



ACI Formulations Limited

Annual Report 2021-2022



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

8 December 2022

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 2022.

We are pleased to enclose a copy of ACI FL's Annual Report together with the Audited Financial Statements as on 30 June 2022, statement of financial position, statement of comprehensive income, statement of cash flows, statement of changes in equity for the year ended 30 June 2022 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 the 'ACI FL'.

With best regards,

Yours truly,

Nayamul Hoque, FCS
Company Secretary

Forward-looking Statements

This forward-looking statements include the Group'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

Volatility of capital market



Changes in Government policy

Changes in corporate Tax and VAT structure



Changes of interest rate

Unexpected ecological and demographic changes



Instabilities of price in the foreign exchange market

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	: 982	Year End	: 30 June

Statutory Position

Chief Financial Officer	: Mr. Pradip Kar Chowdhury
Company Secretary	: Mr. Nayamul Hoque (newly appointed)
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

Advisors

Legal Advisor	: Barrister Nihad Kabir
Advisor, Regulatory Affairs	: Mr. M. Sekander Ali

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/
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Investors Relation's Office	9 Motijheel C/A, Dhaka-1000 Phone # (8802) 2223350179-82
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Factory Location	Rajabari, Sreepur, Gazipur Phone # (8802) 0682555135
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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

Subsidiary Companies

- Neem Laboratories (Pvt.) Ltd
- ACI AgroChem 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 (till reporting period)

Nomination and Remuneration Committee

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

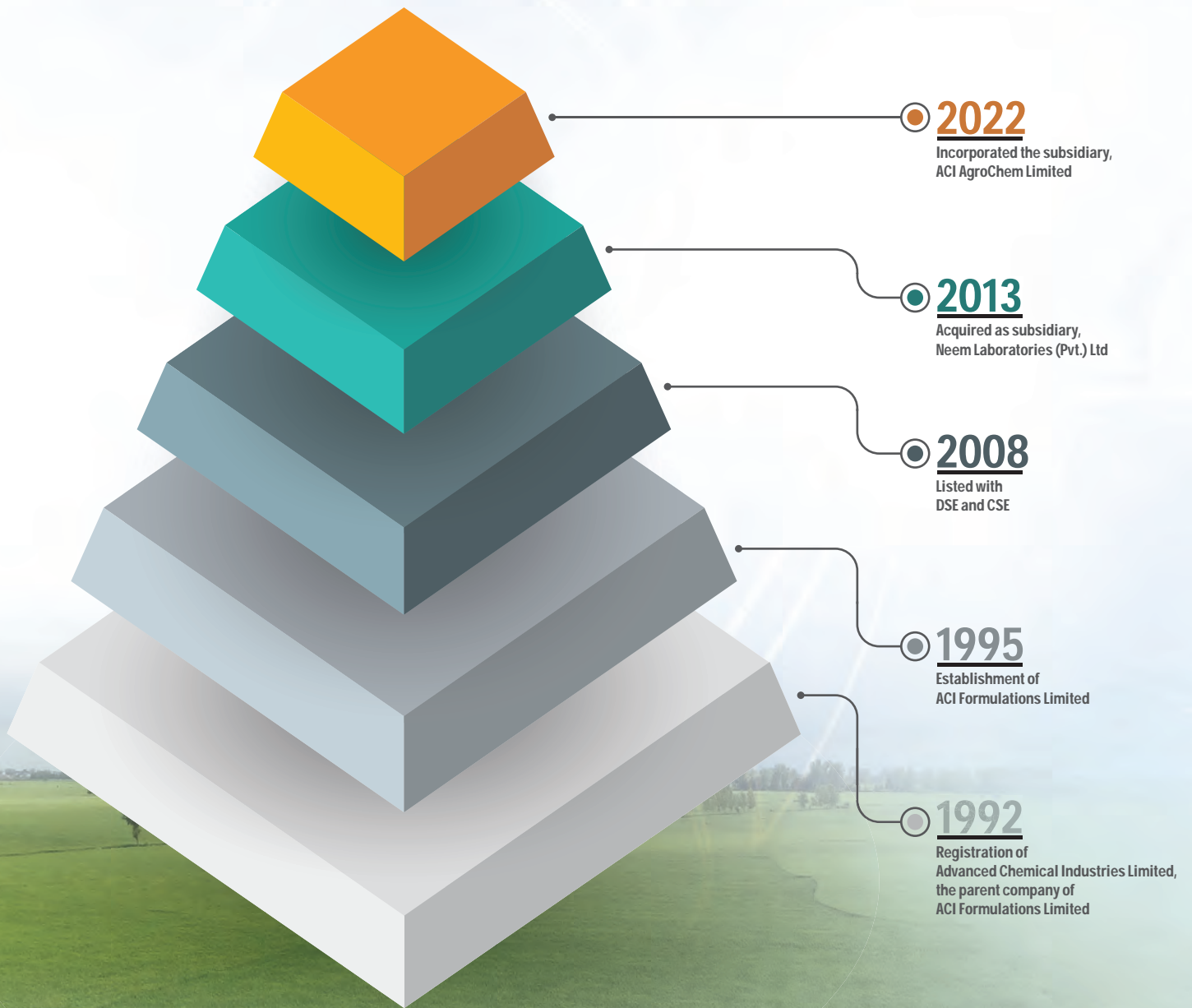
ACI Formulations in Brief

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 Chittogong Stock Exchanges in 2008.

ACI FL's Crop Care & Public Health (CC&PH) business is one of the most renowned names and leading agro chemical manufacturer and supplier of Bangladesh. Since its inception the business is contributing to the growth of country's agriculture sector and marked a huge footprint in the industry by showing quality and innovation. ACI Crop Care helps farmers protecting their crops from diseases, insects and weeds and thereby increases farm production through appropriate use of pesticides. CC&PH is providing a complete range of cost effective solution for the farmers through formulating and marketing insecticides, herbicides, fungicides and miticides etc.



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 Agrovet Private Limited and ACI Foundation (a non-profit organization).



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

Dr. A.K.M. Fareyzul Haque Ansarey a Ph.D holder in Ecology brings with him high profile management strength for a highly techno-dependent company. His wide work experience in MNCs like Ciba-Geigy and local corporate like Shetu Corporation Limited in the field of chemical world gives confidence in realizing the business potential of the Company. He is one of the promoters of ACI Formulations Limited and has been discharging his duties and responsibilities as Director since November 1995. He served Advanced Chemical Industries Limited in the capacity of Executive Director of Agribusinesses and General Manager & Head of Business Operation as well. Currently, he acts as the President, ACI Agribusinesses Division. He has also been appointed as the Managing Director of ACI Agrolink Limited, ACI Motors Limited, Premiaflex Plastics Limited, ACI Marine and Riverine Technologies Limited and ACI Premio Plastics Limited. Besides, Dr. Ansarey occupies the Directorship position in ACI Salt Limited, ACI Marine and Riverine Technologies Limited, ACI CO-RO Bangladesh Limited and ACI Godrej Agrovet Private Limited.



Mr. Golam Mainuddin
Independent Director

Mr. Golam Mainuddin joined the Board of ACI Formulations Limited in June 2020 as an Independent Director. He is also the Director of Advanced Chemical Industries Limited. 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 and Industry, and is also the Chairman of Chamber Finance and Membership Sub Committee. He was the Vice-President of Metropolitan Chambers of Commerce and Industries (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 Independent Director in October 2018. He served as an Independent Director of Advanced Chemical Industries Limited from May 2012 to May 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 grameenphone and Director of MJL Bangladesh Limited, Omera Petroleum Limited, Omera Fuels Limited, Omera Cylinders Ltd, Summit Alliance Port Limited, PEB Steel Alliance Limited and Tiger Tours Limited. He is also a Member of the Governing Body of BRAC University, Sajida Foundation and Bangladesh Youth Enterprise Advice and Help Center (B'Yeah).



**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.) Limited, ACI AgroChem Limited, ACI Premio Plastics Limited, Dowla Agricultural Development Company Limited and ACI Foundation (a non-profit organization). She was the Director of Pioneer Insurance Company Limited. She is the Vice President of Bangladesh Employers' Federation.



Mr. Nayamul Hoque, FCS
Company Secretary

Mr. Nayamul Hoque was appointed as Company Secretary of ACI Formulations Limited in November 2022. He joined Advanced Chemical Industries Limited as Deputy Company Secretary in July 2019. Prior to joining ACI, he worked with UCB Capital Management Limited, a wholly owned subsidiary of United Commercial Bank Limited, for 5 years as Company Secretary and Head of HR & Corporate Affairs. He started his career in July 2008 as a Trainee Executive Officer at LankaBangla Securities Limited, a leading securities brokerage house in the country.

Mr. Hoque is a Chartered Secretary (CS) and Fellow Member of the Institute of Chartered Secretaries of Bangladesh (ICSB). He has qualified as a CS in 2014. He completed BBS (Honors) and MBS major in Management from Jagannath University. He earned MBA major in Management Studies (HRM & MIS) from the same university. He is a Law graduate and an Income Tax Practitioner. He is an Associate Member of Institute of Personnel Management (IPM), and a Member of Dhaka Taxes Bar Association.

Notice of the 26th Annual General Meeting

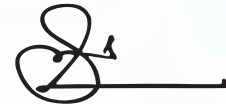
Notice is hereby given that the 26th Annual General Meeting (AGM) of ACI Formulations Limited will be held on Monday, 26 December 2022 at 10:00 am. The AGM will be held virtually using digital platform through the following link: <https://agmbd.live/aciformula2022>

AGENDA

- 1) To receive, consider and adopt the Audited Financial Statements for the year ended 30 June 2022 together with Reports of the Directors and Auditors thereon.
- 2) To declare dividend for the year ended 30 June 2022.
- 3) To elect/re-elect Directors.
- 4) To appoint Statutory and Compliance Auditors for the year 2022-2023 and to fix their remunerations.
- 5) To confirm re-appointment of Managing Director.

Dhaka
23 November 2022

By Order of the Board



Nayamul Hoque, FCS
Company Secretary

Notes

- a. The Shareholders whose names appeared in the Members/Depository Register as on the Record Date i.e. 17 November 2022, 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 Shareholders are requested to submit their written option to receive dividend to the Company's Share Office on or before 15 December 2022. In case of non-receipt of such option within the stipulated date, the dividend will be paid off as deemed appropriate by the Company.
- d. The Proxy Form, duly completed, 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.
- e. The Annual Report 2021-2022 will be available in Company's website, www.aci-bd.com/acifl/



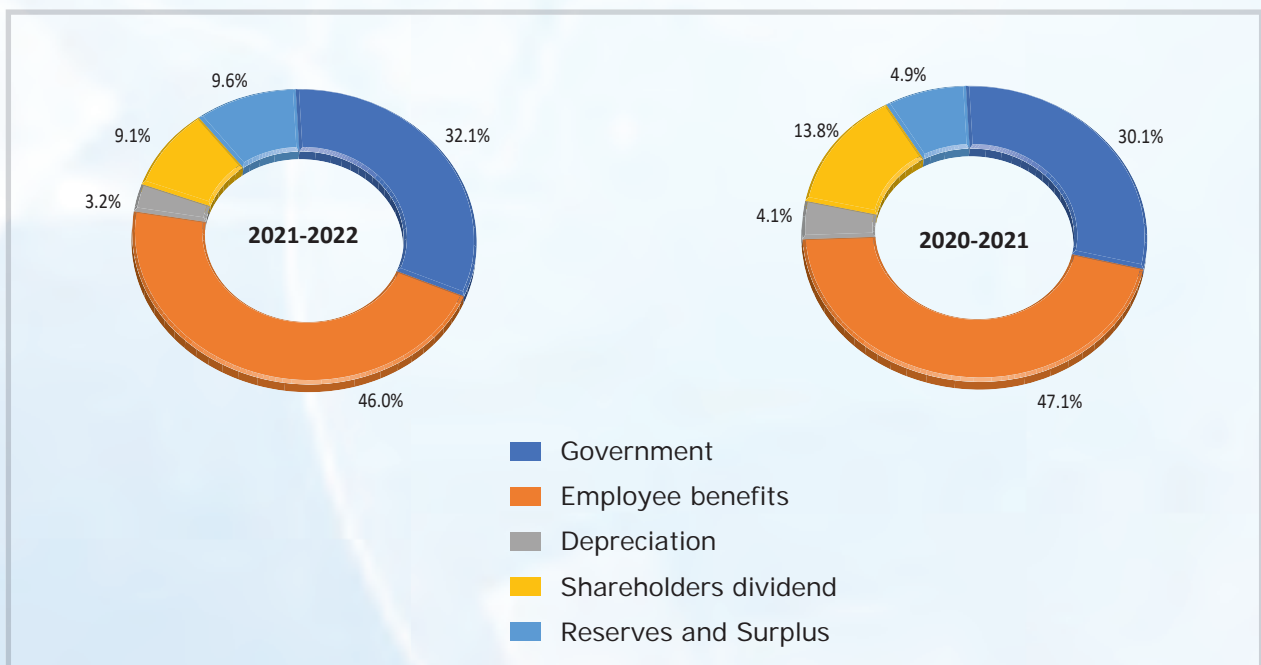


Financial Calendar



Value Added Statement

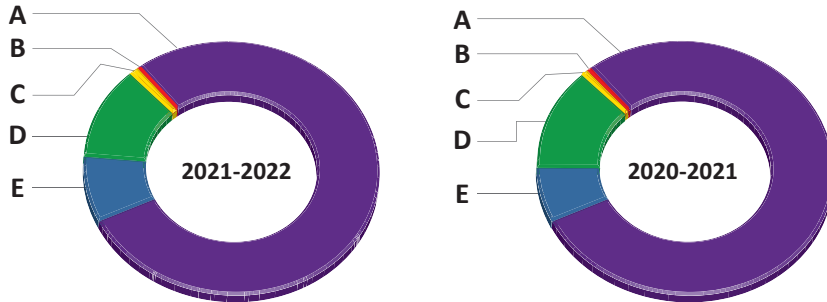
Particulars	2021-2022		2020-2021	
	Taka in Million	%	Taka in Million	%
Gross Turnover	4,389		3,989	
Less: Purchase of materials & service	3,088		2,848	
Value added	1,301	100%	1,141	100%
Applications				
Government	418	32.1%	343	30.1%
Employee benefits	599	46.0%	537	47.1%
Depreciation	41	3.2%	47	4.1%
Shareholders dividend	118	9.1%	158	13.8%
Reserves and Surplus	125	9.6%	56	4.9%
Total	1,301	100%	1,141	100%





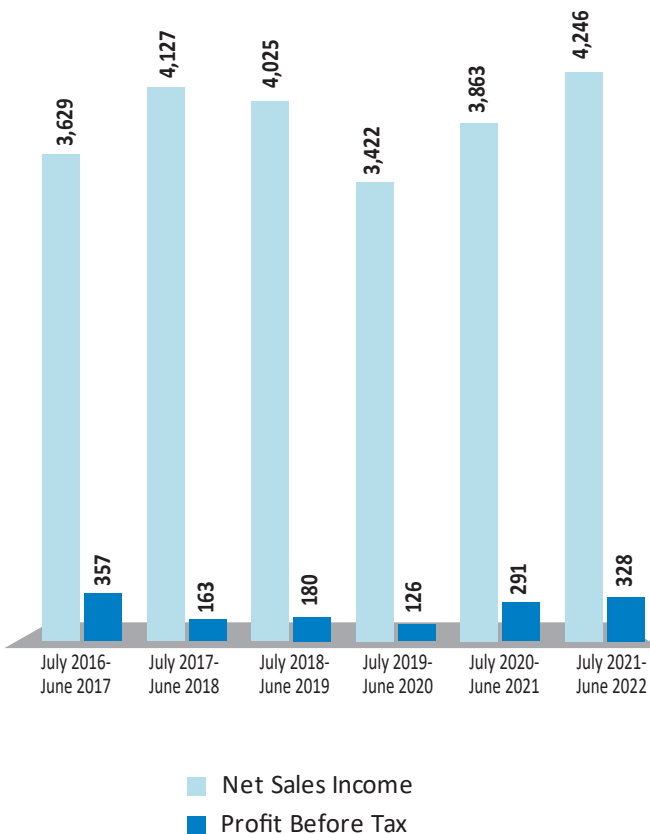
Financial Highlights and Analysis

Turnover Contribution by Business Unit

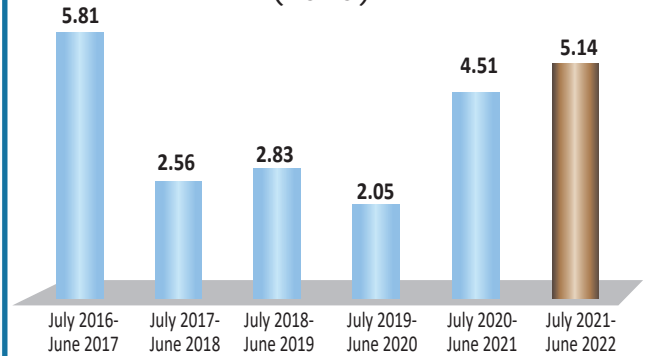


Business Unit	2021 - 2022	2020 - 2021
A Corp Care & Public Health	78.50%	78.76%
B Mosquito Coil	0.32%	0.58%
C Toilet Cleaner (Vanish)	1.02%	0.74%
D Aerosol	11.95%	13.17%
E Paint	8.21%	6.75%

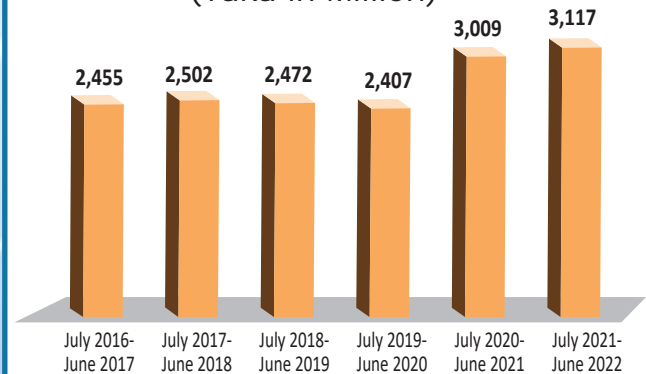
Net Sales Income & Profit Before Tax (Taka in Million)



Earnings Per Share (Taka)



Shareowners' Equity (Taka in Million)

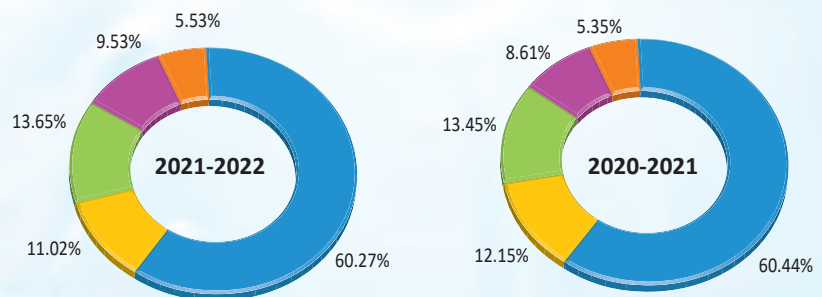


Comparative Statistics

Particulars	July 16- June 17	July 17- June 18	July 18- June 19	July 19- June 20	July 20- June 21	July 21- June 22
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	450.00	472.50
Current assets	3,296.51	3,994.18	4,010.05	3,563.12	3,236.64	4,054.75
Tangible fixed assets (gross)	1,857.65	1,912.42	2,155.61	2,176.81	2,694.88	2,709.38
Shareowners' equity	2,454.80	2,502.33	2,471.79	2,406.74	3,009.38	3,117.06
Turnover (net)	3,629.43	4,127.46	4,025.29	3,422.45	3,863.35	4,246.34
Gross profit	1,107.81	1,026.50	1,210.67	1,065.17	1,125.50	1,217.24
Profit before tax	356.73	163.30	180.26	125.57	290.45	328.36
Profit after tax	261.44	115.03	127.52	92.45	213.26	242.68
Dividend	157.50	157.50	157.50	90.00	157.50	118.13
Current ratio (times)	1.29	1.24	1.17	1.17	1.27	1.25
Quick ratio (times)	0.75	0.74	0.69	0.76	0.77	0.83
Return on equity (%)	10.65	4.60	5.16	3.84	7.09	7.79
Inventory turnover (times)	1.82	1.93	1.73	1.85	2.14	2.23
Debtors turnover (times)	2.51	2.78	2.19	2.02	2.69	3.56
Fixed assets turnover (times)	2.02	2.30	2.07	1.80	1.63	1.80
Net asset per share (Taka)	54.55	55.59	54.93	53.48	63.69	65.97
Market price per share (Taka)	200.10	163.70	152.40	110.20	148.20	158.10
Earnings per share (Taka)	5.81	2.56	2.83	2.05	4.51	5.14
Dividend per share (Taka)	3.50	3.50	3.50	2.00	3.50	2.50
Dividend rate (%)	35.00	35.00	35.00	20.00	35.00	25.00
Dividend payout ratio (%)	60.24	136.92	123.51	97.35	73.85	48.68
Price earnings ratio (times)	34.44	63.95	53.85	53.76	32.83	30.78
Dividend yield (%)	1.75	2.14	2.30	1.81	2.36	1.58
Number of employees	1,679	1,785	1,361	1,113	1,047	982

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 2022		For the year ended 30 June 2021	
	Taka in Million	%	Taka in Million	%
Turnover (Gross)	4,388.76	100	3,989.48	100
Cost of Materials	2,644.96	60.27	2,411.35	60.44
Expenses	483.71	11.02	484.59	12.15
Salaries, Wages & Benefits paid to Employees	598.93	13.65	536.84	13.46
Duties & Taxes paid to Government Exchequer	418.48	9.53	343.44	8.61
Profit	242.68	5.53	213.26	5.35
Total	4,388.76	100.00	3,989.48	100.00



Message from the Chairman চেয়ারম্যানের বাণী

Dear Shareowners,

Assalamu Alaikum,

No sooner we managed to learn to cope with Covid pandemic and its multiple variants, we faced another devastating crisis, the Ukraine War. This war has caused serious disruption in the economies worldwide, causing economic slowdown, shortage of materials, price hike, inflation and supply chain disruption.

Our businesses have had their due share of problems, primarily cost increase and availability of materials. So far we have been able to manage without any major disruption. The government has given due priority to the import of agricultural inputs. We hope to manage flow of materials without disruption.

Our employees at all levels have worked hard and delivered good results. We appreciate their contribution.

The factory at Gazipur has undergone many changes. Production processes are being reviewed and local formulation are being started.

We are setting up a laboratory which will be of high standards and hopefully the laboratory will

get accreditation and serve the need of the nation.

The Factory now has a trade union with full registration which has enabled the workers to engage in collective bargaining. It is our policy to maintain cordial relationship with the worker representatives.

Management of the business is in sound hands and we are confident that good results will be delivered consistently.

With best regards.

Sincerely,

M. Anis Ud Dowla
Chairman

“

The government has given due priority to the import of agricultural inputs.

সরকার কৃষি উপকরণ আমদানিতে অগ্রাধিকার দিয়েছে।

”

প্রিয় শেয়ারমালিকগণ

আসসালামু-আলাইকুম ,

যখনই আমরা কোভিড মহামারি এবং এর একাধিক রূপের সাথে মোকাবিলা করতে শিখলাম, তখনই ইউক্রেন যুদ্ধের মত আরেকটি বিধ্বংসী সংকটের মুখোমুখি হলাম। এই যুদ্ধ বিশ্ব অর্থনীতিতে মারাত্মক ব্যাঘাত ঘটিয়েছে। যার ফলে অর্থনৈতিক মন্দা, কাঁচামালের ঘাটতি, মূল্যবৃদ্ধি, মুদ্রাস্ফীতি এবং পণ্য সরবরাহ ব্যবস্থা বিঘ্নিত হয়েছে।

আমাদের ব্যবসা প্রাথমিকভাবে খরচ বৃদ্ধি এবং উপকরণের অপ্রাপ্যতাজনিত নানামুখী সমস্যার সম্মুখীন হয়েছে। এখন পর্যন্ত আমরা বড় ধরনের কোন বিপত্তি ছাড়াই ব্যবসা পরিচালনা করতে পেরেছি। সরকার কৃষি উপকরণ আমদানিতে অগ্রাধিকার দিয়েছে। আমরা বিঘ্নতাহীন পণ্য প্রবাহ পরিচালনা করতে পারব বলে প্রত্যাশা করছি।

সকল স্তরে আমাদের কর্মীরা কঠোর পরিশ্রম করেছে এবং ভাল ফলাফল এনেছে। আমরা তাদের অবদানের প্রশংসা করছি।

গাজীপুরের কারখানায় অনেক গুনগত পরিবর্তন এসেছে। উৎপাদন প্রক্রিয়া পর্যালোচনা করা হচ্ছে এবং স্থানীয়ভাবে উৎপাদন শুরু হয়েছে।

আমরা একটি উচ্চ মানসম্পন্ন পরীক্ষাগার স্থাপন করছি। আশা করছি, পরীক্ষাগারটি স্বীকৃতি পাবে এবং মানুষের প্রয়োজন মেটাতে সক্ষম হবে।

আমাদের কারখানায় একটি নিবন্ধিত ট্রেড ইউনিয়ন রয়েছে যা সম্মিলিত দর কষাকষির ভিত্তিতে শ্রমিকদের স্বার্থ রক্ষা নিশ্চিত করে। শ্রমিক প্রতিনিধিদের সাথে সৌহার্দ্যপূর্ণ সম্পর্ক বজায় রাখা আমাদের নীতি।

ব্যবসার ব্যবস্থাপনা সঠিক হাতে রয়েছে এবং আমরা নিশ্চিত যে তারা ধারাবাহিকভাবে ভালো লভ্যাংশ প্রদান করতে সক্ষম হবে।

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 very 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.

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 time. 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 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 Managing Director

The tenure of Ms. Shusmita Anis as the Managing Director will be expired on 29 December 2022. The Board has re-appointed her for 5 years effective from 30 December 2022. The Board requested the shareholders to confirm the re-appointment at their 26th 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. Nayamul Hoque, a Fellow Chartered Secretary, is appointed in November 2022 as the Company Secretary of the Company who 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 are able to scrutinize and interpret financial statements while discharging their duties and responsibilities as a 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 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 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 |

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 2021-22 three (3) meetings of the Nomination and Remuneration Committee (NRC) was conducted on 12 August 2021, 9 November 2021 and 24 January 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/CMRRCD/2009/193/08 dated 10 March 2021, the Board in its 126th meeting held on 26 October 2022 appointed M/s Jasmine & Associates, Chartered Secretaries, as the Independent Scrutinizer to observe the 26th AGM of the Company to be held on 26 December 2022 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 (ACIFL) has two subsidiary companies under its corporate canopy. ACIFL, 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 company;
- b) The minutes of the Board meeting of the Subsidiary company are placed for review at the following Board meeting of the holding company;
- c) The minutes of the respective Board meeting of the holding company duly record that the Board has also reviewed the affairs of the subsidiary company, and
- d) The Board Audit Committee of ACIFL duly reviews the financial statements, in particular the investments made by its subsidiary company.





Report of The Audit Committee

For the year ended 30 June 2022

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 2021-22.

Audit Committee in ACI Formulations 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

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, interalia, focused on the following activities:

- a) Reviewed and recommended the Annual Financial Statements for the year ended on 30 June 2022 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 for the year ended 30 June 2022.
- 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 2022-23 and review the progress against the approved internal audit plan 2021-22.
- 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 company and recommended the same to the Board for consideration.
- m) Reviewed the capital investments made by the subsidiary company.
- n) Received, reviewed and perused the letter from Dhaka Stock Exchange on CG compliance by the Company and duly replied in time.



Mohammad Mostafizur Rahman
Secretary of the Committee



Abdul-Muyeed Chowdhury
Chairman of the Committee

26 October 2022, Dhaka



Nomination and Remuneration Committee Report

For the year ended 30 June 2022

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 three (3) 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

A total of three meetings were held during the financial year 2021-2022. A record of the Members' attendance at the NRC meetings during 2021-22 is given below:

Committee members	Attendance	% (Percentage)
Mr. Golam Mainuddin	3	100
Mr. Abdul-Muyeed Chowdhury	3	100
Mr. Juned Ahmed Choudhury	2	67

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 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 appointment of Director in the Board to fill the casual vacancy.
- Reviewed and evaluated the salary of the Managing Director.



Mohammad Mostafizur Rahman
Secretary of the Committee



Golam Mainuddin
Chairman of the Committee

26 October 2022, Dhaka



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, normal time as well as pandemic 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 2018	3,609,460

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 2019	801,296
Dividend for 2020	368,737
Dividend for 2021	486,724
Total	1,656,757

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 2018 transferred to the Capital Market Stabilization Fund (CMSF).

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

CSR Activities and Employee Welfare Initiatives

CSR activities during the period

Winter Cloth Drive:

As a part of Corporate Social Responsibility, ACI drives “Winter Cloth Distribution” program every year. The campaign 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 Formulations Limited (ACI FL) believes that employees are a valuable resource of the Company and the driving force behind success. The Company always strives to employees are engaged and aligned with the mission, vision, and values. ACI FL has been working relentlessly for employee safety, welfare, and wellbeing through various well-structured programs and activities.

Employee Welfare Initiatives

With around one thousand people as direct employees, ACI FL 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.

Some of ACI FL’s initiatives to ensure robust employee welfare include:

Food and Nutrition:

Catering to their proper nourishment and hygiene by providing them with healthy and nutritious food, as well as running free-of-cost campaigns on hygiene.

Work with recreation:

ACI FL arranges Factory Day, Cultural Programs for its employees for better bonding and outcome.

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 are under agreement. Along with the treatment facilities, ACI organizes different vaccination, health awareness programs and campaigns for the employees round the year.

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, the Company provides scholarships to the offspring of the employees every year. The Company believes today’s students are the future of the nation and Nurturing them in the right manner, the future of the nation will be secured.

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 wellbeing, 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 the employees on alarming health hazards. The most notable health and safety programs arranged by ACI HR are as follows:

Awareness session on heart diseases & prevention

On 27 September 2021, an hour long awareness session was arranged on heart diseases & prevention. The resource person of the session was Dr. A.M. Shafique, a consultant from United Hospital. Dr. Shafique discussed on major heart diseases and provide guidelines on preventing such diseases. He also addressed queries raised by ACI employees on the issue.

Dengue awareness

Amid 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.

COVID-19 safety guidelines for field force and factory

In the wake of the third wave of COVID-19, health and safety guidelines (in English and Bangla) were

circulated to all employees of field force, factory and other establishments. Strict safety measures were taken. Special focus was given on wearing a mask with the 'mask it up' campaign.

Basic health checkup campaign

A basic health checkup campaign was arranged by HR on 15 February 2022. The full day session was supported by doctors of United Hospital. In the campaign, random blood sugar (RBS), blood pressure, body mass index (BMI) and Doctor's advice facilities were provided.

A glimpse of Training Activities

In 2021-2022, a total of 38612 man-hours of training was conducted in the classroom and online. This year due to corona pandemic situation most of the training program was conducted online and the rest of the program was in the classroom. Employees of ACI Formulations Limited participated in 11 international webinars last year.

Moreover, 24 online exams were organized digitally as part of knowledge level identification and training evaluation of Field forces of ACI Crop Care.



Directors' Report to the Shareowners

For the year ended 30 June 2022

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 2022.

We envision a world without hunger, without poverty, where no one needs to think of their next meal! Bangladesh, being predominantly an agricultural country, we believe the major accelerating factor of economic growth can none other than agriculture. Believing in the enormous possibility and importance of this segment and to ensure the food security we have been trying our best to increase yield by combining technology, creativity, imagination, knowledge and skill with Agriculture.

Agriculture not only provides opportunities for economic equity, but also gives assurance of a country's growth, while 15% of the GDP with 50% of employment is being derived from this industry here, Crop Care products are still one of the biggest driving factors remained in the industry till now.

Being highly dependent on climate and season, we have observed a major climatic change and one its major effect in the last year. Likewise, the previous year we have faced several strikes of flood, cyclone, hailstorm and heavy rainfall that haphazard our agriculture production and life of the farmers. Pandemic situation gradually improved but the global container shortage and freight cost continued to remain a major challenge in manufacturing smooth supply of materials. On top of these, the Ukraine war has disrupted the supply chain in a major way resulting in price increase of raw materials. In addition, Bangladesh currency vis-à-vis dollar has gone through an unprecedented increase and this will have a major impact on our profitability. Despite all these, we have managed to keep the business at a stiff curve where the Crop Care business grew by 10% over last year, thanks to the prudent Marketing and Sales team along with all the other support departments for extending good support.

Our powder insecticide portfolio had significant growth. Extensive farmers 'Training program, proper usage and appropriate positioning of the products coupled with DGA activities helped the end users to have more crop output. Various portfolios such as Sulphur, Granular insecticide had significant growth which resulted from the whole hearted team efforts to make the products available to farmers on time maintaining the right quality. The other portfolios also did well in comparison with the industry growth of about 6-7%. Due to lower potato price, season delay and less infection of diseases in Potato, the Fungicide portfolio couldn't grow much in the last year.

Flora, a unique solution in our portfolio which is a bio-friendly plant energizer, flowering stimulant and yield booster. Flora given higher yield in rice. Flora being a top of the mind brand in the segment, growing at faster pace by holding highest share in the market. We continue to do numerous brand building activities including field campaigns and demonstrations.

Crop Care introduced two unique solutions in the pesticide segment named 'Diaraz' and 'Prism' which will help increase the productivity of agriculture in coming years. Having a major focus on seed treatment we are exploring this new market in Bangladesh. Collaboration with Global MNC's are in place to strengthen the product portfolio and hence increase the product range as well. Efforts are being taken forward to search for other new Chemistry and molecules, to have competitive advantage, keeping future predicted crop/pest dynamics changes in mind.

We have taken several new initiatives to streamline the business. A good number of trainings were organized for Sales and Supply Chain Team to develop the team with the pace and bring even better result in future. The Digital Marketing initiatives are also being taken care through social media and website to support the farmers instantly.



With the help of AkzoNobel Paints, our global partner, we have two categories- decorative paints and protective coatings. In decorative paints we have done comparatively better. The market place in paint is continuing to have difficulty with supply of materials and lack of demand due to the economic condition. We are in contact with our principals and we hope to improve our market standing in the coming year.

Home Care Solutions business has been working to make human life safer and more convenient with a wide range of best-in class products including Pest and Non-Pest Category. ACI Aerosol-the most effective Insect Killer, being the market leader in the category continues with the dominant market share, whilst protecting people from life threatening vector borne diseases like Dengue, Malaria and Chikungunya.

In the air care category, Angelic Fresh Air Freshener is the pioneer in locally manufactured air freshener. In spite of the entrance of various local and imported brands, Angelic has maintained its position among the consumers establishing strong brand loyalty.

Availability of Mosquito Coil, Toilet Cleaner, Cockroach Killer and few air freshener variants

were affected by the supply congestion and unavailability of certain raw materials and packaging materials induced by COVID 19 and Russia-Ukraine War. However, ACI FL is working diligently to resolve the issues and smoothening the supply of the products.

ACI Formulations Factory located in Gazipur on a span of 42 acres of land is fully compliant with the laws governing Safety, Health and Environment. Last year, few major initiatives have been taken forward to scale up the operations for commercial formulation of many products. A global standard Quality Control (QC) lab is planned to maintain the quality specifications our own formulated products as well as getting the best benefit of our factory and raising farmers confidence. Our Formulations factory continues to get high rating for its technological excellence from the foreign associates, while we are always thriving towards keeping pace with the future changes by adapting the cutting-edge technologies in terms of production, quality control, effluent treatment and environment protection.

Despite all the challenges in the macroeconomic environment, we are taking numerous initiatives and measures to address the issues and grow in the core areas of business.







Financial Results

For the year ended 30 June 2022, total revenue of ACI Formulations Limited was Taka 4,246 million which was Taka 3,863 million for comparative year FY 2020-21, an increase of Tk 383 million resulting in 9.91% growth over last year. Cost of sales increased by 10.64% mainly due to higher sales volume coupled with increased material cost and foreign currency fluctuation impact on imported material price especially in 4th quarter FY 2021-22. Higher turnover and favorable product mix, partially offset by the increased cost of sales has contributed to the increase in gross profit by 8.15% over last year. On the other hand, effective and efficient internal control over operating cost and working capital management led to register operating profit Tk 474 million from Tk 432 million of FY 2020-21. In the current year, profit before tax (PBT) was Tk.328 million and profit after tax (PAT) was Taka 243 million from Taka 291 million and Taka 213 million of FY 2020-21 respectively. This resulted in increase of Earnings per Share to Taka 5.14 from Taka 4.51 of last year.

Key Operating & Financial Information at a Glance

The key operating and financial information for the year 2021-22 along with the preceding five years are presented below:

Figures are in million Taka

Particulars	July 2021- June 2022	July 2020- June 2021	July 2019- June 2020	July 2018- June 2019	July 2017- June 2018	July 2016- June 2017
Net Turnover	4,246	3,863	3,422	4,025	4,127	3,629
Gross profit	1,217	1,126	1,065	1,211	1,027	1,108
Profit before tax	328	291	126	180	163	357
Profit after tax	243	213	92	128	115	261
Earnings per share (Taka)	5.14	4.51	2.05	2.83	2.56	5.81
Issued & paid capital	473	450	450	450	450	450
Shareowners' equity	3,117	3,009	2,407	2,472	2,502	2,455
Net asset per share (Taka)	65.97	63.69	53.48	54.93	55.59	54.55
Number of employees	982	1,047	1,113	1,361	1,785	1,679
Total contribution to National Exchequer	418	343	244	522	669	564

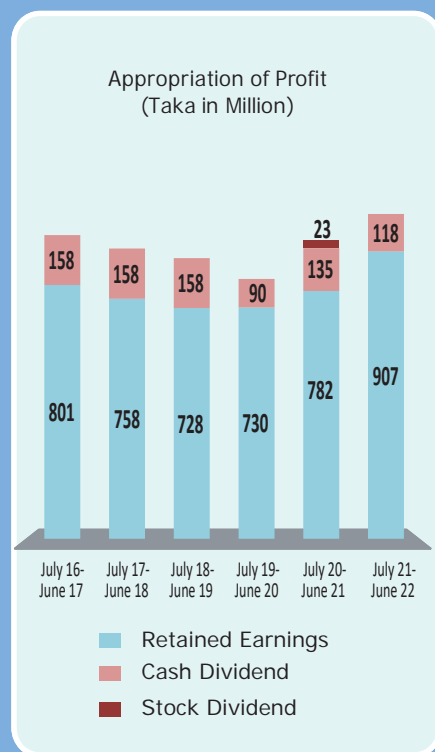
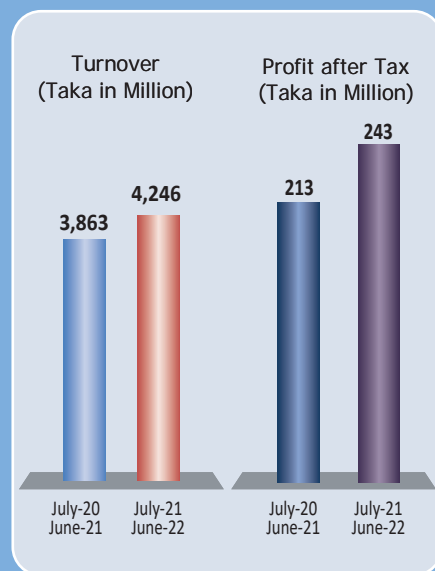
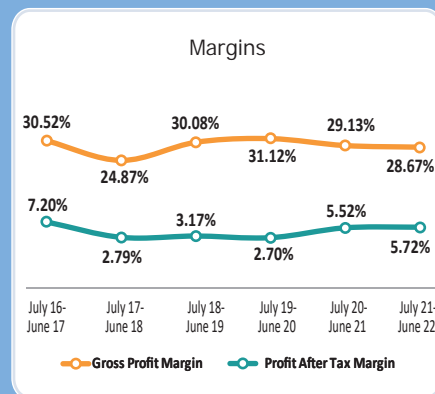
Appropriation of Profit

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 2022	For the year ended 30 June 2021
Un-appropriated profit	782,136,392	730,348,228
Add: Net profit after tax	242,682,914	213,263,914
Add: Other comprehensive income	-	(3,975,750)
Total profit available for appropriation	1,024,819,306	939,636,392
Appropriation of profit:		
Final Dividend Proposed:		
Cash Dividend	118,125,000	135,000,000
Stock Dividend	-	22,500,000
Total Dividend	118,125,000	157,500,000
Balance carried forward	906,694,306	782,136,392

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 2022 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 17 November 2022. No stock dividend was declared as interim dividend during the year.

Contribution to the National Exchequer

For the year ended 30 June 2022, the company contributed Taka 418 million to the National Exchequer in the form of corporate tax, custom duty and Value Added Tax (VAT). This is equivalent to 9.53% of the Company's gross sales revenue for the year 2021-22.

Cost of Goods Sold and Profit Margins

For the year ended 30 June 2022, cost of goods sold was Taka 3,029 million (71.33% of net revenue) which was Taka 2,738 million (70.87% of net revenue) against FY 2020-21, resulting an increase of 0.46% cost due to unfavorable material cost variance over FY 2020-21. This has resulted to decrease gross profit margin of 28.67% (Taka 1,217 million) during the year ended 30 June 2022 as against 29.13% (Taka 1,126 million) of the FY 2020-21. Higher sales along with favorable product mix, coupled with controlled operating cost and financing cost led to register PAT 5.72% in FY 2021-22 against 5.52% of FY 2020-21.

Related Party Transactions

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

Disclosure for Significant Deviation

For the year ended 30 June 2022, total revenue of ACI Formulations Limited was Taka 4,246 million which was Taka 3,863 million of financial year 2020-2021, resulting in 9.91% higher revenue over last year. The main reason was higher revenue in Crop Care & Public Health (CC&PH) and Paint business. However, higher sales, changes in product mix, partially offset by unfavorable purchase variance over last year due to raw material import price hike and foreign currency fluctuation, overall gross profit margin slide by 0.46 % over last year. On the other hand, operating cost and financing cost for the reporting year increased by 8% and 1%

respectively compared to last year due to effective and efficient control over operating cost, working capital management. Due to these collective outcomes, in the reported financial year, Profit Before Tax (PBT) was Taka 328 million and Profit After Tax (PAT) was Taka 243 million resulting in Earnings per Share for Taka 5.14. 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 company, Neem Laboratories (Pvt.) 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 company 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.



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 consist 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. Juned Ahmed Chaudhury and Dr. Arif Dowla retire by rotation 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 Managing Director

The tenure of Ms. Shusmita Anis as the Managing Director will be expired on 29 December 2022. The Board has re-appointed her for 5 years effective from 30 December 2022. The Board requested the shareholders to confirm the re-appointment at their 26th 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

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.

Board Meeting & Attendance

During the financial year 2021-2022, 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 26,250/- 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 2022 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 2022. They are, however, eligible for reappointment as per BSEC notification. M/s. A. Wahab & Co., Chartered Accountants, expressed their interest to be appointed as auditors of the Company for the FY 2022-2023 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 2022 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, 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.

On behalf of the Board

Shusmita Anis
Managing Director

Dhaka, 26 October 2022

People of ACI 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.

Golam Mainuddin
Independent Director

শেয়ার মালিকদের নিকট পরিচালনা পর্ষদের প্রতিবেদন

৩০শে জুন ২০২২ তারিখে সমাপ্ত অর্থবছরের জন্য

আমরা অত্যন্ত আনন্দের সঙ্গে এসিআই ফরমুলেশনস লিমিটেড-এর পরিচালনা পর্ষদের পক্ষ থেকে ৩০শে জুন ২০২২ তারিখে সমাপ্ত অর্থবছরের নিরীক্ষিত আর্থিক বিবরণী সমূহ ও নিরীক্ষা প্রতিবেদনসহ পরিচালক মণ্ডলীর প্রতিবেদন আপনাদের বিবেচনার জন্য উপস্থাপন করছি।

আমরা ক্ষুধা ও দারিদ্র মুক্ত একটি বিশ্ব কল্পনা করি, যেখানে খাদ্য অন্বেষণের ভাবনায় কেউ চিন্তিত হবে না। বাংলাদেশ প্রধানতঃ একটি কৃষিপ্রধান দেশ, তাই কৃষি অর্থনৈতিক প্রবৃদ্ধি ত্বরান্বিত করতে অনন্য ভূমিকা পালন করেছে। কৃষিক্ষেত্রের এই অপার সম্ভবনা ও গুরুত্বকে বিবেচনা করে খাদ্য নিরাপত্তা নিশ্চিত করতে আমরা প্রযুক্তি, সৃজনশীলতা, কল্পনামাশক্তি, জ্ঞান ও দক্ষতার সমন্বয়ে কৃষির উৎকর্ষ সাধনে যথাসাধ্য চেষ্টা করে যাচ্ছি।

কৃষি দেশের অর্থনৈতিক সমতার দ্বার উন্মোচনের পাশাপাশি প্রবৃদ্ধির নিশ্চয়তাও দেয়, ফলে জিডিপি ১৫% এবং কর্মসংস্থানের ৫০% এই খাত লক্ষ্য। এজন্য ফসলের পরিচর্যায় ব্যবহৃত পণ্যগুলো এই খাতের উল্লেখযোগ্য চালিকাশক্তি।

মৌসুমী জলবায়ুর প্রভাব গতবছর বেশ লক্ষ্যণীয় ছিল। বন্যা, ঘূর্ণিঝড়, শিলাবৃষ্টি এবং ভারী বৃষ্টিপাত আমাদের কৃষিজ উৎপাদন এবং কৃষকদের জীবনযাত্রাকে ব্যাহত করেছে। মহামারি পরিস্থিতি ধীরে ধীরে উন্নত হয়েছে কিন্তু বৈশ্বিক কনটেইনার ঘাটতি এবং মালামাল বহন খরচের উর্ধ্বগতি উৎপাদনের উপকরণ সরবরাহে প্রতিকূল পরিবেশের সৃষ্টি করেছে। এছাড়াও, ইউক্রেন যুদ্ধের কারণে সাপ্লাই চেইন ব্যাহত হয়েছে, ফলশ্রুতিতে কাঁচামালের মূল্য বৃদ্ধি পেয়েছে। উপরন্তু, বাংলাদেশী মুদ্রার বিপরীতে ডলারের অপ্রত্যাশিত মূল্যবৃদ্ধি ব্যবসায়ের মুনাফায় নেতিবাচক প্রভাব ফেলেছে। তা সত্ত্বেও, আমরা ব্যবসায়ের লাভজনক অবস্থান ধরে রাখতে সক্ষম হয়েছি। ক্রপকেয়ার ব্যবসায় গতবছরের তুলনায় ১০% প্রবৃদ্ধি পেয়েছে। এই কৃতিত্ব আমাদের বিচক্ষণ মার্কেটিং এবং সেলস্ টিমের, সেই সাথে অন্যান্য সাপোর্ট টিমের সহয়তাও অনস্বীকার্য।

আমাদের পাউডার ইনসেস্টিসাইড পোর্টফোলিও উল্লেখযোগ্যভাবে বৃদ্ধি পেয়েছে। কৃষকদের জন্য প্রশিক্ষণ কার্যক্রমের বিস্তৃতকরণ, উপযুক্ত পণ্যের সঠিক অবস্থানে ব্যবহার এবং সমন্বিত ডিজিএ (DGA) কার্যক্রম আমাদের বেশি ফসল উৎপাদনে সাহায্য করেছে। বিভিন্ন পোর্টফোলিও যেমন সালফার, গ্রানুলাইন ইনসেস্টিসাইডও উল্লেখযোগ্যভাবে বৃদ্ধি পেয়েছে, যেটা সম্ভব হয়েছে আমাদের দলগত আন্তরিক প্রচেষ্টার ফলে কৃষকদের কাছে যথাসময়ে সঠিক গুণমান বজায় রেখে পণ্য সরবরাহের মাধ্যমে। অন্যান্য পোর্টফোলিওগুলোও এই শিল্পের প্রবৃদ্ধির তুলনায় ৬-৭% বৃদ্ধি পেয়েছে। ফাংগিসাইড পোর্টফোলিও উল্লেখযোগ্যভাবে বৃদ্ধি পায়নি কারণ গতবছর আলুর দাম কম ছিল, বিলম্বিত মৌসুম এবং আলুতে রোগ সংক্রমন কম ছিল।

ফ্লোরার হচ্ছে পরিবেশবান্ধব, শক্তি ও বৃদ্ধিবর্ধক ফুলের উদ্দীপক। ফ্লোরার ব্যবহার ধানে উচ্চ ফলন নিশ্চিত করেছে। ফ্লোরার

গ্রাহকদের মাঝে একটি শক্তিশালী ব্র্যান্ড ইমেজ তৈরি করেছে। ফলশ্রুতিতে এর মার্কেট শেয়ার দ্রুতগতিতে বৃদ্ধি পাচ্ছে। পাশাপাশি প্রচারণা কার্যক্রমও অব্যাহত রয়েছে।

ক্রপকেয়ার পেস্টিসাইড বিভাগে ‘ডায়ারাজ’ এবং ‘প্রিজম’ নামে দুটি অনন্য সমাধান চালু করেছে যা আগামী বছরগুলোতে কৃষির উৎপাদনশীলতা বাড়াতে সাহায্য করবে। বীজ উন্নতকরণকে লক্ষ্য রেখে আমরা দেশে নতুন বাজার তৈরিতে কাজ করছি। বৃহৎ পরিসরে কাজ করার জন্য বিভিন্ন বহুজাতিক প্রতিষ্ঠানের সহযোগিতা নেওয়া হচ্ছে। আগামী দিনের প্রতিকূলতা এবং প্রতিযোগিতাকে মাথায় রেখে নতুন ধরনের রাসায়নিক এবং মলিকিউলের অনুসন্ধান চলছে।

ব্যবসায়কে নতুন ধারায় প্রবাহিত করতে বেশকিছু নতুন উদ্যোগ নেওয়া হয়েছে। সেলস এবং সাপ্লাই চেইন টিমের উৎকর্ষ সাধনের উদ্দেশ্যে বেশ কয়েকটি প্রশিক্ষণের আয়োজন করা হয়েছে। কৃষকদের তাৎক্ষণিক সহায়তা দেওয়ার জন্য সামাজিক যোগাযোগ এবং ওয়েবসাইটের মাধ্যমে বিভিন্ন ডিজিটাল মার্কেটিং এর উদ্যোগ নিয়েছে।

গ্লোবাল পার্টনার AkzoNobel Paints এর সহযোগিতায় আমাদের পেইন্টস্ পোর্টফোলিওতে দুটি বিভাগ রয়েছে - ডেকোরেটিভ পেইন্টস্ এবং প্রটেক্টিভ কোটিং। ডেকোরেটিভ পেইন্টস্ বিভাগে আমরা তুলনামূলকভাবে ভালো করেছি। কিন্তু অর্থনৈতিক মন্দার কারণে চাহিদা ও যোগানের সমন্বয়হীনতা পরিলক্ষিত হচ্ছে। যা আমাদের ব্যবসায়ে নেতিবাচক প্রভাব ফেলছে। তবুও, আমরা মূলধারা অব্যাহত রেখেছি এবং আশা করছি আগামী বছর আমাদের বাজার অবস্থানের উন্নতি ঘটবে।

হোম কেয়ার সলিউশন ব্যবসা কীটপতঙ্গ এবং গার্হস্থ্য তত্ত্বাবধান উভয় শ্রেণীতে বিস্তৃত পণ্যসম্ভার থেকে সেরা পণ্যগুলো গ্রাহকদের পরিবেশন করেছে। এসিআই এ্যারোসোল সবচেয়ে কার্যকর পোকামাকড় নাশক, ডেপু, ম্যালেরিয়া, এবং চিকুনগুনিয়ার মতো ভেক্টর বাহিত রোগ থেকে মানুষকে রক্ষা করে।

অ্যাঞ্জেলিক এয়ার ফ্রেশনার স্থানীয়ভাবে তৈরি এয়ার ফ্রেশনারের মধ্যে অগ্রগণ্য, বাজারে শীর্ষস্থানীয়। বাজারে বেশকিছু নতুন ব্র্যান্ডের (স্থানীয় এবং আমদানিকৃত) উপস্থিতি সত্ত্বেও, অ্যাঞ্জেলিক ব্র্যান্ড ইমেজের মাধ্যমে ভোক্তাদের মাঝে শক্তিশালী অবস্থান বজায় রেখেছে।

কোভিড-১৯ এবং রাশিয়া-ইউক্রেন যুদ্ধের কারণে মশার কয়েল, টয়লেট ক্লিনার, তেলাপোকা নাশক এবং কয়েকটি এয়ার ফ্রেশনার ভেরিয়েন্টের কাঁচামাল ও প্যাকেজিং উপকরণের অপ্রতুলতা পণ্য সরবরাহ ব্যাহত করেছে। তা সত্ত্বেও, এসিআই ফরমুলেশনস্ এই সমস্যার প্রতিকার এবং পণ্যের সহজলভ্যতা নিশ্চিতকরণে নিষ্ঠার সাথে কাজ করছে।

গাজীপুরে ৪২ একর জমির উপর অবস্থিত এসিআই ফরমুলেশনস্ ফ্যাক্টরি সুরক্ষা, স্বাস্থ্য ও পরিবেশ সংক্রান্ত আইনের যথাযথ পরিপালন করে। গত বছর, বেশকিছু পণ্যের বৃহৎ পরিসরে বাণিজ্যিককরণের উদ্যোগ নেওয়া হয়েছে। একটি আন্তর্জাতিক মানসম্পন্ন মাননিয়ন্ত্রন পরীক্ষাগার প্রতিষ্ঠার পরিকল্পনা গ্রহণ করা হয়েছে যেখানে আমাদের নিজস্ব প্রণীত পণ্যের গুণগতমান

নিয়ন্ত্রনের পাশাপাশি আমাদের ফ্যাক্টরীর সর্বোত্তম ব্যবহার নিশ্চিত করা হবে। ফলশ্রুতিতে, কৃষকদের আস্থাভাজন ব্র্যান্ড হিসেবে আমাদের বাজার অবস্থান সুদৃঢ় হবে।

আমাদের এসিআই ফরমুলেশনস্ ফ্যাক্টরিটি প্রযুক্তিগত উৎকর্ষতার জন্য বিদেশী সহযোগীদের কাছে উচ্চতর রেটিং পাচ্ছে, আমরা অত্যাধুনিক প্রযুক্তি ব্যবহার করে উৎপাদন, মান নিয়ন্ত্রন, বর্জ্য ব্যবস্থাপনা এবং পরিবেশ সুরক্ষা নিশ্চিত করে আসন্ন ভবিষ্যতের সাথে তাল মিলিয়ে চলার পরিকল্পনা করছি।

সামষ্টিক অর্থনৈতিক প্রতিকূলতা সত্ত্বেও, আমরা বিভিন্ন প্রতিকার ও উদ্যোগের সহায়তায় ব্যবসায় সম্প্রসারণের কার্যকর ব্যবস্থা গ্রহণ করেছি।

এক নজরে মূখ্য পরিচালনগত ও আর্থিক তথ্য

২০২১-২২ অর্থবছর সহ কোম্পানীর বিগত সাড়ে পাঁচ বছরের মূখ্য পরিচালনগত ও আর্থিক তথ্যাদি নিম্নে প্রদর্শন করা হলোঃ

মিলিয়ন টাকায়

বিবরণ	জুলাই ২০২১ - জুন ২০২২	জুলাই ২০২০ - জুন ২০২১	জুলাই ২০১৯ - জুন ২০২০	জুলাই ২০১৮ - জুন ২০১৯	জুলাই ২০১৭ - জুন ২০১৮	জুলাই ২০১৬ - জুন ২০১৭
নীট বিক্রয়	৪,২৪৬	৩,৮৬৩	৩,৪২২	৪,০২৫	৪,১২৭	৩,৬২৯
মোট গ্রস মুনাফা	১,২১৭	১,১২৬	১,০৬৫	১,২১১	১,০২৭	১,১০৮
কর পূর্ববর্তী মুনাফা	৩২৮	২৯১	১২৬	১৮০	১৬৩	৩৫৭
কর পরবর্তী মুনাফা	২৪৩	২১৩	৯২	১২৮	১১৫	২৬১
শেয়ার প্রতি আয় (টাকা)	৫.১৪	৪.৫১	২.০৫	২.৮৩	২.৫৬	৫.৮১
ইস্যুকৃত ও পরিশোধিত মূলধন	৪৭৩	৪৫০	৪৫০	৪৫০	৪৫০	৪৫০
শেয়ার মালিকদের ইকুইটি	৩,১১৭	৩,০০৯	২,৪০৭	২,৪৭২	২,৫০২	২,৪৫৫
শেয়ার প্রতি নীট সম্পদ (টাকা)	৬৫.৯৭	৬৩.৬৯	৫৩.৪৮	৫৪.৯৩	৫৫.৫৯	৫৪.৫৫
কর্মচারীদের সংখ্যা	৯৮২	১,০৪৭	১,১১৩	১,৩৬১	১,৭৮৫	১,৬৭৯
জাতীয় রাজস্ব আয়ে অবদান	৪১৮	৩৪৩	২৪৪	৫২২	৬৬৯	৫৬৪

আর্থিক ফলাফল

৩০ জুন ২০২২, সমাপ্ত অর্থ বছরে এসিআই ফরমুলেশনস্ লিমিটেডের নীট বিক্রয় ছিল ৪,২৪৬ মিলিয়ন টাকা যা পূর্ববর্তী অর্থবছরে ছিল ৩,৮৬৩ মিলিয়ন টাকা, ফলে গত বছরের তুলনায় নীট বিক্রয়ের ৩৮৩ মিলিয়ন টাকা এবং ৯.৯১% প্রবৃদ্ধি হয়েছে। অপরদিকে কাঁচামালের মূল্যবৃদ্ধি এবং ডলারের বিপরীতে টাকার অবমূল্যায়নের কারণে বিক্রিত পণ্যের খরচ ১০.৬৪% বৃদ্ধি পেয়েছে। দক্ষ ও যথাপোযুক্ত ব্যায় নিয়ন্ত্রণ এবং দক্ষ মূলধন ব্যবস্থাপনার ফলে পরিচালন মুনাফা ২০২১-২২ অর্থবছরে দাড়িয়েছে ৪৭৪ মিলিয়ন টাকা, যা ২০২০-২১ অর্থবছরে ছিল ৪৩২ মিলিয়ন টাকা। চলতি বছরে কর পূর্ববর্তী মুনাফা ছিল ৩২৮ মিলিয়ন টাকা এবং কর পরবর্তী মুনাফা ছিল ২৪৩ মিলিয়ন টাকা যা ২০২০-২১ অর্থ বছরে ছিল যথাক্রমে ২৯১ মিলিয়ন টাকা এবং ২১৩ মিলিয়ন টাকা। যার ফলশ্রুতিতে শেয়ার প্রতি আয় ৪.৫১ টাকা থেকে ৫.১৪ টাকায় উন্নীত হয়েছে।

মুনাফা বন্টন

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

টাকায়

বিবরণ	৩০শে জুন ২০২২ তারিখে সমাপ্ত বছরের জন্য	৩০শে জুন ২০২১ তারিখে সমাপ্ত বছরের জন্য
অবন্টিত মুনাফা	৭৮২,১৩৬,৩৯২	৭৩০,৩৪৮,২২৮
যোগ: কর-পরবর্তী মুনাফা	২৪২,৬৮২,৯১৪	২১৩,২৬৩,৯১৪
যোগ: অন্যান্য কম্পিহেন্সিভ আয়	-	(৩,৯৭৫,৭৫০)
সর্বমোট বন্টনযোগ্য মুনাফা	১,০২৪,৮১৯,৩০৬	৯৩৯,৬৩৬,৩৯২
মুনাফা বন্টনঃ		
চূড়ান্ত প্রস্তাবিত লভ্যাংশঃ		
নগদ লভ্যাংশ	১১৮,১২৫,০০০	১৩৫,০০০,০০০
স্টক লভ্যাংশ	-	২২,৫০০,০০০
সর্বমোট লভ্যাংশ	১১৮,১২৫,০০০	১৫৭,৫০০,০০০
অবন্টিত মুনাফা স্থিতি	৯০৬,৬৯৪,৩০৬	৭৮২,১৩৬,৩৯২

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

লভ্যাংশ

৩০শে জুন ২০২২ 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 ১৭ নভেম্বর ২০২২, যে সকল সম্মানিত শেয়ার মালিকগণের নাম কোম্পানীর সদস্যদের শেয়ার রেজিস্টার বা সিডিবিএল-এর ডিপোজিটরিতে অন্তর্ভুক্ত ছিল, তারা এই চূড়ান্ত লভ্যাংশ পাওয়ার যোগ্য হিসেবে বিবেচিত। আলোচ্য বছরে কোম্পানী অন্তর্বর্তীকালীন লভ্যাংশ হিসেবে কোন বোনাস শেয়ার বা স্টক ডিভিডেন্ড ঘোষণা করেনি।

জাতীয় রাজস্ব আয়ে অবদান

৩০শে জুন ২০২২ তারিখে সমাপ্ত অর্থবছরে কোম্পানি আয়কর, আবগারি শুল্ক এবং মূল্য সংযোজন কর বাবদ মোট ৪১৮ মিলিয়ন টাকা জাতীয় কোষাগারে জমাদান করেছে; যা উল্লেখিত সমাপ্ত বছরের মোট বিক্রয়লব্ধ আয়ের ৯.৫৩%।

বিক্রিত পণ্যের খরচ এবং মুনাফার হার

৩০শে জুন ২০২২ তারিখে সমাপ্ত অর্থবছরে বিক্রিত পণ্যের ব্যয় হয়েছে ৩,০২৯ মিলিয়ন টাকা (নীট বিক্রয়ের ৭১.৩৩%) যা ২০২০-২০২১ অর্থ বছরে ছিল ২,৭৩৮ মিলিয়ন টাকা (নীট বিক্রয়ের ৭০.৮৭%)। কাঁচামালের মূল্য তুলনামূলকভাবে বেশি থাকায় বিক্রিত পণ্যের খরচ গত অর্থ বছরের তুলনায় ০.৪৬% বৃদ্ধি পেয়েছে। ফলে মোট মুনাফার হার হ্রাস পেয়ে দাঁড়িয়েছে ২৮.৬৭% (১,২১৭ মিলিয়ন টাকা), যা ২০২০-২০২১ অর্থবছরে ছিল ২৯.১৩% (১,১২৬ মিলিয়ন টাকা)। বর্ধিত

বিক্রি, অনুকূল পণ্যনিয়ন্ত্রণ এবং নিয়ন্ত্রিত পরিচালনা ব্যয়ের কারণে কর পরবর্তী মুনাফার হার ছিল ৫.৭২% যা গতবছর ছিল ৫.৫২%।

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

৩০শে জুন ২০২২ সালে সমাপ্ত অর্থবছরে এসিআই ফরমুলেশনস্ লিমিটেড এর নীট বিক্রয় ছিল ৪,২৪৬ মিলিয়ন টাকা, যা ২০২০-২১ অর্থবছরে ছিল ৩,৮৬৩ মিলিয়ন টাকা, ফলশ্রুতিতে গত বছরের তুলনায় ৯.৯১% প্রবৃদ্ধি হয়েছে। মূলত ক্রপকেয়ার এবং পেইন্ট ব্যবসায় বিক্রয় প্রবৃদ্ধি ছিল প্রধান কারণ। অপরদিকে কাঁচামালের মূল্যবৃদ্ধি ডলারের বিপরীতে টাকার অবমূল্যায়ন সত্ত্বেও বিক্রয় বৃদ্ধি এবং অনুকূল পণ্যমিশ্রণের কারণে, মোট মুনাফা গতবছরের তুলনায় ০.৪৬% হ্রাস পেয়েছে। পরিচালনা ব্যয় এবং চলতি মূলধনের কার্যকর নিয়ন্ত্রণ এবং ব্যবস্থাপনার কারণে আলোচ্য বছরে পরিচালনা ও অর্থায়ন ব্যয় গত বছরের তুলনায় যথাক্রমে ৮% এবং ১% বৃদ্ধি পেয়েছে, ফলে সামগ্রিকভাবে আলোচ্য বছরে কর পূর্ববর্তী মুনাফা এবং কর পরবর্তী মুনাফা ছিল যথাক্রমে ৩২৮ মিলিয়ন টাকা ও ২৪৩ মিলিয়ন টাকা, ফলে শেয়ার প্রতি আয় হয়েছে ৫.১৪ টাকা। অপরদিকে, আসন্ন মাসগুলিতে বিক্রয় বৃদ্ধির সুবিধার্থে চলতি মূলধন বিনিয়োগের কারণে শেয়ার প্রতি নেট অপারেটিং ক্যাশ ফ্লো (NOCFPS) হ্রাস পেয়েছে।

সাবসিডিয়ারী কোম্পানীর আর্থিক বিবরণীর কনসলিডেশন

কোম্পানী আইন-১৯৯৪, বিএসইসি রেগুলেশন ও বাংলাদেশে গৃহীত আইএএস ও আইএফআরএস অনুসারে সাবসিডিয়ারী কোম্পানী, নিম ল্যাবরেটরীজ (প্রাঃ) লিমিটেড এর আর্থিক বিবরণীসমূহ এসিআই ফরমুলেশনস্ লিমিটেড এর আর্থিক বিবরণীর সঙ্গে একত্রিকরণ করা হয়েছে। এছাড়াও সাবসিডিয়ারী কোম্পানীর নিরীক্ষিত আর্থিক বিবরণীসমূহ নিরীক্ষা প্রতিবেদন ও পরিচালক মন্ডলীর 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

কোম্পানী 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

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

হিসাবের বই রক্ষণাবেক্ষন

কোম্পানীর 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

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

CEO এবং CFO এর প্রত্যয়নপত্র

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

পরিচালনগত আলোচনা ও বিশ্লেষণ

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

পরিচালনা পর্ষদ

কোম্পানীর 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

কোম্পানীর আর্টিক্যালস অব এসোসিয়েশন এর ৪৭ অনুচ্ছেদ অনুযায়ী জনাব জুনেদ আহমদ চৌধুরী ও ডঃ আরিফ দৌলা আসন্ন বার্ষিক সাধারণ সভায় পর্যায়ক্রমিকভাবে অবসর গ্রহণ করবেন। পুনর্নির্বাচিত পরিচালকদের তালিকা এবং বিবরণ এই রিপোর্টের 'পরিচালক প্রোফাইল' এ অন্তর্ভুক্ত করা হয়েছে। আসন্ন ২৬তম বার্ষিক সাধারণ সভায় উল্লেখিত 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 গভার্নেন্স কোড এর কমপ্লায়েন্স অনুযায়ী বর্তমান পরিচালনা

পর্যবেদে 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।

ব্যবস্থাপনা পরিচালক -এর পুনর্নিয়োগ

ব্যবস্থাপনা পরিচালক পদে মিস. সুস্মিতা আনিস-এর মেয়াদকাল ২৯ ডিসেম্বর ২০২২-এ সমাপ্ত হবে। পরিচালনা পর্ষদের সিদ্ধান্ত অনুযায়ী তিনি ৩০ ডিসেম্বর ২০২২ থেকে পাঁচ বছর মেয়াদে পুনর্নিয়োগ প্রাপ্ত হবেন। পরিচালনা পর্ষদ আসন্ন বার্ষিক সাধারণ সভায় এই নিয়োগ নিশ্চিত করার জন্য শেয়ারহোল্ডারদের নিকট প্রস্তাব করেছেন।

নমিনেশন ও রেমনারেশন কমিটি

কর্পোরেট গভর্নেন্স কোডের আলোকে কোম্পানির পরিচালনা পর্ষদ তাঁদের ২৮ অক্টোবর ২০২০ ইং 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, কোম্পানী সচিব, কমিটির সচিব হিসাবে দায়িত্ব পালন করেছেন। সদস্য মিসেস নাজমা দৌলার মৃত্যুতে সৃষ্ট শূন্য পদে জনাব জুনেদ আহমেদ চৌধুরী কে ১৭ আগস্ট ২০২২ইং এ নিয়োগ দেয়া হয়। কমিটির টার্মস অফ রেফারেন্স (টিওআর) ও পলিসি পরিচালনা পর্ষদ কর্তৃক অনুমোদিত হয়েছে। এসআরসি'র (টিওআর) ও পলিসিতে রয়েছে, নির্বাহী পরিচালকদের সম্মানীভাভা নির্ধারণে নীতি প্রণয়ন, পরিচালকদের সম্মানী প্রদানের ব্যাপারে অনুমোদন/সুপারিশ, কোম্পানীর 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

২০২১-২০২২ অর্থবছরে পরিচালনা পর্ষদের মোট ৫টি সভা অনুষ্ঠিত হয়েছে। পরিচালকগণের উপস্থিতি সারাংশ Annexure-I এ দেখানো হয়েছে।

পরিচালকদের সম্মানী ভাভা

২০২১-২০২২ অর্থবছরে কোম্পানীর মিটিং এ উপস্থিতি ফি হিসাবে মোট ২৬,২৫০/- টাকা প্রদান করা হয়েছে। পরিচালকমণ্ডলীর সম্মানী ভাভা আর্থিক বিবরণীর নোট -৩১ এবং ৩৮(b) তে উল্লেখ করা হয়েছে।

শেয়ার হোল্ডিং প্যাটার্ন

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক প্রবর্তিত কর্পোরেট গভর্নেন্স কোড অনুযায়ী ৩০শে জুন ২০২২ ইং তারিখে কোম্পানীর শেয়ার হোল্ডিং প্যাটার্ন Annexure-II এ দেখানো হয়েছে।

ক্ষুদ্র বিনিয়োগকারীদের স্বার্থরক্ষা

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

অডিটরদের নিয়োগ

কোম্পানীর বর্তমান অডিটর এ ওহাব এন্ড কোং, চার্টার্ড অ্যাকাউন্ট্যান্টস, তাদের ২০২২ সালের ৩০শে জুন তারিখের সমাপ্ত আর্থিক বছরের নিরীক্ষা সম্পন্ন করার পর আসন্ন বার্ষিক সাধারণ সভায় অবসর গ্রহণ করবেন। বিএসইসি'র প্রজ্ঞাপন মোতাবেক তারা পুনর্নিয়োগের যোগ্য হিসেবে বিবেচিত। এ ওহাব এন্ড কোং, চার্টার্ড অ্যাকাউন্ট্যান্টস ৭,৬২,৩০০/- টাকা (মূল্য সংযোজন কর ব্যতিরেকে) সম্মানীর বিনিময়ে ২০২২-২০২৩ অর্থ বছরের নিরীক্ষা কার্যক্রম সম্পন্ন করার লক্ষ্যে নিয়োগ প্রাপ্ত হতে আশ্রয় প্রকাশ করেছে। এ লক্ষ্যে, কোম্পানীর পরিচালনা পর্ষদ শেয়ারহোল্ডারদের নিকট তাদের নিয়োগের জন্য সুপারিশ করেন।

কর্পোরেট গভর্নেন্স কমপ্লায়েন্স স্ট্যাটাস

এসিআই ভোক্তা সাধারণের জীবনযাত্রার গুণগতমান-উন্নয়ন, ভোক্তা অধিকার সংরক্ষণ, উদ্ভাবন, স্বচ্ছতা, জবাবদিহিতা ও ক্রমাগত উন্নতির মধ্য দিয়েই ব্যবসার প্রসার ঘটানোর 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 কোম্পানীতে 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, কোম্পানী বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর নোটিফিকেশন অনুযায়ী সমস্ত প্রয়োজনীয় দিকনির্দেশনা পালন করেছে। এই অনুসারে,

৩০শে জুন ২০২২ সালের সমাপ্ত অর্থবছরের জন্য মন্তব্যসহ কমপ্লায়েন্স রিপোর্ট কোম্পানীর পরিচালকমন্ডলীর প্রতিবেদনের Annexure-V এ অন্তর্ভুক্ত করা হয়েছে। এ ছাড়াও কর্পোরেট গভর্নেন্স কোড অনুযায়ী আল-মুক্তাদীর এ্যাসোসিয়েটেডস, 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 কোম্পানীকে 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।

এসিআই এফএল'র 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 সমৃদ্ধ রাখা যা স্বাধীন, নমনীয় এবং অর্ন্তভুক্তিমূলক। এটি নিশ্চিত করে যে, প্রতিটি কর্মী নিজ কোম্পানী এবং দেশের প্রতি দায়িত্ব সম্পর্কে সচেতন। কর্মীদের মাঝে বৈচিত্র্যময় প্রতিভা লালন করার জন্য আমরা উদ্ভাবনী শক্তি, স্বচ্ছতা, নেতৃত্ব এবং সকল কর্মচারীদের সাথে ন্যায্য আচরনের সংস্কৃতির উপর প্রাধান্য দিয়ে থাকি।

পরিচালকমন্ডলীর পক্ষে,



সুমিতা আনিস
ব্যবস্থাপনা পরিচালক

ঢাকা, ২৬ অক্টোবর ২০২২

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

কোম্পানীর পরিচালনা পর্ষদ দৃঢ়ভাবে বিশ্বাস করে যে, এসিআই ফরমুলেশনস এর রয়েছে পর্যাপ্ত শক্তি, সম্পদ ও প্রতিশ্রুতি যা কোম্পানীকে আরও উচ্চতায় পৌঁছে দিতে পারে। বহুবিধ চ্যালেঞ্জের মুখোমুখি হওয়া সত্ত্বেও কোম্পানীর ব্যবসায়িক ফলাফল পরিচালনা পর্ষদ, ব্যবস্থাপনা পর্ষদ, সর্বোপরি এবং সকল কর্মীদের দৃঢ় মনোবল এবং সংকল্পেরই ফসল। এসিআই ফরমুলেশনস এর সকল ব্যবসায়িক সহযোগী, শেয়ারমালিক, সরবরাহকারী, ক্রেতা, ব্যাংকার ও মিডিয়া যাদের সহযোগীতা 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 সহযোগীতা 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।



গোলাম মইন উদ্দীন
স্বতন্ত্র পরিচালক

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 2021-2022 are as follows:

Name	Position	Meeting Held	Meeting Attended	Remarks
Mr. M. Anis Ud Dowla	Chairman	5	5	-
Dr. Arif Dowla	Director	5	4	-
Dr. A.K.M Fareyuzul Haque Ansarey	Director	5	5	-
Mr. Golam Mainuddin	Independent Director	5	5	-
Mr. Abdul-Muyeed Chowdhury	Independent Director	5	4	-
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 2022 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	4,729,725	10.01%
	Dr. A.K.M Fareyuzul Haque Ansarey	Director	1,185,975	2.51%
	Advanced Chemical Industries Limited, Represented By,	N/A	25,269,409	53.48%
	Mrs. Najma Dowla (Expired on 28.07.2021)	Director	4,725	0.010%
	Dr. Arif Dowla	Director	1,890	0.004%
	Ms. Shusmita Anis	Director	1,890	0.004%
	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	1,890	0.004%
	Mr. Pradip Kar Chowdhury	Chief Financial Officer	-	-
	Mr. Mohammad Mostafizur Rahman	Company Secretary	-	-
	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	Holding Company	25,269,409	53.48%
	Mr. M. Anis Ud Dowla	Chairman	4,729,725	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 2021-22 with immediate preceding five years are as follows:

Figures in million except ratios and percentage (BDT)

Particulars	July 16- June 17	July 17- June 18	July 18- June 19	July 19- June 20	July 20- June 21	July 21- June 22
Net Turnover	3,629	4,127	4,025	3,422	3,863	4,246
Gross profit	1,108	1,027	1,211	1,065	1,126	1,217
Profit before tax	357	163	180	126	291	328
Profit after tax	261	115	128	92	213	243
Earnings per share (Taka)	5.81	2.56	2.83	2.05	4.51	5.14
EBITDA	551	407	485	416	479	515
Issued & paid capital	450	450	450	450	450	473
Shareowners' equity	2,455	2,502	2,472	2,407	3,009	3,117
Net asset per share (Taka)	54.55	55.59	54.93	53.48	63.69	65.97
Net operating cash flows per share (Taka)	(6.54)	(2.74)	(6.00)	14.85	12.78	7.22

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 the backdrop of the COVID-19 pandemic-driven global supply disruptions and amid the ongoing global political instability, businesses across the globe are facing unique set of obstacles and uncertainties. Overall, the global economy is projected to continue to face steep challenges shaped by the lingering effects of some powerful forces like the war in Ukraine, a cost-of-living crisis caused by persistent and broadening inflation pressures in different parts of the world, the slowdown in China, and strengthening of US Dollar against most of the currencies.

After more than two years of pandemic, the war in Ukraine and its global effects on commodity markets, supply chains, inflation, and financial conditions, have steepened the slowdown in global growth. The war has also led to a significant

increase in agricultural commodity prices, which is exacerbating food insecurity and extreme poverty in many emerging market and developing economies. According to World Bank Global Economic Prospects published in June 2022, numerous risks could further derail what is now a precarious recovery. Among them is, in particular, the possibility of stubbornly high global inflation accompanied by tepid growth, reminiscent of the stagflation of the 1970s. This could eventually result in a sharp tightening of monetary policy in advanced economies to rein in inflation, lead to surging borrowing costs, and possibly culminate in financial stress in some emerging market and developing economies.

According to IMF Economic Outlook, global growth to be 3.2 percent in 2022 and to slow to 2.7 percent in 2023 with a 25 percent probability that it could fall below 2 percent. Increasing price pressures remain the most immediate threat to current and future prosperity by squeezing real incomes and undermining macroeconomic stability. Central banks around the world are now laser-focused on restoring price stability.

Amid ongoing global instability, Bangladesh has also been affected in numerous aspects like high import prices, increasing inflation, instability in foreign exchange rate, and pressures on the foreign currency reserve of the Country. According to a data released by Bangladesh Bureau of Statistics (BBS), general index inflation of the Country shot up to 7.56% in June 2022 amid persistently high food prices and non-food prices. In June 2022, the twelve-month moving average of inflation was 6.15%.

According to Bangladesh Bank's Monetary Policy Statement, the monetary policy for FY 2021-22 was designed to support the continuing efforts for economic recovery from COVID-19 pandemic-induced adversities and maintain appropriate cautions for overall price and financial stability. With the support of the policy measures alongside the withdrawal of COVID-related restrictions, a solid and broad-based economic recovery was being reflected through various macroeconomic and financial indicators in FY2021-22. Despite the policy measures taken, Bangladesh has been facing growing inflationary and exchange rate depreciating pressure since the second half of FY2021-22, mainly due to the spillover effect of the unexpectedly higher global inflation rate along with widening current account deficits. Following the exercises of peer countries, BB absorbed some liquidity by issuing BB bills and selling foreign currency to the banks to stabilize the foreign exchange market as a part of its preventive measures.

Looking ahead, Bangladesh Bank is optimistic about continuing the economic growth momentum of the Country hanging upon ongoing growth supportive fiscal and monetary policies, with growing internal and external demand, improving COVID-19 situation, and rising business confidence. However, headwinds to this growth and inflation outlook could emerge from a number of factors, such as the unfavorable outcomes of the war in Ukraine, the continuation of soaring global commodity and energy prices, and sustained widening current account deficits with the depreciation pressure on exchange rate. Apart from containing inflation at tolerable levels, keeping import payments manageable and maintaining stability in the foreign exchange markets would be a critical challenge for the economy.

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

The Board of Directors

ACI Formulations Limited

Subject: **Declaration on Financial Statements for the year ended on 30 June 2022.**

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 2022 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 2022 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)

26 October 2022

Annexure-V

Status of Compliance 2021-22 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 NBF1;	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		
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		Given 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		Given 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;	Partly Complied		Full compliance is under process
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		
4(ii)	Nomination and Remuneration Committee	Complied		
5(1)(a)	BAC as a sub-committee of the Board;	Complied		
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		
5(1)(c)	BAC is responsible to the Board. The duties of the BAC is clearly set forth in writing.	Complied		
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		
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 BSEC 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		
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		
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	Complied		NRC performs as per BSEC Guideline
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

efforts umpteenth : প্রয়াস অসংখ্য

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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 **ACI Formulations Limited** for the year ended on 30th June 2022. 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, with the exception of code: 3(1)(c) which has been partially complied.
- (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 somewhat satisfactory.

This report, however, is no endorsement about quality of contents in the Annual Report of the Company for the year 2021-22.



Dhaka, November 27, 2022

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 2022**



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 2022, 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 2022, 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. 2,362.78 million for the Company and Tk. 2,363.42 million for the Group at the reporting date. In other words, for both the Company and the Group, approximately 37% 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. 1,360.59 million – approximately 21% 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 on sample basis between the quantities reported in the inventory counting sheet with that of quantities reported against the closing inventory.
- We have also examined 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. 826.78 million and Tk. 819.15 million as at 30 June 2022 representing 13% 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. 2,685.98 million for both the Company and the Group. In other words, approximately 80% 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. 4,246.34 and Tk. 4,247.41 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 Group comprises the parent, ACI Formulations Limited, and its subsidiary namely Neem Laboratories (Pvt.) Ltd. The financial statements of subsidiary have been audited and the component auditor has expressed an unmodified opinion on the financial statements for the year ended 30 June 2022.

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: 2210260845AS547175

Dated: Dhaka, October 26, 2022



ACI Formulations Limited

Statement of financial position

In Taka	Note	30 June 2022	30 June 2021
Assets			
Property, plant and equipment	8	2,362,781,535	2,372,942,307
Right of use assets	9	12,780,110	12,026,671
Investments	10	42,752,037	41,716,700
Non-current assets		2,418,313,682	2,426,685,678
Inventories	12	1,360,588,072	1,278,151,010
Trade receivables	13	1,112,101,219	1,284,540,445
Other receivables	14	75,901,731	48,146,104
Inter-company receivables	15	826,784,983	8,728,765
Advances, deposits and prepayments	16	44,813,080	48,881,746
Current tax assets	27	411,121,049	360,027,334
Cash and cash equivalents	17	223,435,477	208,168,048
Current assets		4,054,745,611	3,236,643,452
Total assets		6,473,059,293	5,663,329,130
Equity			
Share Capital	18	472,500,000	450,000,000
Revaluation reserve		1,619,739,070	1,619,739,070
Retained earnings		1,024,819,306	939,636,392
Total equity		3,117,058,376	3,009,375,462
Liabilities			
Employee benefits	19	60,605,910	56,169,911
Lease liability	9	8,309,251	7,339,971
Deferred tax liabilities	20	34,190,633	36,696,214
Non-current liabilities		103,105,794	100,206,096
Bank overdrafts	21	113,568,425	124,468,155
Loans and borrowings	22	2,572,416,971	1,551,197,579
Lease liability- current portion	9	4,965,714	5,253,617
Trade payables	23	96,881,330	120,975,718
Other payables	24	459,796,466	398,395,665
Unclaimed dividend account	25	5,266,217	12,968,914
Inter-company payables	26	-	340,487,924
Current liabilities		3,252,895,123	2,553,747,572
Total liabilities		3,356,000,917	2,653,953,668
Total equity and liabilities		6,473,059,293	5,663,329,130
Net asset value (NAV) per share	34	65.97	63.69

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: 2210260845AS547175

Dated: Dhaka, October 26, 2022

ACI Formulations Limited

Statement of profit or loss and other comprehensive income

<i>In Taka</i>	Note	For the year ended 30 June 2022	For the year ended 30 June 2021
Revenue	28	4,246,344,839	3,863,349,640
Cost of sales	29	(3,029,102,137)	(2,737,852,542)
Gross profit		1,217,242,702	1,125,497,098
Other income	30	12,723,608	4,981,496
Administrative, selling and distribution expenses	31	(756,271,721)	(698,180,656)
Operating profit		473,694,589	432,297,938
Finance costs, net	32	(128,053,893)	(126,556,900)
Profit before contribution to WPPF		345,640,696	305,741,038
Contribution to WPPF		(17,282,035)	(15,287,052)
Profit before tax		328,358,661	290,453,986
Income tax expense	33		
Current tax		(88,181,328)	(86,574,760)
Deferred tax income/(expense)		2,505,581	9,384,688
		(85,675,747)	(77,190,072)
Profit after tax		242,682,914	213,263,914
Other comprehensive income		-	-
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit plan		-	(5,130,000)
Related tax		-	1,154,250
		-	(3,975,750)
Revaluation surplus on property, plant and equipment		-	505,895,079
Related tax		-	(22,548,940)
		-	483,346,139
Other comprehensive income, net of tax		-	479,370,389
Total comprehensive income		242,682,914	692,634,303
Earnings per share	34		
Basic earnings per share		5.14	4.51

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: 2210260845A5547175

Dated: Dhaka, October 26, 2022



ACI Formulations Limited

Statement of changes in equity

<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

<i>In Taka</i>	For the year ended 30 June 2021			
	Share capital	Revaluation reserve	Retained earnings	Total
Balance at 1 July 2020	450,000,000	1,136,392,931	820,348,228	2,406,741,159
Total comprehensive income				
Profit after tax	-	-	213,263,914	213,263,914
Other comprehensive income net of tax	-	483,346,139	(3,975,750)	479,370,389
Total comprehensive income	-	483,346,139	209,288,164	692,634,303
Transactions with owners of the company				
Contributions and distributions				
Final dividend paid for the year 2019-20	-	-	(90,000,000)	(90,000,000)
Total transactions with owners of the company	-	-	(90,000,000)	(90,000,000)
Transactions recognised directly in equity				
Realisation of revaluation surplus	-	-	-	-
Total transactions recognised directly in equity	-	-	-	-
Balance at 30 June 2021	450,000,000	1,619,739,070	939,636,392	3,009,375,462

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 2022	For the year ended 30 June 2021
Cash flows from operating activities			
Cash receipts from customers and others		4,400,696,728	4,149,686,706
Cash paid to suppliers and employees		(3,766,318,886)	(3,290,031,208)
Cash (used in)/generated from operating activities		634,377,842	859,655,498
Paid to WPPF		(15,287,052)	(6,608,741)
Interest paid		(138,712,434)	(126,521,019)
Income tax paid		(139,275,043)	(122,708,014)
		(293,274,529)	(255,837,774)
Net cash (used in)/from operating activities*	17.3	341,103,313	603,817,724
Cash flows from investing activities			
Acquisition of property, plant and equipment		(30,314,643)	(11,070,176)
Investment		(1,035,337)	(1,950,773)
Net cash (used in)/from investing activities		(31,349,981)	(13,020,949)
Cash flows from financing activities			
Inter-company debts received/(paid)		(1,155,814,189)	(506,940,934)
Proceeds from loans and borrowings		1,021,219,392	(75,773,953)
Payment for lease obligation		(6,663,180)	(6,653,130)
Dividends paid		(142,702,697)	(89,611,766)
Net cash (used in)/from financing activities		(283,960,674)	(678,979,783)
Net increase/(decrease) in cash and cash equivalents		25,792,658	(88,183,008)
Opening cash and cash equivalents		83,699,893	171,882,901
Effect of foreign exchange rate changes		374,500	-
Cash and cash equivalents at reporting date		109,867,052	83,699,893
Closing balance represents			
Cash and cash equivalents	17	223,435,477	208,168,048
Bank overdraft	21	(113,568,425)	(124,468,155)
		109,867,052	83,699,893
Net operating cash flows per share (NOCFPS)	34	7.22	12.78

* 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 2022	30 June 2021
Assets			
Property, plant and equipment	8(a)	2,363,419,088	2,373,949,870
Right of use assets	9(a)	12,780,110	12,026,671
Investments	10(a)	38,803,703	37,768,366
Intangible assets	11	5,147,792	5,147,792
Non-current assets		2,420,150,693	2,428,892,699
Inventories	12(a)	1,360,588,073	1,278,151,010
Trade receivables	13(a)	1,112,572,405	1,285,524,206
Other receivables	14	75,901,732	48,146,112
Inter-company receivables	15(a)	819,149,742	741,163
Advances, deposits and prepayments	16(a)	45,464,190	49,567,359
Current tax assets	27(a)	410,952,665	359,975,259
Cash and cash equivalents	17(a)	224,596,891	208,963,186
Current assets		4,049,225,698	3,231,068,295
Total assets		6,469,376,391	5,659,960,994
Equity			
Share Capital	18	472,500,000	450,000,000
Revaluation reserve		1,619,739,070	1,619,739,070
Retained earnings		1,020,447,831	935,070,632
Equity attributable to the owners of the Company		3,112,686,901	3,004,809,702
Non controlling interest		(113,701)	(117,666)
Total equity		3,112,573,200	3,004,692,036
Liabilities			
Employee benefits	19	60,605,910	56,169,911
Lease liability	9(a)	8,309,251	7,339,971
Deferred tax liabilities	20(a)	34,148,883	36,642,620
Non-current liabilities		103,064,044	100,152,502
Bank overdrafts	21	113,568,425	124,468,155
Loans and borrowings	22(a)	2,572,416,971	1,551,197,579
Lease liability- current portion	9(a)	4,965,714	5,253,617
Trade payables	23(a)	97,197,876	121,742,263
Other payables	24(a)	460,323,944	398,998,004
Unclaimed dividend account	25	5,266,217	12,968,914
Inter-company payables	26	-	340,487,924
Current liabilities		3,253,739,147	2,555,116,456
Total liabilities		3,356,803,191	2,655,268,958
Total equity and liabilities		6,469,376,391	5,659,960,994
Net Asset Value (NAV) per share	34(a)	65.88	63.59

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: 2210260845AS547175

Dated: Dhaka, October 26, 2022

ACI Formulations Limited

Consolidated statement of profit or loss and other comprehensive income

<i>In Taka</i>	Note	For the year ended 30 June 2022	For the year ended 30 June 2021
Revenue	28(a)	4,247,415,070	3,864,530,432
Cost of sales	29(a)	(3,029,102,135)	(2,737,852,543)
Gross profit		1,218,312,935	1,126,677,889
Other income	30(a)	13,101,607	4,981,496
Administrative, selling and distribution expenses	31(a)	(756,677,355)	(698,602,393)
Operating profit		474,737,187	433,056,992
Finance costs, net	32(a)	(128,665,974)	(126,890,319)
Profit before contribution to WPPF		346,071,213	306,166,673
Contribution to WPPF		(17,282,035)	(15,287,052)
Profit before tax		328,789,178	290,879,621
Income tax expense:	33(a)		
Current tax		(88,401,751)	(86,761,995)
Deferred tax income/(expense)		2,493,737	9,346,599
		(85,908,014)	(77,415,396)
Profit after tax		242,881,164	213,464,225
Other comprehensive income		-	-
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit plan		-	(5,130,000)
Related tax		-	1,154,250
		-	(3,975,750)
Revaluation of property, plant and equipment		-	505,895,079
Related tax		-	(22,548,940)
		-	483,346,139
Other comprehensive income, net of tax		-	479,370,389
Total comprehensive income		242,881,164	692,834,614
Profit attributable to:			
Owners of the Company		242,877,199	213,460,219
Non-controlling interest		3,965	4,006
		242,881,164	213,464,225
Earnings per share	34(a)		
Basic earnings per share		5.14	4.52


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: 2210260845AS547175

Dated: Dhaka, October 26, 2022



ACI Formulations Limited

Consolidated statement of changes in equity

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 as 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	-	(22,500,000)	-	-	-
Transactions recognised directly in equity						
Realisation of revaluation surplus	-	-	(157,500,000)	(135,000,000)	-	(135,000,000)
Total transactions recognised directly in equity	-	-	(157,500,000)	(135,000,000)	-	(135,000,000)
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

In Taka	Attributable to owner of the Company				Non-controlling interests	Total equity
	Share capital	Revaluation reserve	Retained earnings	Total		
Balance at 1 July 2020	450,000,000	1,136,392,931	815,586,163	2,401,979,094	(121,672)	2,401,857,422
Total comprehensive income						
Profit after tax	-	-	213,460,219	213,460,219	4,006	213,464,225
Other comprehensive income net of tax	-	483,346,139	(3,975,750)	479,370,389	-	479,370,389
Total comprehensive income	-	483,346,139	209,484,469	692,830,608	4,006	692,834,614
Transactions with owners of the company						
Contributions and distributions						
Final dividend paid for the year 2019-20	-	-	(90,000,000)	(90,000,000)	-	(90,000,000)
Total transactions with owners of the company	-	-	(90,000,000)	(90,000,000)	-	(90,000,000)
Transactions recognised directly in equity						
Realisation of revaluation surplus	-	-	-	-	-	-
Total transactions recognised directly in equity	-	-	-	-	-	-
Balance as at 30 June 2021	450,000,000	1,619,739,070	935,070,632	3,004,809,702	(117,666)	3,004,692,036

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 2022	For the year ended 30 June 2021
Cash flows from operating activities			
Cash receipts from customers		4,402,207,533	4,150,888,910
Cash paid to suppliers and employees		(3,766,394,860)	(3,290,301,674)
Cash (used in)/generated from operating activities		635,812,673	860,587,236
Payment for WPPF		(15,287,052)	(6,608,741)
Interest paid		(139,324,515)	(126,854,438)
Income tax paid		(139,379,156)	(122,979,544)
		(293,990,723)	(256,442,723)
Net cash (used in)/from operating activities*	17.3(a)	341,821,950	604,144,513
Cash flows from investing activities			
Acquisition of property, plant and equipment		(30,314,643)	(11,070,176)
Investment		(1,035,337)	(1,950,773)
Net cash (used in)/from investing activities		(31,349,980)	(13,020,949)
Cash flows from financing activities			
Inter-company debts received/(paid)		(1,156,166,550)	(507,165,071)
Proceeds from loans and borrowings		1,021,219,392	(75,773,953)
Payment for lease obligation		(6,663,180)	(6,653,130)
Dividends paid		(142,702,697)	(89,611,766)
Net cash (used in)/from financing activities		(284,313,035)	(679,203,919)
Net increase/(decrease) in cash and cash equivalents		26,158,935	(88,080,356)
Opening Cash and cash equivalents		84,495,031	172,575,387
Effect of foreign exchange rate changes		374,500	-
Closing cash and cash equivalents at reporting date		111,028,466	84,495,031
Closing balance represents			
Cash and cash equivalents	17(a)	224,596,891	208,963,186
Bank overdraft	21	(113,568,425)	(124,468,155)
		111,028,466	84,495,031
Net Operating Cash Flows Per Share (NOCFPS)	34(a)	7.23	12.79

* 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 2022

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 2022 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 subsidiary

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 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 has agreed to subscribe 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 2022 were authorised by the Board of Directors on October 26, 2022 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 2022 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 2021 to 30 June 2022 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 are prepared in BDT, 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 and 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 2021 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 rates 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 2022 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 2022	30 June 2021
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 2022.

(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 payments 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 receivables, inter-company receivables, other receivables, cash and cash equivalents, trade payables, inter-company payables, other payables, bank overdraft, 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 receivables, intercompany receivables, 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 the 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 2022.

(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 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	26,837,320	52,730,754	
Segment revenue	3,333,458,797	13,451,926	507,585,956	348,410,071	4,202,906,750	44,508,319	4,247,415,069	
Cost of sales excluding depreciation	(2,178,812,305)	(50,692,119)	(452,024,202)	(276,521,193)	(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)	(827,802)	(41,375,173)	
Other income	8,236,123	-	143,215	914,452	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)	(391,903)	(745,566,924)	
Finance costs	(103,793,953)	-	(6,819,030)	(16,098,645)	(126,711,628)	(1,954,347)	(128,665,975)	
Segment profit/(loss) before tax	417,212,746	(59,267,027)	33,925,387	(67,240,240)	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	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	1,855,852,683	3,356,803,191	

30 June 2021

In Taka	Reportable segments					Total reportable segments	Unallocated	Total
	CC & PH	M Coil	Aerosol	Paint	Paint			
External revenue	3,042,701,283	22,316,718	441,424,854	260,744,102	3,767,186,957	28,814,473	3,796,001,430	
Intra-segment revenue	-	-	67,348,210	-	67,348,210	1,180,791	68,529,001	
Segment revenue	3,042,701,283	22,316,718	508,773,064	260,744,102	3,834,535,167	29,995,264	3,864,530,432	
Cost of sales excluding depreciation	(1,945,525,049)	(51,711,572)	(467,875,994)	(209,611,734)	(2,674,724,349)	(29,083,680)	(2,703,808,029)	
Depreciation	(19,185,362)	(17,302,370)	(4,922,261)	(4,896,351)	(46,306,344)	(1,167,958)	(47,474,302)	
Other income	3,828,506	-	58,380	1,094,610	4,981,496	-	4,981,496	
Operating expenses excluding depreciation	(561,427,283)	(8,197,477)	(8,282,000)	(107,164,571)	(685,071,331)	(101,274)	(685,172,605)	
Finance costs	(109,276,318)	-	-	(16,905,425)	(126,181,742)	(708,577)	(126,890,319)	
Segment profit/(loss) before tax	390,559,988	(52,149,966)	26,363,629	(72,902,400)	291,871,252	(991,632)	290,879,621	
Segment assets	2,546,824,908	669,249,695	630,937,264	441,967,268	4,288,979,135	1,370,981,859	5,659,960,994	
Segment liabilities	1,672,647,584	8,885,363	131,878,580	98,844,503	1,912,256,030	743,012,928	2,655,268,958	

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 2020	448,831,902	191,521,002	263,065,299	24,423,296	9,347,409	31,596,126	77,942,155	2,305,088	1,049,032,277
Additions	4,778,664	-	325,500	579,302	-	158,867	1,900,401	3,327,441	11,070,176
Transfer	-	1,362,812	2,872,939	-	-	195,036	-	(4,430,787)	-
Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance at 30 June 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
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
Revaluation									
Balance at 1 July 2020	1,087,030,581	36,307,824	4,895,230	448,847	1,291,621	113,471	8	-	1,130,087,582
Addition	505,895,079	-	-	-	-	-	-	-	505,895,079
Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance at 30 June 2021	1,592,925,660	36,307,824	4,895,230	448,847	1,291,621	113,471	8	-	1,635,982,661
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

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 2020	-	27,564,426	146,483,708	14,642,617	5,154,499	14,290,443	58,325,931	-	266,461,624
Depreciation	-	6,158,271	21,421,701	3,840,958	1,163,299	2,846,445	9,337,257	-	44,767,931
Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance at 30 June 2021	-	33,722,697	167,905,409	18,483,575	6,317,798	17,136,888	67,663,188	-	311,229,555
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

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 2020	-	5,288,488	3,667,559	409,061	623,431	61,739	(2)	-	10,050,276
Depreciation	-	1,164,354	539,399	15,743	129,150	14,330	-	-	1,862,976
Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance at 30 June 2021	-	6,452,842	4,206,958	424,804	752,581	76,069	(2)	-	11,913,252
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
Carrying amounts									
As at 1 July 2020	1,535,862,483	194,975,912	117,809,262	9,820,465	4,861,100	17,357,415	19,616,234	2,305,088	1,902,607,959
At 30 June 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
As 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

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 2020	448,831,903	191,521,002	265,368,897	25,035,464	9,780,872	31,947,089	79,202,155	2,305,088	1,053,992,470
Additions	4,778,664	-	325,500	579,302	-	158,867	1,900,401	3,327,441	11,070,176
Transfer	-	1,362,812	2,872,939	-	-	195,036	-	(4,430,787)	-
Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance at 30 June 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
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
Revaluation									
Balance at 1 July 2020	1,087,030,581	36,307,824	4,895,230	448,847	1,291,621	113,471	7	-	1,130,087,581
Addition	505,895,079	-	-	-	-	-	-	-	505,895,079
Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance at 30 June 2021	1,592,925,660	36,307,824	4,895,230	448,847	1,291,621	113,471	7	-	1,635,982,660
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

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 2020	-	27,564,426	147,981,047	15,039,475	5,355,154	14,518,196	59,585,936	-	270,044,234
Depreciation	-	6,158,271	21,652,061	3,914,651	1,194,169	2,881,541	9,337,257	-	45,137,950
Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance at 30 June 2021	-	33,722,697	169,633,108	18,954,126	6,549,323	17,399,737	68,923,193	-	315,182,184
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
Accumulated depreciation-Revaluation									
Balance at 1 July 2020	-	5,288,488	3,667,559	409,061	623,431	61,739	(2)	-	10,050,276
Depreciation	-	1,164,354	539,399	15,743	129,150	14,330	-	-	1,862,976
Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance at 30 June 2021	-	6,452,842	4,206,958	424,804	752,581	76,069	(2)	-	11,913,252
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
Carrying amounts									
As at 1 July 2020	1,535,862,484	194,975,912	118,615,521	10,035,775	5,093,908	17,480,625	19,616,228	2,305,088	1,903,985,541
At 30 June 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
As 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

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 2022	30 June 2021
Right-of-use assets	12,780,110	12,026,671
Additions during the year	6,208,739	18,598,003

ii. Lease liability

<i>In Taka</i>	30 June 2022	30 June 2021
Non-current portion of lease liability	8,309,251	7,339,971
Current portion of lease liability	4,965,714	5,253,617
	13,274,965	12,593,588

iii. Reconciliation of rent expense

<i>In Taka</i>	Note	30 June 2022	30 June 2021
Amount recognised in profit or loss			
Charge on right-of-use rent agreements	31	6,962,178	8,535,625
Interest on lease liabilities	32	1,342,266	1,100,489
Expense for short term rents	31	21,396,718	16,995,973
Amount recognised in profit or loss under IFRS 16		29,701,162	26,632,087
Rent paid (excluding IFRS 16 adjustment)		30,133,464	27,341,250

9(a) Consolidated leases

i. Right-of-use assets

<i>In Taka</i>	30 June 2022	30 June 2021
Right-of-use assets	12,780,110	12,026,671

ii. Lease liability

<i>In Taka</i>	30 June 2022	30 June 2021
Non-current portion of lease liability	8,309,251	7,339,971
Current portion of lease liability	4,965,714	5,253,617
	13,274,965	12,593,588

10 Investments

<i>In Taka</i>	Note	30 June 2022	30 June 2021
Investment in subsidiary	10.1	3,948,334	3,948,334
Investment in FDR	10.2	38,728,703	37,693,366
Investment in shares of ACI Motors Limited		75,000	75,000
		42,752,037	41,716,700

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



10.1 Investment in subsidiary

Name of subsidiary	30 June 2022					30 June 2021
	Number of shares	Face value	Called and	Share-holding	Value	Value
		per share	paid up		capital per share	Taka
		Taka	Taka	%	Taka	Taka
Neem Laboratories (Pvt.) Ltd	4900	100	100	98	3,948,334	3,948,334
Total investment in subsidiary					3,948,334	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 2022	30 June 2021
Investment in FDR	10.2	38,728,703	37,693,366
Investment in shares of ACI Motors Limited		75,000	75,000
		38,803,703	37,768,366

11 Intangible assets

<i>In Taka</i>	30 June 2022	30 June 2021
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 2022	30 June 2021
Raw and packing materials	647,131,736	608,708,444
Finished goods	572,989,183	619,749,307
Goods in transit	138,930,252	54,800,954
Other inventories (engineering stores and diesel)	25,195,969	25,307,482
Allowance for inventory	(23,659,068)	(30,415,176)
	1,360,588,072	1,278,151,010

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 2022	30 June 2021
Raw and packing materials	647,131,736	608,708,444
Finished goods	573,265,474	620,025,598
Goods in transit	138,930,252	54,800,954
Other inventories (engineering stores and diesel)	25,195,969	25,307,482
Allowance for inventory	(23,935,358)	(30,691,467)
	1,360,588,073	1,278,151,010

13 Trade receivables

<i>In Taka</i>	30 June 2022			30 June 2021
	Dues over 6 months	Dues below 6 months	Total	Total
Related party	-	-	-	-
Other than related parties	427,133,244	907,865,351	1,334,998,595	1,490,542,928
			1,334,998,595	1,490,542,928
Less: Provision for doubtful debts			(222,897,376)	(206,002,483)
			1,112,101,219	1,284,540,445

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 2022			30 June 2021
	Dues over 6 months	Dues below 6 months	Total	Total
Related parties	-	-	-	-
Other than related parties	427,133,244	908,336,538	1,335,469,781	1,491,526,689
			1,335,469,781	1,491,526,689
Less: Provision for doubtful debts			(222,897,376)	(206,002,483)
			1,112,572,405	1,285,524,206

14 Other receivables

Other receivables represent 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 2022	30 June 2021
ACI Limited	785,673,739	-
ACI HealthCare Bangladesh Ltd	33,178,916	-
Neem Laboratories (Pvt.) Ltd	7,932,328	8,728,765
	826,784,983	8,728,765

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 2022	30 June 2021
ACI Limited	785,970,826	741,163
ACI HealthCare Bangladesh Ltd	33,178,916	-
	819,149,742	741,163



16 Advances, deposits and prepayments

<i>In Taka</i>	30 June 2022	30 June 2021
Advances:		
Staffs	98,769	260,803
Supplier and others	31,774,125	30,686,421
VAT current account	(4,734,280)	(442,199)
	27,138,614	30,505,025
Deposits:		
Security deposits	10,026,623	9,639,623
Bank guarantee margin	4,784,074	4,784,073
	14,810,697	14,423,697
Prepayments:		
Prepaid expenses	2,863,769	3,953,024
	2,863,769	3,953,024
	44,813,080	48,881,746

16(a) Consolidated advances, deposits and prepayments

<i>In Taka</i>	30 June 2022	30 June 2021
Advances:		
Staffs	98,769	260,803
Suppliers & others	32,425,236	31,372,034
VAT current account	(4,734,281)	(442,199)
	27,789,724	31,190,638
Deposits:		
Security deposits	10,026,623	9,639,623
Bank guarantee margin	4,784,074	4,784,073
	14,810,697	14,423,696
Prepayments:		
Prepaid expenses	2,863,769	3,953,024
	2,863,769	3,953,024
	45,464,190	49,567,359

17 Cash and cash equivalents

<i>In Taka</i>	Note	30 June 2022	30 June 2021
Cash in hand		4,399,259	4,191,260
Collection in hand	17.1	78,278,693	64,548,042
Cash at bank	17.2	140,757,525	139,428,746
		223,435,477	208,168,048

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 2022	30 June 2021
Standard Chartered Bank	2,857,411	13,978,085
The Hongkong and Shanghai Banking Corporation Limited (HSBC)	9,055,440	27,259,098
AB Bank Limited	8,710,928	15,922,967
Agrani Bank Limited	2,914,212	1,430,714
Janata Bank Limited	19,245,989	17,791,925
Sonali Bank Limited	3,331,787	2,901,800
Bank Asia Limited	-	260
BRAC Bank Limited	11,933,640	7,294,090
ONE Bank Limited	15,113,654	3,084,711
Commercial Bank of Ceylon PLC	194,652	5,392,047
The City Bank Limited	3,855,675	-
Prime Bank Limited	54,292,810	31,405,796
Pubali Bank Limited	153,778	4,473,078
Dutch Bangla Bank Limited	5,830,595	1,860,054
Mercantile Bank Limited	1,879,981	1,879,824
Bengal Commercial Bank Ltd	40,921	4,402,550
Al Arafa Islami Bank Limited	713,852	7,655
The Trust Bank Limited	632,200	344,090
	140,757,525	139,428,746

17.3 Reconciliation of net operating cash flow

<i>In Taka</i>	30 June 2022	30 June 2021
Profit after tax	242,682,914	213,263,914
<i>Adjustment for:</i>		
- Depreciation and amortization	41,005,154	47,104,282
- Bad debts and inventory loss/(recovery)	(77,721,381)	27,079,471
- Net finance cost	128,053,893	126,556,900
- Unrealized gain/(loss) on translation of foreign currency receivables	(2,729,953)	-
- Tax expense	85,675,747	77,190,072
- Contribution to WPPF	17,282,035	15,287,052
<i>Changes in:</i>		
- Inventories	13,661,650	(12,088,437)
- Trade and other receivables	127,788,708	253,263,335
- Advances, deposit and prepayments	3,588,815	32,937,564
- Trade and other payables, employment benefits'	55,090,260	79,061,344
Cash generating from operating activities	634,377,842	859,655,498
Paid to WPPF	(15,287,052)	(6,608,741)
Interest paid	(138,712,434)	(126,521,019)
Income tax paid	(139,275,043)	(122,708,014)
Net cash from operating activities	341,103,313	603,817,724



17(a) Consolidated cash and cash equivalents

<i>In Taka</i>	Note	30 June 2022	30 June 2021
Cash in hand		4,399,259	4,277,165
Collection in hand	17.1	78,278,693	64,548,041
Cash at bank	17.2(a)	141,918,939	140,137,980
		224,596,891	208,963,186

17.2(a) Consolidated cash at bank

<i>In Taka</i>	30 June 2022	30 June 2021
Standard Chartered Bank	2,857,411	13,978,085
The Hongkong and Shanghai Banking Corporation Limited (HSBC)	9,055,440	27,259,098
AB Bank Limited	8,710,928	15,922,967
Agrani Bank Limited	2,914,212	1,430,714
Janata Bank Limited	19,245,989	17,791,925
Sonali Bank Limited	3,331,787	2,901,800
Bank Asia Limited	-	260
BRAC Bank Limited	11,933,640	7,294,090
ONE Bank Limited	15,113,654	3,084,711
Commercial Bank of Ceylon PLC	194,652	5,392,047
The City Bank Limited	3,855,675	-
Prime Bank Limited	54,292,810	31,405,796
Pubali Bank Limited	153,778	4,473,078
Dutch Bangla Bank Limited	6,992,009	2,569,288
Mercantile Bank Limited	1,879,981	1,879,824
Bengal Commercial Bank Ltd	40,921	4,402,550
Al Arafa Islami Bank Limited	713,852	7,655
The Trust Bank Limited	632,200	344,090
	141,918,939	140,137,980

17.3(a) Reconciliation of consolidated net operating cash flow

<i>In Taka</i>	30 June 2022	30 June 2021
Profit after tax	242,881,164	213,464,225
<i>Adjustment for:</i>		
- Depreciation and amortization	41,375,173	47,474,301
- Bad debts and inventory loss/(recovery)	(77,721,381)	27,079,471
- Net finance cost	128,665,974	126,890,319
- Unrealized gain/(loss) on translation of foreign currency receivables	(2,729,953)	-
- Tax expense	85,908,013	77,415,396
- Contribution to WPPF	17,282,035	15,287,052
<i>Changes in:</i>		
- Inventories	13,661,650	(12,088,437)
- Trade and other receivables	128,301,289	253,226,186
- Advances, deposit and prepayments	3,623,316	32,948,564
- Trade and other payables, employment benefits'	54,565,393	78,890,158
Cash generating from operating activities	635,812,673	860,587,236
Paid to WPPF	(15,287,052)	(6,608,741)
Interest paid	(139,324,515)	(126,854,438)
Income tax paid	(139,379,156)	(122,979,544)
Net cash from operating activities	341,821,950	604,144,513

18 Share capital

<i>In Taka</i>	30 June 2022	30 June 2021
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	325,000,000
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	450,000,000
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 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Directors and sponsors	31,193,614	29,708,205	66.02%	66.02%	311,936,140	297,082,050
Institutions	8,484,922	12,893,128	17.96%	28.65%	84,849,220	128,931,280
General shareholders	7,571,464	2,398,667	16.02%	5.33%	75,714,640	23,986,670
	47,250,000	45,000,000	100.00%	100.00%	472,500,000	450,000,000

18.2 Share owning schedule

Shareholder's range	Number of shareholders		Number of shares		Percentage of holding	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Less than 500	3,495	2,046	542,369	314,509	1.15%	0.70%
501 to 5000 shares	1,851	717	3,055,665	1,079,586	6.47%	2.40%
5001 to 10,000 shares	213	58	1,580,681	417,957	3.35%	0.93%
10,001 to 20,000 shares	94	25	1,385,393	373,762	2.93%	0.83%
20,001 to 30,000 shares	25	14	628,365	364,170	1.33%	0.81%
30,001 to 40,000 shares	8	6	280,867	209,547	0.59%	0.47%
40,001 to 50,000 shares	15	8	687,018	350,764	1.45%	0.78%
50,001 to 100,000 shares	15	7	1,109,109	560,423	2.35%	1.25%
100,001 to 1,000,000 shares	11	15	3,256,653	4,079,266	6.89%	9.07%
Over 1,000,000 shares	4	5	34,723,880	37,250,016	73.49%	82.78%
	5,731	2,901	47,250,000	45,000,000	100.00%	100.00%

19 Employee benefits

<i>In Taka</i>	Note	30 June 2022	30 June 2021
Defined benefit obligation	19.1	45,208,799	42,490,000
Other employee benefits		15,397,111	13,679,911
		60,605,910	56,169,911

19.1 Defined benefit obligation

<i>In Taka</i>	30 June 2022	30 June 2021
Opening balance	42,490,000	36,432,189
Provision during the year	12,034,500	17,065,841
Paid during the year	(9,315,701)	(11,008,030)
Closing balance	45,208,799	42,490,000



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

<i>In Taka</i>	30 June 2022	30 June 2021
Amount recognised in Statement of Financial Position:		
Defined benefit obligation at the reporting date	59,533,611	52,036,112
Fair value of plan assets at the reporting date	(14,324,812)	(9,546,112)
Net defined benefit obligation at the reporting date	45,208,799	42,490,000
Movement in defined benefit obligation:		
Defined benefit obligation at the end of prior year	52,036,112	36,432,189
Service cost	9,265,521	8,935,841
Interest cost on obligation	2,974,300	3,000,000
Benefits paid out	(4,742,322)	(1,461,918)
(Gain)/losses on remeasurement	-	5,130,000
Defined benefit obligation at the reporting date	59,533,611	52,036,112
Movement in fair value of plan assets:		
Fair value of plan assets at the end of prior year	9,546,112	-
Interest income on plan assets	205,321	-
Contributions received from employer	9,315,701	9,546,112
Benefits paid out from plan assets	(4,742,322)	-
(Gain) /losses on remeasurement	-	-
Fair value of plan assets at the reporting date	14,324,812	9,546,112

20 Deferred tax liabilities

<i>In Taka</i>	Note	30 June 2022	30 June 2021
Opening balance		36,696,214	24,686,212
Deferred tax (income)/expense through profit or loss	33	(2,505,581)	(9,384,688)
Deferred tax (income)/expense through OCI		-	21,394,690
Closing balance		34,190,633	36,696,214

<i>In Taka</i>	Carrying amount on reporting date	Tax base	Taxable/ (deductible) temporary difference	Deferred tax liabilities/ (assets)
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 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
At 30 June 2021				
Land	2,046,536,227	-	2,046,536,227	61,396,087
Property, plant and equipment (other than land)	325,204,338	154,641,924	170,562,415	38,376,543
Allowance for slow-moving inventory	30,415,176	-	(30,415,176)	(6,843,415)
Allowance for doubtful debts	206,002,483	-	(206,002,483)	(46,350,559)
Defined benefit obligation	42,490,000	-	(42,490,000)	(9,560,250)
Temporary difference for IFRS 16 : Lease	1,431,968	-	(1,431,968)	(322,193)
Taxable/(Deductible) temporary differences	2,652,080,192	154,641,924	1,936,759,015	36,696,214
Applicable tax rate for land				3%
Applicable tax rate for other than land				22.50%
Deferred tax liabilities				36,696,214

20(a) Consolidated deferred tax liabilities

<i>In Taka</i>	Note	30 June 2022	30 June 2021
Opening balance		36,642,620	24,594,529
Deferred tax (income)/expense for the year	33(a)	(2,493,737)	(9,346,599)
Deferred tax (income)/expense through OCI		-	21,394,690
Closing balance		34,148,883	36,642,620

21 Bank overdrafts

<i>In Taka</i>	30 June 2022	30 June 2021
BRAC Bank Limited	6,368,049	10,181,063
Bengal Commercial Bank Ltd	92,395,046	99,787,500
Commercial Bank of Ceylon PLC	14,805,330	14,499,592
	113,568,425	124,468,155



22 Loans and borrowings

<i>In Taka</i>	30 June 2022	30 June 2021
BRAC Bank Limited	17,399,648	356,609,261
The City Bank Limited	285,261,524	148,678,049
Prime Bank Limited	592,859,782	688,095
Bengal Commercial Bank Ltd	300,000,000	200,000,000
Commercial Bank of Ceylon PLC	870,962,617	845,222,174
Pubali Bank Ltd	5,933,400	-
Al-Arafah Islami Bank Limited	500,000,000	-
	2,572,416,971	1,551,197,579

ACI Formulations Limited has following facility arrangements with banks as of 30 June 2022:

<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	-	-	-	200,000,000	5,000,000	-
BRAC Bank Limited	10,000,000	-	-	250,000,000	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	300,000,000	-	-	-	-
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 Limited.

22(a) Consolidated Loans and borrowings

<i>In Taka</i>	30 June 2022	30 June 2021
BRAC Bank Limited	17,399,648	356,609,261
The City Bank Limited	285,261,524	148,678,049
Prime Bank Limited	592,859,782	688,095
Commercial Bank of Ceylon PLC	870,962,617	845,222,174
Al-Arafah Islami Bank Limited	500,000,000	-
Pubali Bank Ltd	5,933,400	-
Bengal Commercial Bank Ltd	300,000,000	200,000,000
	2,572,416,971	1,551,197,579

23 Trade payables

<i>In Taka</i>	30 June 2022	30 June 2021
Related party-Premiaflex Plastics Limited	5,798,742	3,224,511
Other than related parties	91,082,588	117,751,207
	96,881,330	120,975,718

23(a) Consolidated trade payables

<i>In Taka</i>	30 June 2022	30 June 2021
Related party-Premiaflex Plastics Limited	5,798,742	3,224,511
Other than related parties	91,399,134	118,517,752
	97,197,876	121,742,263

24 Other payables

<i>In Taka</i>	Note	30 June 2022	30 June 2021
Creditors for expenses	24.1	395,190,019	333,415,522
Advance from customer		4,477,849	1,467,262
Interest payable		10,283,743	20,567,783
Security money payable		25,867,968	21,465,968
Withholding tax and VAT		6,694,852	6,192,078
Workers' profit participation fund	24.2	17,282,035	15,287,052
		459,796,466	398,395,665

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

24.2 Workers' profit participation fund

<i>In Taka</i>	30 June 2022	30 June 2021
Opening balance	15,287,052	6,608,741
Addition during the year	17,282,035	15,287,052
Interest accrued during the year	333,767	177,335
Paid during the year	(15,620,819)	(6,786,076)
	17,282,035	15,287,052

24(a) Consolidated other payables

<i>In Taka</i>	Note	30 June 2022	30 June 2021
Creditors for expenses	24.1	395,717,498	333,844,325
Advance from customer		4,477,849	1,467,262
Interest payable		10,283,743	20,567,783
Security money payable		25,867,968	21,465,968
Withholding tax and VAT		6,694,851	6,365,614
Provision for workers' profit participation fund	24.2	17,282,035	15,287,052
		460,323,944	398,998,004



25 Unclaimed dividend account

<i>In Taka</i>	30 June 2022	30 June 2021
Unclaimed/ unpaid dividend	5,266,217	12,968,914
	5,266,217	12,968,914

26 Inter-company payables

<i>In Taka</i>	30 June 2022	30 June 2021
ACI Limited	-	340,487,924
	-	340,487,924

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

27 Current tax liabilities/(assets)

<i>In Taka</i>	Note	30 June 2022	30 June 2021
Opening balance		476,013,534	389,438,774
Provision made during the year		88,181,328	86,574,760
		564,194,862	476,013,534
Advance income tax paid	27.1	(975,315,911)	(836,040,868)
		(411,121,049)	(360,027,334)

27.1 Advance income tax

<i>In Taka</i>	30 June 2022	30 June 2021
Opening balance	836,040,868	713,332,854
Additions	139,275,043	122,708,014
	975,315,911	836,040,868

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

<i>In Taka</i>	Note	30 June 2022	30 June 2021
Opening balance		477,919,992	391,157,997
Provision made during the year		88,401,751	86,761,995
Closing balance		566,321,743	477,919,992
Advance income tax paid	27.1(a)	(977,274,408)	(837,895,251)
		(410,952,665)	(359,975,259)

27.1(a) Consolidated advance income tax

<i>In Taka</i>	30 June 2022	30 June 2021
Opening balance	837,895,251	714,915,707
Additions	139,379,157	122,979,544
	977,274,408	837,895,251

28 Revenue

<i>In Taka</i>	Note	For the year ended 30 June 2022	For the year ended 30 June 2021
Agrochemical products	28.1	3,333,458,798	3,042,701,283
Consumer products	28.2	912,886,041	820,648,357
		4,246,344,839	3,863,349,640

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 2022	For the year ended 30 June 2021
Local	3,302,903,694	3,015,029,673
Export	30,555,104	27,671,610
	3,333,458,798	3,042,701,283

28.2 Consumer products

<i>In Taka</i>	Note	For the year ended 30 June 2022	For the year ended 30 June 2021
Coil	28.2.1	13,451,926	22,316,718
Aerosol	28.2.1	507,585,955	508,773,064
Vanish	28.2.1	43,438,089	28,814,473
Paint		348,410,071	260,744,102
		912,886,041	820,648,357

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 which will be in effect up to 30 June 2023.

28(a) Consolidated revenue

<i>In Taka</i>	Note	For the year ended 30 June 2022	For the year ended 30 June 2021
Agrochemical products	28.1(a)	3,333,458,798	3,042,701,283
Consumer products	28.2(a)	913,956,272	821,829,149
		4,247,415,070	3,864,530,432

28.1(a) Agrochemical products

<i>In Taka</i>	For the year ended 30 June 2022	For the year ended 30 June 2021
Local	3,302,903,694	3,015,029,673
Export	30,555,104	27,671,610
	3,333,458,798	3,042,701,283

28.2(a) Consumer products

<i>In Taka</i>	For the year ended 30 June 2022	For the year ended 30 June 2021
Coil	13,451,926	22,316,718
Aerosol	507,585,955	508,773,064
Vanish	43,438,089	28,814,473
Paint	348,410,071	260,744,102
Herbal cosmetics	1,070,231	1,180,791
	913,956,272	821,829,149

29 Cost of sales

In Taka	Note	For the year ended 30 June 2022	For the year ended 30 June 2021
Opening stock of finished goods		619,749,307	588,585,221
Cost of goods manufactured	29.1.1	2,802,645,864	2,524,009,941
Finished goods purchased		275,962,248	247,771,328
Stock write off/adjustment		(96,266,098)	(2,764,641)
Cost of finished goods available for sale		3,602,091,320	3,357,601,849
Closing stock of finished goods		(572,989,183)	(619,749,307)
		3,029,102,137	2,737,852,542

29.1 Cost of Sales for the year

In Taka	Note	For the year ended 30 June 2022					For the year ended 30 June 2021
		Crop Care & Public Health	Mosquito Coil	Aerosol	Vanish	Paint	Total
Stock of finished goods at 1 July		420,105,818	72,340,987	34,529,593	4,275,282	88,497,627	619,749,307
Cost of goods manufactured	29.1.1	2,020,319,056	78,565,012	467,316,744	37,338,315	199,106,736	2,802,645,864
Finished goods purchased		202,182,142	-	-	1,469,123	72,310,983	275,962,248
Stock write off/adjustment		(13,329,910)	(84,913,738)	(2,594,009)	(1,834,856)	6,406,415	(96,266,098)
Cost of finished goods available for sale		2,629,277,106	65,992,261	499,252,329	41,247,864	366,321,761	3,602,091,320
Stock of finished goods at 30 June		(442,836,332)	-	(43,187,779)	(2,507)	(86,962,565)	(572,989,183)
		2,186,440,774	65,992,261	456,064,550	41,245,357	279,359,196	3,029,102,137

29.1.1 Cost of goods manufactured

In Taka	Note	For the year ended 30 June 2022					For the year ended 30 June 2021
		Crop Care & Public Health	Mosquito Coil	Aerosol	Vanish	Paint	Total
Cost of materials consumed	29.1.1.1	1,941,941,096	20,579,067	438,137,103	28,329,640	179,896,788	2,608,883,695
Manufacturing overhead	31	78,377,960	57,985,945	29,179,641	9,008,675	19,209,948	193,762,169
Cost of production		2,020,319,056	78,565,012	467,316,744	37,338,315	199,106,736	2,802,645,864
Difference in work in process		-	-	-	-	-	-
Work in process at 1 July		-	-	-	-	-	-
Work in process at 30 June		-	-	-	-	-	-
		2,020,319,056	78,565,012	467,316,744	37,338,315	199,106,736	2,802,645,864
		-	-	-	-	-	-
		-	-	-	-	-	-
		-	-	-	-	-	-
		-	-	-	-	-	-
		3,802,464	-	-	-	-	3,802,464
		-	-	-	-	-	-
		2,524,009,941	-	-	-	-	2,524,009,941

29.1.1.1 Cost of materials consumed

In Taka	For the year ended 30 June 2022						For the year ended 30 June 2021
	Crop Care & Public Health	Mosquito Coil	Aerosol	Vanish	Paint	Total	
Raw and packing materials							
Opening stock	320,763,159	102,757,139	125,481,403	29,037,588	30,669,154	608,708,444	535,478,904
Purchase	2,013,538,665	3,197,932	427,620,792	8,064,973	194,884,624	2,647,306,986	2,407,058,370
Closing Stock	(392,360,728)	(85,376,004)	(114,965,092)	(8,772,921)	(45,656,990)	(647,131,735)	(608,708,444)
	1,941,941,096	20,579,067	438,137,103	28,329,640	179,896,788	2,608,883,695	2,333,828,830

29(a) Consolidated cost of sales

	For the year ended 30 June 2022	For the year ended 30 June 2021
In Taka		
Opening stock	1,228,734,042	1,128,142,881
Purchase	2,827,003,134	2,652,065,057
Manufacturing overhead	193,762,169	186,378,646
Closing stock	(1,220,397,210)	(1,228,734,041)
	3,029,102,135	2,737,852,543

30 Other income

	For the year ended 30 June 2022	For the year ended 30 June 2021
In Taka		
Sales of Scrap	4,942,481	3,536,946
Rental income	575,000	432,000
Miscellaneous income	3,776,309	1,012,550
Gain/loss on disposal	325,365	-
Foreign currency gain /loss	374,500	-
Unrealized gain/(loss) on translation of foreign currency receivables	2,729,953	-
	12,723,608	4,981,496

30(a) Consolidated other income/ (loss)

	For the year ended 30 June 2022	For the year ended 30 June 2021
In Taka		
Sales of Scrap	4,942,481	3,536,946
Rental income	575,000	432,000
Miscellaneous income	3,776,309	1,012,550
Gain/loss on disposal	703,364	-
Foreign currency gain /loss	374,500	-
Unrealized gain/(loss) on translation of foreign currency receivables	2,729,953	-
	13,101,607	4,981,496



31 Manufacturing, administrative, selling and distribution expenses

<i>In Taka</i>	For the year ended 30 June 2022					For the year ended 30 June 2021
	Manufacturing expenses	Administrative expenses	Distribution expenses	Selling expenses	Total	Total
Salary and wages	132,961,977	152,192,062	46,138,151	267,640,349	598,932,539	536,842,874
Traveling and conveyance	314,080	2,319,131	26,767,969	65,717,586	95,118,766	81,226,040
Service charge, rates and fees	315,363	4,253,223	-	1,232,832	5,801,418	5,688,919
Expenses for short term rents	-	-	10,555,194	10,841,524	21,396,718	16,695,973
Charge on right-of-use rent agreements	-	-	3,341,845	3,620,333	6,962,178	8,535,625
Repair, maintenance & spares	16,245,758	6,363,093	1,150,981	1,107,877	24,867,709	26,458,227
Fuel and power	12,586,468	3,904,122	2,315,105	6,865,843	25,671,538	24,539,349
Postage, telephone and fax	921,469	108,559	1,687,426	3,973,564	6,691,018	7,567,759
Printing and stationery	765,345	1,181,670	5,300,097	962,960	8,210,072	8,202,699
Promotional expenses	48,682	-	-	21,615,625	21,664,307	22,454,845
Customer & field demonstration	-	-	-	19,601,802	19,601,802	20,469,633
Sample expenses	-	-	-	2,157,454	2,157,454	1,546,136
Annual conference	-	-	-	1,413,720	1,413,720	4,800,000
Publicity & advertisement	-	25,000	-	1,048,958	1,073,958	2,565,574
Entertainment	1,855,519	3,990,134	1,472,758	506,159	7,824,570	12,295,403
Vehicle maintenance & bridge toll	826,270	2,203,658	3,541,583	4,269,385	10,840,896	10,504,459
Doubtful debts	-	-	-	18,544,717	18,544,717	29,844,112
Carriage and handling	1,926,096	-	13,798,535	-	15,724,631	9,153,198
Legal and professional charge	-	1,755,110	-	6,084,014	7,839,124	2,596,547
Audit fees	-	693,000	-	-	693,000	693,000
Insurance	4,518,190	-	-	540,789	5,058,979	6,828,773
Directors' fees	-	26,250	-	-	26,250	17,250
Bank charges	-	4,274,106	-	1,092,269	5,366,375	3,034,907
Sundry expenses	81,323	-	-	-	81,323	96,896
Product development expenses	88,061	-	-	898,734	986,795	1,187,942
Training expenses	52,963	-	-	1,642,913	1,695,876	1,213,523
Depreciation	30,264,743	1,132,037	85,349	9,523,025	41,005,154	47,104,282
Lab chemical and apparatus	871,642	-	-	-	871,642	489,395
Meeting expenses	-	810,000	-	3,983,143	4,793,143	2,881,643
	204,643,949	185,231,156	116,154,993	454,885,573	960,915,671	895,534,982
Recovery of expenses for toll manufacturing service charges:	(10,881,780)	-	-	-	(10,881,780)	(10,975,680)
	193,762,169	185,231,156	116,154,993	454,885,573	950,033,891	884,559,302
(A) Manufacturing expenses					193,762,169	186,378,646
(B) Administrative, selling and distribution expenses					756,271,721	698,180,656
					950,033,891	884,559,302

31(a) Consolidated administrative, selling and distribution expenses

<i>In Taka</i>	For the year ended 30 June 2022	For the year ended 30 June 2021
Administrative expenses	185,636,789	146,937,426
Distribution expenses	116,154,993	117,778,399
Selling expenses	454,885,573	433,886,568
	756,677,355	698,602,393

32 Finance costs, net

<i>In Taka</i>	For the year ended 30 June 2022	For the year ended 30 June 2021
Interest expenses		
Bank loan	125,511,329	76,703,610
Financing cost on lease liabilities	1,342,266	1,100,489
Inter-company	6,208,070	52,441,351
	133,061,665	130,245,450
Interest income		
Bank	1,172,165	2,443,174
Inter-company	3,835,607	1,245,376
	5,007,772	3,688,550
	128,053,893	126,556,900

32(a) Consolidated finance costs, net

<i>In Taka</i>	For the year ended 30 June 2022	For the year ended 30 June 2021
Interest expenses		
Bank loan	125,541,275	76,703,610
Financing cost on lease liabilities	1,342,266	1,100,489
Inter-company	6,208,070	51,529,394
	133,091,611	129,333,493
Interest income		
Bank	1,172,165	2,443,174
Inter-company	3,253,472	-
	4,425,637	2,443,174
	128,665,974	126,890,319

33 Income tax expense

<i>In Taka</i>	Note	For the year ended 30 June 2022	For the year ended 30 June 2021
Current tax expense			
Charged during the year	27	88,181,328	86,574,760
		88,181,328	86,574,760
Deferred tax expense/(income)			
Change in deferred tax liabilities	20	(2,505,581)	(9,384,688)
		(2,505,581)	(9,384,688)
Tax expense/(income)		85,675,747	77,190,072

32.1 Reconciliation of effective tax rate:

<i>In %</i>	For the year ended 30 June 2022	For the year ended 30 June 2021
Regular tax rate of the Company	22.50%	22.50%
Effect of exemption	0.00%	-0.10%
Effect of disallowance & other	3.56%	4.17%
	26.06%	26.57%



33(a) Consolidated income tax expense

<i>In Taka</i>	Note	For the year ended 30 June 2022	For the year ended 30 June 2021
Current tax expense			
Charged during the year	27(a)	88,401,751	86,761,995
		88,401,751	86,761,995
Deferred tax expense/(income)			
Change in deferred tax assets	20(a)	(2,493,737)	(9,346,599)
		(2,493,737)	(9,346,599)
Tax expense/(income)		85,908,014	77,415,396

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 2022	For the year ended 30 June 2021
Weighted average number of ordinary shares (number)	47,250,000	47,250,000
Profit/(loss) attributable to the owners of the Company (Taka)	242,682,914	213,263,914
Earning per share (Taka)	5.14	4.51

34.2 Net asset value (NAV) per share

Net assets attributable to equity holders of the Company	3,117,058,376	3,009,375,462
Net asset value (NAV) per share (Taka)	65.97	63.69

34.3 Net operating cash flow per share (NOCFPS)

Net cash (used in)/from operating activities	341,103,313	603,817,724
Net operating cash flows per share (NOCFPS)	7.22	12.78

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 2022	For the year ended 30 June 2021
Weighted average number of ordinary shares (number)	47,250,000	47,250,000
Profit/(loss) attributable to the owners of the Group (Taka)	242,877,199	213,460,219
Earning per share (Taka)	5.14	4.52

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

Net assets attributable to equity holders of the Group	3,112,686,901	3,004,809,702
Net asset value (NAV) per share (Taka)	65.88	63.59

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

Net cash (used in)/from operating activities	341,821,950	604,144,513
Net operating cash flows per share (NOCFPS)	7.23	12.79

34.4 Diluted earnings per share

No diluted EPS was required to be calculated for the year ended 30 June 2022 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 instrument fails to meet its contractual obligations. Company's exposure to credit risk primarily relates to trade 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 2022	30 June 2021
Trade receivables	13(a)	1,335,469,781	1,491,526,689
Other receivables	14	75,901,732	48,146,112
Inter-company receivables	15(a)	819,149,742	741,163
Deposits	16(a)	14,810,697	14,423,697
Bank balances	17(a)	141,918,939	140,137,980
		2,387,250,891	1,694,975,641

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 2022	30 June 2021
Bangladesh	1,361,744,459	1,501,902,250
India	49,627,054	37,770,551
	1,411,371,513	1,539,672,801

(b) Ageing of trade receivables

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

<i>In Taka</i>	Carrying amount	
	30 June 2022	30 June 2021
Dues below 6 months	908,336,538	1,032,857,447
Dues over 6 months	427,133,244	458,669,242
	1,335,469,781	1,491,526,689

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

<i>In Taka</i>	Note	30 June 2022	30 June 2021
Opening balance	13(a)	206,002,483	177,034,307
Impairment loss recognised		18,544,717	29,844,112
Amounts written off/ write in		(1,649,824)	(875,936)
Closing balance		222,897,376	206,002,483



(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 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	11,400,667	4,965,714	4,970,356	1,464,597	-
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	-	-	-
Inter-company payables	26	-	-	-	-	-	-
		3,262,048,398	3,260,174,100	3,253,739,147	4,970,356	1,464,597	-
Derivative financial liabilities		-	-	-	-	-	-
		3,262,048,398	3,260,174,100	3,253,739,147	4,970,356	1,464,597	-
30 June 2021		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)	12,593,588	12,593,588	5,253,617	4,168,242	3,171,729	-
Bank overdrafts	21	124,468,155	124,468,155	124,468,155	-	-	-
Loans and borrowings	22(a)	1,551,197,579	1,551,197,579	1,551,197,579	-	-	-
Trade payables	23(a)	121,742,263	121,742,263	121,742,263	-	-	-
Other payables	24(a)	398,998,004	398,998,004	398,998,004	-	-	-
Unclaimed dividend account	25	12,968,914	12,968,914	12,968,914	-	-	-
Inter-company payables	26	340,487,924	340,487,924	340,487,924	-	-	-
		2,562,456,427	2,562,456,427	3,447,136,034	4,168,242	3,171,729	-
Derivative financial liabilities		-	-	-	-	-	-
		2,562,456,427	2,562,456,427	3,447,136,034	4,168,242	3,171,729	-



(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 Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency risk

The Company 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 Company's exposure to currency risk as at balance sheet date was as follows.

<i>In USD</i>	30 June 2022	30 June 2021
Cash at bank	2,874	64,365
Loans and borrowings	(2,659,549)	(11,826,626)
	(2,656,676)	(11,762,261)

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

<i>In Taka</i>	30 June 2022		30 June 2021	
	Average rate	Year-end spot rate	Average rate	Year-end spot rate
USD	91.23	97.50	84.95	84.95

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 2022				
USD (5% movement)	12,117,762	(12,117,762)	12,117,762	(12,117,762)
30 June 2021				
USD (5% movement)	49,960,202	(49,960,202)	49,960,202	(49,960,202)

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 Company's interest-bearing financial instruments as at balance sheet date is as follows.

<i>In Taka</i>	Note	Nominal Amount	
		30 June 2022	30 June 2021
Fixed rate instruments			
<i>Financial assets</i>			
Investment in FDR	10(a)	38,728,703	37,693,366
<i>Financial liabilities</i>			
Lease liability	9(a)	(13,274,965)	(12,593,588)
Bank overdrafts	21	(113,568,425)	(124,468,155)
Loans and borrowings	22(a)	(2,313,110,913)	(546,525,700)
		(2,401,225,600)	(645,894,078)
Variable rate instruments			
<i>Financial assets</i>			
Loans to Advance Chemical Industries Limited	15(a)	819,149,742	741,163
<i>Financial liabilities</i>			
Offshore loan	22(a)	(259,306,058)	(1,004,671,879)
Loans from Advance Chemical Industries Limited	26	-	(340,487,924)
		559,843,684	(1,344,418,639)



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.

30 June 2022	In Taka	Note	Carrying amount					Fair value							
			Investment valued at cost	Hedging instruments	Mandatorily at FV/TPL	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	-	-	-	-
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	-	-	-	-
	Inter-company payables	26	-	-	-	-	-	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	3,248,773,433	3,248,773,433	-	-	-	-

30 June 2021	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
Financial assets measured at fair value													
Financial assets not measured at fair value													
	Investments	10(a)	75,000	-	-	-	37,693,366	-	-	-	-	-	-
	Trade receivables	13(a)	-	-	-	-	1,491,526,689	-	-	-	-	-	-
	Other receivables	14	-	-	-	-	48,146,112	-	-	-	-	-	-
	Inter-company receivables	15(a)	-	-	-	-	741,163	-	-	-	-	-	-
	Security deposits	16(a)	-	-	-	-	14,423,696	-	-	-	-	-	-
	Cash at bank	17.2(a)	-	-	-	-	140,137,980	-	-	-	-	-	-
			75,000	-	-	-	1,732,669,006	-	-	-	-	-	-
Financial liabilities measured at fair value													
	Lease liability	9(a)	-	-	-	-	-	-	-	12,593,588	-	-	-
			-	-	-	-	-	-	-	12,593,588	-	-	-
Financial liabilities not measured at fair value													
	Bank overdrafts	21	-	-	-	-	-	-	-	124,468,155	-	-	-
	Loans and borrowings	22(a)	-	-	-	-	-	-	-	1,551,197,579	-	-	-
	Trade payables	23(a)	-	-	-	-	-	-	-	121,742,263	-	-	-
	Other payables	24(a)	-	-	-	-	-	-	-	398,998,004	-	-	-
	Unclaimed dividend account	25	-	-	-	-	-	-	-	12,968,914	-	-	-
	Inter-company payables	26	-	-	-	-	-	-	-	340,487,924	-	-	-
			-	-	-	-	-	-	-	2,549,862,839	-	-	-



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 2022	30 June 2021
a) Revenue expenditure (Letters of credit)		
Commercial Bank of Ceylon PLC	20,005,003	171,895,906
The City Bank Limited	392,330,000	54,079,756
Pubali Bank Limited	210,839,850	-
BRAC Bank Limited	270,665,878	74,600,229
Prime Bank Limited	216,305,246	304,887,613
	1,110,145,976	605,463,505
b) Capital expenditure		
Approved and contracted for	123,768,304	862,031
	123,768,304	862,031

36.2 Contingent liabilities

<i>In Taka</i>	30 June 2022	30 June 2021
Bank guarantee		
The City Bank Limited	-	2,085,034
The Hongkong and Shanghai Banking Corporation Limited (HSBC)	24,679	-
Pubali Bank Limited	30,533,667	-
BRAC Bank Limited	11,008,280	20,866,015
	41,566,626	22,951,049
Performance guarantee		
Standard Chartered Bank	-	147,600
	-	147,600
	41,566,626	23,098,649

37 Production capacity

The production status (business wise) for the year ended 30 June 2022 are 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

The production status (business wise) for the year ended 30 June 2021 were as follows:

Business Segment	Capacity	Unit	Actual	% of utilisation
Crop Care and Public Health	27,300	M Ton	12,345	45.22
Mosquito Coil	1,098,000	Carton	14,336	1.31
Aerosol	11,400,000	Can	4,766,104	41.81
Vanish	12,000,000	Can	529,109	4.41
Paint	3,000	M Ton	1,347	44.90

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 2022	For the year ended 30 June 2021
Salary	11,036,942	9,419,872
Benefits	6,821,998	5,967,696
	17,858,940	15,387,568

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 2022	30 June 2021	30 June 2022	30 June 2021
ACI Limited	Holding company	Working capital financing	(1,126,161,663)	(523,616,561)	785,673,739	(340,487,924)
ACI Health Care Bangladesh Ltd	Sister concern	Working capital financing	(33,178,916)	-	33,178,916	-
Neem Laboratories (Pvt) Ltd	Subsidiary company	Working capital financing	796,437	16,675,625	7,932,328	8,728,765
Premiaflex Plastics Limited	Sister concern	Purchase of products	71,488,803	57,099,778	-	-
		Payment against purchase	(68,914,572)	(64,434,260)	(5,798,742)	(3,224,511)



39 Other disclosures

39.1 Number of employees

At 30 June 2022, number of regular employees receiving remuneration of Tk. 36,000 or above per annum was 982 (30 June 2021: 1,047).

39.2 Subsequent events

The Board of Directors in their meeting held on 26 October 2022 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 2022 subject to approval of the shareholders' in the Annual General Meeting scheduled to be held on 26 December 2022.

The financial statements for the year ended 30 June 2022 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 Formulations Limited

**Report of the Directors and Audited
Financial Statements of the Subsidiary Company
for the year ended 30 June 2022**



Neem Laboratories (Pvt.) Limited Directors' Report to the Shareholders For the year ended on 30 June 2022

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 “প্রকৃতির সাথে প্রাণবন্ত স্মৃতি”, “ত্বকের যত্নে ঘরোয়া রেসিপি”, “সবুজে বাঁচি সুরক্ষায় থাকি” 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 2022 are as follows:

Key Financial Results

	<u>Value (BDT)</u>
Revenue	1,070,231
Operating profit	1,042,597
Profit before tax	430,516
Profit after tax	198,249

On behalf of the Board


Shusmita Anis
Director


Mr. Abdul-Muyeed Chowdhury
Independent Director

Dhaka, 11 October, 2022



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
Tel : 88-02-9635139, 88-02-223364597
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01645-738747, 01920-719463
E-mail : shirazkhanbasak@yahoo.com
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, 2022, 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, 2022, 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: 2210121772AS759302

Place : Dhaka

Dated: October 11, 2022

NEEM LABORATORIES (Pvt.) LIMITED

Statement of Financial Position

As at 30 June 2022

Particulars	30 June 2022 Taka	30 June 2021 Taka
Assets		
Property, plant and equipment:		
At cost	3,700,191	4,960,191
Accumulated depreciation	(3,062,649)	(3,952,629)
Total non-current assets	637,542	1,007,562
Deferred tax asset	41,751	53,595
Inventories	-	-
Trade receivables	471,187	983,761
Inter-company receivables	297,087	741,163
Advances, deposits and prepayments	1,026,755	2,539,998
Cash and cash equivalents	1,161,415	795,139
Total current assets	2,956,444	5,060,061
Total assets	3,635,736	6,121,218
Equity and liabilities		
Equity		
Share capital	500,000	500,000
Retained earnings	(6,184,640)	(6,382,890)
Total equity	(5,684,640)	(5,882,890)
Liability		
Trade payables	316,546	766,547
Other payables	527,480	602,340
Inter-company liabilities	7,932,327	8,728,765
Current tax liability	544,024	1,906,455
Total current liabilities	9,320,377	12,004,107
Total liabilities	9,320,377	12,004,107
Total equity and liabilities	3,635,736	6,121,218

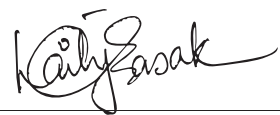
The annexed notes 1 to 15 form an integral part of these financial statements


 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: 2210121772AS759302
An associate firm of D.N. Gupta & Associates

Place : Dhaka
 Dated: October 11, 2022



NEEM LABORATORIES (PVT.) LIMITED

Statement of Comprehensive Income

For the year ended 30 June 2022

Particulars	30 June 2022 Taka	30 June 2021 Taka
Revenue	1,070,231	1,180,791
Cost of sales	-	-
Gross profit	1,070,231	1,180,791
Administration, selling and distribution expenses	(405,633)	(421,739)
	664,598	759,052
Other income	377,999	-
Result from operating activities	1,042,597	759,052
Finance cost	(612,081)	(333,419)
Profit / (loss) before income tax	430,516	425,633
Income tax expenses :		
Current tax expenses	(220,423)	(187,234)
Deferred tax expense	(11,844)	(38,089)
	(232,267)	(225,323)
Net profit / (loss) after tax	198,249	200,310

The annexed notes 1 to 15 form an integral part of these financial statements


Shusmita Anis
Director


Abdul - Mueyed Chowdhury
Director


Mohammad Mostafizur Rahman
Company Secretary

As per our separate report of even date annexed.

Place : Dhaka
Dated : October 11, 2022


Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2210121772AS759302

An associate firm of D.N. Gupta & Associates

NEEM LABORATORIES (PVT.) LIMITED

Statement of Changes In Equity

For the year ended 30 June 2022

Particulars	Share capital Taka	Retained earnings Taka	Total Taka
Balance at 30 June 2020	500,000	(6,583,200)	(6,083,200)
Net profit for the period	-	200,310	200,310
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	200,310	200,310
Balance at 30 June 2021	500,000	(6,382,890)	(5,882,890)
Balance at 30 June 2021	500,000	(6,382,890)	(5,882,890)
Net profit for the year	-	198,249	198,249
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	198,249	198,249
Balance at 30 June 2022	500,000	(6,184,640)	(5,684,640)

The annexed notes 1 to 15 form an integral part of these financial statements



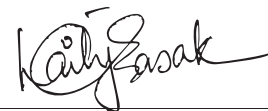
Shusmita Anis
Director



Abdul - Muyeed Chowdhury
Director



Mohammad Mostafizur Rahman
Company Secretary



Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2210121772AS759302

Place : Dhaka

Dated: October 11, 2022

An associate firm of D.N. Gupta & Associates



NEEM LABORATORIES (PVT.) LIMITED

Statement of Cash Flows

For the year ended 30 June 2022

Particulars	30 June 2022 Taka	30 June 2021 Taka
A) Cash flows from operating activities		
Cash receipts/(paid) from /(to) customers	1,510,804	1,202,205
Cash receipts from other income	-	-
	1,510,804	1,202,205
Cash paid for:		
Purchase of inventory	-	-
Operating expenses	(110,475)	(281,467)
Advances, deposits and prepayments	34,501	11,000
	(75,974)	(270,467)
Cash generated from operations	1,434,830	931,738
Financing cost	(612,081)	(333,419)
Income tax	(104,112)	(271,531)
	(716,193)	(604,950)
Net cash used in operating activities	718,637	326,787
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	(352,361)	(224,135)
Net cash flows from financing activities	(352,361)	(224,135)
D) Net cash flow from all activities (A+B+C)	366,276	102,653
E) Cash and cash equivalent at 01 July 2021	795,139	692,486
F) Cash and cash equivalent at 30 June 2022 (D+E)	1,161,415	795,139
Closing balance represents:		
Cash in hand and at bank	1,161,415	795,139
	1,161,415	795,139

The annexed notes 1 to 15 form an integral part of these financial statements


Shusmita Anis
Director


Abdul - Muyeed Chowdhury
Director


Mohammad Mostafizur Rahman
Company Secretary



Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2210121772AS759302

An associate firm of D.N. Gupta & Associates

Place : Dhaka
Dated: October 11, 2022



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 26th Annual General Meeting of the Company to be held on Sunday, 26 December 2022 at 10:00
am and/or at any adjournment thereof.

As witness my hands this _____ day of _____ 2022.

Signature on
Tk.50
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 26th Annual General Meeting being held on Monday, 26 December 2022 at 10:00 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