২০১৭ - জুন ২০১৮
বিক্রয় (নীট)	৪,৯৫৮	৪,২৪৬	৩,৮৬৩	৩,৪২২	৪,০২৫	৪,১২৭
গ্রস মুনাফা	১,৩১৫	১,২১৭	১,১২৬	১,০৬৫	১,২১১	১,০২৭
কর পূর্ববর্তী মুনাফা	৩১২	৩২৮	২৯১	১২৬	১৮০	১৬৩
কর পরবর্তী মুনাফা	২৩৫	২৪৩	২১৩	৯২	১২৮	১১৫
শেয়ার প্রতি আয় (টাকা)	৪.৯৮	৫.১৪	৪.৫১	২.০৫	২.৮৩	২.৫৬
ইস্যুকৃত ও পরিশোধিত মূলধন	৪৭৩	৪৭৩	৪৫০	৪৫০	৪৫০	৪৫০
শেয়ার মালিকদের ইকুইটি	৩,০৫৫	৩,১১৭	৩,০০৯	২,৪০৭	২,৪৭২	২,৫০২
শেয়ার প্রতি নীট সম্পদ (টাকা)	৬৪.৬৬	৬৫.৯৭	৬৩.৬৯	৫৩.৪৮	৫৪.৯৩	৫৫.৫৯
শেয়ার প্রতি নীট নগদ পরিচালন প্রবাহ (টাকা)	০.২৩	৭.২২	১২.৭৮	১৪.৮৫	(৬.০০)	(২.৭৪)
কর্মচারীদের সংখ্যা	৯৮৫	৯৮২	১,০৪৭	১,১১৩	১,৩৬১	১,৭৮৫
জাতীয় রাজস্ব আয়ে অবদান	৪৬৯	৪১৮	৩৪৩	২৪৪	৫২২	৬৬৯

আর্থিক ফলাফল

৩০শে জুন, ২০২৩ সমাপ্ত অর্থ বছরের এসিআই ফরমুলেশনস্ লিমিটেডের নীট বিক্রয় ছিল ৪,৯৫৮ মিলিয়ন টাকা যা পূর্ববর্তী অর্থ বছরে ছিল ৪,২৪৬ মিলিয়ন টাকা। ফলে গত বছরের তুলনায় নীট বিক্রয় ৭১২ মিলিয়ন টাকা বেড়ে ১৬.৭৭% প্রবৃদ্ধি হয়েছে। অপরদিকে কাঁচামালের মূল্য বৃদ্ধি এবং ডলারের বিপরীতে টাকার অবমূল্যায়নের কারণে বিক্রিত পণ্যের খরচ ২০.২৬% বৃদ্ধি পেয়েছে। বিক্রয় প্রবৃদ্ধি এবং অনুকূল পণ্য মিশ্রনের মাধ্যমে বিক্রিত পণ্যের বেড়ে যাওয়া খরচ কিছুটা সমন্বয় করে এস মুনাফা গত বছরের তুলনায় ৮.১০% বৃদ্ধি পেয়েছে। অপরদিকে কার্যকরী এবং দক্ষ অভ্যন্তরীণ নিয়ন্ত্রণের মাধ্যমে নিয়ন্ত্রিত পরিচালন খরচের কারণে আলোচ্য বছরে পরিচালন মুনাফা ৪৭৪ মিলিয়ন টাকা থেকে বেড়ে ৫৩১ মিলিয়ন টাকা হয়েছে। দক্ষ কার্যকরী মূলধন ব্যবস্থাপনা থাকা সত্ত্বেও অর্থায়নের খরচ ৭৪ মিলিয়ন টাকা বেড়েছে মূলত গত বছরের তুলনায় বৃদ্ধি পাওয়া সুদ হারের জন্য। চলতি বছরের কর পূর্ববর্তী মুনাফা ছিল ৩১২ মিলিয়ন টাকা এবং কর পরবর্তী মুনাফা ছিল ২৩৫ মিলিয়ন টাকা যা ২০২১-২২ অর্থ বছরে ছিল যথাক্রমে ৩২৮ মিলিয়ন টাকা এবং ২৪৩ মিলিয়ন টাকা। যার ফলশ্রুতিতে শেয়ার প্রতি আয় গত বছরের ৫.১৪ টাকা থেকে কমে ৪.৯৮ টাকা হয়েছে।

মুনাফা বন্টন

আলোচ্য অর্থবছরের ফলাফল পর্যালোচনা, ফ্রি রিজার্ভ এবং ধারাবাহিক লভ্যাংশ নীতি অনুসরণের আলোকে পরিচালনা পর্ষদ নীট মুনাফার নিম্নলিখিত বন্টন সুপারিশ করেছেনঃ

UvKvq

বিবরণ	৩০শে জুন ২০২৩ তারিখে সমাপ্ত বছরের জন্য	৩০শে জুন ২০২২ তারিখে সমাপ্ত বছরের জন্য
অবন্টিত মুনাফা	৯০৬,৬৯৪,৩০৬	৭৮২,১৩৬,৩৯২
যোগ: কর-পরবর্তী মুনাফা	২৩৫,১১২,০৩৮	২৪২,৬৮২,৯১৪
যোগ: অন্যান্য কম্প্রহেন্সিভ আয়	(১,১০২,৩২৭)	-
সর্বমোট বন্টনযোগ্য মুনাফা	১,১৪০,৭০৪,০১৭	১,০২৪,৮১৯,৩০৬
মুনাফা বন্টনঃ		
চূড়ান্ত প্রস্তাবিত লভ্যাংশঃ		
নগদ লভ্যাংশ	১১৮,১২৫,০০০	১১৮,১২৫,০০০
স্টক লভ্যাংশ	-	-
সর্বমোট লভ্যাংশ	১১৮,১২৫,০০০	১১৮,১২৫,০০০
অবন্টিত মুনাফা স্থিতি	১,০২২,৫৭৯,০১৭	৯০৬,৬৯৪,৩০৬

এ বছরের স্থিতি এবং আগামীতে মুনাফা অর্জনের মাধ্যমে কোম্পানি ধারাবাহিক লভ্যাংশ নীতি বজায় রাখতে পারবে বলে পরিচালনা পর্ষদ আস্থাশীল।

লভ্যাংশ

৩০শে জুন ২০২৩ তারিখে সমাপ্ত বছরের জন্য পরিচালনা পর্ষদ আনন্দের সাথে চূড়ান্ত লভ্যাংশ হিসেবে ২৫% নগদ লভ্যাংশ (অর্থাৎ শেয়ার প্রতি ২.৫ টাকা) সুপারিশ করেছে। রেকর্ড ডেট অর্থাৎ ১৬ নভেম্বর ২০২৩, যে সকল সম্মানিত শেয়ার মালিকগণের নাম কোম্পানির সদস্যদের শেয়ার রেজিস্টার বা CDBL-এর ডিপোজিটরিতে অন্তর্ভুক্ত ছিল, তারা এই চূড়ান্ত লভ্যাংশ পাওয়ার যোগ্য হিসেবে বিবেচিত। আলোচ্য বছরে কোম্পানি কোন অন্তর্বর্তীকালীন লভ্যাংশ ঘোষণা করেনি।

জাতীয় রাজস্ব আয়ে অবদান

৩০শে জুন ২০২৩ তারিখে সমাপ্ত অর্থবছরে কোম্পানি আয়কর, আবগারি শুল্ক এবং মূল্য সংযোজন কর বাবদ মোট ৪৬৯ মিলিয়ন টাকা জাতীয় কোষাগারে জমাদান করেছে; যা উল্লেখিত সমাপ্ত বছরের মোট বিক্রয়লব্ধ আয়ের ৯.১৬%।

বিক্রিত পণ্যের খরচ এবং মুনাফার হার

৩০শে জুন ২০২৩ তারিখে সমাপ্ত অর্থবছরে বিক্রিত পণ্যের ব্যয় হয়েছে ৩,৬৪৩ মিলিয়ন টাকা (নীট বিক্রয়ের ৭৩.৪৭%) যা ২০২১-২০২২ অর্থ বছরে ছিল ৩,০২৯ মিলিয়ন টাকা (নীট বিক্রয়ের ৭১.৩৩%), ফলশ্রুতিতে বিক্রিত পণ্যের খরচ গত বছরের তুলনায় ২.১৪% বৃদ্ধি পেয়েছে। আন্তর্জাতিক বাজারে কাঁচামালের মূল্য বৃদ্ধি এবং স্থানীয় মুদ্রার বিপরীতে মার্কিন ডলারের দাম বৃদ্ধিই ছিল এর প্রধান কারণ। ফলে এস মুনাফার হার

হ্রাস পেয়ে দাঁড়িয়েছে ২৬.৫৩% (১,৩১৫ মিলিয়ন টাকা), যা ২০২১-২০২২ অর্থবছরে ছিল ২৮.৬৭% (১,২১৭ মিলিয়ন টাকা)। বিক্রয় প্রবৃদ্ধি, অনুকূল পণ্য মিশ্রন, নিয়ন্ত্রিত পরিচালন ব্যয়ের অনুকূল প্রভাব এবং বর্ধিত অর্থায়ন খরচের প্রতিকূল প্রভাবে কর পরবর্তী মুনাফার হার ছিল ৪.৭৪% যা গতবছর ছিল ৫.৭২%।

সংশ্লিষ্ট পক্ষগুলোর সকল লেনদেন

সংশ্লিষ্ট পক্ষগুলোর সাথে সব লেনদেন বাণিজ্যিক ভিত্তিতে করা হয়েছে এবং এর ভিত্তি ছিল "Arms Length Transaction"। সংশ্লিষ্ট পক্ষের লেনদেনের বিস্তারিত তথ্য আর্থিক বিবরণীর নোট-৩৮ এ প্রকাশিত হয়েছে।

বার্ষিক আর্থিক বিবরণীর মধ্যে উল্লেখযোগ্য পার্থক্য

সামষ্টিক-অর্থনৈতিক চ্যালেঞ্জ সত্ত্বেও, আলোচ্য বছরে এসিআই ফরমুলেশনস্ লিমিটেডের নীট বিক্রয় প্রবৃদ্ধি কোম্পানীর পরিচালন মুনাফায় একটি উল্লেখযোগ্য অবদান রেখেছে, যা কোম্পানীর প্রকাশিত লাভ বা ক্ষতির বিবরণীতে প্রতিফলিত হয়েছে। ২০২২-২৩ অর্থবছরে কোম্পানির নীট বিক্রয় ছিল ৪,৯৫৮ মিলিয়ন টাকা যা ২০২১-২০২২ অর্থবছরে ছিল ৪,২৪৬ মিলিয়ন টাকা, যার ফলে গত বছরের তুলনায় ১৬.৭৭% বিক্রয় প্রবৃদ্ধি হয়েছে। উল্লিখিত আর্থিক বছরে, আন্তর্জাতিক বাজারে কাঁচামালের মূল্য বৃদ্ধি এবং স্থানীয় মুদ্রার বিপরীতে মার্কিন ডলার শক্তিশালী হওয়ায় কারণে কোম্পানির মোট মুনাফা কিছুটা প্রভাবিত হয়েছে। বিক্রয় বৃদ্ধির সাথে

সামঞ্জস্য রেখে দক্ষ ও নিয়ন্ত্রিত পরিচালন খরচের কারণে গত বছরের তুলনায় পরিচালন মুনাফা ১২% বৃদ্ধি পেয়েছে (২০২১-২২ অর্থবছরের ৪৭৪ মিলিয়ন টাকা থেকে ২০২২-২৩ অর্থবছরে ৫৩১ মিলিয়ন টাকা)। অপরদিকে, দক্ষ ও কার্যকরী মূলধন ব্যবস্থাপনা থাকা সত্ত্বেও সুদহার বৃদ্ধির কারণে অর্থায়ন খরচ গত বছরের তুলনায় ৭৪ মিলিয়ন টাকা বৃদ্ধি পেয়েছে। এই সমষ্টিগত ফলাফলের কারণে, উল্লিখিত আর্থিক বছরে, কর পূর্ববর্তী মুনাফা ছিল ৩১২ মিলিয়ন টাকা এবং কর পরবর্তী মুনাফা ছিল ২৩৫ মিলিয়ন টাকা যার ফলে শেয়ার প্রতি আয় হয়েছে ৪.৯৮ টাকা। অপরদিকে, আসন্ন মাসগুলিতে বিক্রয় বৃদ্ধির সুবিধার্থে চলতি মূলধন বিনিয়োগের কারণে শেয়ার প্রতি নেট অপারেটিং ক্যাশ ফ্লো (NOCFPS) হ্রাস পেয়েছে।

সাবসিডিয়ারী কোম্পানির আর্থিক বিবরণীর কনসলিডেশন

কোম্পানী আইন-১৯৯৪, বিএসইসি রেগুলেশন ও বাংলাদেশে গৃহীত (IASs) ও (IFRSs) অনুসারে সাবসিডিয়ারী কোম্পানি, নিম ল্যাবরেটরীজ (প্রাঃ) লিঃ এবং এসিআই এগ্রোকেম লিমিটেড এর আর্থিক বিবরণীসমূহ এসিআই ফরমুলেশনস লিমিটেড এর আর্থিক বিবরণীর সঙ্গে একত্রিকরণ করা হয়েছে। এছাড়াও সাবসিডিয়ারী কোম্পানির নিরীক্ষিত আর্থিক বিবরণীসমূহ নিরীক্ষা প্রতিবেদন ও পরিচালক মডেলীর প্রতিবেদনসহ আলাদাভাবে বার্ষিক প্রতিবেদনের নির্ধারিত স্থানে উপস্থাপন করা হয়েছে।

সেগমেন্ট অনুযায়ী রিপোর্টিং

আর্থিক বিবরণীর নোট-৭(II) এ সেগমেন্ট অনুযায়ী রিপোর্টিং ফলাফল পর্যালোচনা করা হয়েছে।

ব্যবসা সংশ্লিষ্ট ঝুঁকি

কোম্পানি নিজ ব্যবসা সংশ্লিষ্ট ঝুঁকি সম্পর্কে সচেতন এবং সেগুলোকে নিয়মানুগ পদ্ধতির মাধ্যমে মোকাবেলায় প্রস্তুত। যদিও ব্যবসা বিভিন্ন ঝুঁকি এবং অনিশ্চয়তার দ্বারা প্রভাবিত হতে পারে যার পূর্ব ধারণা করা কঠিন। আর্থিক বিবরণীর নোট- ৩৫ এ আর্থিক ঝুঁকি ব্যবস্থাপনা বর্ণিত হয়েছে।

অস্বাভাবিক লাভ বা ক্ষতি

International Financial Reporting Standards (IFRSs) অনুসারে কোন অস্বাভাবিক লাভ বা ক্ষতি রিপোর্টিং পিরিয়ডে বিদ্যমান নেই।

পাবলিক ইস্যু তহবিলের ব্যবহার

রিপোর্টিং পিরিয়ডে কোন আইপিও, রাইট ইস্যু বা অন্য কোন ধরনের ক্যাপিটাল ইস্যু নেই। কোম্পানির আর্থিক ফলাফল ক্রমবর্ধমান যা বার্ষিক আর্থিক বিবরণীতে প্রতিফলিত হয়েছে।

আর্থিক বিবরণী প্রস্তুতকরণ ও যথাযথ প্রদর্শন

কোম্পানির ব্যবস্থাপনা পর্ষদ কর্তৃক প্রস্তুতকৃত আর্থিক বিবরণীতে কোম্পানির স্থিতি, পরিচালন ফলাফল, অর্থ প্রবাহ এবং ইকুইটি পরিবর্তনের একটি সত্য ও যথার্থ চিত্র তুলে ধরা হয়েছে।

হিসাবের বই রক্ষণাবেক্ষন

কোম্পানির হিসাবের বই কোম্পানী আইন-১৯৯৪ বিধি মোতাবেক রক্ষণাবেক্ষন করা হয়েছে।

আর্থিক বিবরণী হিসাবনীতি

আর্থিক বিবরণী প্রস্তুতকরণের ক্ষেত্রে যথাযথ হিসাবনীতি ধারাবাহিকভাবে অনুসরণ করা হয়েছে এবং হিসাবের ভিত্তি যুক্তিসঙ্গত ও সঠিক।

আর্থিক বিবরণী IAS/IFRS এর প্রভাব

আর্থিক বিবরণী প্রস্তুতকরণের ক্ষেত্রে "International Accounting Standards (IASs)" ও "International Financial Reporting Standards (IFRSs)" অনুসরণ করা হয়েছে।

আভ্যন্তরীণ নিয়ন্ত্রণ

কোম্পানির সার্বিক কার্যক্ষমতা, আর্থিক প্রতিবেদনের নির্ভরযোগ্যতা এবং সুশাসন প্রতিষ্ঠাকে বিবেচনায় রেখে এসিআই ফরমুলেশনস এর আভ্যন্তরীণ নীতিমালা প্রণীত হয়েছে। তদনুসারে, কোম্পানির পরিচালনা পর্ষদের মতে, আভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা কার্যকর এবং তা সঠিক ভাবে নিরীক্ষণ করা হয়েছে।

CEO এবং CFO এর প্রত্যায়নপত্র

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর কর্পোরেট গভর্নেন্স কোড অনুযায়ী চীফ এক্সিকিউটিভ অফিসার (সিইও) এবং চীফ ফাইন্যান্সিয়াল অফিসার (সিএফও) কর্তৃক বোর্ডকে প্রদত্ত প্রত্যায়নপত্র বার্ষিক প্রতিবেদনের Annexure-IV এ অন্তর্ভুক্ত করা হয়েছে।

পরিচালনগত আলোচনা ও বিশ্লেষণ

কোম্পানির ব্যবস্থাপনা পরিচালক কর্তৃক স্বাক্ষরিত “পরিচালনগত আলোচনা ও বিশ্লেষণ” রিপোর্টের Annexure-III এ অন্তর্ভুক্ত করা হয়েছে, যেখানে কোম্পানির আর্থিক বিবরণী সংশ্লিষ্ট পরিচালনগত বিশদ বিশ্লেষণ, আর্থিক অবস্থা, ফলাফল, ঝুঁকি ও উদ্বেগ, হিসাবনীতি ও অনুমানসহ অন্যান্য বিষয় আলোচিত হয়েছে।

পরিচালনা পর্ষদ

কোম্পানির পরিচালনা পর্ষদ দুইজন স্বতন্ত্র পরিচালক সহ সাত জন সদস্যের সমন্বয়ে গঠিত। বোর্ডের অধিকাংশ সদস্য অ-নির্বাহী। পরিচালকদের তালিকা এবং বিবরণ এই রিপোর্টের 'পরিচালক প্রোফাইল' এ অন্তর্ভুক্ত করা হয়েছে।

পরিচালক নির্বাচন

কোম্পানির আর্টিক্যালস অব এসোসিয়েশন এর ৪৭ অনুচ্ছেদ অনুযায়ী জনাব এম. আনিস উদ্ দৌলা ও ডঃ এ. কে. এম. ফারাজেজুল হক আনসারী আসন্ন বার্ষিক সাধারণ সভায় পর্যায়ক্রমিকভাবে অবসর গ্রহণ করবেন। পুনর্নির্বাচিত পরিচালকদের তালিকা এবং বিবরণ এই রিপোর্টের 'পরিচালক প্রোফাইল' এ অন্তর্ভুক্ত করা হয়েছে। আসন্ন ২৭তম বার্ষিক সাধারণ সভায় উল্লিখিত সকল পরিচালকগণ পুনর্নির্বাচনের যোগ্য

হিসেবে বিবেচিত। তাদের সংক্ষিপ্ত জীবন বৃত্তান্ত ও অন্যান্য তথ্যাদি এই রিপোর্টের 'পরিচালক প্রোফাইল' এ অন্তর্ভুক্ত করা হয়েছে।

স্বতন্ত্র পরিচালক

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি) প্রবর্তিত কর্পোরেট গভর্নেন্স কোড এর কমপ্লায়েন্স অনুযায়ী বর্তমান পরিচালনা পর্ষদে দুইজন স্বতন্ত্র পরিচালক, জনাব আব্দুল মুয়ীদ চৌধুরী এবং জনাব গোলাম মইন উদ্দীনকে অন্তর্ভুক্ত করা হয়েছে। জনাব আব্দুল মুয়ীদ চৌধুরী অডিট কমিটির চেয়ারম্যান হিসেবেও দায়িত্ব পালন করছেন। বিএসইসির নির্দেশনা অনুযায়ী সমাজের সুযোগ্য ব্যক্তিবর্গ সিনিয়র কর্পোরেট লিডার এবং আমলাদের মধ্য থেকে যোগ্য ব্যক্তিবর্গকে স্বতন্ত্র পরিচালক হিসেবে নির্বাচন করা হয়েছে।

স্বতন্ত্র পরিচালক এর পুনঃনিয়োগ

স্বতন্ত্র পরিচালক জনাব গোলাম মইন উদ্দীনের প্রথম ৩ বছরের মেয়াদ ৮ই জুন ২০২৩ তারিখে সমাপ্ত হয়। পরিচালনা পর্ষদ তাঁদের ৩০শে এপ্রিল ২০২৩ তারিখে অনুষ্ঠিত সভায় বিএসইসি'র নীতিমালা অনুসরণ করে এর মেয়াদ ৯ জুন ২০২৩ তারিখ থেকে আরও তিন বছরের জন্য বর্ধিত করেন এবং এই পুনঃ নিয়োগ, শেয়ার হোল্ডারদের ২৭তম সাধারণ সভায় অনুমোদনের জন্য সুপারিশ করেন। তার সংক্ষিপ্ত জীবন বৃত্তান্ত ও অন্যান্য তথ্যাদি সংযুক্তি- ৩এ বর্ণিত হয়েছে।

নমিনেশন ও রেমনারেশন কমিটি

কর্পোরেট গভর্নেন্স কোডের আলোকে কোম্পানির পরিচালনা পর্ষদ তাঁদের ২৮ অক্টোবর ২০২০ তারিখে অনুষ্ঠিত সভায় “নমিনেশন ও রেমনারেশন” কমিটি নামে একটি উপ-কমিটি গঠন করে। এই কমিটির বর্তমান সদস্যরা নিম্নরূপ:

● জনাব গোলাম মইন উদ্দীন	স্বতন্ত্র পরিচালক	সভাপতি
● জনাব আব্দুল মুয়ীদ চৌধুরী	স্বতন্ত্র পরিচালক	সদস্য
● জনাব জুনেদ আহমেদ চৌধুরী	পরিচালক	সদস্য
● জনাব মোহাম্মদ মোস্তাফিজুর রহমান	কোম্পানি সচিব	সচিব (ভারপ্রাপ্ত)

কমিটির টার্মস অফ রেফারেন্স (টিওআর) ও পলিসি পরিচালনা পর্ষদ কর্তৃক অনুমোদিত হয়েছে। এসআরসি'র (টিওআর) ও পলিসিতে রয়েছে, নির্বাহী পরিচালকদের সম্মানীভাষা নির্ধারণে নীতি প্রণয়ন, পরিচালকদের সম্মানী প্রদানের ব্যাপারে অনুমোদন/সুপারিশ, কোম্পানির কর্মকর্তাদের পারিশ্রমিক পর্যালোচনা ও অনুমোদন, স্বতন্ত্র পরিচালক ও পরিচালনা পর্ষদের মূল্যায়নের মানদণ্ড নির্ধারণ, পরিচালক ও সিনিয়র ম্যানেজমেন্টে নিয়োগ পাওয়ার মত ব্যক্তিদের নির্বাচন ও নিয়োগের কিংবা অপসারণের জন্য সুপারিশ করা এবং পরিচালনা পর্ষদ থেকে বিভিন্ন সময়ে যে দায়িত্ব বা ক্ষমতা প্রদান করা হয় তার আলোকে কার্য সম্পাদন করা।

পরিচালনা পর্ষদের সভা

২০২২-২০২৩ অর্থবছরে পরিচালনা পর্ষদের মোট ৫টি সভা অনুষ্ঠিত হয়েছে। পরিচালকগণের উপস্থিতি সারাংশ Annexure-I এ দেখানো হয়েছে।

পরিচালকদের সম্মানী ভাষা

২০২২-২০২৩ অর্থবছরে কোম্পানির মিটিং এ উপস্থিতি ফি হিসাবে মোট ২৩,২৫০/- টাকা প্রদান করা হয়েছে। পরিচালকমন্ডলীর সম্মানী ভাষা আর্থিক বিবরণীর নোট -৩১ এবং ৩৮(বি) তে উল্লেখ করা হয়েছে।

শেয়ার হোল্ডিং প্যাটার্ন

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক প্রবর্তিত কর্পোরেট গভর্নেন্স কোড অনুযায়ী ৩০শে জুন ২০২৩ ইং তারিখে কোম্পানির শেয়ার হোল্ডিং প্যাটার্ন Annexure-II এ দেখানো হয়েছে।

ক্ষুদ্র বিনিয়োগকারীদের স্বার্থরক্ষা

পরিচালনা পর্ষদ এই মর্মে নিশ্চিত যে, কোম্পানি কর্পোরেট গভর্নেন্স কোড ও তার নিজস্ব আইনানুগ কার্যসীমার মধ্যে পরিচালিত একটি সত্তা এবং কোম্পানির ক্ষুদ্র বিনিয়োগকারীগণ কন্ট্রোলিং শেয়ার হোল্ডারগণের যেকোন প্রত্যক্ষ ও পরোক্ষ ক্ষতিকর কার্যকলাপ থেকে সুরক্ষিত। তদুপরি, যেকোন অনাকাঙ্ক্ষিত ঘটনার জন্য যথাযথ প্রতিকারের ব্যবস্থা কোম্পানিতে রয়েছে।

অডিটরদের নিয়োগ

কোম্পানির বর্তমান অডিটর মেসার্স এ ওহাব এন্ড কোং, চার্টার্ড অ্যাকাউন্ট্যান্টস, তাদের ২০২৩ সালের ৩০শে জুন তারিখের সমাপ্ত আর্থিক বছরের নিরীক্ষা সম্পন্ন করার পর আসন্ন বার্ষিক সাধারণ সভায় অবসর গ্রহণ করবেন। বিএসইসির প্রজ্ঞাপন মোতাবেক তারা পুনঃনিয়োগের যোগ্য হিসেবে বিবেচিত নন। মেসার্স হুদা ভাসি চৌধুরী এন্ড কোং, চার্টার্ড অ্যাকাউন্ট্যান্টস ৭,৬২,৩০০/- টাকা (মূল্য সংযোজন কর ব্যতিরেকে) সম্মানীর বিনিময়ে ২০২৩-২০২৪ অর্থ বছরের নিরীক্ষা কার্যক্রম সম্পন্ন করার লক্ষ্যে নিয়োগ প্রাপ্ত হতে আগ্রহ প্রকাশ করেছেন। এ লক্ষ্যে কোম্পানির পরিচালনা পর্ষদ শেয়ারহোল্ডারদের নিকট তাদের নিয়োগের জন্য সুপারিশ করেন।

কর্পোরেট গভর্নেন্স কমপ্লায়েন্স স্ট্যাটাস

এসিআই ফরমুলেশনস্ লিমিটেড ভোক্তা সাধারণের জীবনযাত্রার গুণগতমান উন্নয়ন, ভোক্তা অধিকার সংরক্ষণ, উদ্ভাবন, স্বচ্ছতা, জবাবদিহিতা ও ক্রমাগত উন্নতির মধ্য দিয়েই ব্যবসার প্রসার ঘটানো সম্ভব বলে বিশ্বাস করে। এর রয়েছে দেশের সর্ববৃহৎ একীভূত বহুমাত্রিক ঐতিহ্য সমৃদ্ধ ব্যবসায়িক সংস্কৃতি। দীর্ঘদিন ধরে এসিআইতে কর্পোরেট গভর্নেন্স এর অনুশীলন বিরাজমান। পরিচালনা পর্ষদ ও ব্যবস্থাপকগণ কোম্পানিতে কর্পোরেট গভর্নেন্স অনুশীলনে সর্বোচ্চ নৈতিকতা ও মান বজায় রাখার মাধ্যমে শেয়ারহোল্ডার ও অংশীদারদের স্বার্থ রক্ষায় প্রতিশ্রুতিবদ্ধ। আমরা অত্যন্ত আনন্দের সাথে আপনাদের এই মর্মে নিশ্চিত করছি যে, কোম্পানি বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর নোটিফিকেশন অনুযায়ী সমস্ত প্রয়োজনীয় দিকনির্দেশনা পালন করেছে। এই অনুসারে, ৩০শে জুন ২০২৩ সালের সমাপ্ত অর্থবছরের জন্য মন্তব্যসহ কমপ্লায়েন্স রিপোর্ট কোম্পানির পরিচালকমন্ডলীর প্রতিবেদনের Annexure-V এ অন্তর্ভুক্ত করা হয়েছে। এ ছাড়াও কর্পোরেট গভর্নেন্স কোড অনুযায়ী আল-মুকতাদীর এ্যাসোসিয়েটস, চার্টার্ড সেক্রেটারীজ কর্তৃক প্রত্যায়িত কমপ্লায়েন্স সার্টিফিকেট এই প্রতিবেদনের Annexure-VI এ অন্তর্ভুক্ত করা হয়েছে।

চলমান প্রতিষ্ঠান

পরিচালনা পর্ষদ বিশ্বাস করে যে এসিআই ফরমুলেশনস একটি চলমান প্রতিষ্ঠান হিসাবে পরিচালিত। তারা পর্যাপ্ত অনুসন্ধান এবং বিশ্লেষণের মাধ্যমে নিশ্চিত হয়েছে যে, সম্পদ এবং পর্যাপ্ত ব্যবসায়িক সুযোগের মাধ্যমে কোম্পানিকে চলমান প্রতিষ্ঠান হিসেবে বিবেচনা করা যায়, যা নিশ্চিতকরণের জন্য পরিচালকগণ আর্থিক হিসাবপত্র বিশ্লেষণ করেছেন। চলমান প্রতিষ্ঠান নীতির আলোকেই কোম্পানীর আর্থিক বিবরণী সমূহ প্রস্তুত করা হয়েছে।

কর্পোরেট সামাজিক দায়বদ্ধতা (CSR)

সামাজিক দায়বদ্ধতা এসিআই ফরমুলেশনস লিমিটেড এর একটি কেন্দ্রীয় কার্যক্রম এবং CSR এর আওতায় গৃহীত সকল প্রজেক্ট ও প্রোগ্রামসমূহ ব্যবসায়িক সংশ্লিষ্টতার সাথে সম্পর্কিত। টেকসই ব্যবসা প্রতিষ্ঠান গড়ে তোলার লক্ষ্যে আমরা সামাজিক দায়বদ্ধতা ও আকাঙ্ক্ষার প্রতি শ্রদ্ধাশীল।

মানব সম্পদ

আমরা দৃঢ়ভাবে বিশ্বাস করি যে আমাদের সবচেয়ে বড় সম্পদ হল আমাদের নিবেদিতপ্রাণ এবং অত্যন্ত যোগ্য কর্মীগণ। মানব সম্পদের এই গুণমানই এসিআই ফরমুলেশনসকে অনন্য করে তুলেছে। আমরা আমাদের লক্ষ্য অর্জনে প্রতিটি কর্মীর অবদানকে মূল্যায়ন করি। কারণ আমরা আমাদের প্রগতিশীল কর্মীদের আমাদের অগ্রগতির অনুঘটক হিসেবে বিবেচনা করি। আমাদের মূল লক্ষ্য হল আদর্শ কর্মক্ষেত্রের সংস্কৃতিকে সমুন্নত রাখা যা স্বাধীন, নমনীয় এবং অর্ন্তভুক্তিমূলক। এটি নিশ্চিত করে যে, প্রতিটি কর্মী নিজ কোম্পানি এবং দেশের প্রতি দায়িত্ব সম্পর্কে সচেতন। কর্মীদের মাঝে বৈচিত্র্যময় প্রতিভা লালন করার জন্য আমরা উদ্ভাবনী শক্তি, স্বচ্ছতা, নেতৃত্ব এবং সকল কর্মচারীদের সাথে ন্যায্য আচরণের সংস্কৃতির উপর প্রাধান্য দিয়ে থাকি।

এসিআই ফরমুলেশনস প্রতিষ্ঠালগ্ন থেকেই সুব্যক্ত মূল্যবোধের দ্বারা পরিচালিত। স্বচ্ছতা, ন্যায্যতা, গ্রাহক-বান্ধবতা, সঠিক গুণমান, প্রগতিশীল প্রবৃদ্ধি এবং উদ্ভাবনী শক্তি আমাদের কর্মীদের আত্মবিশ্বাস,

ক্ষমতায়ন, সহযোগিতা এবং সহ-সৃজনের মাধ্যমে শক্তিশালী করে। বছরব্যাপী, নানারকম কার্যক্রমের মাধ্যমে কর্মীদেরকে আমাদের এই আদর্শ মূল্যবোধ আত্মস্থ করতে সহায়তা করা হয়।

যেহেতু শিল্প-বাণিজ্য প্রতিনিয়ত তথ্য ও প্রযুক্তি নির্ভর হয়ে পড়েছে, সেহেতু এসিআই ফরমুলেশনস বিভিন্ন ডিজিটাল প্ল্যাটফর্ম ও ক্লাসরুম ব্যবস্থার মাধ্যমে শিক্ষা এবং উন্নয়ন কার্যক্রম পরিচালনা করতে বদ্ধ পরিকর। অনলাইন এবং নেটওয়ার্ক ভিত্তিক সেশন, টিউটোরিয়াল, তত্ত্ব এবং উদ্ভাবন ভিত্তিক অংশগ্রহণমূলক আলোচনা, অংশগ্রহণমূলক শিক্ষা উপকরণ ইত্যাদি উদ্যোগের মাধ্যমে আমাদের কর্মীদের দক্ষতার উৎকর্ষ বিকশিতকরণ নিশ্চিত করা হয়েছে।

কৃতজ্ঞতা জ্ঞাপন ও স্বীকৃতি

কোম্পানির পরিচালনা পর্ষদ দৃঢ়ভাবে বিশ্বাস করে যে, এসিআই ফরমুলেশনস এর রয়েছে পর্যাপ্ত শক্তি, সম্পদ ও প্রতিশ্রুতি যা কোম্পানিকে আরও উচ্চতায় পৌঁছে দিতে পারে। বহুবিধ চ্যালেঞ্জের মুখোমুখি হওয়া সত্ত্বেও কোম্পানির ব্যবসায়িক ফলাফল পরিচালনা পর্ষদ, ব্যবস্থাপনা পর্ষদ, সর্বোপরি এবং সকল কর্মীবৃন্দের দৃঢ় মনোবল এবং সংকল্পেরই ফসল। এসিআই ফরমুলেশনস এর সকল ব্যবসায়িক সহযোগী, শেয়ারমালিক, সরবরাহকারী, ক্রেতা, ব্যাংকার ও মিডিয়া যাদের সহযোগিতা এবং অক্লান্ত পরিশ্রমের ফলে কোম্পানি আজকের এই পর্যায়ে এসেছে তাদের জন্য পরিচালনা পর্ষদের পক্ষ থেকে রইল আন্তরিক অভিনন্দন। মানুষের জীবনমান উন্নয়নে আমাদের লক্ষ্যের প্রতি তাদের এই অব্যাহত মূল্যবান সমর্থন ও সহযোগিতা আমাদের কাছে যথেষ্ট গুরুত্ব বহন করে।

পরিশেষে, এবং অত্যন্ত গুরুত্বের সাথে আমরা পরিচালনা পর্ষদের পক্ষ থেকে ফ্যাক্টরী, ডিপো এবং অফিস সমূহের সকলের অক্লান্ত প্রচেষ্টার প্রতি আমাদের কৃতজ্ঞতা জানাতে চাই। নানাবিধ অনিশ্চয়তা ও প্রতিকূলতার মাঝেও তাদের কঠোর পরিশ্রম ও নিষ্ঠার বলে এসিআই ফরমুলেশনস একটি শক্তিশালী প্রতিষ্ঠান হিসেবে গড়ে উঠেছে যা জনগনের জীবনমান উন্নয়নে নিরন্তর অবদান রেখে চলেছে।

পরিচালকমন্ডলীর পক্ষে,



সুমিতা আনিস
ব্যবস্থাপনা পরিচালক



গোলাম মইন উদ্দীন
স্বতন্ত্র পরিচালক

XIV, 26 A±±ei 2023

Annexure-I

Number of Board Meetings and Attendance of Directors

As per condition no. 1 (5) (xxii) of the Corporate Governance Code 2018 issued by Bangladesh Securities and Exchange Commission, the number of Board Meetings held and the Attendance by each Director during the Financial Year 2022-2023 are as follows:

Name	Position	Meeting Held	Meeting Attended	Remarks
Mr. M. Anis Ud Dowla	Chairman	5	5	-
Dr. Arif Dowla	Director	5	5	-
Dr. A.K.M Fareyzul Haque Ansarey	Director	5	5	-
Mr. Golam Mainuddin	Independent Director	5	5	-
Mr. Abdul-Muyeed Chowdhury	Independent Director	5	5	-
Mr. Juned Ahmed Choudhury	Director	5	5	-
Ms. Shusmita Anis	Managing Director	5	5	-

Annexure-II

Pattern of Shareholding

As per condition no. 1 (5) (xxiii) of the Corporate Governance Code 2018 issued by Bangladesh Securities and Exchange Commission, the pattern of shareholding along with name wise details as on 30 June 2023 are as follows:

Condition no.	Name of Shareholders	Position	No. of Shares held	% of Shares held
1(5) (xxiii) (a)	Parent/Subsidiary/Associated Companies and other related parties			
	Advanced Chemical Industries Limited	Parent Company	25,269,409	53.48%
1(5) (xxiii) (b)	Directors:			
	Mr. M. Anis Ud Dowla	Chairman	4,730,906	10.01%
	Dr. A.K.M Fareyzul Haque Ansarey	Director	1,185,975	2.51%
	Advanced Chemical Industries Limited, Represented By,	N/A	25,269,409	53.48%
	Dr. Arif Dowla	Director	4,253	0.009%
	Ms. Shusmita Anis	Director	3,071	0.006%
	Mr. Abdul-Muyeed Chowdhury	Independent Director	-	-
	Mr. Golam Mainuddin	Independent Director	-	-
	Mr. Juned Ahmed Choudhury	Director	-	-
	Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and Compliance:			
	Ms. Shusmita Anis	Chief Executive Officer	3,071	0.006%
	Mr. Pradip Kar Chowdhury	Chief Financial Officer	-	-
	Mr. Mohammad Mostafizur Rahman	Company Secretary (Acting)	-	-
	Mr. Amitava Saha	Head of Internal Audit	-	-
1(5) (xxiii) (c)	Executives (Other than Directors, CEO, CS, CFO and Head of Internal Audit and Compliance):			
	-	-	-	-
1(5) (xxiii) (d)	Shareholders holding 10% or more voting interest in the Company:			
	Advanced Chemical Industries Limited	Parent Company	25,269,409	53.48%
	Mr. M. Anis Ud Dowla	Chairman	4,730,906	10.01%



Annexure-III

Management Discussion and Analysis

As per condition no. 1 (5) (xxv) of the Corporate Governance Code 2018 issued by Bangladesh Securities and Exchange Commission, the Management's Discussion & Analysis are as follows:

Accounting policies and estimation for preparation of financial statements

The Company follows International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) along with local regulations applicable for preparation of financial statements. Detail description of accounting policies and estimation used for preparation of the financial statements of the Company are disclosed in the notes 4 and 6 to the financial statements.

Changes in accounting policies and estimation

The Company has been following consistent policies and estimation. There are no such changes in accounting policies or estimation which has material impact on financial statements.

Comparative analysis of financial performance and financial position as well as cash flows for current financial year with immediately preceding five years

Major areas of financial performances and financial position as well as cash flows for the financial year 2022-23 with immediate preceding five years are as follows:

Figures in million except ratios and percentage (BDT)

Particulars	July 17- June 18	July 18- June 19	July 19- June 20	July 20- June 21	July 21- June 22	July 22- June 23
Turnover (net)	4,127	4,025	3,422	3,863	4,246	4,958
Gross profit	1,027	1,211	1,065	1,126	1,217	1,315
Profit before tax	163	180	126	290	328	312
Profit after tax	115	128	92	213	243	235
Earnings per share (Taka)	2.56	2.83	2.05	4.51	5.14	4.98
EBITDA	407	485	416	479	515	576
Issued & paid capital	450	450	450	450	473	473
Shareowners' equity	2,502	2,472	2,407	3,009	3,117	3,055
Net asset per share (Taka)	55.59	54.93	53.48	63.69	65.97	64.66
Net operating cash flows per share (Taka)	(2.74)	(6.00)	14.85	12.78	7.22	0.23

Despite macro-economic challenges, the Company was able to maintain a consistent growth in the top line over the analyzed periods as depicted in the analysis enumerated above. Increased costs due to rising prices in the international market and strengthening of US Dollar against local currency had some impact on the overall profitability of the Company.

Comparison of financial performances and financial position as well as cash flows with peer industry scenario

The Company is diversified business conglomerate having several businesses in different sectors. Accordingly, the company has no such peer company to draw a reasonable comparison.

Explanation of the financial and economic scenario of the country and the globe

In FY 2022-23, the global economy was on a slow path to recovery with several significant challenges to overcome. These challenges include the lingering effects of the pandemic, ongoing war in Ukraine, and a widespread cost-of-living crisis across the region. According to Global Economic Prospects report of June 2023 from The World Bank, emerging market and developing economies (EMDEs) are struggling to cope being deprived of the wherewithal to create jobs and deliver essential services to their most vulnerable citizens.

The World Bank also reported that the global growth is projected to slow significantly amid high inflation, tight monetary policy, and more restrictive credit conditions. The risk of more widespread bank turmoil and tighter monetary policy

could result in even weaker global growth and lead to financial dislocations in the most vulnerable emerging market and developing economies (EMDEs). Comprehensive policy action may aid to foster macroeconomic and financial stability to a large extent. Among many EMDEs, and especially in low-income countries, bolstering fiscal sustainability may require generating higher revenues, making spending more efficient, and improving debt management practices. Continued international cooperation may help to tackle climate change, support populations affected by crises and hunger, and provide debt relief where needed.

On the other hand, the World Economic Outlook report of October 2023 from International Monetary Fund noted that the resilience shown by the global economy in various sectors was also noteworthy. Despite facing disruptions in energy and food markets due to the war and the unprecedented tightening of global monetary conditions aimed at combating decades-high inflation, the global economy managed to avoid coming to a complete standstill. However, the recovery was characterized by a slow and uneven nature, and there were noticeable divergences in economic performance across the region on a global scale. Overall, the global economy is making progress, but it's far from sprinting; it's more like it's limping along.

Amid ongoing global instability, Bangladesh has also been affected by various factors like high inflation, continuing devaluation of Taka against major foreign currencies, and pressures on the foreign currency reserve of the Country. Bangladesh's economy has been recovering from the economic damages caused by the impact of COVID-19 and the ongoing Russia-Ukraine crisis, however, the crisis driven recent slowdown in the global economy has been affecting the country's economic growth.

According to Bangladesh Economic Review 2023 published by Ministry of Finance, Bangladesh's GDP growth in the pre-COVID-19 period was 7.88 percent in FY 2018-19. During the COVID-19 this growth rate declined to 3.45 percent in FY 2019-20, which increased to 6.94 percent in FY 2020-21 and 7.10 percent in FY 2021-22. According to the provisional estimates of Bangladesh Bureau of Statistics (BBS), the GDP growth rate stood at 6.03 percent in current FY 2022-23 and the per capita national income stood at US\$ 2,765. The FY 2022-23 monetary policy was formulated in order to discourage unproductive financial flows to tame the demand-side pressures without circumventing the required flow of funds to the productive sectors easing supply-side conditions and supporting the country's long-term growth aspirations

In conclusion, apart from containing inflation at tolerable levels, keeping import payments manageable and maintaining stability in the foreign exchange markets might be a critical challenge for the economy. Bangladesh expects that the formulation of a contractionary cautious monetary and credit program for FY 2022-23 will support the economic recovery process in the coming days as well as mitigate inflationary and exchange rate pressures. In addition to the government's endeavors to tackle the challenges, the private sector in Bangladesh is also consistently channeling its efforts and enthusiasm to lead the country's progress.

Risk and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company

The Company has exposure to the Credit Risk, Liquidity Risk and Market Risk arising from the financial statements. The detail explanation of risk and concerns along with the Risk Management Framework are explained in the note 35 to the financial statements published in this annual report.

The Company has taken sufficient steps and controls effectively consistently round the year to mitigate the risk and concerns.

Future plan for company's operation, performances and financial position

The Company has taken all sorts feasible plans, strategy and vision to continue the operations of the company for foreseeable future. This is relevant to share that company maintains a periodic action plans along with mid-term and long-term strategies to maintain the sustainability in its performances and financial position.



Shusmita Anis
Managing Director



Annexure-IV

[As per condition No. 1(5) (xxvi)] DECLARATION BY CEO AND CFO

Date: 26 October 2023

The Board of Directors
ACI Formulations Limited

Subject: **Declaration on Financial Statements for the year ended on 30 June 2023.**

Dear Sir,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of ACI Formulations Limited for the year ended on 30 June 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on 30 June 2023 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (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 in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Shusmita Anis
Managing Director

Pradip Kar Chowdhury
Chief Financial Officer (CFO)

Annexure-V

Status of Compliance 2022-23 with the Corporate Governance Code (CGC)

[As per condition No. 1(5) (xxvii)]

Status of compliance with the conditions imposed by the Commission's Notification No.
SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018

(Report under Condition No. 9)

Condition No	Title	Status		Remarks
		Complied	Not-Complied	
1(1)	The number of Board members shall not be less than 5 (five) and more than 20 (twenty);	Complied		There are 7 Directors
1(2)(a)	At least one-fifth (1/5) of the total number of directors shall be Independent Directors (ID);	Complied		Two IDs in the Board
1(2)(b)(i)	IDs do not hold any share or holds less than 1% shares of the total paid-up shares of the Company;	Complied		As declared by the IDs
1(2)(b)(ii)	ID is not a sponsor and not connected with any sponsor or director or nominated director or shareholder or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares and his or her family members shall not hold above mentioned shares;	Complied		- do -
1(2)(b)(iii)	ID has not been an executive of the company in immediately preceding two financial years;	Complied		- do -
1(2)(b)(iv)	ID does not have any pecuniary or otherwise relationship with the company or its subsidiary/associated companies;	Complied		- do -
1(2)(b)(v)	ID is not a member or TREC holder, director or officer of any stock exchange;	Complied		- do -
1(2)(b)(vi)	ID is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	Complied		- do -
1(2)(b)(vii)	ID is/was not a partner or an executive of company's audit firms engaged in Statutory Audit or Internal Audit or Special Audit or Compliance Certification of the Codes during preceding three years;	Complied		- do -
1(2)(b)(viii)	ID shall not be independent director in more than five listed companies;	Complied		- do -
1(2)(b)(ix)	ID has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or NBFIs;	Complied		- do -
1(2)(b)(x)	ID has not been convicted for a criminal offence involving moral turpitude;	Complied		- do -
1(2)(c)	Appointment of ID shall be done by Board and approved by shareholders in the AGM;	Complied		Appointed at AGM
1(2)(d)	The position of IDs cannot remain vacant for more than ninety days.	-		No such case
1(2)(e)	The tenure of office of an ID shall be for Three years, which may be extended for One tenure only	Complied		
1(3)(a)	ID shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, corporate laws, regulatory requirements and can make meaningful contribution to the business;	Complied		As declared by the IDs
1(3)(b)(i)	ID is a Business Leader who is/was a promoter or director of an unlisted company having minimum paid-up capital of One Hundred million or any listed company or a member of any national or international chamber of commerce or business association	Complied		- do -
1(3)(b)(ii)	ID is/was a Corporate Leader as top level executive as adopted by the code and a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	Complied		- do -
1(3)(b)(iii)	ID was Former official of government in the position not below 5th Grade of the national pay scale and educational background of bachelor degree in economics or commerce or business or law;	-		N/A
1(3)(b)(iv)	ID is/was University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-		- do -
1(3)(b)(v)	ID is/was a professional or an advocate practicing in the HCD of Bangladesh Supreme Court or a CA,CMA, CFA, CCA, CPA and CS or equivalent qualification;	-		- do -
1(3)(c)	The ID shall have at least Ten years of experiences in any field mentioned in clause (b);	Complied		As declared by the IDs
1(3)(d)	Special cases for relaxing qualifications or experiences with prior approval of the Commission.	-		N/A

Contd.



Condition No	Title	Status		Remarks
		Complied	Not-Complied	
1(4)(a)	Chairman of the Board and the Chief Executive Officer of the companies is different individuals having clearly defined their respective roles and responsibilities by Board.	Complied		They are different individuals
1(4)(b)	This MD and CEO of a listed Company shall not hold the same position in another listed Company.	Complied		Compliance Declared
1(4)(c)	Chairperson elected from among the non-executive directors of the company;	Complied		He is a non-executive director
1(4)(d)	The Board clearly defined respective roles for Chairman and the Managing Director;	Complied		
1(4)(e)	In absence of Chairman, the remaining members may elect one from non-executive directors as Chairperson for that particular Board's meeting;	-		No such case in the year
1(5)(i)	An industry outlook and possible future developments;	Complied		Stated in the Directors' Report
1(5)(ii)	Segment-wise or product-wise performance.	Complied		- do -
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	Complied		- do -
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	Complied		- do -
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	Complied		- do -
1(5)(vi)	A detailed discussion and statement on related party transactions;	Complied		- do -
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	Complied		- do -
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	Complied		- do -
1(5)(ix)	An explanation on any significant variance between Quarterly Financial performances and Annual Financial Statements;	Complied		- do -
1(5)(x)	A statement of Directors remuneration;	Complied		- do -
1(5)(xi)	A statement on fair preparation of the financial statements by the management of the issuer company;	Complied		- do -
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	Complied		- do -
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	Complied		- do -
1(5)(xiv)	IAS / BAS / IFRS / BFRS, 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)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	Complied		- do -
1(5)(xvi)	A statement with regard to the protection of minority shareholders from abusive actions of controlling shareholders.	Complied		- do -
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern;	Complied		- do -
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	Complied		- do -
1(5)(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized;	Complied		- do -
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	-		Dividend declared
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	Complied		Stated in the Directors' Report
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	Complied		- do -
1(5)(xxiii)(a)	Parent / Subsidiary / Associated Companies and other related parties (name wise details); (i.e. Patterns of Shareholdings)	Complied		- do -
1(5)(xxiii)(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)(xxiii)(c)	Executives;	Complied		- do -

Condition No	Title	Status		Remarks
		Complied	Not-Complied	
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	Complied		- do -
1(5)(xxiv)(a)	A brief resume of the director;	Complied		- do -
1(5)(xxiv)(b)	Nature of expertise in specific functional areas;	Complied		- do -
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and membership of board committees;	Complied		- do -
	A Management's Discussion and Analysis signed by CEO or MD	Complied		- do -
1(5)(xxv)(a)	Presenting detailed analysis of accounting policies and estimation for preparation of financial statements;	Complied		- do -
1(5)(xxv)(b)	Presenting detailed analysis of changes in accounting policies and estimation, if any;	Complied		- do -
1(5)(xxv)(c)	Presenting detailed analysis of comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	Complied		- do -
1(5)(xxv)(d)	Presenting detailed analysis of compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	Complied		
1(5)(xxv)(e)	Presenting detailed analysis of briefly explain the financial and economic scenario of the country and the globe;	Complied		- do -
1(5)(xxv)(f)	Presenting detailed analysis of risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company;	Complied		- do -
1(5)(xxv)(g)	Presenting detailed analysis of future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	Complied		- do -
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) disclosed as per Annexure-A;	Complied		- do -
1(5)(xxvii)	The report and compliance certificate disclosed as per Annexure-B and Annexure-C;	Complied		- do -
1(6)	Conducting Board meetings and recording the minutes of the meetings and keeping required books and records in line BSS as adopted by the ICSB;	Complied		
1(7)(a)	Code of conduct, based on the recommendation of the NRC for the Chairman of the Board, other board members and Managing Director of the company;	Complied		
1(7)(b)	Code of conduct as determined by the NRC shall be posted on the website of the company;	Complied		
2(a)	Composition of the Board of the subsidiary company;	Complied		
2(b)	Independent director of the holding company on the Board of the subsidiary company;	Complied		
2(c)	Review of minutes of the subsidiary company's Board meeting by the holding company's Board;	Complied		
2(d)	The minutes of respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company	Complied		
2(e)	Review of financial statements of Subsidiary company by the Audit Committee of the holding company;	Complied		
3(1)(a)	The Board shall appoint a MD or CEO, CS, CFO and HIAC;	Complied		
3(1)(b)	The positions of the MD or CEO, CS, CFO and HIAC shall be filled by different individuals;	Complied		They are different individuals
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	Complied excepting CS Position		Due to sudden vacancy
3(1)(d)	Respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	Complied		
3(1)(e)	Removal of the MD or CEO, CS, CFO and HIAC with approval of the Board and immediate dissemination to BSEC and stock exchange(s);	-		No such case in the reporting year
3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board;	Complied		In practice
3(3)(a)(i)	Certification of CEO and CFO as to the review of financial statements with declaration that there is no materially untrue and misleading statement;	Complied		Given in the Directors' Report
3(3)(a)(ii)	Certification of CEO and CFO as to the true and fair view of the financial statements and affairs of the Company's per applicable laws;	Complied		- do -

Contd.



Condition No	Title	Status		Remarks
		Complied	Not-Complied	
3(3)(b)	Certification of CEO and CFO that to the best of their knowledge and belief there was no fraudulent, illegal transactions during the year;	Complied		- do -
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report	Complied		- do -
4(i)	Board Audit Committee (BAC)	Complied		In practice
4(ii)	Nomination and Remuneration Committee	Complied		- do -
5(1)(a)	BAC as a sub-committee of the Board;	Complied		- do -
5(1)(b)	BAC shall assist the Board of Directors as to the the financial statements reflect true and fair view of the state of affairs of the company;	Complied		The AC functioned as per CG Code
5(1)(c)	BAC is responsible to the Board. The duties of the BAC is clearly set forth in writing.	Complied		- do -
5(2)(a)	BAC is composed of 3 (three) members.	Complied		There are 3 members
5(2)(b)	The Board appointed members of BAC who are non-executive directors and Chairperson is an ID.	Complied		
5(2)(c)	All members of BAC are "financially literate" and 1 (one) member have accounting or related financial management background and 10 (ten) years of such experience;	Complied		
5(2)(d)	Filling of casual vacancy in the BAC.	Complied		
5(2)(e)	The CS shall act as the Secretary of the Committee.	Complied		In practice
5(2)(f)	The quorum of the BAC meeting have not constitute without ID	Complied		
5(3)(a)	The Board of Directors select 1 (one) ID as the Chairman of BAC;	Complied		
5(3)(b)	Election of Chairman of the particular meeting in absence of regular Chairperson of BAC recording the reasons of such absence in the minutes.	-		No such case in the year
5(3)(c)	Chairman of the BAC shall remain present in the AGM.	Complied		
5(4)(a)	BAC conducted four meetings in the financial year:	Complied		4 meetings held
5(4)(b)	The quorum of the meeting of BAC constituted in presence of either two members including ID or two third of the members , whichever was higher;	Complied		
5(5)(a)	Oversee the financial reporting process.	Complied		Performed as per BSEC Guideline
5(5)(b)	Monitor choice of accounting policies and principles.	Complied		- do -
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced;	Complied		- do -
5(5)(d)	Oversee hiring and performance of external auditors;	Complied		- do -
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	Complied		- do -
5(5)(f)	Review with the management, the annual financial statements before submission to the Board for approval;	Complied		- do -
5(5)(g)	Review with the management, the quarterly and half yearly financial statements before submission to the Board for approval	Complied		- do -
5(5)(h)	Review the adequacy of internal audit function;	Complied		- do -
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	Complied		- do -
5(5)(j)	Review statement of all related party transactions submitted by the management;	Complied		- do -
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	Complied		- do -
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	Complied		- do -
5(5)(m)	Oversee whether the proceeds raised IPO or RPO or Rights Share Offer have been utilized per the purposes stated in relevant offer document or prospectus approved by the Commission;	-		N/A
5(6)(a)(i)	The BAC shall report on its activities to the Board.	Complied		
5(6)(a)(ii)(a)	The BAC shall immediately report to the Board if any report on conflicts of interests	-		No such case in the year
5(6)(a)(ii)(b)	The BAC shall immediately report to the Board if any suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	-		- do -

Condition No	Title	Status		Remarks
		Complied	Not-Complied	
5(6)(a)(ii)(c)	The BAC shall immediately report to the Board if any suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations	-		- do -
5(6)(a)(ii)(d)	The BAC shall immediately report to the Board if any other matter which the Audit Committee deems necessary.	-		- do -
5(6)(b)	If any material impact on the financial condition and results of operation, unreasonably ignored by the management	-		- do -
5(7)	Reporting to the Shareholders and General Investors	Complied		Report of AC given in the AR
6(1)(a)	Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	Complied		In practice
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;			Performed as per BSECG Guideline
6(1)(c)	ToR of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b).	Complied		- do -
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	Complied		- do -
6(2)(b)	All members of the Committee shall be non-executive directors.	Complied		- do -
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board	Complied		- do -
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee	Complied		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	Complied		- do -
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	-		- do -
6(2)(g)	The company secretary shall act as the secretary of the Committee.	Complied		In practice
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director	Complied		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company	Complied		
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director	Complied		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes	-		No such case in the reporting year
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders	Complied		
6(4)(a)	The NRC shall conduct at least one meeting in a financial year.	Complied		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC	-		No such case in the year
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	Complied		Practiced as per the CG Codes
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC;	Complied		- do -
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	Complied		- do -
6(5)(b)(i)(a)	NRC shall oversee, formulate & recommend to the Board regarding the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	Complied		- do -
6(5)(b)(i)(b)	NRC shall oversee, formulate & recommend to the Board regarding the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	Complied		- do -
6(5)(b)(i)(c)	NRC shall oversee, formulate & recommend to the Board regarding remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	Complied		- do -

Contd.



Condition No	Title	Status		Remarks
		Complied	Not-Complied	
6(5)(b)(ii)	NRC shall oversee & make report with recommendation to the Board regarding devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	Complied		- do -
6(5)(b)(iii)	NRC shall oversee & make report with recommendation to the Board regarding identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	Complied		- do -
6(5)(b)(iv)	NRC shall oversee & make report with recommendation to the Board regarding formulating the criteria for evaluation of performance of independent directors and the Board;	Complied		- do -
6(5)(b)(v)	NRC shall oversee & make report with recommendation to the Board regarding identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	Complied		- do -
6(5)(b)(vi)	NRC shall oversee & make report with recommendation to the Board regarding developing, recommending and reviewing annually the company's human resources and training policies;	Complied		- do -
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report; The issuer Company shall not engage its external or statutory auditors	Complied		Given in the Annual Report
7(1)(i)	- to perform the appraisal or valuation services or fairness opinions of the company.	Complied		As declared by Auditors
7(1)(ii)	- to perform the financial information systems design and implementation of the company.	Complied		- do -
7(1)(iii)	- to perform book-keeping or other services related to the accounting records or financial statements of the company.	Complied		- do -
7(1)(iv)	- to perform broker-dealer services of the company.	Complied		- do -
7(1)(v)	- to perform actuarial services of the company.	Complied		- do -
7(1)(vi)	- to perform internal audit services or special audit services of the company.	Complied		- do -
7(1)(vii)	- to perform any service that the Audit Committee determines of the company.	Complied		- do -
7(1)(viii)	- to perform audit or certification services on compliance of corporate governance as required under condition No. 9(1) of the company.	Complied		- do -
7(1)(ix)	- to perform any other service that creates conflict of interest of the company.	Complied		- do -
7(2)	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; his or her family members also shall not hold any shares in the said company;	Complied		- do -
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders;	Complied		
8(1)	The company shall have an official website linked with the website of the stock exchange;	Complied		
8(2)	The company shall keep the website functional from the date of listing;	Complied		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s) ;	Complied		
9(1)	Compliance Audit certification and its disclosure in the Annual Report;	Complied		Given in AR
9(2)	Compliance certification professional shall be appointed by the shareholders in the AGM;	Complied		Appointed at AGM
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not;	Complied		Given in the Annual Report

Annexure-VI

Al-Muqtadir Associates
Chartered Secretaries & Consultants

Business Office
House : F, Rania Avenue
Apurba Gardenia
House # 530, (5th Floor)
Bashundhara R/A, Dhaka-1229
Bangladesh

Phones : 01730 340 340
01552 108 522
e-mails : akamuqtadir@gmail.com
muqtadir@muqtadirbd.com
URL : www.muqtadirbd.com
VAT Reg : 19041063900

**Report to the Shareholders of ACI Formulations Limited
on compliance with the Corporate Governance Code
[As required under code 1(5) (xxvii) of the BSEC Code of Corporate Governance]**

We have examined the compliance status to the Corporate Governance Code by ACI Formulations Limited for the year ended on 30th June 2023. This code relates to the gazette notification no: BSEC/CMRRCD/2006-158/207/Admin/80 dated the 3rd June 2018 of Bangladesh Securities and Exchange Commission (BSEC).

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of Corporate Governance Code. This is a scrutiny and verification and an independent audit on compliance of the conditions of Corporate Governance as well as provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of the Corporate Governance Code.

We state that we have obtained all the information and explanations or representations, which we have required, and after due scrutiny and verification thereof, we report that in our opinion and subject to the remarks and observations as reported in the connected Compliance Statement :

- (a) The Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Corporate Governance Code issued by the Commission, excepting Code 3(1)(c) necessitated by sudden vacancy in CS position.
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code.
- (c) Proper books and records have been kept by the Company as required under the Companies Act 1994, the securities laws and other relevant laws, and
- (d) The standard of governance in the Company is satisfactory.

This report, however, is no endorsement about quality of contents in the Annual Report of the Company for the year 2022-23.



Dhaka, November 12, 2023

Al-Muqtadir Associates
Chartered Secretaries & Consultants



A.K.A. Muqtadir FCS
CEO & Chief Consultant



ACI Formulations Limited

Auditor's Report & Financial Statements for the year ended 30 June 2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ACI Formulations Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of ACI Formulations Limited and its subsidiaries (the "Group") as well as the separate financial statements of ACI Formulations Limited (the "Company"), which comprise the consolidated and separate statements of financial position as at 30 June 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give true and fair view of the consolidated financial position of the Group and the separate financial position of the Company as at 30 June 2023, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key audit matters for the audit of financial statements are as under:

Property, plant and equipment (PPE):

PPE includes the Group's and the Company's long-term assets, which flow economic benefits to the entities more than one year. PPE is measured at cost or revaluation less accumulated depreciation and accumulated impairment loss.

The carrying value of PPE represents significant portion of total assets, which is amounting to Tk. 2,441.71 million for the Company and Tk. 2,441.97 million for the Group at the reporting date. In other words, for both the Company and the Group, approximately 36% of total assets are represented by PPE. It is a matter of consideration that the carrying value of PPE may be higher than the recoverable amount and impairment charges might not have been recognized due to not performing the impairment test.

Audit procedure performed to address the key audit matter

We have tested the design and operating effectiveness of key controls over PPE. Our audit procedures included, among others, considering the impairment risk of the assets.

Followings are our audit procedures on the carrying value and impairment risk of PPE:

- Reviewing basis of recognition and measurement of assets;
- Review of procedures of assets acquisition, depreciation and disposal;
- Checking ownership of the major assets;
- Checking the Capital-Work-in-Progress (CWIP) and its transfer to PPE;
- Performing due physical asset verification on sample basis;
- Evaluating the Group's assumptions to identify if there is any requirement of recognition of impairment;
- We have checked fixed asset register of the company, performed test check of depreciation calculation, checked fixed assets schedule and books of accounts maintained by the company; and
- Finally, assessing the appropriateness and presentation of disclosures in line with relevant accounting standards.

Our testing did not identify any other issues with regard to PPE and related depreciation.

Inventory

At year end, the Company and the Group as a whole reported inventory of Tk. 1,636.26 million – approximately 25% of total assets of goods held in depots, central warehouse and factories. Inventories are carried at lower of cost and net realizable value. The Group provides provision for obsolescence or slow-moving based on age analysis of inventories and capacity of customers to repay the dues. This methodology relies upon assumptions made in determining appropriate provisioning amount to inventory balances. Therefore, it has been considered as key area of auditor's judgment.

Audit procedure performed to address the key audit matter

We obtained a detailed understanding and evaluated the design and implementation of controls that the Group has established in relation to inventory valuation. We obtained assurance over the appropriateness of management's assumptions applied in calculating the value of inventory provisions.

Our audit procedures in relation to the inventory comprise the followings:

- Evaluating the design and implementation of key inventory controls operating across the Group on test basis ;
- Conducting review of trade price and compared with cost price to ensure that the inventories are reported at lower of cost or net realizable value and comparing to the associated provision to assess whether inventory provisions are complete;
- Attended inventory counts at the year-end on selected locations to ensure physical existence of the inventory as per record. We have obtained inventory list that was counted by management and checked sample basis between the quantities reported in the inventory counting sheet with that of quantities reported against the closing inventory.
- We have also examined the addition during the year with that of supporting documents like commercial invoices, bill of entries, goods received note, supplier's invoices, consumption records etc.

Our procedures above did not identify any issues with regard to inventory.

Inter-company receivables

The carrying amount of the inter-company receivables at the separate and consolidated financial statements was Tk. 682.78 million and Tk. 675.91 million as at 30 June 2023 representing 10% of total assets of the Company and consolidation level with no balance as intercompany payables. This receivables represent balances due mostly from ACI Ltd. Management has conducted impairment assessment and calculated recoverable value of these inter-company receivables, in accordance with IFRS 9: Financial Instruments. Therefore, it is a matter to consider whether those receivables have been misstated due to non-recognition of impairment or inability to repay.

Audit procedure performed to address the key audit matter

We assessed the processes and controls put in place by the Company over inter-company transactions. Our procedures in relation to the inter-company balances comprise the followings:

- At the time of conducting our audit of the separate financial statements of the Company, we have identified the recoverable value of the Company's inter-company receivable.

- Obtained confirmations with counterpart at the reporting date on the closing balances of inter-company transaction and its reconciliation whenever necessary;
- Assessed the appropriateness and presentation of disclosures against relevant accounting standards.

Our test did not identify any major issues with regard to inter-company balances and any indicators that would trigger impairment or adjustment at the reporting date.

Bank Overdraft and Loan and borrowings

At reporting date, the position of Bank Overdraft and Loan outstanding was Tk. 2,753.00 million for both the Company and the Group. In other words, approximately 76% of total liabilities are represented by loans and overdraft for both the Company and Group. Evidently, the Company is using loan to operate the business and also, to acquire non-current assets. Therefore, these two items have been considered as key audit areas.

Audit procedure performed to address the key audit matter

We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the loans.

Our audit procedures included, among others, the followings:

- Obtained loan statements and facility offer letters to review terms, debt covenants, interest rates and other conditions associated with the loans.
- Obtained external confirmation of the bank to ensure accuracy of the figures reported.
- Checked interest calculation on test basis.
- Checked the adjustments or repayments of loans through bank statements as per repayment schedule.

Our procedures above did not identify any major issue with regard to loans.

Revenue Recognition

At year end, the Company and the Group both reported revenue of Tk. 4,958.31 and Tk. 4,959.81 million respectively. Revenue is measured at net of trade discounts, markdown adjustment, returns and allowances. It is a matter of concern that revenue may be misstated due to recognition of sales transaction before performance obligation being satisfied.

Audit procedure performed to address the key audit matter

Our audit procedures in relation to the revenue recognition comprises the followings:

- Observing and evaluating whether proper segregation of duties put in place;
- Examining samples of sales invoices for evidence of proper credit approval by the appropriate personnel and application controls for credit limits;
- Comparing prices and terms on samples of sales invoices to the price list.
- Checking invoice raised at the year end and delivery of goods with acknowledgement of customer to ensure that cut off principle has been properly applied.
- Assessing revenue recognition accounting policies by comparison with IFRS 15.
- Testing the effectiveness of the controls over the calculation of discounts.
- Assessing manual journals made to revenue to identify unusual or irregular items; and
- Finally, assessing the appropriateness and presentation of disclosures against relevant accounting standards.

Our testing did not identify any issues with regard to revenue.

Other Matters

The consolidated financial statements comprise the parent, ACI Formulations Limited, and its subsidiary namely Neem Laboratories (Pvt.) Ltd. and ACI AgroChem Limited. The financial statements of subsidiary have been audited and the component auditors have expressed an unmodified opinion on the financial statements for the year ended 30 June 2023.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report but does not include the financial statements and our auditors' report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the IFRSs, the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's

report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group and the Company audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, 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 Group and the Company so far as it appeared from our examination of these books;
- c) the consolidated and the separate statements of financial position and statements of profit or loss and other comprehensive income along with the annexed notes 1 to 40 dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred was for the purposes of the Group's and the Company's business.

FOR A. WAHAB & CO.
CHARTERED ACCOUNTANTS



Kazi Md. Mahboob Kasem, FCA
Partner

Enrolment No : 845
DVC: 2310260845AS648843

Dated: Dhaka, October 26, 2023



ACI Formulations Limited Statement of Financial Position

In Taka	Note	30 June 2023	30 June 2022
Assets			
Property, plant and equipment	8	2,441,709,871	2,362,781,535
Right of use assets	9	47,394,934	12,780,110
Investments	10	62,613,945	42,752,037
Non-current assets		2,551,718,750	2,418,313,682
Inventories	12	1,636,263,695	1,360,588,072
Trade receivables	13	1,160,288,759	1,112,101,219
Other receivables	14	81,213,294	75,901,731
Inter-company receivables	15	682,776,867	826,784,983
Advances, deposits and prepayments	16	32,800,217	44,813,080
Current tax assets	27	353,705,048	411,121,049
Cash and cash equivalents	17	195,259,564	223,435,477
Current assets		4,142,307,444	4,054,745,611
Total assets		6,694,026,194	6,473,059,293
Equity			
Share Capital	18	472,500,000	472,500,000
Revaluation reserve		1,442,196,308	1,619,739,070
Retained earnings		1,140,704,017	1,024,819,306
Total equity		3,055,400,325	3,117,058,376
Liabilities			
Employee benefits	19	64,830,000	60,605,910
Lease liability	9	31,283,715	8,309,251
Deferred tax liabilities	20	200,663,218	34,190,633
Non-current liabilities		296,776,933	103,105,794
Bank overdrafts	21	140,364,766	113,568,425
Loans and borrowings	22	2,612,630,721	2,572,416,971
Lease liability- current portion	9	12,439,970	4,965,714
Trade payables	23	75,010,051	96,881,330
Other payables	24	477,882,451	459,796,466
Unclaimed dividend account	25	5,702,752	5,266,217
Inter-company payables	26	17,818,225	-
Current liabilities		3,341,848,936	3,252,895,123
Total liabilities		3,638,625,869	3,356,000,917
Total equity and liabilities		6,694,026,194	6,473,059,293
Net asset value (NAV) per share	34	64.66	65.97

The annexed notes 1 to 40 form an integral part of these financial statements.


Shusmita Anis
Managing Director


Golam Mainuddin
Director


Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.


(A. Wahab & Co.)
Chartered Accountants
Kazi Md. Mahboob Kasem, FCA
Partner
Enrolment No : 845
DVC: 2310260845AS648843

Dated: Dhaka, October 26, 2023

ACI Formulations Limited

Statement of Profit or Loss and other Comprehensive Income

<i>In Taka</i>	Note	For the year ended 30 June 2023	For the year ended 30 June 2022
Revenue	28	4,958,308,254	4,246,344,839
Cost of sales	29	(3,642,873,273)	(3,029,102,137)
Gross profit		1,315,434,981	1,217,242,702
Other income	30	30,463,498	12,723,608
Administrative, selling and distribution expenses	31	(814,609,083)	(756,271,721)
Operating profit		531,289,396	473,694,589
Finance costs, net	32	(203,070,291)	(128,053,893)
Profit before contribution to WPPF		328,219,105	345,640,696
Contribution to WPPF		(16,410,955)	(17,282,035)
Profit before tax		311,808,150	328,358,661
Income tax expense	33		
Current tax		(87,446,259)	(88,181,328)
Deferred tax income/(expense)		10,750,147	2,505,581
		(76,696,112)	(85,675,747)
Profit after tax		235,112,038	242,682,914
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit plan		(1,422,357)	-
Related tax		320,030	-
		(1,102,327)	-
Deferred tax on revaluation surplus (due to changes in tax rate)		(177,542,762)	-
		(177,542,762)	-
Other comprehensive income, net of tax		(178,645,089)	-
Total comprehensive income		56,466,949	242,682,914
Earnings per share	34		
Basic earnings per share		4.98	5.14

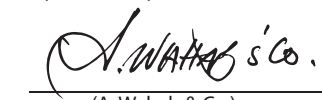
The annexed notes 1 to 40 form an integral part of these financial statements.


 Shusmita Anis
 Managing Director


 Golam Mainuddin
 Director


 Mohammad Mostafizur Rahman
 Company Secretary

As per our report of same date.


 (A. Wahab & Co.)
 Chartered Accountants
Kazi Md. Mahboob Kasem, FCA
 Partner
 Enrolment No : 845
 DVC: 2310260845AS648843

Dated: Dhaka, October 26, 2023



ACI Formulations Limited Statement of Changes in Equity

<i>In Taka</i>	For the year ended 30 June 2023			
	Share capital	Revaluation reserve	Retained earnings	Total
Balance at 1 July 2022	472,500,000	1,619,739,070	1,024,819,306	3,117,058,376
Total comprehensive income				
Profit after tax	-	-	235,112,038	235,112,038
Other comprehensive income net of tax	-	(177,542,762)	(1,102,327)	(178,645,089)
Total comprehensive income	-	(177,542,762)	234,009,711	56,466,949
Transactions with owners of the company				
Contributions and distributions				
Final dividend paid for the year 2021-22	-	-	(118,125,000)	(118,125,000)
Issue of bonus shares	-	-	-	-
Total transactions with owners of the company	-	-	(118,125,000)	(118,125,000)
Transactions recognised directly in equity				
Realisation of revaluation surplus	-	-	-	-
Total transactions recognised directly in equity	-	-	-	-
Balance at 30 June 2023	472,500,000	1,442,196,308	1,140,704,017	3,055,400,325

<i>In Taka</i>	For the year ended 30 June 2022			
	Share capital	Revaluation reserve	Retained earnings	Total
Balance at 1 July 2021	450,000,000	1,619,739,070	939,636,392	3,009,375,462
Total comprehensive income				
Profit after tax	-	-	242,682,914	242,682,914
Other comprehensive income net of tax	-	-	-	-
Total comprehensive income	-	-	242,682,914	242,682,914
Transactions with owners of the company				
Contributions and distributions				
Final dividend paid for the year 2020-21	-	-	(135,000,000)	(135,000,000)
Issue of bonus shares	22,500,000	-	(22,500,000)	-
Total transactions with owners of the company	22,500,000	-	(157,500,000)	(135,000,000)
Transactions recognised directly in equity				
Realisation of revaluation surplus	-	-	-	-
Total transactions recognised directly in equity	-	-	-	-
Balance at 30 June 2022	472,500,000	1,619,739,070	1,024,819,306	3,117,058,376

The annexed notes 1 to 40 form an integral part of these financial statements.

ACI Formulations Limited Statement of Cash Flows

<i>In Taka</i>	Note	For the year ended 30 June 2023	For the year ended 30 June 2022
Cash flows from operating activities			
Cash receipts from customers and others		4,930,277,899	4,400,696,728
Cash paid to suppliers and employees		(4,708,848,012)	(3,766,318,886)
Cash (used in)/generated from operating activities		221,429,887	634,377,842
Paid to WPPF		(17,282,035)	(15,287,052)
Interest paid		(163,173,256)	(138,712,434)
Income tax paid		(30,030,258)	(139,275,043)
		(210,485,549)	(293,274,529)
Net cash (used in)/from operating activities*	17.3	10,944,338	341,103,313
Cash flows from investing activities			
Acquisition of property, plant and equipment		(112,228,449)	(30,314,643)
Investment		(19,861,908)	(1,035,337)
Net cash (used in)/from investing activities		(132,090,357)	(31,349,980)
Cash flows from financing activities			
Inter-company debts received/(paid)		155,053,885	(1,155,814,189)
Proceeds from loans and borrowings		40,213,750	1,021,219,392
Payment for lease obligation		(11,436,118)	(6,663,180)
Dividends paid		(117,688,465)	(142,702,697)
Net cash (used in)/from financing activities		66,143,052	(283,960,674)
Net increase/(decrease) in cash and cash equivalents		(55,002,967)	25,792,659
Opening cash and cash equivalents		109,867,052	83,699,893
Effect of foreign exchange rate changes		30,713	374,500
Cash and cash equivalents at reporting date		54,894,798	109,867,052
Closing balance represents			
Cash and cash equivalents	17	195,259,564	223,435,477
Bank overdraft	21	(140,364,766)	(113,568,425)
		54,894,798	109,867,052
Net operating cash flows per share (NOCFPS)	34	0.23	7.22

* See Note 17.3 for reconciliation of net operating cash flow.

The annexed notes 1 to 40 form an integral part of these financial statements.



ACI Formulations Limited

Consolidated Statement of Financial Position

In Taka	Note	30 June 2023	30 June 2022
Assets			
Property, plant and equipment	8(a)	2,441,977,404	2,363,419,088
Right of use assets	9(a)	47,394,934	12,780,110
Investments	10(a)	40,665,611	38,803,703
Intangible assets	11	5,147,792	5,147,792
Non-current assets		2,535,185,741	2,420,150,693
Inventories	12(a)	1,636,263,695	1,360,588,073
Trade receivables	13(a)	1,160,847,593	1,112,572,405
Other receivables	14	81,213,290	75,901,732
Inter-company receivables	15(a)	675,914,143	819,149,742
Advances, deposits and prepayments	16(a)	33,556,329	45,464,190
Current tax assets	27(a)	353,281,553	410,952,665
Cash and cash equivalents	17(a)	198,057,347	224,596,891
Current assets		4,139,133,950	4,049,225,698
Total assets		6,674,319,691	6,469,376,391
Equity			
Share Capital	18	472,500,000	472,500,000
Revaluation reserve		1,442,196,308	1,619,739,070
Retained earnings		1,136,136,557	1,020,447,831
Equity attributable to the owners of the Company		3,050,832,865	3,112,686,901
Non controlling interest		1,839,720	(113,701)
Total equity		3,052,672,585	3,112,573,200
Liabilities			
Employee benefits	19	64,830,000	60,605,910
Lease liability	9(a)	31,283,715	8,309,251
Deferred tax liabilities	20(a)	200,663,219	34,148,883
Non-current liabilities		296,776,934	103,064,044
Bank overdrafts	21	140,364,766	113,568,425
Loans and borrowings	22(a)	2,612,630,721	2,572,416,971
Lease liability- current portion	9(a)	12,439,970	4,965,714
Trade payables	23(a)	75,326,597	97,197,876
Other payables	24(a)	478,405,366	460,323,944
Unclaimed dividend account	25	5,702,752	5,266,217
Current liabilities		3,324,870,172	3,253,739,147
Total liabilities		3,621,647,106	3,356,803,191
Total equity and liabilities		6,674,319,691	6,469,376,391
Net Asset Value (NAV) per share	34(a)	64.57	65.88

The annexed notes 1 to 40 form an integral part of these financial statements.


Shusmita Anis
 Managing Director


Golam Mainuddin
 Director


Mohammad Mostafizur Rahman
 Company Secretary

As per our report of same date.



(A. Wahab & Co.)
 Chartered Accountants
Kazi Md. Mahboob Kasem, FCA
 Partner

Enrolment No : 845
 DVC: 2310260845AS648843

Dated: Dhaka, October 26, 2023

ACI Formulations Limited

Consolidated Statement of Profit or Loss and other Comprehensive Income

<i>In Taka</i>	Note	For the year ended 30 June 2023	For the year ended 30 June 2022
Revenue	28(a)	4,959,808,824	4,247,415,070
Cost of sales	29(a)	(3,642,873,275)	(3,029,102,135)
Gross profit		1,316,935,549	1,218,312,935
Other income	30(a)	30,463,498	13,101,607
Administrative, selling and distribution expenses	31(a)	(816,139,278)	(756,677,355)
Operating profit		531,259,769	474,737,187
Finance costs, net	32(a)	(202,862,283)	(128,665,974)
Profit before contribution to WPPF		328,397,486	346,071,213
Contribution to WPPF		(16,410,955)	(17,282,035)
Profit before tax		311,986,531	328,789,178
Income tax expense:	33(a)		
Current tax		(87,825,453)	(88,401,751)
Deferred tax income/(expense)		10,708,396	2,493,737
		(77,117,057)	(85,908,014)
Profit after tax		234,869,474	242,881,164
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit plan		(1,422,357)	-
Related tax		320,030	-
		(1,102,327)	-
Deferred tax on revaluation surplus (due to changes in tax rate)		(177,542,762)	-
		(177,542,762)	-
Other comprehensive income, net of tax		(178,645,089)	-
Total comprehensive income		56,224,385	242,881,164
Profit attributable to:			
Owners of the Company		234,916,053	242,877,199
Non-controlling interest		(46,579)	3,965
		234,869,474	242,881,164
Earnings per share	34(a)		
Basic earnings per share		4.97	5.14


The annexed notes 1 to 40 form an integral part of these financial statements.


Shusmita Anis
 Managing Director


Golam Mainuddin
 Director


Mohammad Mostafizur Rahman
 Company Secretary

As per our report of same date.


 (A. Wahab & Co.)
 Chartered Accountants
Kazi Md. Mahboob Kasem, FCA
 Partner
 Enrolment No : 845
 DVC: 2310260845AS648843

Dated: Dhaka, October 26, 2023



ACI Formulations Limited

Consolidated Statement of Changes in Equity

For the year ended 30 June 2023

In Taka	Attributable to owner of the Company				Non-controlling interests	Total equity
	Share capital	Revaluation reserve	Retained earnings	Total		
Balance as at 1 July 2022	472,500,000	1,619,739,070	1,020,447,831	3,112,686,901	(113,701)	3,112,573,200
Total comprehensive income						
Profit after tax	-	-	234,916,053	234,916,053	(46,579)	234,869,474
Other comprehensive income net of tax	-	(177,542,762)	(1,102,327)	(178,645,089)	-	(178,645,089)
Total comprehensive income	-	(177,542,762)	233,813,726	56,270,964	(46,579)	56,224,385
Transactions with owners of the company						
Contributions and distributions						
Final dividend paid for the year 2021-22	-	-	(118,125,000)	(118,125,000)	-	(118,125,000)
Changes in ownership interests						
Issuance of bonus shares	-	-	-	-	-	-
Capital contribution by non-controlling interest	-	-	-	-	2,000,000	2,000,000
Total transactions with owners of the company	-	-	(118,125,000)	(118,125,000)	2,000,000	(116,125,000)
Transactions recognised directly in equity						
Realisation of revaluation surplus	-	-	-	-	-	-
Total transactions recognised directly in equity	-	-	-	-	-	-
Balance as at 30 June 2023	472,500,000	1,442,196,308	1,136,136,557	3,050,832,865	1,839,720	3,052,672,585

For the year ended 30 June 2022

In Taka	Attributable to owner of the Company				Non-controlling interests	Total equity
	Share capital	Revaluation reserve	Retained earnings	Total		
Balance at 1 July 2021	450,000,000	1,619,739,070	935,070,632	3,004,809,702	(117,666)	3,004,692,036
Total comprehensive income						
Profit after tax	-	-	242,877,199	242,877,199	3,965	242,881,164
Other comprehensive income net of tax	-	-	-	-	-	-
Total comprehensive income	-	-	242,877,199	242,877,199	3,965	242,881,164
Transactions with owners of the company						
Contributions and distributions						
Final dividend paid for the year 2020-21	-	-	(135,000,000)	(135,000,000)	-	(135,000,000)
Changes in ownership interests						
Issuance of bonus shares	22,500,000	-	(22,500,000)	-	-	-
Total transactions with owners of the company	22,500,000	-	(157,500,000)	(135,000,000)	-	(135,000,000)
Transactions recognised directly in equity						
Realisation of revaluation surplus	-	-	-	-	-	-
Total transactions recognised directly in equity	-	-	-	-	-	-
Balance as at 30 June 2022	472,500,000	1,619,739,070	1,020,447,831	3,112,686,901	(113,701)	3,112,573,200

The annexed notes 1 to 40 form an integral part of these financial statements.

ACI Formulations Limited

Consolidated Statement of Cash Flows

<i>In Taka</i>	Note	For the year ended 30 June 2023	For the year ended 30 June 2022
Cash flows from operating activities			
Cash receipts from customers		4,931,690,823	4,402,207,533
Cash paid to suppliers and employees		(4,710,117,754)	(3,766,394,860)
Cash (used in)/generated from operating activities		221,573,069	635,812,673
Payment for WPPF		(17,282,035)	(15,287,052)
Interest paid		(162,965,248)	(139,324,515)
Income tax paid		(30,154,338)	(139,379,156)
		(210,401,621)	(293,990,723)
Net cash (used in)/from operating activities*	17.3(a)	11,171,448	341,821,950
Cash flows from investing activities			
Acquisition of property, plant and equipment		(112,228,449)	(30,314,643)
Investment		(1,861,908)	(1,035,337)
Net cash (used in)/from investing activities		(114,090,357)	(31,349,980)
Cash flows from financing activities			
Inter-company debts received/(paid)		136,463,144	(1,156,166,550)
Proceeds from loans and borrowings		40,213,750	1,021,219,392
Proceeds from share capital		2,000,000	-
Payment for lease obligation		(11,436,118)	(6,663,180)
Dividends paid		(117,688,465)	(142,702,697)
Net cash (used in)/from financing activities		49,552,311	(284,313,035)
Net increase/(decrease) in cash and cash equivalents		(53,366,598)	26,158,935
Opening Cash and cash equivalents		111,028,466	84,495,031
Effect of foreign exchange rate changes		30,713	374,500
Closing cash and cash equivalents at reporting date		57,692,581	111,028,466
Closing balance represents			
Cash and cash equivalents	17(a)	198,057,347	224,596,891
Bank overdraft	21	(140,364,766)	(113,568,425)
		57,692,581	111,028,466
Net Operating Cash Flows Per Share (NOCFPS)	34(a)	0.24	7.23

* See Note 17.3(a) for reconciliation of net operating cash flow.

The annexed notes 1 to 40 form an integral part of these financial statements.



ACI Formulations Limited

Notes to the Financial Statements

as at and for the year ended 30 June 2023

1 Reporting entity

1.1 Company profile

ACI Formulations Limited (the "Company") is a company incorporated in Bangladesh. It was incorporated as a private limited company on 29 October 1995 and converted to a public limited company on 4 May 2005. The Company was listed with both Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) on 30 October 2008. The registered office of the Company is at 245 Tejgaon Industrial Area, Dhaka-1208, Bangladesh. The Company went into commercial operations on 1 July 1998. Advanced Chemical Industries Limited (ACI Limited) incorporated in Bangladesh is the immediate as well as ultimate parent of the Company. The consolidated financial statements of the Company as at and for the year ended 30 June 2023 comprise the Company's and its subsidiaries (together referred to as the "Group" and individually as "Group entities") interest in controlled entities.

1.2 Nature of business

The principal activities of the Company are manufacturing and marketing of a number of agrochemical and consumer products.

- Agrochemical products (Crop Care & Public Health) are directly marketed by the Company with the use of depot facilities of ACI Limited.
- Some products of S. C. Johnson & Son, Inc., are manufactured by the Company under contract which is distributed by ACI Limited.
- Paint products are manufactured and marketed by the Company under license from Akzo Nobel N.V., and distributed with logistics support from ACI Limited.

1.3 Description of subsidiaries

Neem Laboratories (Pvt.) Ltd.

The Company acquired 98% shares of Neem Laboratories (Pvt.) Ltd. The initial effective date of acquisition was 28 February 2014. Neem Laboratories (Pvt.) Ltd generate its revenue through royalty fees based on the agreement with ACI Limited effective from 1 July 2019 for a tenure of 5 years; the later currently being engaged in the manufacturing of products under the Neem brand name. Since the Subsidiary showed profitability during the year, its ability to operate as a going concern is not at risk.

ACI AgroChem Limited

ACI AgroChem Limited was incorporated on 22nd June 2022 as a limited Company. The principal activities of the Company is to manufacture and marketing of various kinds of agricultural input like chemical including other allied and general chemical. The Company is yet to start its operation. ACI Formulations holds 90% shares of ACI AgroChem Limited.

2 Basis of accounting

2.1 Statement of compliance

The separate financial statements as well as consolidated financial statements have been prepared in accordance with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

2.2 Date of authorisation

The audited consolidated financial statements as well as separate financial statements for the year ended 30 June 2023 were authorised by the Board of Directors on October 26, 2023 for publication.

2.3 Basis of measurement

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

3 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT), which is the functional and presentation currency of the Group. The amounts in these financial statements have been rounded off to the nearest Taka, unless otherwise indicated. In some instances the total may not match with the sum of individual balance due to rounding off.

4 Use of judgments and estimates

In preparing these separate and consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively.

4.1 Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment for the year ended 30 June 2023 is included in the following notes:

Note - 8 & 8(a)	Property, plant and equipment
Note - 9 & 9(a)	Leases
Note - 12 & 12(a)	Inventories
Note - 13 & 13(a)	Trade receivables
Note - 14	Other receivables
Note - 15 & 15(a)	Inter-company receivables
Note - 19	Employee benefits
Note - 20 & 20(a)	Deferred tax liabilities
Note - 27 & 27(a)	Current tax liabilities/(assets)
Note - 36	Commitment and contingencies

4.2 Fair value

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).



If the inputs used to measure the fair value of an asset or a liability are categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

5 Reporting period

The financial period of the Company covers one year from 1 July 2022 to 30 June 2023 and is being followed consistently.

6 Significant accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these financial statements.

Set out below is an index of the significant accounting policies, the details of which are available on the current and following pages:

- (a) Current versus non-current classification
- (b) Offsetting
- (c) Basis of consolidation
- (d) Revenue from contract with customers
- (e) Foreign currency transactions
- (f) Employee benefits
- (g) Finance income and finance costs
- (h) Income tax
- (i) Investment
- (j) Inventories
- (k) Property, plant and equipment
- (l) Intangible assets
- (m) Leases
- (n) Financial instruments
- (o) Share capital
- (p) Impairment
- (q) Provisions
- (r) Going concern
- (s) Contingencies
- (t) Statement of cash flows
- (u) Earnings per share (EPS)
- (v) Events after the reporting period
- (w) Dividends
- (x) Materiality and aggregation

(a) Current versus non-current classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

- i) expected to be realised in normal operating cycle, or
- ii) due to be realised within twelve months after the reporting period, or

- iii) held primarily for the purpose of trading, or
- iv) used or exchanged to settle a liability within twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- i) expected to be settled in normal operating cycle, or
- ii) due to be settled within twelve months after the reporting period, or
- iii) held primarily for the purpose of trading, or
- iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

(b) Offsetting

The Group reports separately both assets and liabilities, and income and expenses, unless required by an applicable accounting standard or offsetting reflects the substance of the transaction and such offsetting is permitted by applicable accounting standard.

Cash receipts and payments on behalf of customers when the cash flows reflect the activities of the customer rather than those of the entity and cash receipts and payments for items in which the turnover is quick, the amounts are large, and the maturities are short are presented net in the statement of cash flows.

(c) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company 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 presently 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 the Company.

(ii) Non-controlling interests

Non-controlling interest (NCI) is the equity interest in a subsidiary not attributable to ACI Formulations Limited. NCI is measured at subsidiaries' proportionate share of identifiable net asset.

(iii) Loss of control

When the Company loses control over a subsidiary, it derecognises the assets (including any goodwill) and liabilities of the subsidiary, any related NCI and other components of the equity at their carrying amount at the date when control is lost. Any resulting gain or loss is recognised in the profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.



(d) Revenue from contract with customers

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer. The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers:

Type of product or service	Revenue recognition under IFRS 15
Sale of goods or services	<p>"Revenue is recognized when or as a performance obligation is satisfied by transferring a good or service to a customer, either at a point in time or over time. A good or service is 'transferred' when or as the customer obtains control of it. Customers obtain control of goods at point of delivery or over time.</p> <p>The entity assesses whether it transfers control over time by following prescribed criteria for satisfying performance obligation. If none of the criteria is met then the entity recognizes revenue at point of time at which it transfers control of the goods to the customer.</p> <p>Revenue is measured net of value added tax, trade discount, returns and allowances (if any). In case of cash delivery, revenue is recognised when delivery is made and cash is received by the Group.</p>

(e) Foreign currency transactions

The financial statements have been prepared in BDT/Taka, which is the Company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of such transactions. Monetary assets and liabilities in foreign currencies at the date of financial position are translated into BDT at the exchange rate prevailing at that date, with foreign currency differences being recognised in the statement of profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction.

(f) Employee benefits

(i) *Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) *Defined contribution plans (provident fund)*

The Company operates a recognised provident fund scheme where employees contribute 8% of their basic salary with equal contribution by the Company. The provident fund is being considered as defined contribution plan being managed by a Board of Trustees.

(iii) *Defined benefit plans (gratuity)*

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

Defined benefit plan is a post-employment benefit plan under which amounts to be paid as retirement benefits are determined by reference to employees' earnings and/or 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 as on 30 June 2023 by independent actuarial valuer to assess the adequacy of the liabilities provided for the schemes, which concluded that provision accounted for in the Statement of financial position is sufficient.

(iv) *Workers' Profit Participation Fund (WPPF)*

The Company operates funds for workers as 'Workers' Profit Participation Fund' and 5% of the profit before charging such expense have been transferred to this fund as per section 234 of the Labour Act 2006 (amended in 2013).

(g) Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense;

Interest income or expense is recognised using the effective interest method.

(h) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI (Other Comprehensive Income).

(i) *Current tax*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income tax, if any. Current tax assets and liabilities are offset only if certain criteria are met. It is measured using tax rates enacted or substantively enacted at the reporting date. The applicable tax rate for the Company is currently 22.5%.

(ii) *Deferred tax*

Deferred tax asset or liability is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.
- taxable temporary differences arising on the initial recognition of goodwill.
- temporary difference related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improve.

The Group's existing accounting policy for uncertain income tax treatments is consistent with the requirements in IFRIC 23 Uncertainty over Income Tax Treatments, which became effective on 1 January 2019.



(i) Investment

In separate financial statements of the Company, investment in subsidiaries has been carried at cost as per IAS 27: Separate Financial Statements. All other investments have been categorised in accordance with IFRS 9.

Investment in subsidiaries has been accounted for as per IFRS 10: Consolidated Financial Statements. The investment is eliminated in full against the equity of acquired subsidiary, which is measured at fair value at the date of acquisition as per IFRS 3: Business Combinations.

(j) Inventories

Inventories except materials in transit are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operation capacity.

Allowance for inventory is periodically recognised mainly on the basis of failure in quality control testing, net realisable value, non compliance testing, near to expiry etc. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Material 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 the statement of financial position. Inventory losses and abnormal losses are recognised as expenses.

(k) Property, plant and equipment

(i) *Recognition and measurement*

Items of property, plant and equipment are measured at cost or revaluation less accumulated depreciation and any accumulated impairment losses. The items of property, plant and equipment were revalued in the year 2004, 2010, 2015 and 2021 by a firm of professional valuers on the basis of applicable methods including market value method, premise on the accompanying narrative information and valuation methodology. 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 30 June 2023 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 and direct labour, any other costs directly attributable to bringing the assets to the working condition for their intended use.

(ii) *Subsequent costs*

The cost of replacement or upgradation of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. All other repair and maintenance expense are charged to income statement as incurred.

(iii) *Depreciation*

All items of property, plant and equipment have been depreciated on straight line basis over the estimated useful life of each item of property, plant and equipment. Depreciation on additions is charged in full when the asset becomes available for use. 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, as land has unlimited useful life and CWIP has not yet been placed in service.

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

The estimated useful lives of initially recognised property, plant and equipment are as follows:

<i>In Year</i>	30 June 2023	30 June 2022
Building	40	40
Plant and machinery	10	10
Equipment and machinery	5-10	5-10
Electrical and other office appliances	5-10	5-10
Furniture and fixture	10	10
Motor vehicles	5	5

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. No revision in respect of items of property, plant and equipment was done for the year ended 30 June 2023.

(iv) *Capitalisation of borrowing costs*

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are included in the cost of that asset as per IAS 23: Borrowing cost. The capitalisation rate is the weighted average of the borrowing costs of Group's borrowings for this purpose and the capitalisation of such borrowing costs ceases when the asset is ready for intended use.

(v) *Impairment*

The carrying amount of the 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 estimated.

However, no such conditions that might be suggestive of a heightened risk of impairment of assets existed at the reporting date.

(vi) *Retirement and disposals*

An asset is derecognised on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised as gain or loss from disposal of asset in profit or loss. When revalued assets are disposed of, the amounts included in the revaluation surplus are transferred to retained earnings.

(l) Intangible assets

Intangible assets consist of goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses. During the year no external or internal indication was found which may trigger impairment.

(m) Leases

Leases are recognised as right-of-use assets and corresponding liabilities at the inception of a contract and measured in accordance with IFRS 16. The right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

At the commencement date, lease liabilities are measured at an amount equal to the present value of the lease payments for the underlying right-of-use assets during the lease term. The lease payment are discontinued using the interest rate implicit in the lease, if that rate can be readily determined, or the Company's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost.

Payments associated with all short-term leases (with a lease term of 12 months or less) and certain leases of all low-value assets are recognised on a straight-line basis as an expense in profit or loss.



(n) Financial instruments

Non-derivative financial instruments comprise of investments in shares and term deposit, trade receivable, inter-company receivable, other receivables, cash and cash equivalents, trade payables, inter-company payables, other payables, bank overdraft, unclaimed dividend, share capital and interest-bearing borrowings.

(i) *Financial assets*

The Group initially recognises receivables and deposits issued on the date when they originate. All other financial assets are initially recognised on the trade date, when the entity becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

The Group's financial assets comprise trade receivable, intercompany receivable, other receivables, refundable deposits and cash and cash equivalents.

Trade, inter-company and other receivables

Trade, inter-company and other receivables are initially recognised at the transaction price. These assets are subsequently measured at amortised cost using the effective interest method less allowance for impairment loss of receivables using expected credit loss model.

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 Group's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

Investment in term deposit

The Group has the positive intent and ability to hold term deposit to collect contractual cash flows, and as such financial assets are classified as amortised cost (original classification under IAS 39 was held to maturity).

(ii) *Financial liabilities*

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

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

The Group's financial liabilities comprise trade and other payables and interest - bearing borrowings.

The Group recognises such financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

(iii) *Offsetting a financial asset and a financial liability*

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(o) Share capital

Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with IAS 12: Income Taxes.

(p) Impairment

(i) *Financial assets*

Financial assets are assessed at each reporting date to determine whether there is objective evidence of impairment. Objective evidence that financial assets are impaired includes:

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

Financial assets measured at amortised cost

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

In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated using expected credit loss model as prescribed in IFRS 9. Impairment loss is recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

(ii) *Non-financial assets*

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than biological costs, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs (Cash Generating Units).

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

An impairment loss is recognised in profit or loss if the carrying amount of an asset or CGU exceeds its recoverable amount.



(q) Provisions

A provision is recognised if, as a result of past event, the Group has a present legal or constructive obligation that can be estimated reliably, and 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. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is probable that an outflow of resources embodying economic benefits are required to settle the obligation, the provision are reversed.

(r) Going concern

The Group has adequate resources to continue in operation for the foreseeable future. For this reason the management continues to adopt going concern basis in preparing these financial statements. The current resources of the Company provide sufficient funds to meet the present requirements of its existing business.

(s) Contingencies

(i) *Contingent liability*

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

The Group discloses contingent liability in the financial statements. A provision is recognised in the period in which the recognition criteria of provision is met.

(ii) *Contingent asset*

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The Group does not recognise contingent asset. Only when the realisation of the related economic benefits are visually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

(t) Statement of cash flows

Cash flows from operating activities are presented under direct method as per IAS 7: Statement of cash flows.

(u) Earnings per share (EPS)

The Group presents 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 profit or loss for the year attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any. However, dilution of EPS is not applicable for these financial statements as there was no potential dilutive ordinary shares during the year ended 30 June 2023.

(v) Events after the reporting period

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

(w) Dividends

Final dividend distribution to the Group's shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved by the Group's shareholders at the Annual General meeting, while interim dividend distributions are recognised in the period in which the dividends are declared and paid.

(x) Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

7 Operating segments

(i) Basis for segmentation

The Group has the following four strategic business units, which are reportable segments. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's CEO reviews internal management reports at least on quarterly basis.

Reportable segments	Operations
Crop Care and Public Health (CC & PH)	To manufacture and sell crop care and public health products
Mosquito coil (M. Coil)	To manufacture and sell mosquito coil products
Aerosol	To manufacture and sell aerosol and air freshener products
Paint	To manufacture and sell paint products

(ii) Information about reportable segments

Information related to each reportable segment is set out below. Segment profit/(loss) before tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

30 June 2023

In Taka	Reportable segments					Total reportable segments	Unallocated	Total
	CC & PH	M Coil	Aerosol	Paint	Paint			
External revenue	3,818,122,806	5,203,467	634,648,460	459,180,513	-	4,917,155,246	15,505,769	4,932,661,015
Intra-segment revenue	-	-	15,615,958	-	-	15,615,958	11,531,851	27,147,809
Segment revenue	3,818,122,806	5,203,467	650,264,418	459,180,513	4,932,771,204	4,932,771,204	27,037,620	4,959,808,824
Cost of sales excluding depreciation	(2,601,241,707)	(34,797,461)	(583,613,585)	(361,914,696)	(3,581,567,449)	(3,581,567,449)	(29,180,932)	(3,610,748,381)
Depreciation	(20,082,649)	(15,875,667)	(4,637,118)	(3,836,226)	(44,431,660)	(44,431,660)	(1,005,680)	(45,437,340)
Other income	6,417,127	1,882,827	524,916	1,350,895	10,175,765	10,175,765	20,287,733	30,463,498
Operating expenses excluding depreciation	(633,793,019)	(10,396,500)	(12,923,735)	(147,655,422)	(804,768,676)	(804,768,676)	1,941,845	(802,826,831)
Finance costs	(152,607,592)	(176,337)	(22,433,784)	(24,046,672)	(199,264,385)	(199,264,385)	(3,597,898)	(202,862,283)
Segment profit/(loss) before tax	395,974,218	(51,451,687)	25,822,056	(73,075,528)	297,269,059	297,269,059	14,717,472	311,986,531
Segment assets	2,962,783,051	185,386,635	557,010,018	545,345,202	4,250,524,906	4,250,524,906	2,423,794,785	6,674,319,691
Segment liabilities	813,444,280	13,547,619	158,703,896	180,454,584	1,166,150,379	1,166,150,379	2,455,496,727	3,621,647,106

30 June 2022

In Taka	Reportable segments					Total reportable segments	Unallocated	Total
	CC & PH	M Coil	Aerosol	Paint	Paint			
External revenue	3,333,458,797	13,451,926	481,692,522	348,410,071	-	4,177,013,316	17,670,999	4,194,684,315
Intra-segment revenue	-	-	25,893,434	-	-	25,893,434	26,837,321	52,730,755
Segment revenue	3,333,458,797	13,451,926	507,585,956	348,410,071	4,202,906,750	4,202,906,750	44,508,320	4,247,415,070
Cost of sales excluding depreciation	(2,178,812,305)	(50,692,119)	(452,024,202)	(276,521,193)	(2,958,049,819)	(2,958,049,819)	(40,787,574)	(2,998,837,393)
Depreciation	(17,486,657)	(15,519,700)	(4,259,906)	(3,281,108)	(40,547,371)	(40,547,371)	(827,802)	(41,375,173)
Other income	8,236,123	-	143,215	914,452	9,293,790	9,293,790	3,807,817	13,101,607
Operating expenses excluding depreciation	(602,430,693)	(9,626,451)	(8,915,099)	(124,202,778)	(745,175,021)	(745,175,021)	(391,904)	(745,566,925)
Finance costs	(103,793,953)	-	(6,819,030)	(16,098,645)	(126,711,628)	(126,711,628)	(1,954,347)	(128,665,974)
Segment profit/(loss) before tax	417,212,746	(59,267,027)	33,925,387	(67,240,240)	324,630,866	324,630,866	4,158,312	328,789,178
Segment assets	2,541,484,525	579,231,033	684,141,445	518,135,032	4,322,992,035	4,322,992,035	2,146,384,356	6,469,376,391
Segment liabilities	1,216,549,851	16,373,517	68,430,372	199,596,768	1,500,950,508	1,500,950,508	1,855,852,683	3,356,803,191

8 Property, plant and equipment

In Taka	Land	Building	Plant and machinery	Equipment and machinery	Electrical and other office appliances	Furniture and fixture	Motor vehicle	Capital work in progress	Total
Cost									
Balance at 1 July 2021	453,610,566	192,883,814	266,263,738	25,002,598	9,347,409	31,950,029	79,842,556	1,201,743	1,060,102,453
Additions	646,120	-	833,750	5,238,393	1,691,105	224,187	17,316,409	5,092,686	31,042,650
Transfer	-	-	1,155,030	-	-	-	-	(1,155,030)	-
Adjustment	-	-	(11,152,090)	(469,167)	(75,378)	(15,473)	(694,976)	-	(12,407,084)
Disposals	-	-	(606,129)	-	-	-	-	-	(606,129)
Balance at 30 June 2022	454,256,686	192,883,814	256,494,299	29,771,824	10,963,136	32,158,743	96,463,989	5,139,399	1,078,131,890
Balance at 1 July 2022	454,256,686	192,883,814	256,494,299	29,771,824	10,963,136	32,158,743	96,463,989	5,139,399	1,078,131,890
Additions	8,792,311	-	7,828,262	2,169,395	2,096,685	1,051,525	16,039,706	78,202,022	116,179,906
Transfer	-	1,113,119	3,805,762	5,430,281	-	-	-	(10,349,162)	-
Adjustment	-	11,490,410	276,798	-	-	-	-	-	11,767,208
Disposals	-	-	-	-	-	-	-	-	-
Balance at 30 June 2023	463,048,997	205,487,343	268,405,121	37,371,500	13,059,821	33,210,268	112,503,695	72,992,259	1,206,079,004
Revaluation									
Balance at 1 July 2021	1,592,925,660	36,307,824	4,895,230	448,847	1,291,621	113,471	8	-	1,635,982,661
Addition	-	-	-	-	-	-	-	-	-
Adjustment	-	-	335,508	(49,978)	(17,554)	(8)	-	-	267,968
Disposals	-	-	137,467	-	-	-	-	-	137,467
Balance at 30 June 2022	1,592,925,660	36,307,824	5,368,205	398,869	1,274,067	113,463	8	-	1,636,388,096
Balance at 1 July 2022	1,592,925,660	36,307,824	5,368,205	398,869	1,274,067	113,463	8	-	1,636,388,096
Addition	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance at 30 June 2023	1,592,925,660	36,307,824	5,368,205	398,869	1,274,067	113,463	8	-	1,636,388,096

In Taka	Land	Building	Plant and machinery	Equipment and machinery	Electrical and other office appliances	Furniture and fixture	Motor vehicle	Capital work in progress	Total
Accumulated depreciation-Cost									
Balance at 1 July 2021	-	33,722,697	167,905,409	18,483,575	6,317,798	17,136,888	67,663,188	-	311,229,555
Depreciation	-	6,186,664	19,922,255	2,938,211	1,054,543	2,204,727	7,557,491	-	39,863,891
Adjustment	-	-	(11,128,851)	(377,615)	(45,532)	(15,267)	(694,971)	-	(12,262,236)
Disposals	-	-	(606,124)	-	-	-	-	-	(606,124)
Balance at 30 June 2022	-	39,909,361	176,092,689	21,044,171	7,326,809	19,326,348	74,525,708	-	338,225,086
Balance at 1 July 2022	-	39,909,361	176,092,689	21,044,171	7,326,809	19,326,348	74,525,708	-	338,225,086
Depreciation	-	6,432,703	20,150,765	3,939,500	1,119,299	2,250,092	9,508,682	-	43,401,041
Adjustment	-	3,674,669	276,788	-	-	-	-	-	3,951,457
Disposals	-	-	-	-	-	-	-	-	-
Balance at 30 June 2023	-	50,016,733	196,520,242	24,983,671	8,446,108	21,576,440	84,034,390	-	385,577,584

In Taka	Land	Building	Plant and machinery	Equipment and machinery	Electrical and other office appliances	Furniture and fixture	Motor vehicle	Capital work in progress	Total
Accumulated depreciation- Revaluation									
Balance at 1 July 2021	-	6,452,842	4,206,958	424,804	752,581	76,069	(2)	-	11,913,252
Depreciation	-	921,011	81,065	9,842	118,028	11,324	-	-	1,141,270
Adjustment	-	-	378,120	(47,643)	(9,654)	548	-	-	321,371
Disposals	-	-	137,472	-	-	-	-	-	137,472
Balance at 30 June 2022	-	7,373,853	4,803,615	387,003	860,955	87,941	(2)	-	13,513,365
Balance at 1 July 2022	-	7,373,853	4,803,615	387,003	860,955	87,941	(2)	-	13,513,365
Depreciation	-	1,185,886	347,898	4,564	118,027	9,900	6	-	1,666,281
Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance at 30 June 2023	-	8,559,739	5,151,513	391,567	978,982	97,841	4	-	15,179,646
Carrying amounts									
As at 1 July 2021	2,046,536,226	189,016,099	99,046,601	6,543,066	3,568,651	14,850,543	12,179,378	1,201,743	2,372,942,307
At 30 June 2022	2,047,182,346	181,908,424	80,966,200	8,739,519	4,049,439	12,857,917	21,938,291	5,139,399	2,362,781,535
Balance at 30 June 2023	2,055,974,657	183,218,695	72,101,571	12,395,132	4,908,798	11,649,450	28,469,309	72,992,259	2,441,709,871

8 (a) Consolidated property, plant and equipment

In Taka	Land	Building	Plant and machinery	Equipment and machinery	Electrical and other office appliances	Furniture and fixture	Motor vehicles	Capital work in progress	Total
Cost									
Balance at 1 July 2021	453,610,567	192,883,814	268,567,336	25,614,766	9,780,872	32,300,992	81,102,556	1,201,743	1,065,062,646
Additions	646,120	-	833,750	5,238,393	1,691,105	224,187	17,316,409	5,092,686	31,042,650
Transfer	-	-	1,155,030	-	-	-	-	(1,155,030)	-
Adjustment	-	-	(11,152,090)	(469,167)	(75,378)	(15,473)	(1,954,976)	-	(13,667,084)
Disposals	-	-	(606,124)	-	-	-	-	-	(606,124)
Balance at 30 June 2022	454,256,687	192,883,814	258,797,902	30,383,992	11,396,599	32,509,706	96,463,989	5,139,399	1,081,832,088
Balance at 1 July 2022									
Additions	454,256,687	192,883,814	258,797,902	30,383,992	11,396,599	32,509,706	96,463,989	5,139,399	1,081,832,088
Transfer	8,792,311	-	7,828,262	2,169,395	2,096,685	1,051,525	16,039,706	78,202,022	116,179,906
Adjustment	-	1,113,119	3,805,762	5,430,281	-	-	-	(10,349,162)	-
Disposals	-	11,490,410	276,798	-	-	-	-	-	11,767,208
Balance at 30 June 2023	463,048,998	205,487,343	270,708,724	37,983,668	13,493,284	33,561,231	112,503,695	72,992,259	1,209,779,202
Revaluation									
Balance at 1 July 2021	1,592,925,660	36,307,824	4,895,230	448,847	1,291,621	113,471	7	-	1,635,982,660
Addition	-	-	-	-	-	-	-	-	-
Adjustment	-	-	335,508	(49,978)	(17,554)	(8)	-	-	267,968
Disposals	-	-	137,472	-	-	-	-	-	137,472
Balance at 30 June 2022	1,592,925,660	36,307,824	5,368,210	398,869	1,274,067	113,463	7	-	1,636,388,100
Balance at 1 July 2022									
Addition	1,592,925,660	36,307,824	5,368,210	398,869	1,274,067	113,463	7	-	1,636,388,100
Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance at 30 June 2023	1,592,925,660	36,307,824	5,368,210	398,869	1,274,067	113,463	7	-	1,636,388,100

In Taka	Land	Building	Plant and machinery	Equipment and machinery	Electrical and other office appliances	Furniture and fixture	Motor vehicles	Capital work in progress	Total
Accumulated depreciation-Cost									
Balance at 1 July 2021	-	33,722,697	169,633,108	18,954,126	6,549,323	17,399,737	68,923,193	-	315,182,184
Depreciation	-	6,186,664	20,152,615	3,011,904	1,085,413	2,239,823	7,557,491	-	40,233,910
Adjustment	-	-	(11,128,851)	(377,615)	(45,532)	(15,267)	(1,954,970)	-	(13,522,235)
Disposals	-	-	(606,124)	-	-	-	-	-	(606,124)
Balance at 30 June 2022	-	39,909,361	178,050,748	21,588,414	7,589,204	19,624,294	74,525,714	-	341,287,735
Balance at 1 July 2022	-	39,909,361	178,050,748	21,588,414	7,589,204	19,624,294	74,525,714	-	341,287,735
Depreciation	-	6,432,703	20,381,125	4,013,193	1,150,169	2,285,188	9,508,682	-	43,771,060
Adjustment	-	3,674,669	276,788	-	-	-	-	-	3,951,457
Disposals	-	-	-	-	-	-	-	-	-
Balance at 30 June 2023	-	50,016,733	198,708,661	25,601,607	8,739,373	21,909,482	84,034,396	-	389,010,252

In Taka	Land	Building	Plant and machinery	Equipment and machinery	Electrical and other office appliances	Furniture and fixture	Motor vehicles	Capital work in progress	Total
Accumulated depreciation-Revaluation									
Balance at 1 July 2021	-	6,452,842	4,206,958	424,804	752,581	76,069	(2)	-	11,913,252
Depreciation	-	921,011	81,065	9,842	118,028	11,324	-	-	1,141,270
Adjustment	-	-	378,120	(47,643)	(9,654)	548	-	-	321,371
Disposals	-	-	137,472	-	-	-	-	-	137,472
Balance at 30 June 2022	-	7,373,853	4,803,615	387,003	860,955	87,941	(2)	-	13,513,365
Balance at 1 July 2022	-	7,373,853	4,803,615	387,003	860,955	87,941	(2)	-	13,513,365
Depreciation	-	1,185,886	347,898	4,564	118,027	9,900	6	-	1,666,281
Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance at 30 June 2023	-	8,559,739	5,151,513	391,567	978,982	97,841	4	-	15,179,646
Carrying amounts									
As at 1 July 2021	2,046,536,227	189,016,099	99,622,500	6,684,684	3,770,589	14,938,657	12,179,372	1,201,743	2,373,949,870
At 30 June 2022	2,047,182,347	181,908,424	81,311,749	8,807,444	4,220,507	12,910,934	21,938,284	5,139,399	2,363,419,088
Balance at 30 June 2023	2,055,974,658	183,218,695	72,216,760	12,389,363	5,048,996	11,667,371	28,469,302	72,992,259	2,441,977,404

9 Leases

The Group has rent agreements for depots, warehouses, outlets, and other uses for the business. Rent agreements having non-cancellable (either by agreement or in substance) tenor of 12 months or more have been charged through right of use assets. Short term rent agreements have been charged directly as expense. Information about such leases for which the Group is a lessee is presented below:

i. Right-of-use assets

<i>In Taka</i>	30 June 2023	30 June 2022
Right-of-use assets	47,394,934	12,780,110
Additions during the year	48,486,502	6,208,739

ii. Lease liability

<i>In Taka</i>	30 June 2023	30 June 2022
Non-current portion of lease liability	31,283,715	8,309,251
Current portion of lease liability	12,439,970	4,965,714
	43,723,685	13,274,965

iii. Reconciliation of rent expense

<i>In Taka</i>	Note	30 June 2023	30 June 2022
Amount recognised in profit or loss			
Charge on right-of-use rent agreements	31	13,871,678	6,962,178
Interest on lease liabilities	32	2,861,671	1,342,266
Expense for short term rents	31	16,975,052	21,396,718
Amount recognised in profit or loss under IFRS 16		33,708,401	29,701,162
Rent paid (excluding IFRS 16 adjustment)		33,002,290	30,133,464

9(a) Consolidated leases

i. Right-of-use assets

<i>In Taka</i>	30 June 2023	30 June 2022
Right-of-use assets	47,394,934	12,780,110

ii. Lease liability

<i>In Taka</i>	30 June 2023	30 June 2022
Non-current portion of lease liability	31,283,715	8,309,251
Current portion of lease liability	12,439,970	4,965,714
	43,723,685	13,274,965

10 Investments

<i>In Taka</i>	Note	30 June 2023	30 June 2022
Investment in subsidiary	10.1	21,948,334	3,948,334
Investment in FDR	10.2	40,590,611	38,728,703
Investment in shares of ACI Motors Limited		75,000	75,000
		62,613,945	42,752,037

ACI Motors Limited is a subsidiary of ACI Limited and consolidated by ACI Limited.



10.1 Investment in subsidiary

Name of subsidiary	Number of shares	30 June 2023			30 June 2022	
		Face value per share	Called and paid up capital per share	Share-holding	Value	Value
		Taka	Taka	%	Taka	Taka
Neem Laboratories (Pvt.) Ltd	4,900	100	100	98	3,948,334	3,948,334
ACI Agrochem (Pvt.) Ltd	1,800,000	10	10	90	18,000,000	-
Total investment in subsidiary					21,948,334	3,948,334

10.2 Investment in FDR includes amounting to Taka 2,022,500 which is kept as lien against service received from Titas Gas Transmission and Distribution Co. Limited. Therefore, the Company has no intention to encash the said amount and recorded as long term investment.

10(a) Consolidated investments

<i>In Taka</i>	Note	30 June 2023	30 June 2022
Investment in FDR	10.2	40,590,611	38,728,703
Investment in shares of ACI Motors Limited		75,000	75,000
		40,665,611	38,803,703

11 Intangible assets

<i>In Taka</i>	30 June 2023	30 June 2022
Goodwill on acquisition:		
Neem Laboratories (Pvt.) Ltd	5,147,792	5,147,792
	5,147,792	5,147,792

12 Inventories

<i>In Taka</i>	30 June 2023	30 June 2022
Raw and packing materials	824,939,279	647,131,736
Finished goods	772,982,549	572,989,183
Goods in transit	40,864,618	138,930,252
Other inventories (engineering stores and diesel)	25,474,754	25,195,969
Allowance for inventory	(27,997,505)	(23,659,068)
	1,636,263,695	1,360,588,072

In view of innumerable items of inventories and diversified quantities, inventories are presented group-wise.

12(a) Consolidated inventories

<i>In Taka</i>	30 June 2023	30 June 2022
Raw and packing materials	824,939,279	647,131,736
Finished goods	773,258,840	573,265,474
Goods in transit	40,864,618	138,930,252
Other inventories (engineering stores and diesel)	25,474,754	25,195,969
Allowance for inventory	(28,273,796)	(23,935,358)
	1,636,263,695	1,360,588,073

13 Trade receivables

<i>In Taka</i>	30 June 2023			30 June 2022
	Dues over 6 months	Dues below 6 months	Total	Total
Related party	-	-	-	-
Other than related parties	459,610,499	935,603,988	1,395,214,487	1,334,998,595
			1,395,214,487	1,334,998,595
Less: Provision for doubtful debts			(234,925,728)	(222,897,376)
			1,160,288,759	1,112,101,219

In view of innumerable number of debtors, it is not practicable to disclose the amount of receivable against each specific debtors.

13(a) Consolidated trade receivables

<i>In Taka</i>	30 June 2023			30 June 2022
	Dues over 6 months	Dues below 6 months	Total	Total
Related parties	-	-	-	-
Other than related parties	460,081,686	935,691,635	1,395,773,321	1,335,469,781
			1,395,773,321	1,335,469,781
Less: Provision for doubtful debts			(234,925,728)	(222,897,376)
			1,160,847,593	1,112,572,405

14 Other receivables

Other receivables represent mainly receivable on accounts of promotional expense to be reimbursed by Akzo Nobel and interest income from FDR.

15 Inter-company receivables

<i>In Taka</i>	30 June 2023	30 June 2022
ACI Limited	635,290,727	785,673,739
ACI HealthCare USA Inc.	40,416,316	33,178,916
Neem Laboratories (Pvt.) Ltd	7,069,824	7,932,328
	682,776,867	826,784,983

Inter-company receivable is operated under normal course of business maintaining a common policy of charging interest to ensure efficient fund management and optimize effective borrowing cost at group level.

15(a) Consolidated inter-company receivables

<i>In Taka</i>	30 June 2023	30 June 2022
ACI Limited	635,497,827	785,970,826
ACI HealthCare USA Inc.	40,416,316	33,178,916
	675,914,143	819,149,742



16 Advances, deposits and prepayments

<i>In Taka</i>	30 June 2023	30 June 2022
Advances:		
Staffs	375,676	98,769
Supplier and others	11,454,304	31,774,125
VAT current account	(1,093,897)	(4,734,280)
	10,736,083	27,138,614
Deposits:		
Security deposits	10,382,573	10,026,623
L/C margin	4,571,000	-
Bank guarantee margin	4,784,073	4,784,074
	19,737,646	14,810,697
Prepayments:		
Prepaid expenses	2,326,488	2,863,769
	2,326,488	2,863,769
	32,800,217	44,813,080

16(a) Consolidated advances, deposits and prepayments

<i>In Taka</i>	30 June 2023	30 June 2022
Advances:		
Staffs	480,676	98,769
Suppliers and others	12,105,416	32,425,236
VAT current account	(1,093,897)	(4,734,281)
	11,492,195	27,789,724
Deposits:		
Security deposits	10,382,573	10,026,623
L/C margin	4,571,000	-
Bank guarantee margin	4,784,073	4,784,074
	19,737,646	14,810,697
Prepayments:		
Prepaid expenses	2,326,488	2,863,769
	2,326,488	2,863,769
	33,556,329	45,464,190

17 Cash and cash equivalents

<i>In Taka</i>	Note	30 June 2023	30 June 2022
Cash in hand		6,296,759	4,399,259
Collection in hand	17.1	44,895,735	78,278,693
Cash at bank	17.2	144,067,070	140,757,525
		195,259,564	223,435,477

17.1 This represents cash in hand at depots which was collected against cash sales and payment instruments collected against credit sales at the end of the reporting period.

17.2 Cash at Bank

<i>In Taka</i>	30 June 2023	30 June 2022
Standard Chartered Bank	8,851,600	2,857,411
The Hongkong and Shanghai Banking Corporation Limited (HSBC)	9,606,117	9,055,440
AB Bank Limited	16,425,028	8,710,928
Agrani Bank Limited	23,538,078	2,914,212
Janata Bank Limited	16,718,123	19,245,989
Sonali Bank Limited	2,364,681	3,331,787
BRAC Bank Limited	10,558,038	11,933,640
ONE Bank Limited	8,965	15,113,654
Commercial Bank of Ceylon PLC	20,172,354	194,652
The City Bank Limited	-	3,855,675
Prime Bank Limited	18,315,834	54,292,810
Pubali Bank Limited	2,820,436	153,778
Dutch Bangla Bank Limited	8,184,825	5,830,595
Mercantile Bank Limited	1,810,659	1,879,981
Bengal Commercial Bank Ltd	11,873	40,921
Al Arafa Islami Bank Limited	3,684,883	713,852
The Trust Bank Limited	995,575	632,200
	144,067,070	140,757,525

17.3 Reconciliation of net operating cash flow

<i>In Taka</i>	30 June 2023	30 June 2022
Profit after tax	235,112,038	242,682,914
<i>Adjustment for:</i>		
- Depreciation and amortization	45,067,322	41,005,154
- Bad debts and inventory loss/(recovery)	(61,472,509)	(77,721,381)
- Net finance cost	203,070,291	128,053,893
- Unrealized gain/(loss) on translation of foreign currency receivables	(4,994,750)	(2,729,953)
- Tax expense	76,696,112	85,675,747
- Contribution to WPPF	16,410,955	17,282,035
<i>Changes in:</i>		
- Inventories	(200,022,291)	13,661,650
- Trade and other receivables	(65,527,455)	127,788,708
- Advances, deposit and prepayments	6,635,837	3,588,815
- Trade and other payables, employment benefits'	(29,545,663)	55,090,260
Cash generating from operating activities	221,429,887	634,377,842
Paid to WPPF	(17,282,035)	(15,287,052)
Interest paid	(163,173,256)	(138,712,434)
Income tax paid	(30,030,258)	(139,275,043)
Net cash from operating activities	10,944,338	341,103,313



17(a) Consolidated cash and cash equivalents

<i>In Taka</i>	Note	30 June 2023	30 June 2022
Cash in hand		6,296,759	4,399,259
Collection in hand	17.1	44,895,735	78,278,693
Cash at bank	17.2(a)	146,864,853	141,918,939
		198,057,347	224,596,891

17.2(a) Consolidated cash at bank

<i>In Taka</i>	30 June 2023	30 June 2022
Standard Chartered Bank	8,851,600	2,857,411
The Hongkong and Shanghai Banking Corporation Limited (HSBC)	9,606,117	9,055,440
AB Bank Limited	16,425,028	8,710,928
Agrani Bank Limited	23,538,078	2,914,212
Janata Bank Limited	16,718,123	19,245,989
Sonali Bank Limited	2,364,681	3,331,787
BRAC Bank Limited	10,558,038	11,933,640
ONE Bank Limited	8,965	15,113,654
Commercial Bank of Ceylon PLC	20,172,354	194,652
The City Bank Limited	-	3,855,675
Prime Bank Limited	20,123,151	54,292,810
Pubali Bank Limited	2,820,436	153,778
Dutch Bangla Bank Limited	9,175,291	6,992,009
Mercantile Bank Limited	1,810,659	1,879,981
Bengal Commercial Bank Ltd	11,873	40,921
Al Arafa Islami Bank Limited	3,684,883	713,852
The Trust Bank Limited	995,575	632,200
	146,864,853	141,918,939

17.3(a) Reconciliation of consolidated net operating cash flow

<i>In Taka</i>	30 June 2023	30 June 2022
Profit after tax	234,869,474	242,881,164
<i>Adjustment for:</i>		
- Depreciation and amortization	45,437,340	41,375,173
- Bad debts and inventory loss/(recovery)	(61,472,507)	(77,721,381)
- Net finance cost	202,862,283	128,665,974
- Unrealized gain/(loss) on translation of foreign currency receivables	(4,994,750)	(2,729,953)
- Tax expense	77,117,057	85,908,014
- Contribution to WPPF	16,410,955	17,282,035
<i>Changes in:</i>		
- Inventories	(200,022,291)	13,661,650
- Trade and other receivables	(65,615,097)	128,301,288
- Advances, deposit and prepayments	6,530,838	3,623,316
- Trade and other payables, employment benefits'	(29,550,233)	54,565,393
Cash generating from operating activities	221,573,069	635,812,673
Paid to WPPF	(17,282,035)	(15,287,052)
Interest paid	(162,965,248)	(139,324,515)
Income tax paid	(30,154,338)	(139,379,156)
Net cash from operating activities	11,171,448	341,821,950

18 Share capital

<i>In Taka</i>	30 June 2023	30 June 2022
Ordinary shares (6,600,000 shares of Tk 10 each)	66,000,000	66,000,000
Bonus shares (34,750,000 shares of Tk. 10 each)	347,500,000	347,500,000
Right shares (5,900,000 shares of Tk. 10 each)	59,000,000	59,000,000
In issue at reporting date - fully paid	472,500,000	472,500,000
Authorised - par value Tk. 10	500,000,000	500,000,000

18.1 Shareholding position

	Number of shares		Percentage of holding		Value (Taka)	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Directors and sponsors	31,193,614	31,193,614	66.02%	66.02%	311,936,140	311,936,140
Institutions	9,424,166	8,484,922	19.95%	17.96%	94,241,660	84,849,220
General shareholders	6,632,220	7,571,464	14.03%	16.02%	66,322,200	75,714,640
	47,250,000	47,250,000	100.00%	100.00%	472,500,000	472,500,000

18.2 Share owning schedule

Shareholder's range	Number of shareholders		Number of shares		Percentage of holding	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Less than 500	3,980	3,495	637,369	542,369	1.35%	1.15%
501 to 5000 shares	1,817	1,851	2,870,551	3,055,665	6.08%	6.47%
5001 to 10,000 shares	161	213	1,176,494	1,580,681	2.49%	3.35%
10,001 to 20,000 shares	64	94	936,473	1,385,393	1.98%	2.93%
20,001 to 30,000 shares	20	25	525,326	628,365	1.11%	1.33%
30,001 to 40,000 shares	10	8	348,217	280,867	0.74%	0.59%
40,001 to 50,000 shares	14	15	608,152	687,018	1.29%	1.45%
50,001 to 100,000 shares	13	15	955,767	1,109,109	2.02%	2.35%
100,001 to 1,000,000 shares	18	11	3,771,541	3,256,653	7.98%	6.89%
Over 1,000,000 shares	5	4	35,420,110	34,723,880	74.96%	73.49%
	6,102	5,731	47,250,000	47,250,000	100.00%	100.00%

19 Employee benefits

<i>In Taka</i>	Note	30 June 2023	30 June 2022
Defined benefit obligation	19.1	50,470,000	45,208,799
Other employee benefits		14,360,000	15,397,111
		64,830,000	60,605,910

19.1 Defined benefit obligation

<i>In Taka</i>	30 June 2023	30 June 2022
Opening balance	45,208,799	42,490,000
Provision recognize through P&L	11,080,000	12,034,500
Provision recognize through OCI	1,422,357	-
Paid during the year	(7,241,156)	(9,315,701)
Closing balance	50,470,000	45,208,799

19.1.1 Actuarial gain/loss on remeasurement of defined benefit obligations and plan assets:

<i>In Taka</i>	30 June 2023	30 June 2022
Amount recognised in Statement of Financial Position:		
Defined benefit obligation at the reporting date	64,498,985	59,533,611
Fair value of plan assets at the reporting date	(14,028,985)	(14,324,812)
Net defined benefit obligation at the reporting date	50,470,000	45,208,799
Movement in defined benefit obligation:		
Defined benefit obligation at the end of prior year	59,533,611	52,036,112
Service cost	7,450,000	9,265,521
Interest cost on obligation	4,850,000	2,974,300
Benefits paid out	(8,089,539)	(4,742,322)
(Gain)/losses on remeasurement	754,913	-
Defined benefit obligation at the reporting date	64,498,985	59,533,611
Movement in fair value of plan assets:		
Fair value of plan assets at the end of prior year	14,324,812	9,546,112
Interest income on plan assets	1,220,000	205,321
Contributions received from employer	7,241,156	9,315,701
Benefits paid out from plan assets	(8,089,539)	(4,742,322)
(Gain) /losses on remeasurement	(667,444)	-
Fair value of plan assets at the reporting date	14,028,985	14,324,812



20 Deferred tax liabilities

<i>In Taka</i>	Note	30 June 2023	30 June 2022
Opening balance		34,190,633	36,696,214
Deferred tax (income)/expense through profit or loss	33	(10,750,147)	(2,505,581)
Deferred tax (income)/expense through OCI		177,222,732	-
Closing balance		200,663,218	34,190,633

<i>In Taka</i>	Carrying amount on reporting date	Tax base	Taxable/ (deductible) temporary difference	Deferred tax liabilities/ (assets)
At 30 June 2023				
Land	2,055,974,658	-	2,055,974,658	238,938,849
Property, plant and equipment (other than land)	312,742,955	167,757,857	144,985,098	32,621,647
Allowance for inventory	27,997,505	-	(27,997,505)	(6,299,439)
Allowance for doubtful debts	234,925,728	-	(234,925,728)	(52,858,289)
Defined benefit obligation	50,470,000	-	(50,470,000)	(11,355,750)
Temporary difference for IFRS 16 : Lease	1,705,778	-	(1,705,778)	(383,800)
Taxable/(Deductible) temporary differences	2,683,816,624	167,757,857	1,885,860,744	200,663,218
Applicable tax rate for land				6%
Applicable tax rate for other than land				22.50%
Deferred tax liabilities				200,663,218

At 30 June 2022				
Land	2,047,182,347	-	2,047,182,347	61,396,087
Property, plant and equipment (other than land)	310,459,790	138,608,010	171,851,780	38,666,651
Allowance for slow-moving inventory	23,659,068	-	(23,659,068)	(5,323,290)
Allowance for doubtful debts	222,897,376	-	(222,897,376)	(50,151,910)
Defined benefit obligation	45,208,799	-	(45,208,799)	(10,171,980)
Temporary difference for IFRS 16 : Lease	999,667	-	(999,667)	(224,925)
Taxable/(Deductible) temporary differences	2,650,407,048	138,608,010	1,926,269,217	34,190,633
Applicable tax rate for land				3%
Applicable tax rate for other than land				22.50%
Deferred tax liabilities				34,190,633

20(a) Consolidated deferred tax liabilities

<i>In Taka</i>	Note	30 June 2023	30 June 2022
Opening balance		34,148,883	36,642,620
Deferred tax (income)/expense for the year	33(a)	(10,708,396)	(2,493,737)
Deferred tax (income)/expense through OCI		177,222,732	-
Closing balance		200,663,219	34,148,883

21 Bank overdrafts

<i>In Taka</i>	30 June 2023	30 June 2022
BRAC Bank Limited	10,080,650	6,368,049
Bengal Commercial Bank Ltd	96,508,704	92,395,046
Prime Bank Limited	21,769,838	-
Commercial Bank of Ceylon PLC	12,005,574	14,805,330
	140,364,766	113,568,425



22 Loans and borrowings

<i>In Taka</i>	30 June 2023	30 June 2022
BRAC Bank Limited	311,657,562	17,399,648
The City Bank Limited	50,680,483	285,261,524
Prime Bank Limited	409,485,312	592,859,782
Bengal Commercial Bank Ltd	450,000,000	300,000,000
Commercial Bank of Ceylon PLC	666,888,800	870,962,617
Pubali Bank Ltd	223,918,564	5,933,400
Al-Arafah Islami Bank Limited	500,000,000	500,000,000
	2,612,630,721	2,572,416,971

ACI Formulations Limited has following facility arrangements with banks as of 30 June 2023:

<i>In Taka</i>	Overdraft limit	Short-term facilities limit	Long-term loan limit	Revolving Trust / Acceptance Limit/ Letter of credit	Bank Guarantee	Revolving Loan
Standard Chartered Bank	10,000,000	-	-	510,000,000	200,000,000	-
HSBC	10,000,000	-	-	200,000,000	5,000,000	-
BRAC Bank Limited	10,000,000	-	-	300,000,000	50,000,000	150,000,000
The City Bank Limited	-	-	-	800,000,000	-	-
Prime Bank Limited	100,000,000	500,000,000	-	800,000,000	40,000,000	-
Bengal Commercial Bank Ltd	100,000,000	450,000,000	-	50,000,000	-	-
Commercial Bank of Ceylon PLC	20,000,000	450,000,000	-	800,000,000	-	-
Pubali Bank Ltd	-	210,500,000	-	210,500,000	-	-
Al-Arafah Islami Bank Limited	-	500,000,000	-	-	-	-

Securities against the facilities

- Demand promissory note and letter of continuation for Tk 6,216,000,000 .
- Registered hypothecation over stock and book debts of the Company on pari-pasu basis for Tk 2,390,530,000.
- Corporate guarantee from Advanced Chemical Industries Limited supported by board resolution.
- Letter of Set Off between different accounts maintained with the bank.
- Cross Corporate guarantee among Advance Chemicals Industries Limited, ACI Formulations Limited, ACI Salt Ltd, ACI Pure Flour Ltd, Premiaflex Plastics Ltd., & ACI Motors Ltd. for Prime Bank Limited.
- Post dated Cheque BDT 1,800,000,000 to -Prime Bank Limited, Bengal Commercial Bank Ltd, and Al-Arafah Islami Bank.

22(a) Consolidated Loans and borrowings

<i>In Taka</i>	30 June 2023	30 June 2022
BRAC Bank Limited	311,657,562	17,399,648
The City Bank Limited	50,680,483	285,261,524
Prime Bank Limited	409,485,312	592,859,782
Commercial Bank of Ceylon PLC	666,888,800	870,962,617
Al-Arafah Islami Bank Limited	500,000,000	500,000,000
Pubali Bank Ltd	223,918,564	5,933,400
Bengal Commercial Bank Ltd	450,000,000	300,000,000
	2,612,630,721	2,572,416,971

23 Trade payables

<i>In Taka</i>	30 June 2023	30 June 2022
Related party-Premiaflex Plastics Limited	1,855,575	5,798,742
Other than related parties	73,154,476	91,082,588
	75,010,051	96,881,330

23(a) Consolidated trade payables

<i>In Taka</i>	30 June 2023	30 June 2022
Related party-Premiaflex Plastics Limited	1,855,575	5,798,742
Other than related parties	73,471,022	91,399,134
	75,326,597	97,197,876

24 Other payables

<i>In Taka</i>	Note	30 June 2023	30 June 2022
Creditors for expenses	24.1	370,273,022	395,190,019
Advance from customer		4,806,414	4,477,849
Interest payable		50,211,492	10,283,743
Security money payable		28,852,348	25,867,968
Withholding tax and VAT		7,328,220	6,694,852
Workers' profit participation fund	24.2	16,410,955	17,282,035
		477,882,451	459,796,466

24.1 This includes accrued selling, manufacturing and other accrued expenses.

24.2 Workers' profit participation fund

<i>In Taka</i>	30 June 2023	30 June 2022
Opening balance	17,282,035	15,287,052
Addition during the year	16,410,955	17,282,035
Interest accrued during the year	463,189	333,767
Paid during the year	(17,745,224)	(15,620,819)
	16,410,955	17,282,035

24(a) Consolidated other payables

<i>In Taka</i>	Note	30 June 2023	30 June 2022
Creditors for expenses	24.1	370,795,937	395,717,498
Advance from customer		4,806,414	4,477,849
Interest payable		50,211,492	10,283,743
Security money payable		28,852,348	25,867,968
Withholding tax and VAT		7,328,220	6,694,851
Provision for workers' profit participation fund	24.2	16,410,955	17,282,035
		478,405,366	460,323,944



25 Unclaimed dividend account

<i>In Taka</i>	30 June 2023	30 June 2022
Unclaimed/ unpaid dividend	5,702,752	5,266,217
	5,702,752	5,266,217

26 Inter-company payables

<i>In Taka</i>	30 June 2023	30 June 2022
ACI AgorChem Limited	17,818,225	-
	17,818,225	-

This arises due to common cost sharing and working capital financing with ACI AgroChem Limited.

27 Current tax liabilities/(assets)

<i>In Taka</i>	Note	30 June 2023	30 June 2022
Opening balance		564,194,862	476,013,534
Provision made during the year		87,446,259	88,181,328
		651,641,121	564,194,862
Advance income tax paid	27.1	(1,005,346,169)	(975,315,911)
		(353,705,048)	(411,121,049)

27.1 Advance income tax

<i>In Taka</i>	30 June 2023	30 June 2022
Opening balance	975,315,911	836,040,868
Additions	30,030,258	139,275,043
	1,005,346,169	975,315,911

27(a) Consolidated current tax liabilities/(assets)

<i>In Taka</i>	Note	30 June 2023	30 June 2022
Opening balance		566,321,743	477,919,992
Provision made during the year		87,825,453	88,401,751
		654,147,196	566,321,743
Advance income tax paid	27.1(a)	(1,007,428,749)	(977,274,408)
		(353,281,553)	(410,952,665)

27.1(a) Consolidated advance income tax

<i>In Taka</i>	30 June 2023	30 June 2022
Opening balance	977,274,408	837,895,251
Additions	30,154,341	139,379,157
	1,007,428,749	977,274,408

28 Revenue

<i>In Taka</i>	Note	For the year ended 30 June 2023	For the year ended 30 June 2022
Agrochemical products	28.1	3,818,122,806	3,333,458,798
Consumer products	28.2	1,140,185,448	912,886,041
		4,958,308,254	4,246,344,839

In view of innumerable items of sales and diversified quantities, it is not practicable to disclose the quantities against each items of sale.

28.1 Agrochemical products

<i>In Taka</i>	For the year ended 30 June 2023	For the year ended 30 June 2022
Local	3,774,272,626	3,302,903,694
Export	43,850,180	30,555,104
	3,818,122,806	3,333,458,798

28.2 Consumer products

<i>In Taka</i>	Note	For the year ended 30 June 2023	For the year ended 30 June 2022
Mosquito Coil	28.2.1	5,203,467	13,451,926
Aerosol	28.2.1	650,264,418	507,585,955
Vanish	28.2.1	25,537,050	43,438,089
Paint		459,180,513	348,410,071
		1,140,185,448	912,886,041

28.2.1 On 24 April 2015 ACI Limited entered into agreements with S. C. Johnson & Son, Inc. (a corporation incorporated under the laws of the state of Wisconsin, USA) whereby S. C. Johnson & Son, Inc. has purchased the brands of these products on mutually beneficial terms. As per contract, ACI Formulations Limited produces these products for S.C. Johnson & Son, Inc., which are marketed by ACI Limited through its own channel. ACI Formulations Limited will continue to be the manufacturer of these products for a period of 5 years from 24 April 2015. The agreement was subsequently renewed for 1 year and will be in effect up to 30 June 2023.

28(a) Consolidated revenue

<i>In Taka</i>	Note	For the year ended 30 June 2023	For the year ended 30 June 2022
Agrochemical products	28.1(a)	3,818,122,806	3,333,458,798
Consumer products	28.2(a)	1,141,686,018	913,956,272
		4,959,808,824	4,247,415,070

28.1(a) Agrochemical products

<i>In Taka</i>	For the year ended 30 June 2023	For the year ended 30 June 2022
Local	3,774,272,626	3,302,903,694
Export	43,850,180	30,555,104
	3,818,122,806	3,333,458,798

28.2(a) Consumer products

<i>In Taka</i>	For the year ended 30 June 2023	For the year ended 30 June 2022
Mosquito Coil	5,203,467	13,451,926
Aerosol	650,264,418	507,585,955
Vanish	25,537,050	43,438,089
Paint	459,180,513	348,410,071
Herbal cosmetics	1,500,570	1,070,231
	1,141,686,018	913,956,272

29 Cost of sales

In Taka	Note	For the year ended 30 June 2023	For the year ended 30 June 2022
Opening stock of finished goods		572,989,183	619,749,307
Cost of goods manufactured	29.1.1	3,532,582,669	2,802,645,864
Finished goods purchased		385,422,858	275,962,248
Stock write off/adjustment		(75,138,888)	(96,266,099)
Cost of finished goods available for sale		4,415,855,822	3,602,091,320
Closing stock of finished goods		(772,982,549)	(572,989,183)
		3,642,873,273	3,029,102,137

29.1 Cost of Sales for the year

In Taka	Note	For the year ended 30 June 2023					For the year ended 30 June 2022
		Crop Care & Public Health	Mosquito Coil	Aerosol	Vanish	Paint	
Stock of finished goods at 1 July		442,836,332	-	43,187,779	2,507	86,962,565	619,749,307
Cost of goods manufactured	29.1.1	2,518,325,616	131,353,352	605,174,387	38,142,919	239,586,395	2,802,645,864
Finished goods purchased		232,238,024	-	-	1,225,922	151,958,912	275,962,248
Stock write off/adjustment		7,577,420	(80,097,719)	(2,063,336)	(6,482,145)	5,926,892	(96,266,099)
Cost of finished goods available for sale		3,200,977,392	51,255,633	646,298,830	32,889,203	484,434,764	3,602,091,320
Stock of finished goods at 30 June		(591,146,454)	(891,981)	(58,249,148)	(3,072,610)	(119,622,356)	(572,989,183)
		2,609,830,938	50,363,652	588,049,682	29,816,593	364,812,408	3,029,102,137

29.1.1 Cost of goods manufactured

In Taka	Note	For the year ended 30 June 2023					For the year ended 30 June 2022
		Crop Care & Public Health	Mosquito Coil	Aerosol	Vanish	Paint	
Cost of materials consumed	29.1.1.1	2,420,934,843	84,331,868	569,775,656	27,227,469	215,049,180	2,608,883,695
Manufacturing overhead	31	97,390,773	47,021,484	35,398,731	10,915,450	24,537,215	193,762,169
Cost of production		2,518,325,616	131,353,352	605,174,387	38,142,919	239,586,395	2,802,645,864
Difference in work in process		-	-	-	-	-	-
Work in process at 1 July		-	-	-	-	-	-
Work in process at 30 June		-	-	-	-	-	-
		2,518,325,616	131,353,352	605,174,387	38,142,919	239,586,395	2,802,645,864

29.1.1.1 Cost of materials consumed

In Taka	For the year ended 30 June 2023					Total	For the year ended 30 June 2022
	Crop Care & Public Health	Mosquito Coil	Aerosol	Vanish	Paint		
Raw and packing materials							
Opening stock	392,360,728	85,376,004	114,965,092	8,772,921	45,656,990	647,131,735	608,708,444
Purchase	2,647,946,021	3,141,687	594,807,364	21,982,087	227,249,402	3,495,126,561	2,647,306,986
Closing Stock	(619,371,906)	(4,185,823)	(139,996,800)	(3,527,539)	(57,857,212)	(824,939,280)	(647,131,735)
	2,420,934,843	84,331,868	569,775,656	27,227,469	215,049,180	3,317,319,016	2,608,883,695

29(a) Consolidated cost of sales

In Taka	For the year ended 30 June 2023	For the year ended 30 June 2022
Opening stock	1,220,397,210	1,228,734,042
Purchase	3,805,410,532	2,827,003,134
Manufacturing overhead	215,263,653	193,762,169
Closing stock	(1,598,198,120)	(1,220,397,210)
	3,642,873,275	3,029,102,135

30 Other income

In Taka	For the year ended 30 June 2023	For the year ended 30 June 2022
Sales of Scrap	9,960,095	4,942,481
Dividend Income	15,000,000	-
Rental income	285,000	575,000
Miscellaneous income	192,940	3,776,309
Gain/loss on disposal	-	325,365
Foreign currency gain /loss	30,713	374,500
Unrealized gain/(loss) on translation of foreign currency receivables	4,994,750	2,729,953
	30,463,498	12,723,608

30(a) Consolidated other income/ (loss)

In Taka	For the year ended 30 June 2023	For the year ended 30 June 2022
Sales of Scrap	9,960,095	4,942,481
Dividend Income	15,000,000	-
Rental income	285,000	575,000
Miscellaneous income	192,940	3,776,309
Gain/loss on disposal	-	703,364
Foreign currency gain /loss	30,713	374,500
Unrealized gain/(loss) on translation of foreign currency receivables	4,994,750	2,729,953
	30,463,498	13,101,607



31 Manufacturing, administrative, selling and distribution expenses

<i>In Taka</i>	For the year ended 30 June 2023					For the year ended 30 June 2022
	Manufacturing expenses	Administrative expenses	Distribution expenses	Selling expenses	Total	Total
Salary and wages	146,957,946	163,279,582	55,958,055	281,235,386	647,430,969	598,932,538
Traveling and conveyance	473,854	6,701,174	30,264,658	69,786,219	107,225,905	95,118,766
Service charge, rates and fees	607,463	3,392,801	-	3,453,609	7,453,873	5,801,418
Expenses for short term rents	-	-	6,069,824	10,905,227	16,975,051	21,396,718
Charge on right-of-use rent agreements	-	-	6,658,405	7,213,273	13,871,678	6,962,178
Repair, maintenance & spares	20,396,665	6,153,796	1,175,584	493,164	28,219,209	24,867,709
Fuel and power	14,973,599	4,923,132	3,064,260	8,198,251	31,159,242	25,671,538
Postage, telephone and fax	817,392	60,281	1,914,101	4,179,458	6,971,232	6,691,018
Printing and stationery	1,063,557	1,197,575	5,871,412	611,965	8,744,509	8,210,071
Promotional expenses	197,659	-	-	26,115,186	26,312,845	21,664,307
Customer & field demonstration	-	-	-	28,275,106	28,275,106	19,601,802
Sample expenses	-	-	-	1,667,146	1,667,146	2,157,454
Annual conference	-	-	-	7,160,122	7,160,122	1,413,720
Publicity & advertisement	11,550	-	-	797,163	808,713	1,073,958
Entertainment	887,706	1,985,216	1,682,061	4,129,346	8,684,329	7,824,570
Vehicle maintenance & bridge toll	859,420	1,690,627	4,453,554	4,773,528	11,777,129	10,840,896
Doubtful debts	-	-	-	13,666,379	13,666,379	18,544,717
Carriage and handling	2,066,880	-	8,035,385	-	10,102,265	15,724,631
Legal and professional charge	-	733,375	-	1,519,331	2,252,706	7,839,124
Audit fees	-	693,000	-	-	693,000	693,000
Insurance	4,163,026	-	-	517,175	4,680,201	5,058,979
Directors' fees	-	23,250	-	-	23,250	26,250
Bank charges	-	4,193,560	-	914,658	5,108,218	5,366,375
Sundry expenses	52,503	-	-	-	52,503	81,323
Product development expenses	101,226	-	-	969,799	1,071,025	986,795
Training expenses	50,241	11,500	-	1,074,392	1,136,133	1,695,876
Depreciation	32,124,893	986,664	242,850	11,712,915	45,067,322	41,005,154
Lab chemical and apparatus	497,333	-	-	-	497,333	871,642
Meeting expenses	-	656,263	-	3,168,340	3,824,603	4,793,143
	226,302,913	196,681,796	125,390,149	492,537,138	1,040,911,996	960,915,670
Recovery of expenses for toll manufacturing service charges:	(11,039,260)	-	-	-	(11,039,260)	(10,881,780)
	215,263,653	196,681,796	125,390,149	492,537,138	1,029,872,736	950,033,890
(A) Manufacturing expenses					215,263,653	193,762,169
(B) Administrative, selling and distribution expenses					814,609,083	756,271,721
					1,029,872,736	950,033,890

31(a) Consolidated administrative, selling and distribution expenses

<i>In Taka</i>	For the year ended 30 June 2023	For the year ended 30 June 2022
Administrative expenses	198,211,992	185,636,789
Distribution expenses	125,390,149	116,154,993
Selling expenses	492,537,137	454,885,573
	816,139,278	756,677,355

32 Finance costs, net

<i>In Taka</i>	For the year ended 30 June 2023	For the year ended 30 June 2022
Interest expenses		
Bank loan	256,334,822	125,511,329
Financing cost on lease liabilities	2,861,671	1,342,266
Inter-company	826,400	6,208,070
	260,022,893	133,061,665
Interest income		
Bank	2,378,346	1,172,165
Inter-company	54,574,256	3,835,607
	56,952,602	5,007,772
	203,070,291	128,053,893

32(a) Consolidated finance costs, net

<i>In Taka</i>	For the year ended 30 June 2023	For the year ended 30 June 2022
Interest expenses		
Bank loan	256,334,822	125,541,275
Financing cost on lease liabilities	2,861,671	1,342,266
Inter-company	-	6,208,070
	259,196,493	133,091,611
Interest income		
Bank	2,378,346	1,172,165
Inter-company	53,955,864	3,253,472
	56,334,210	4,425,637
	202,862,283	128,665,974

33 Income tax expense

<i>In Taka</i>	Note	For the year ended 30 June 2023	For the year ended 30 June 2022
Current tax expense			
Charged during the year	27	87,446,259	88,181,328
		87,446,259	88,181,328
Deferred tax expense/(income)			
Change in deferred tax liabilities	20	(10,750,147)	(2,505,581)
		(10,750,147)	(2,505,581)
Tax expense/(income)		76,696,112	85,675,747

33.1 Reconciliation of effective tax rate:

<i>In %</i>	For the year ended 30 June 2023	For the year ended 30 June 2022
Regular tax rate of the Company	22.50%	22.50%
Effect of exemption	0.00%	0.10%
Effect of disallowance & other	2.22%	3.56%
	24.72%	26.06%



33(a) Consolidated income tax expense

<i>In Taka</i>	Note	For the year ended 30 June 2023	For the year ended 30 June 2022
Current tax expense			
Charged during the year	27(a)	87,825,453	88,401,751
		87,825,453	88,401,751
Deferred tax expense/(income)			
Change in deferred tax assets	20(a)	(10,708,396)	(2,493,737)
		(10,708,396)	(2,493,737)
Tax expense/(income)		77,117,057	85,908,014

34 EPS, NAV per Share and NOCFPS:

34.1 Basic earnings per share

The calculation of basic earnings per share based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding is as follows:

<i>In Taka/Number</i>	For the year ended 30 June 2023	For the year ended 30 June 2022
Weighted average number of ordinary shares (number)	47,250,000	47,250,000
Profit/(loss) attributable to the owners of the Company (Taka)	235,112,038	242,682,914
Earning per share (Taka)	4.98	5.14

34.2 Net asset value (NAV) per share

Net assets attributable to equity holders of the Company	3,055,400,325	3,117,058,376
Net asset value (NAV) per share (Taka)	64.66	65.97

34.3 Net operating cash flow per share (NOCFPS)

Net cash (used in)/from operating activities	10,944,338	341,103,313
Net operating cash flows per share (NOCFPS)	0.23	7.22

34(a) Consolidated EPS, NAV per Share and NOCFPS:

34.1(a) Basic earnings per share

The calculation of basic earnings per share based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding is as follows:

<i>In Taka/Number</i>	For the year ended 30 June 2023	For the year ended 30 June 2022
Weighted average number of ordinary shares (number)	47,250,000	47,250,000
Profit/(loss) attributable to the owners of the Group (Taka)	234,916,053	242,877,199
Earning per share (Taka)	4.97	5.14

34.2(a) Net asset value (NAV) per share

Net assets attributable to equity holders of the Group	3,050,832,865	3,112,686,901
Net asset value (NAV) per share (Taka)	64.57	65.88

34.3(a) Net operating cash flow per share (NOCFPS)

Net cash (used in)/from operating activities	11,171,448	341,821,950
Net operating cash flows per share (NOCFPS)	0.24	7.23

34.4 Diluted earnings per share

No diluted EPS was required to be calculated for the year ended 30 June 2023 since there was no scope for dilution of shares.

35 Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk (see 35 (ii));
- Liquidity risk (see 35(iii)); and
- Market risk (see 35(iv)).

(i) Risk management framework

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

(ii) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial asset fails to meet its contractual obligations. Company's exposure to credit risk primarily relates to trade receivables, inter company receivables and balance with banks including short and long term deposits.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The maximum exposure to credit risk is represented by the carrying amount of financial asset in the statement of financial position.

(a) Exposure to credit risk

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

<i>In Taka</i>	Note	Carrying amount	
		30 June 2023	30 June 2022
Trade receivables	13(a)	1,395,773,321	1,335,469,781
Other receivables	14	81,213,290	75,901,732
Inter-company receivables	15(a)	675,914,143	819,149,742
Deposits	16(a)	19,737,646	14,810,697
Bank balances	17(a)	146,864,853	141,918,939
		2,319,503,253	2,387,250,891

At reporting date, the maximum exposure to credit risk for trade and other receivables by geographic regions was as follows:

<i>In Taka</i>	Carrying amount	
	30 June 2023	30 June 2022
Bangladesh	1,420,403,302	1,361,744,459
India	56,583,309	49,627,054
	1,476,986,611	1,411,371,513

(b) Ageing of trade receivables

The aging of trade receivables at reporting date was as follows:

<i>In Taka</i>	Carrying amount	
	30 June 2023	30 June 2022
Dues below 6 months	935,691,635	908,336,537
Dues over 6 months	460,081,686	427,133,244
	1,395,773,321	1,335,469,781

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

<i>In Taka</i>	Note	30 June 2023	30 June 2022
Opening balance	13(a)	222,897,376	206,002,483
Impairment loss recognised		13,666,379	18,544,717
Amounts written off/ write in		(1,638,027)	(1,649,824)
Closing balance		234,925,728	222,897,376



(iii) Liquidity risk

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

The Group aims to maintain the level of its cash and cash equivalents and other investments at amounts in excess of expected cash outflows on financial liabilities. The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

30 June 2023		Contractual cash flows							
		Carrying amount	Total	12 months or less	1 - 2 years	2 - 5 years	More than 5 years		
In Taka	Note								
Non-derivative financial liabilities									
Lease liability	9(a)	43,723,685	43,723,685	12,439,970	19,548,765	11,734,950	-	-	
Bank overdrafts	21	140,364,766	140,364,766	140,364,766	-	-	-	-	
Loans and borrowings	22(a)	2,612,630,721	2,612,630,721	2,612,630,721	-	-	-	-	
Trade payables	23(a)	75,326,597	75,326,597	75,326,597	-	-	-	-	
Other payables	24(a)	478,405,366	478,405,366	478,405,366	-	-	-	-	
Unclaimed dividend account	25	5,702,752	5,702,752	5,702,752	-	-	-	-	
		3,356,153,887	3,356,153,887	3,324,870,172	19,548,765	11,734,950	-	-	
Derivative financial liabilities		-	-	-	-	-	-	-	
		3,356,153,887	3,356,153,887	3,324,870,172	19,548,765	11,734,950	-	-	
30 June 2022		Contractual cash flows							
In Taka	Note	Carrying amount	Total	12 months or less	1 - 2 years	2 - 5 years	More than 5 years		
Non-derivative financial liabilities									
Lease liability	9(a)	13,274,965	13,274,965	4,965,714	4,970,356	3,338,895	-	-	
Bank overdrafts	21	113,568,425	113,568,425	113,568,425	-	-	-	-	
Loans and borrowings	22(a)	2,572,416,971	2,572,416,971	2,572,416,971	-	-	-	-	
Trade payables	23(a)	97,197,876	97,197,876	97,197,876	-	-	-	-	
Other payables	24(a)	460,323,944	460,323,944	460,323,944	-	-	-	-	
Unclaimed dividend account	25	5,266,217	5,266,217	5,266,217	-	-	-	-	
		3,262,048,398	3,262,048,398	3,253,739,147	4,970,356	3,338,895	-	-	
Derivative financial liabilities		-	-	-	-	-	-	-	
		3,262,048,398	3,262,048,398	3,253,739,147	4,970,356	3,338,895	-	-	



(iv) Market risk

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the Group'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 optimising the return.

a) Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which purchases are denominated and the respective functional currency of the Company. The functional currency of the Company is Bangladesh Taka (Taka/TK/BDT). The foreign currency in which these transactions are denominated is US Dollar (USD).

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as at balance sheet date was as follows.

<i>In USD</i>	30 June 2023	30 June 2022
Cash at bank	188,972	2,874
Loans and borrowings	(1,792,622)	(2,659,549)
	(1,603,650)	(2,656,675)

The following significant exchange rates have been applied during the year:

<i>In Taka</i>	30 June 2023		30 June 2022	
	Average rate	Year-end spot rate	Average rate	Year-end spot rate
USD	105.00	112.50	91.23	97.50

Sensitivity analysis

A reasonably possible strengthening (weakening) of foreign currency against functional currency at 30 June would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignore any impact of forecast sales and purchase.

<i>Effect in Taka</i>	Profit/(loss)		Equity, net of tax increase/(decrease)	
	Strengthening	Weakening	Strengthening	Weakening
30 June 2023				
USD (5% movement)	7,998,202	(7,998,202)	6,198,607	(6,198,607)
30 June 2022				
USD (5% movement)	11,511,874	(11,511,874)	8,921,702	(8,921,702)

b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. The Company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as at balance sheet date is as follows.

<i>In Taka</i>	Note	Nominal Amount	
		30 June 2023	30 June 2022
Fixed rate instruments			
<i>Financial assets</i>			
Investment in FDR	10(a)	40,590,611	38,728,703
<i>Financial liabilities</i>			
Lease liability	9(a)	(43,723,685)	(13,274,965)
Bank overdrafts	21	(140,364,766)	(113,568,425)
Loans and borrowings	22(a)	(2,410,960,746)	(2,313,110,944)
		(2,554,458,586)	(2,401,225,631)
Variable rate instruments			
<i>Financial assets</i>			
Loans to Advance Chemical Industries Limited	15(a)	635,497,827	785,970,826
Loans to ACI HealthCare USA Inc.	15(a)	40,416,316	33,178,916
<i>Financial liabilities</i>			
Offshore loan	22(a)	(201,669,975)	(259,306,027)
Loans from ACI AgroChem Limited	26	(17,818,225)	-
		456,425,943	559,843,715

v) Financial instruments - Fair values and financial risk management

Accounting classifications and fair values

The following table shows the carrying amounts and fair values, where applicable, of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

In Taka	Note	Carrying amount					Fair value					
		Investment valued at cost	Hedging instruments	Mandatorily at FVTPL	Assets at amortized cost	FVOCI - Equity instruments	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
30 June 2023												
Financial assets measured at fair value												
Financial assets not measured at fair value												
Investments	10(a)	75,000	-	-	40,590,611	-	-	40,665,611	-	-	-	-
Trade receivables	13(a)	-	-	-	1,395,773,321	-	-	1,395,773,321	-	-	-	-
Other receivables	14	-	-	-	81,213,290	-	-	81,213,290	-	-	-	-
Inter-company receivables	15(a)	-	-	-	675,914,143	-	-	675,914,143	-	-	-	-
Security deposits	16(a)	-	-	-	19,737,646	-	-	19,737,646	-	-	-	-
Cash at bank	17.2(a)	-	-	-	146,864,853	-	-	146,864,853	-	-	-	-
		75,000	-	-	2,360,093,864	-	-	2,360,168,864	-	-	-	-
Financial liabilities measured at fair value												
Lease liability	9(a)	-	-	-	-	-	-	43,723,685	-	-	-	-
		-	-	-	-	-	-	43,723,685	-	-	-	-
Financial liabilities not measured at fair value												
Bank overdrafts	21	-	-	-	-	-	-	140,364,766	-	-	-	-
Loans and borrowings	22(a)	-	-	-	-	-	-	2,612,630,721	-	-	-	-
Trade payables	23(a)	-	-	-	-	-	-	75,326,597	-	-	-	-
Other payables	24(a)	-	-	-	-	-	-	478,405,366	-	-	-	-
Unclaimed dividend account	25	-	-	-	-	-	-	5,702,752	-	-	-	-
		-	-	-	-	-	-	3,312,430,202	-	-	-	-
		-	-	-	-	-	-	3,312,430,202	-	-	-	-

30 June 2022	Carrying amount						Fair value						
	In Taka	Note	Investment valued at cost	Hedging instruments	Mandatorily at FVTPL	Assets at amortized cost	FVOCI - Equity instruments	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value													
Financial assets not measured at fair value													
Investments	10(a)	75,000	-	-	-	38,728,703	-	-	38,803,703	-	-	-	-
Trade receivables	13(a)	-	-	-	-	1,335,469,781	-	-	1,335,469,781	-	-	-	-
Other receivables	14	-	-	-	-	75,901,732	-	-	75,901,732	-	-	-	-
Inter-company receivables	15(a)	-	-	-	-	819,149,742	-	-	819,149,742	-	-	-	-
Security deposits	16(a)	-	-	-	-	14,810,697	-	-	14,810,697	-	-	-	-
Cash at bank	17.2(a)	-	-	-	-	141,918,939	-	-	141,918,939	-	-	-	-
			75,000	-	-	2,425,979,594	-	-	2,426,054,594	-	-	-	-
Financial liabilities measured at fair value													
Lease liability	9(a)	-	-	-	-	-	-	13,274,965	13,274,965	-	-	-	-
			-	-	-	-	-	13,274,965	13,274,965	-	-	-	-
Financial liabilities not measured at fair value													
Bank overdrafts	21	-	-	-	-	-	-	113,568,425	113,568,425	-	-	-	-
Loans and borrowings	22(a)	-	-	-	-	-	-	2,572,416,971	2,572,416,971	-	-	-	-
Trade payables	23(a)	-	-	-	-	-	-	97,197,876	97,197,876	-	-	-	-
Other payables	24(a)	-	-	-	-	-	-	460,323,944	460,323,944	-	-	-	-
Unclaimed dividend account	25	-	-	-	-	-	-	5,266,217	5,266,217	-	-	-	-
			-	-	-	-	-	3,248,773,433	3,248,773,433	-	-	-	-



36 Commitments and contingencies

36.1 Commitments

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

<i>In Taka</i>	30 June 2023	30 June 2022
a) Revenue expenditure (Letters of credit)		
Commercial Bank of Ceylon PLC	14,810,400	20,005,003
The City Bank Limited	3,554,722	392,330,000
Pubali Bank Limited	-	210,839,850
BRAC Bank Limited	120,910,573	270,665,878
Prime Bank Limited	17,710,168	216,305,246
	156,985,863	1,110,145,976
b) Capital expenditure		
Approved and contracted for	114,968,139	123,768,304
	114,968,139	123,768,304

36.2 Contingent liabilities

<i>In Taka</i>	30 June 2023	30 June 2022
Bank guarantee		
The Hongkong and Shanghai Banking Corporation Limited (HSBC)	-	24,679
Pubali Bank Limited	35,538,258	30,533,667
BRAC Bank Limited	3,340,766	11,008,280
	38,879,024	41,566,626
Performance guarantee		
Standard Chartered Bank	191,544	-
	191,544	-
	39,070,568	41,566,626

37 Production capacity

The production status (business wise) for the year ended 30 June 2023 are as follows:

Business Segment	Capacity	Unit	Actual	% of utilisation
Crop Care and Public Health	27,300	M Ton	10,811	39.60
Mosquito Coil	1,098,000	Carton	3,261	0.30
Aerosol	11,400,000	Can	5,005,815	43.91
Vanish	12,000,000	Can	363,645	3.03
Paint	3,000	M Ton	1,509	50.30

The production status (business wise) for the year ended 30 June 2022 were as follows:

Business Segment	Capacity	Unit	Actual	% of utilisation
Crop Care and Public Health	27,300	M Ton	9,826	35.99
Mosquito Coil	1,098,000	Carton	11,846	1.08
Aerosol	11,400,000	Can	5,723,542	50.21
Vanish	12,000,000	Can	289,893	2.42
Paint	3,000	M Ton	1,433	47.77

38 Related parties

a) Parent and ultimate controlling party

ACI Limited holds 53.48% shares in the Company. As a result, the ultimate controlling party of the Company is ACI Limited.

b) Transactions with key management personnel

(i) Loans to directors

During the year, no loan was given to the directors of the Company.

(ii) Key management personnel compensation

Key management personnel compensation comprised the followings:

In Taka	For the year ended 30 June 2023	For the year ended 30 June 2022
Salary	13,707,680	11,036,942
Benefits	8,225,488	6,821,998
	21,933,168	17,858,940

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

c) Other related party transactions

Name of the parties	Relationship	Nature of transaction	Transaction value (Taka)		Outstanding balance at	
			30 June 2023	30 June 2022	30 June 2023	30 June 2022
ACI Limited	Holding company	Working capital financing	150,383,012	(1,126,161,663)	635,290,727	785,673,739
ACI Health Care Bangladesh Ltd	Sister concern	Working capital financing	(7,237,400)	(33,178,916)	40,416,316	33,178,916
Neem Laboratories (Pvt) Ltd	Subsidiary company	Working capital financing	862,504	796,437	7,069,824	7,932,328
Premiaflex Plastics Limited	Sister concern	Purchase of products	58,197,040	71,488,803	-	-
		Payment against purchase	(62,140,207)	(68,914,572)	(1,855,575)	(5,798,742)



39 Other disclosures

39.1 Number of employees

At 30 June 2023, number of regular employees receiving remuneration of Tk. 36,000 or above per annum was 985 (30 June 2022: 982)

39.2 Subsequent events

The Board of Directors in their meeting held on 26 October 2023 have recommended cash dividend @ 25% i.e Taka 2.5 per share of Taka 10 each aggregating to Taka 118,125,000 for the year ended 30 June 2023 subject to approval of the shareholders' in the Annual General Meeting scheduled to be held on 28 December 2023.

The financial statements for the year ended 30 June 2023 do not include the effect of these dividends which will be accounted for in the period when shareholders' right to receive payment is established.

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

40 Name of auditors of the group companies

Name of the company	Status of the company	Name of auditors
Neem Laboratories (Pvt.) Ltd	Subsidiary	Shiraz Khan Basak & Co.
ACI AgroChem Limited	Subsidiary	Ashraful Haque Nabi & Co.



ACI Formulations Limited

Report of the Directors and Audited Financial Statements of the Subsidiary Companies for the year ended 30 June 2023





Neem Laboratories (Pvt.) Limited Directors' Report to the Shareholders For the year ended on 30 June 2023

Neem Laboratories (Pvt.) Ltd. is a private Company limited by shares, incorporated in 2003 with the Registrar of Joint Stock Companies, Dhaka, Bangladesh and governed by the Companies Act 1994. ACI Formulations Limited is the major shareholder of the Company having 98% shares in the Company.

The Company engaged in manufacturing and marketing of herbal products to make available the benefits of Neem and other herbs to the consumers. With the use of natural ingredients, ACI Neem Original has successfully upheld the goal of providing its customers with nourished, germ-free skin. The brand is currently engaged on digital platforms through several campaigns *ÔcKwZi mvt_ c0Yeš-šwZ0, 0ZtKi htZ0Nti vqv fi vmmC0, 0mešR emP mj 9vq _vmK0* which has a cumulative reach of 11 lakh people. ACI Neem Original is also active in trade marketing through several QPS and Retailers program. With these initiatives, this brand has been building up the value and competing to be the top natural product choice. The Company follows fiscal year (July-June) as its financial year.

The operating results as per audited accounts of the company for the year ended on 30 June 2023 are as follows

Key Financial Results

	<u>Value (BDT)</u>
Revenue	1,500,570
Operating profit	1,096,056
Profit before tax	470,839
Profit after tax	279,032

On behalf of the Board


Shusmita Anis
Director


Abdul-Muyeed Chowdhury
Independent Director

Dhaka, 01 October, 2023



SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS
(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (Level-10 & 6)
86, Bir Uttam C.R. Datta Road
(312, Sonargaon Road). Dhaka-1205
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Website : www.shirazkhanbasak.com.bd

Independent Auditor's Report to the Shareholders of **Neem Laboratories (Pvt) Ltd.** Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Neem Laboratories (Pvt) Ltd ("the Company"), which comprise statement of financial position as at 30th June, 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at 30th June, 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act, 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

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01645-738747, 01920-719463
E-mail : shirazkhanbasak@yahoo.com
Website : www.shirazkhanbasak.com.bd

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, 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 accounts and returns;

The expenditure incurred was for the purpose of the Company's business.

Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2310031772AS938182

Place : Dhaka

Dated : October 01, 2023



NEEM LABORATORIES (Pvt.) LIMITED

Statement of Financial Position

As at 30 June 2023

Particulars	30 June 2023 Taka	30 June 2022 Taka
Assets		
Property, plant and equipment:		
At cost	3,700,191	3,700,191
Accumulated depreciation	(3,432,669)	(3,062,649)
Total non-current assets	267,523	637,542
Deferred tax asset	-	41,751
Inventories	-	-
Trade receivables	558,834	471,187
Inter-company receivables	207,100	297,087
Advances, deposits and prepayments	1,150,835	1,026,755
Cash and cash equivalents	990,466	1,161,415
Total current assets	2,907,235	2,956,444
Total assets	3,174,757	3,635,736
Equity and liabilities		
Equity		
Share capital	500,000	500,000
Retained earnings	(5,905,609)	(6,184,640)
Total equity	(5,405,609)	(5,684,640)
Liability		
Trade payables	316,546	316,546
Other payables	499,915	527,480
Inter-company liabilities	7,069,824	7,932,327
Current tax liability	694,081	544,024
Total current liabilities	8,580,366	9,320,377
Total liabilities	8,580,366	9,320,377
Total equity and liabilities	3,174,757	3,635,736


Shusmita Anis
Director


Abdul - Muyeed Chowdhury
Director


Mohammad Mostafizur Rahman
Company Secretary

As per our separate report of even date annexed.

Place : Dhaka
Dated : October 01, 2023


Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2310031772AS938182

An associate firm of D.N. Gupta & Associates



NEEM LABORATORIES (PVT.) LIMITED

Statement of Comprehensive Income

For the year ended 30 June 2023

Particulars	30 June 2023 Taka	30 June 2022 Taka
Revenue	1,500,570	1,070,231
Cost of sales	-	-
Gross profit	1,500,570	1,070,231
Administration, selling and distribution expenses	(404,514)	(405,633)
Other income	-	377,999
Result from operating activities	1,096,056	1,042,597
Finance cost	(625,217)	(612,081)
Profit / (loss) before income tax	470,839	430,516
Income tax expenses :		
Current tax expenses	(150,057)	(220,423)
Deferred tax expense	(41,751)	(11,844)
	(191,808)	(232,267)
Net profit / (loss) after tax	279,032	198,249

Shusmita Anis
Director

Abdul - Muyeed Chowdhury
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our separate report of even date annexed.

Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2310031772AS938182

Place : Dhaka
Dated : October 01, 2023

An associate firm of D.N. Gupta & Associates

NEEM LABORATORIES (PVT.) LIMITED

Statement of Changes In Equity

For the year ended 30 June 2023

Particulars	Share capital Taka	Retained earnings Taka	Total Taka
Balance at 30 June 2022	500,000	(6,184,640)	(5,684,640)
Net profit for the year	-	279,032	279,032
Total comprehensive income for the year	-	279,032	279,032
Balance at 30 June 2023	<u>500,000</u>	<u>(5,905,609)</u>	<u>(5,405,609)</u>
Balance at 30 June 2021	500,000	(6,382,890)	(5,882,890)
Net profit for the year	-	198,249	198,249
Total comprehensive income for the year	-	198,249	198,249
Balance at 30 June 2022	<u>500,000</u>	<u>(6,184,640)</u>	<u>(5,684,640)</u>


Shusmita Anis
 Director


Abdul - Muyeed Chowdhury
 Director


Mohammad Mostafizur Rahman
 Company Secretary

As per our separate report of even date annexed.

Place : Dhaka
Dated: October 01, 2023


Chaity Basak, FCA (Enrol # 1772)
 Partner
 Shiraz Khan Basak & Co.
 Chartered Accountants
 DVC: 2310031772AS938182

An associate firm of D.N. Gupta & Associates



NEEM LABORATORIES (PVT.) LIMITED

Statement of Cash Flows

For the year ended 30 June 2023

Particulars	30 June 2023 Taka	30 June 2022 Taka
A) Cash flows from operating activities		
Cash receipts/(paid) from /(to) customers	1,412,923	1,510,804
	1,412,923	1,510,804
Cash paid for:		
Operating expenses	(62,060)	(110,475)
Advances, deposits and prepayments	-	34,501
	(62,060)	(75,974)
Cash generated from operations	1,350,863	1,434,830
Financing cost	(625,217)	(612,081)
Income tax	(124,080)	(104,112)
	(749,296)	(716,193)
Net cash used in operating activities	601,567	718,637
B) Cash flows from investing activities		
Purchase of property, plant and equipment	-	-
Net cash from (used in) investing activities	-	-
C) Cash flows from financing activities		
Inter-company debts (paid)/received	(772,516)	(352,361)
Net cash flows from financing activities	(772,516)	(352,361)
D) Net cash flow from all activities (A+B+C)	(170,949)	366,276
E) Cash and cash equivalent at 01 July 2022	1,161,415	795,139
F) Cash and cash equivalent at 30 June 2023 (D+E)	990,466	1,161,415
Closing balance represents:		
Cash in hand and at bank	990,466	1,161,415
	990,466	1,161,415


Shusmita Anis
Director


Abdul - Muyeed Chowdhury
Director


Mohammad Mostafizur Rahman
Company Secretary

As per our separate report of even date annexed.

Place : Dhaka
Dated : October 01, 2023


Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2310031772AS938182

An associate firm of D.N. Gupta & Associates



ACI AgroChem Limited

Directors' Report to the Shareholders

For the year ended on 30 June 2023

ACI AgroChem Limited was incorporated on 22nd June 2022 as a limited Company. The principal activities of the Company is to manufacture and marketing of various kinds of agricultural input like chemical including other allied and general chemical. The Company is yet to start its operation. ACI Formulations holds 90% shares of ACI AgroChem Limited.

The operating results as per audited accounts of the company for the year ended on 30 June 2023 are as follows:

Key Financial Results

	<u>Value (BDT)</u>
Revenue	-
Operating profit/ (Loss)	(1,125,683)
profit/ (Loss) before tax	(292,458)
profit/ (Loss) after tax	(521,595)

On behalf of the Board


Shusmita Anis
Director


Abdul-Muyeed Chowdhury
Independent Director

Dhaka, 03 October, 2023

আশরাফ্ উল হক নবী এন্ড কোঃ

ASHRAFUL HAQUE NABI & CO.
Chartered Accountants

Dilara Tower (3rd Floor), 4F,
77 Bir Uttam CR Dutta Road
Hatirpool, Dhaka-1205
Tel : 44611751
Email: ashrafulnabi@yahoo.com
minhaz@ashrafulhaquenabi.com

Independent Auditor's Report
to the Shareholders of
ACI AgroChem Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of "ACI AgroChem Limited" which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statement presents fairly, in all material respects, the financial position of "ACI AgroChem Limited" as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs 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.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is

আশরাফ্ উল হক নবী এন্ড কোঃ

ASHRAFUL HAQUE NABI & CO. Chartered Accountants

Dilara Tower (3rd Floor), 4F.
77 Bir Uttam CR Dutta Road
Hatirpool, Dhaka-1205
Tel : 44611751
Email: ashrafulnabi@yahoo.com
minhaz@ashrafulhaquenabi.com

sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, Whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and company's ability to continue as a going concern. If we conclude that an uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

Report on other Legal and Regulatory Requirements

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

- 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 organization so far as it appeared from our examination of those books;
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts.

Dated: Dhaka, October 03, 2023



Ashraful Haque Nabi & Co.
Chartered Accountants.
Firm Registration No.CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No. 1446
DVC# 2310031446AS489993



ACI AGROCHEM LIMITED

Statement of Financial Position

As at 30 June 2023

<i>In Taka</i>	30 June 2023
Assets	
Property, plant and equipment:	
At cost	-
Accumulated depreciation	-
Total non-current assets	-
Inter-company receivables	17,818,225
Advances, deposits and prepayments	105,000
Cash and cash equivalents	1,807,317
Total current assets	19,730,542
Total assets	19,730,542
Equity and liabilities	
Equity	
Share capital	20,000,000
Retained earnings	(521,595)
Total equity	19,478,405
Liability	
Other payables	23,000
Current tax liability	229,137
Total current liabilities	252,137
Total liabilities	252,137
Total equity and liabilities	19,730,542

Shusmita Anis
Director

Dr. Arif Dowla
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date

Ashraf Haque Nabi & Co.
Chartered Accountants.
Firm Registration No.CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No. 1446
DVC# 2310031446AS489993

Dated: Dhaka, October 03, 2023



ACI AGROCHEM LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the period from 22 June 2022 to 30 June 2023

<i>In Taka</i>	From 22 June 2022 to 30 June 2023
Revenue	-
Cost of sales	-
Gross profit	-
Administration, selling and distribution expenses	(1,125,683)
Result from operating activities	(1,125,683)
Finance (cost)/income	833,225
Profit / (loss) before income tax	(292,458)
Income tax expenses :	
Current tax expenses	(229,137)
	(229,137)
Net profit / (loss) after tax	(521,595)

Shusmita Anis
Director

Dr. Arif Dowla
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date

Ashraf Haque Nabi & Co.
Chartered Accountants.
Firm Registration No.CAF-001-005
Signed by: Minhaz Shahid, FCA
Proprietor/Enrolment No. 1446
DVC# 2310031446AS489993

Dated: Dhaka, October 03, 2023



ACI AGROCHEM LIMITED

Statement of Changes in Equity

For the period from 22 June 2022 to 30 June 2023

<i>In Taka</i>	Share capital	Share Money Deposit	Retained earnings	Total equity
Balance at 22 June 2022	-	-	-	-
Profit after tax	-	-	(521,595)	(521,595)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(521,595)	(521,595)
Transaction with owners of the Company				
Issue of paid up capital	20,000,000	-	-	20,000,000
Share money deposit	-	20,000,000	-	20,000,000
Transferred to paid up capital	-	(20,000,000)	-	(20,000,000)
Total transaction with owner of the Company	20,000,000	-	-	20,000,000
Balance at 30 June 2023	20,000,000	-	(521,595)	19,478,405



ACI AGROCHEM LIMITED

Statement of Cash Flows

For the period from 22 June 2022 to 30 June 2023

<i>In Taka</i>	From 22 June 2022 to 30 June 2023
A) Cash flows from operating activities	
Cash paid for:	
Purchase of inventory	-
Operating expenses	(1,102,683)
Advances, deposits and prepayments	(105,000)
	(1,207,683)
Cash generated from operations	(1,207,683)
Finance income received	833,225
Income tax	-
	833,225
Net cash used in operating activities	(374,458)
B) Cash flows from investing activities	
Net cash from (used in) investing activities	-
C) Cash flows from financing activities	
Inter-company debts (paid)/received	(17,818,225)
Proceeds from share capital	20,000,000
Net cash flows from financing activities	2,181,775
D) Net cash flow from all activities (A+B+C)	1,807,317
E) Cash and cash equivalent at 22 June 2022	-
F) Cash and cash equivalent at 30 June 2023 (D+E)	1,807,317
Closing balance represents:	
Cash and cash equivalents	1,807,317
	1,807,317





ACI FORMULATIONS LIMITED

Registered Office
ACI Centre, 245 Tejgaon Industrial Area, Dhaka-1208

PROXY FORM

I/We _____
of _____
being a Member of ACI Formulations 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 27th Annual General Meeting of the Company to be held on Thursday, 28 December 2023 at 10:00 am and/or at any adjournment thereof.

As witness my hands this _____ day of _____ 2023.

Signature on
Tk.100
Revenue Stamp

(Signature of the Proxy)

(Signature of the Shareholder)

Registered Folio/ BO ID No. _____

No. of Shares held _____

Date _____

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.



ACI FORMULATIONS LIMITED

Registered Office

ACI Centre, 245 Tejgaon Industrial Area, Dhaka-1208

ATTENDANCE SLIP

I hereby record my Attendance at the 27th Annual General Meeting being held on Thursday, 28 December 2023 at 10:0 am through digital platform.

Name of Member/Proxy _____

Registered Folio/ BO ID No _____

No. of Shares held _____

Signature of Shareholder(s)





ACI Formulations Limited
ACI Centre, 245 Tejgaon Industrial Area, Dhaka 1208

Design & Production Creative Communication Limited