

*Advancing Possibilities*



**Annual Report 2011**



## Our Mission

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

## Our Vision

To realise the Mission, ACI will :

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

## Our Values

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





## UN Global Compact

Global Compact is an initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UN Global Compact encourages companies to embrace a set of core values in the areas of human rights, labor standards, the environment and anti-corruption. Since 2000, the United Nations Global Compact has called on companies to strategically address environmental, social and governance issues in their operations, in the belief that responsible business actions can underpin economies with core values that are essential for building trust in markets, driving growth and spurring development. Under the Global Compact, companies are brought together with UN agencies, labor groups and civil society. This ever-increasing understanding is reflected in the Global Compact's rapid growth. With over 8700 corporate participants and other stakeholders from over 130 countries, it is the largest voluntary corporate responsibility initiative in the world. Overall, the Global Compact pursues two complementary objectives:

1. Mainstream the ten principles in business activities around the world.
2. Catalyze actions in support of broader UN goals, including the Millennium Development Goals (MDGs).

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

Since September 2003, ACI is a proud and active member of the UN Global Compact and for the past three years it is the only Bangladeshi company who submitted a notable Communication on Progress Report.

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



## CSR Activities of ACI in 2011

The core initiative of ACI Limited (ACI) is to improve the living standards of the Bangladeshi people by applying ACI's core competencies from different business sectors like pharmaceuticals, consumer and commodity products, and agribusinesses. ACI's endeavor is to implement the core values of United Nation Global Compact (UNGC) with its business policy and system and perform CSR activities in areas where it can utilize its business experience and expertise. In year 2011 ACI endeavored to support and enact the core values of UNGC by performing and extending its CSR activities in the areas of human rights, social upliftment and protecting the environment.

**"Adopt-a-Village"** is a sanctified initiative of ACI endeavoring to improve the economic and social condition of remotest parts of Bangladesh. Through a random selection, ACI adopts a village and helps the villagers to improve the health, educational and social infrastructure. However, the main purpose of this project is to motivate the villagers to improve their fate on self-help basis, where ACI only works as a catalyst, standing beside the villagers to assist them to change their fortune. Ghonapara, a village in Gopalganj district, has been selected in 2009 and from then many CSR activities were carried out there. In 2011 these CSR activities have been extended for greater community development. ACI has organized a day-long health camp program in Ghonapara to alleviate the health related problems by providing medical services to the feeble people. ACI has provided necessary medical instruments for the camp and also supplied necessary medicines. The response from the villagers was positive. In 2011, a medical and eye camps were also organized with the help of ACI. About 680 patients received free treatment and medicines. ACI aided 16 eye cataract patients to regain their eye sight by operating them free of cost. Besides, ACI has ensured safe drinking water for the villagers by sponsoring 5 deep tube-wells in the village. A continued motivational activities was carried out among the local people of Ghonapara village on vegetables cultivation, homestead gardening, inter-crop operation, health and hygiene practices. ACI, along with some other entities, has organized a day-long training program on "Safe and Judicious Use of Pesticides and Film Show" where 34 farmers received training and certificates from Bangladesh Crop Protection Association (BCPA).

ACI partnering with CARE funded the medical camp named **"Amar Shasthya"** (*My Health*) since 2009 aiming to facilitate medical service to the people who were suffering from health problems. "Tothyo Tori" or Information Boat carries information and services close to remotest and most marginalized people of Bangladesh to alleviate their misery. All boats were equipped with doctors, medical attendants, medicines and other essential utilities that were necessary to serve the patients in the eastern and northern parts of the country. In the year 2011, as part of continuing program, twelve camps were arranged in different villages of Rangpur, Bogra and Thakurgaon districts. About 1207 people were served in these medical camps and received medicines and consultation services from the medical teams.

ACI along with "Smiling Sun Franchise Program" (SSFP) arranged an awareness program of hand washing with soap to celebrate Global Hand Washing Day held on 15 October 2011. ACI along with the association of SSFP distributed Savlon hand wash and bar soaps among all divisional schools. Advisory leaflets were also distributed to inform children the proper way of washing hands and protect themselves from diseases. A total of 1 million people washed hands in appropriate way through the assistance of ACI and with the help of SSFP and its 323 static clinics.

ACI Motors (a subsidiary of ACI) using its own tractors took the initiative to arrange a free cultivation program in Gaibandha for the helpless and poor farmers and cultivated 250 bigha of land in 24 hours. ACI considers it as a social commitment and contribution towards the national development. The poor farmers of the locality also consider it as a noble gesture from the company.

For further information on the Compact, please visit [www.unglobalcompact.org](http://www.unglobalcompact.org)



**About Cover:** The cover depicts ACI operating towards striving relentlessly unleashing the tremendous potential that our nation and our youth possess.

As ACI is functioning on the fundamental drivers of the economy, our activities create an enabling platform for others and ourselves in the continuous process of **"Advancing Possibilities"**

# Contents

<i>Corporate Management</i>	4	Board of Directors and Executive Management
	5	Notice of the 39th Annual General Meeting
	6	Year 2011 - at a Glance
	7	Six Years' Comparative Statistics from 2006-2011
	8	Message from the Chairman
	10	Corporate Governance
<i>Directors' Report</i>	12	Report of the Directors to the Shareowners
	32	Bangla Version of Message from the Chairman
	34	Bangla Version of Report of the Directors to the Shareowners
<i>Financial Statements of ACI</i>	42	<i>Auditors' Report</i>
	43	<i>Statement of Financial Position</i>
	44	<i>Income Statement</i>
	45	<i>Statement of Comprehensive Income</i>
	46	<i>Statement of Changes in Equity</i>
	47	<i>Statement of Cash Flows</i>
	48	<i>Consolidated Statement of Financial Position</i>
	49	<i>Consolidated Income Statement</i>
	50	<i>Consolidated Statement of Comprehensive Income</i>
	51	<i>Consolidated Statement of Changes in Equity</i>
	52	<i>Consolidated Statement of Cash Flows</i>
	53	<i>Notes to the Financial Statements</i>
<i>Report of the Directors and Audited Financial Statements of the Subsidiary Companies</i>	92	ACI Formulations Limited
	101	ACI Logistics Limited
	107	ACI Pure Flour Limited
	113	ACI Foods Limited
	119	ACI Salt Limited
	125	ACI Motors Limited
	131	Creative Communication Limited
	137	Premiaflex Plastics Limited
	143	ACI Agrochemicals Limited
	147	Flyban Insecticides Limited
	151	Apex Leathercraft Limited
	157	ACI Edible Oils Limited
<i>Additional Information</i>	163	Corporate Directory
	165	Proxy Form
		Safety, Health and Environment (SHE) Policy
		Quality Policy and Environmental Policy
		Attendance Slip (enclosed)



# Corporate Management

## Board of Directors



**Mr. M Anis Ud Dowla**  
Chairman



**Mr. Golam Mainuddin**  
Director



**Mr. Md. Fayekuzzaman**  
Director



**Mrs. Najma Dowla**  
Director



**Dr. Arif Dowla**  
Managing Director



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



**Ms. Shusmita Anis**  
Director



**Ms. Sheema Abed Rahman**  
Director

## Executive Management

Mr. M Mohibuz Zaman  
Chief Operating Officer, Pharmaceuticals

Dr. F H Ansarey  
Executive Director, Agribusinesses

Mr. Syed Alamgir  
Executive Director, Consumer Brands

Mr. Muallem A. Choudhury  
Executive Director, Finance & Planning  
and Chief Financial Officer

Mr. Sabbir Hasan Nasir  
Executive Director, Logistics

Ms. Sheema Abed Rahman  
Director, Corporate Affairs

Mr. Priyatosh Datta  
Director, Quality Assurance, Pharma

Mr. Abdus Sadeque  
Director, Marketing & Sales, Pharma

Mr. Pradip Kar Chowdhury  
Financial Controller

Mr. Imam Ahmed Istiak  
General Manager, Operations, Pharma

## Company Secretary

Ms. Sheema Abed Rahman

## Auditors

Hoda Vasi Chowdhury & Co,  
Chartered Accountants

## Financial Consultant

Mr. M. Sekander Ali

## Principal Bankers

Standard Chartered Bank  
The Hongkong and Shanghai  
Banking Corporation Limited  
Eastern Bank Limited  
Commercial Bank of Ceylon Plc  
Citibank N.A.  
The City Bank Limited  
BRAC Bank Limited  
Bank Alfalah Limited  
AB Bank Limited  
Bank Asia Limited  
Dutch Bangla Bank Limited  
Premier Bank Limited  
Mercantile Bank Limited  
ONE Bank Limited

## Legal Advisor

Barrister Rafique-ul Huq  
Huq and Company

## Notice of the 39th Annual General Meeting

Notice is hereby given that the 39th Annual General Meeting of Advanced Chemical Industries Limited will be held on Tuesday, 12 June 2012 at 9:00 a.m. at Bangabandhu International Conference Centre, Agargaon, Sher-E-Bangla Nagar, Dhaka to transact the following business:

### AGENDA

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31 December 2011 together with Reports of the Auditors and the Directors.
2. To declare dividend for the year ended 31 December 2011.
3. To elect Directors of the Company.
4. To appoint Auditors for the year 2012 and to fix their remuneration.

By Order of the Board



Sheema Abed Rahman  
Company Secretary

Dhaka  
25 April 2012

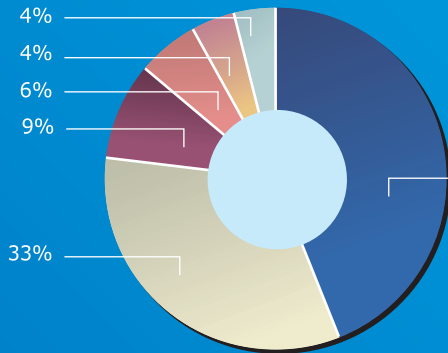
## Notes

- a. The Record Date in lieu of Book-Closure shall be on Wednesday, 16 May 2012.
- b. The Shareowners' names appearing in the Register of Members of the Company or in the Depository on the Record Date will be eligible to receive the dividend.
- c. The Directors have recommended dividend as follows:
  - i) Cash dividend: @80% per share of Taka 10 each for the year ended 31 December 2011.
  - ii) Stock dividend: @20% (i.e. 1 (one) bonus share for every 5 (Five) Ordinary Share of Tk. 10 each for the year ended 31 December 2011.
- d. A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote on his/her behalf. The Proxy Form, duly completed, must be deposited at the Share Office of the Company at 9 Motijheel Commercial Area, Dhaka-1000 not later than 48 hours before the time fixed for the Meeting.
- e. Members are requested to notify the changes of address, if any, well in time. For BO A/C holders, the same to be notified through their respective Depository Participants.
- f. Admittance to the Meeting venue will be on production of the Attendance Slip that will be sent with the Notice.



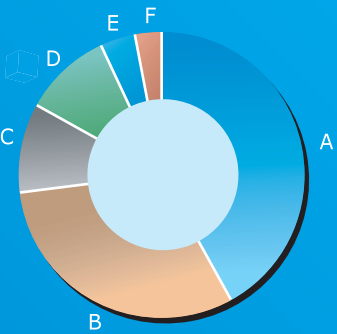
## Year 2011 - at a Glance

### Sales Contribution by Business Unit



2011

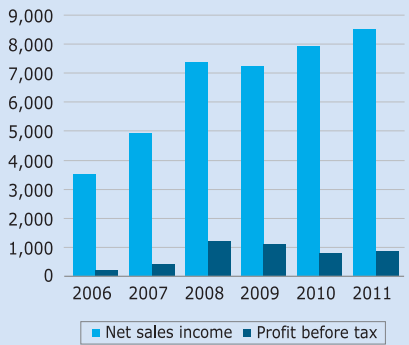
Pharmaceuticals	44%	Cropex	6%
Consumer Brands	33%	Seeds	4%
Livestock & Fisheries	9%	Fertilizer	4%



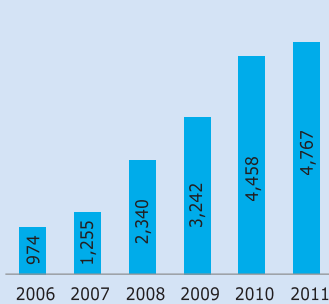
2010

A Pharmaceuticals	42%	D Cropex	10%
B Consumer Brands	31%	E Seeds	4%
C Livestock & Fisheries	10%	F Fertilizer	3%

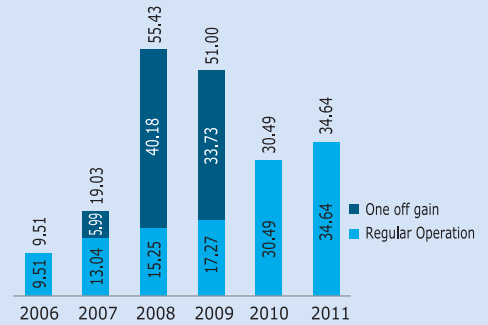
### Net Sales Income & Profit Before Tax (Taka in Million)



### Shareowners' Equity (Taka in Million)



### Earnings Per Share (Taka)



### ACI Group's Six Years' Comparative Statistics from 2006-2011

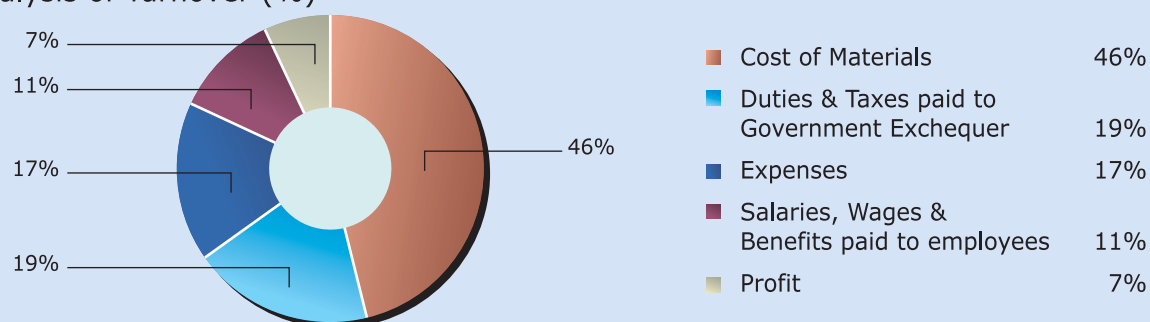
Particulars	2006	2007	2008	2009	2010	2011
<b>Taka in million</b>						
Authorized capital	500	500	500	500	500	500
Issued & paid capital	162	162	162	194	194	197
Current assets	2,140	3,228	5,926	7,639	7,591	8,486
Tangible fixed assets (gross)	1,393	1,949	3,822	4,394	5,255	6,322
Shareowners' equity	1,212	1,794	2,667	3,200	4,328	4,195
Turnover (net)	4,237	5,756	10,341	12,300	14,498	17,460
Gross profit	1,467	2,007	3,052	3,584	4,140	4,835
Profit before tax	290	531	1,095	769	471	593
Profit after tax	165	340	918	598	216	238
Current ratio (times)	1.00	0.93	0.99	1.07	1.05	0.90
Quick ratio (times)	0.42	0.47	0.47	0.68	0.60	0.50
Return on equity (%)	13.61	18.95	34.42	18.69	5.00	5.67
Inventory turnover (times)	2.24	2.37	2.32	3.14	3.13	3.40
Debtors turnover (times)	9.59	6.35	5.52	4.67	5.45	5.50
Fixed assets turnover (times)	3.04	2.95	3.47	3.73	3.02	3.21
Net asset per share (Taka)	74.95	110.95	164.94	164.91	223.05	212.74
Earnings per share (Taka)	10.19	20.99	56.67	30.82	11.14	12.11



## ACI Limited's Six Years' Comparative Statistics from 2006-2011

Particulars	2006	2007	2008	2009	2010	2011
Taka in million						
Authorized capital	500	500	500	500	500	500
Issued & paid capital	162	162	162	194	194	197
Current assets	1,755	3,121	4,987	5,369	5,856	6,955
Tangible fixed assets (gross)	1,131	1,541	1,700	1,830	1,813	2,546
Shareowners' equity	974	1,255	2,340	3,241	4,458	4,767
Turnover (net)	3,516	4,917	7,365	7,228	7,915	8,514
Gross profit	1,176	1,667	2,278	2,366	2,821	3,161
Profit before tax	233	426	1,184	1,108	808	893
Profit after tax	154	308	1,076	990	592	681
Dividend	97	137	194	204	237	198
Current ratio (times)	1.00	1.00	1.13	1.13	1.43	1.31
Quick ratio (times)	0.60	0.65	0.66	0.66	1.01	0.98
Return on equity (%)	15.79	24.54	45.98	30.55	13.28	14.29
Inventory turnover (times)	3.30	3.56	3.20	3.05	2.97	3.01
Debtors turnover (times)	10.00	7.51	6.68	6.22	7.78	7.52
Fixed assets turnover (times)	5.10	5.72	6.56	6.15	4.51	3.65
Net asset per share (Taka)	60.24	77.61	136.34	167.06	229.75	241.82
Market price per share (Taka)	70.20	181.70	521.30	447.10	372.60	206.60
Earnings per share (Taka)	9.51	19.03	55.43	51.00	30.49	34.64
Dividend per share (Taka)	6.00	8.50	12.00	10.50	12.00	10.00
Dividend rate (%)	60.00	85.00	120.00	105.00	120.00	100.00
Dividend payout ratio (%)	63.09	44.67	21.65	20.59	39.36	28.87
Price earnings ratio (times)	7.38	9.55	9.40	8.77	12.22	5.96
Dividend yield (%)	8.55	4.68	2.30	2.35	3.22	4.84
Number of employees	2,476	3,050	3,339	3,552	3,378	4,014

### Analysis of Turnover (%)



### Comparison of Turnover & Costs over last year

	2011	%	2010	%
<b>Turnover (Gross)</b>	<b>9,726.22</b>	<b>100</b>	<b>8,850.31</b>	<b>100</b>
Cost of Materials	4,466.97	45.93	4,357.28	49.24
Duties & Taxes paid to Government Exchequer	1,818.07	18.69	1,464.82	16.55
Expenses	1,698.14	17.46	1,533.95	17.33
Salaries, Wages & Benefits paid to employees	1,061.22	10.91	902.67	10.20
Profit	681.82	7.01	591.59	6.68
<b>Total</b>	<b>9,726.22</b>	<b>100.00</b>	<b>8,850.31</b>	<b>100.00</b>



## Message from the Chairman



**What we need to do is to choose projects which can make use of our core competency and relevant to our stakeholders' interest.**



*Dear Shareowners  
and friends of Ael,*

*Assalamu Alaikum,*

I welcome you to the 39th AGM. The share market has gone through several turmoils and the innocent investors have suffered. There was no reason for the price fluctuation, particularly of our shares, but it happened. I can attribute the reason for the price fluctuation to nothing other than share price manipulation. The SEC has begun investigation and I hope they find the responsible group and punish them. My heartfelt sympathy for the innocent share holders who suffered losses.

The year was difficult for all businesses. Banks had liquidity problem and the interest rate fluctuated considerably. Thus imports of active ingredients became costlier. We are a highly geared company and therefore we took a big hit due to interest rate increase. On top of those the currency value depreciated considerably. Food price went up, fuel cost increased and inflation crossed double digit mark. Management of the business under those adverse macro economic conditions were challenging. In some cases margin eroded and in some cases sale volume was affected. All those factors had adverse effect on our bottom line. Some subsidiaries have done well and some



have not. The explanation on their performance will be found in the Director's Report.

As a socially conscious business house we have undertaken several new social projects and continued some on-going projects under our CSR policy. We consciously refrain from getting carried away in our CSR activities. Honest payment of Taxes e.g. Income Tax, VAT, Customs Duty are our primary responsibility which enables the government to undertake social development plans. What we need to do is to choose projects which can make use of our core competency and relevant to our stakeholders' interest. That is why we are selective and limited in our CSR activities.

We are committed to help our employees to reach their highest potential. To fulfill that we have an excellent team of trainers and there are training programmes which taken together covers most of our employees in overcoming their deficiency in their current jobs and teach them to be ready to step into the next higher responsibility. For higher responsibilities we prefer selection from within but we do not compromise on quality of the recruit.

I thank members of the Board for providing valuable guidance and advice. The feedback we get from the shareowners at the Annual General

Meeting are valuable inputs for us in steering the company on to the desired path.

Most of all, my sincere thanks and appreciation for management staff as well as non-management staff for their loyalty, dedication and understanding. An incident in our Narayanganj factory was amicably settled through the forward-looking leadership of our managers and workers and I am grateful to them for their supportive role.

Dear Shareowners, we believe in the tremendous possibility of economic growth of the country and we are constantly on the watch to participate in that growth which will benefit our stakeholders as well as the people as a whole.

I wish the company all success and all of you to benefit from its operation.

Allah Hafez.

*yours Sincerely,*



**M Anis Ud Dowla**  
Chairman



## Corporate Governance

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



### Composition of the Board

The Board presently consists of 8 members drawn from amongst the major shareowners and business professionals. Mr. M Anis Ud Dowla currently occupies the position of the Chairman of the Board and Dr. Arif Dowla as its Managing Director.

### Role of the Board

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

### Responsibility of the Board

The Directors hold the ultimate responsibility of conducting the activities of the Company in accordance with the law and in the interest of its shareowners and other stakeholders, keeping in view the long-term interest of the Company.

### Functioning of the Board

The Board is required under the law to meet at least once in three months. The number of Board Meetings held in 2011 was four. The Executive Directors are kept informed of the results and the major activities through distribution of monthly statements and all directors are kept informed

through quarterly reporting by the Managing Director. The Board agenda includes financial results, consideration of major investments, new business initiatives, borrowings, liquidity etc. in addition to statutory approvals.

### Audit Committee

The Board has set Audit Committee which is a sub-committee of the Board of Directors and is appointed and authorized by the Board to review the activities of the Company. The Audit Committee comprises of 3 members with Mr. Golam Mainuddin - the Independent Director as its Chairman. The Committee met for four times during the year and reported its findings and submitted its recommendations for consideration of the Board.

### Management through People

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

### Management Committee

The Board has delegated adequate operational and financial authority to the Managing Director to manage the operations of the Company. The Managing Director conducts the affairs of the Company through further delegation down the line and in consultation with a Management Committee. Senior managers of the Company with responsibilities for the business, operations and functional services are members of the Management Committee. Committee usually meets once a month to discuss the business results, to review the prevailing business conditions and discuss policy matters. Consensus building as a management style is encouraged in the deliberations of the Management Committee meetings. The Managing Director is responsible for implementing the Board's decision and he uses the Management Committee as a consultative body to advise and assist him on issues under consideration. The Management Committee also advises the Managing Director on new products, major items of capital expenditure and overall supervision of the affairs of the Company.

### Empowerment of People

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

### Internal Control

The Managing Director has to satisfy the Board that adequate internal checks and controls are in place through appropriate MIS and employment of Internal Audit team to check and validate the expenses and the systems in operation. To further strengthen the controls, the Company has introduced **ISO 9001:2008** Quality Management System under which all activities are carried out

on the basis of Standard Operating Procedures. These standard procedures are updated on a regular basis in line with ISO requirements. The Company has also introduced **ISO 14001:2004** Environmental Management System, the first Company in Bangladesh to do so and as a result has undertaken a task of continuing improvement through annual goals. Internal Audit department has been strengthened with induction of qualified and experienced personnel, showing Board's commitment to ensure that adequate risk management and internal control system is in place across the Company. In addition, the Company has adopted the **Ten Principals** of Global Compact, an initiative taken by the Secretary General of the United Nations and adopted world-wide by big and progressive companies.

### Reporting and Communication

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

### Communication with Shareowners

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

### Going Concern

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







## Report of the Directors to the Shareowners

### Overview

ACI group has grown above 20% last year. Our major achievement last year was strengthening each of our existing business in a stronger footing against a challenging macroeconomic environment. Focus was given to business process efficiency and human capital development to counter the external pressures of inflation, exchange and interest rate hikes. As a result, almost all our businesses improved in revenue and quality. In addition, linking the businesses and competencies together to improve competitiveness has helped us to put together yet another successful year for ACI.

2011 was a year that encountered considerable macroeconomic stress. Stock market collapse was a major reason for initiating a domino effect for a whole range of economic problems. Currency devaluation was a major challenge for manufacturing companies with high cost of raw material imports to service the domestic market. Inflation has also been a challenge combined with insufficient increase in wages. Law and order was similar to the previous year alongside slightly increased political activity. Business competition has increased with new players with no differentiators entering into every sector. Infrastructure, electricity and gas remain bottlenecks to growth. Despite all these serious challenges, Bangladesh ploughs forward into yet another year of strong growth of 6.7%.

In line with ACI's mission to improve the quality of life, we have supported our customers with better

and more cost effective solutions through product innovation and special offers tailored to their need. New product lines and variants were launched to cater to the increasingly diversified and specialized needs of our customers.

In the health care sector, our growth driver was a strong prescription orientation. Alongside, launching new product lines and technologies like insulin, and extensive export market development were the highlights of our pharmaceuticals business. In agribusiness, we continued to be the leading integrator by providing complete solution to the farmer, through crop care, seeds, fertilizer, agri-machineries, animal health, animal nutrition and crop exchange. We aim to be a wealth generator and partner of our farmers. Consumer brands business has leading presence in home care, hygiene and pure foods with a strong focus on marketing and customer need fulfillment. Our logistics business is the largest retail chain in the country, and has a vision to connect the agricultural supply chain and improve the goods market efficiency. Our main focus this year has been on quality growth, customer service and business process improvement. Through products and services innovation, ACI reaffirms its commitment to provide differentiated and higher quality benefits to its consumers, partners and stakeholders in the true spirit of the triple bottom line - profits, people and planet.



# Strategic Business Units and Subsidiaries

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

Health Care | Consumer Brands | Agribusinesses | Logistics



## Health Care Division

As a mature business of the group, it leaves a strong social footprint in enhancing the entire health care ecosystem of the country.



The pharmaceutical business has taken strategic shift from the beginning of 2011 and concentrated on pull market through full focus on prescription generation. This has led to a significant increase in prescription share and consolidated the Company's position in the prestigious prescription market segment for sustainable growth. In 2011, the business has grown by 11.5% over the previous year and achieved 21% cumulative average growth rate (CAGR) in the last 5 years. During the year, most of the major products have registered remarkable growth and increased their market shares among its own categories.

The business continued to offer new products and services. In 2011, we have installed number of new high-tech manufacturing lines in the factory and launched several specialized products like insulin, respirator solution and dry powder inhaler (DPI). A total of 48 new products have been launched to increase addressable market and introduce newer solutions for treatment of

diseases. Market feedback of these new products has been encouraging.

ACI has a clear vision to have a broader global presence and our international marketing team is dedicated in search of prospective customers across the globe. In 2011, we have exported our products to 12 countries such as Myanmar, Sri Lanka, Afghanistan, Kenya, Belize, Guatemala, Somalia, Yemen, Vietnam and Hong Kong. Another 15 more countries of Latin America, Africa and other part of Asia are in the process of product registration. The current expansion of this overseas portfolio includes countries like Cambodia, Philippines, Nepal, Ghana, Ivory Cost, Nigeria, Cuba, Costa Rica and Chile.







ACI Medical Services team has been continuously organizing and sponsoring scientific seminars, and symposiums for various associations and societies in medical disciplines. Continuous Medical Education a program that ACI runs throughout the year where medical professionals share their experiences and discuss recent updates on diseases and treatment options. This sharing of knowledge is ultimately helping our medical community in development of professional skills. ACI has organized many free medical camps in different rural areas of Bangladesh to support the poor patients. In those camps ACI has arranged free medical advices and medicines. The company participates in different medical and clinical research programs with financial support for the overall improvement of health care system of Bangladesh.

ACI Pharmaceutical has ambitious plans, carefully supported by new technology and products. Through export market development and high quality products, this business is increasingly prepared to make a mark internationally. As a mature business of the group, it leaves a strong social footprint in enhancing the entire health care ecosystem of the country.




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ACI Medical Services team has been continuously organizing and sponsoring scientific seminars, and symposiums for various associations and societies in medical disciplines.

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## Consumer Brands Division

Creativity and consumer insight driven marketing has been the key. This business is poised to take on further challenges through the strong sales and marketing team that have been developed.



ACI Consumer Brands completed yet another successful year, registering a robust 22% revenue growth. This was in spite of the heightened economic and competitive challenges like money devaluation, high inflation, higher borrowing rate and cost escalation due to price hike of raw material. We were able to manage the challenge through careful management of the brands across the value chain.

In Home Care Solutions category, we are delighted to report that ACI Mosquito Coil achieved the market leadership position with a market share of 32%. ACI Aerosol Insect Spray achieved 22% growth and maintained market leadership with over 87% of the market share. Vanish Toilet Cleaner grew by 31% while Cockroach spray gained customers



appreciation. Angelic Air Freshener maintained market leadership position with a growth of 44%.

Last year Savlon took giant leaps in its mission to give the people of this country a germ free life. Thriving on the success it continued its dominance in the Antiseptic market as it grew by nearly 20%. Savlon has dominant 75% market share in the liquid antiseptics and 77% in antiseptics cream. The strength of the brand was further augmented by noteworthy success of Savlon Bar Soap 22% growth and Savlon Hand Wash at an outstanding 90%. Savlon Freedom Sanitary Napkin has continued to grow strong in 2011 with a 62% growth and beat famous international brands in market shares. The brand was successful in winning the trust of Bangladeshi women rapidly.

Consumer Brands division has also been enriched with International brands like Colgate, Nivea, Merisant and Laser. In 2011, International business portfolio grew by 49%.



Colgate, the second most popular toothpaste brand of the country, grew by 45% over last year. Nivea grew by 77% and the most preferable low calorie sweetener brand Merisant (Canderel & Equal) grew by 8%. The male grooming brand Laser has also achieved robust growth of 65%.

This business has been constantly innovating its way into categories that strengthen its brand position and increase its distribution depth and reach. Creativity and consumer insight driven marketing has been the key. This business is poised to take on further challenges through the strong sales and marketing team that have been developed.

### ACI Electrical Division & Consumer Electronics

ACI Electrical Division and ACI Consumer Electronics, the two relatively new divisions, strengthened their position in the market, although results have not been at par with what we were expecting. The Electrical Division continued to capture new territories in the electrical market with ACI Sparkle brand Energy Saving Lamps, DC Lamp, Circuit Breaker and Switch Socket.

ACI Consumer Electronics expanded its showroom channel to take Panasonic Branded Electronics items to more consumers. Eight new showrooms have been set up in 2011 in different parts of the country. These showrooms continued to introduce new ranges of products to satisfy the consumers in different parts of the country.

Both these businesses are dynamically restructuring their business models as competition intensity increase and ever lower price are demanded by the consumer. The changes that are being made will pave the way for a better future.







## Foods

ACI Foods has experienced a revenue growth of 30% and aims to continue the growth progressively. The product line expansion and continuous improvement in quality made the products popular to the consumers. Moreover, the new attractive packagings were also appreciated by the consumers. Both the brand "PURE" and "Fun" have strengthened its position in the market through clear positioning. In addition, various marketing activities have been able to incite good consumer response.

Along with local market, the business also did well in exports compared to previous year. Various spices, packaged and frozen foods are being exported to 14 countries, some of which have become favorites of the Bangladeshi expatriates.

The business continued to improve through the efficiency of its operations across production, sales and distribution to achieve better competitiveness, which is prerequisite for rapid market penetration. As a result our outlook towards the future has improved significantly.

## Flour

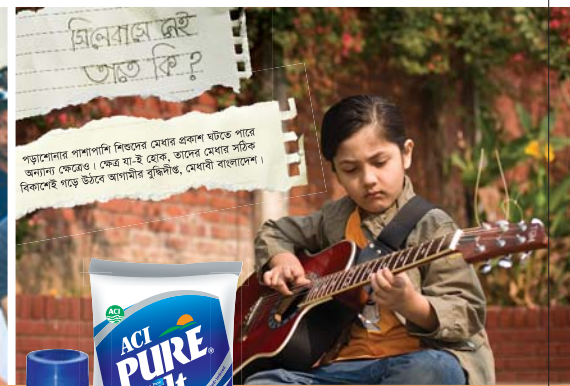
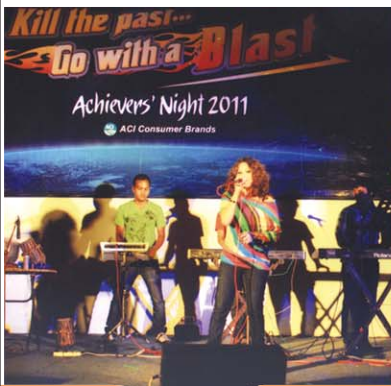
ACI Pure Flour Limited is committed to ensure 100% pure products to the Bangladeshi consumers. The revenue growth was 18%.

Despite of industry challenges like the wheat crisis, government intervention through subsidies, and energy crisis, the business carefully managed to navigate itself to a moderately successful year.

The strategic move of the Flour Association with government's Open Market Sales program, gave the opportunity to sustainable growth with continuous production. Beside this, the retail market penetration of ACI Pure flour products also kept pace to hold the second position in the market. ACI Pure Flour Limited was the pioneer in introducing the laminated packaging of Atta, Maida and Suji in Bangladesh market to provide better and consistent quality of our products to the consumers throughout its shelf life. Moreover, focusing on health benefits, Brown Atta brought some goodwill by serving our health conscious consumers.







Under the umbrella of the Pure brand, other products such as Egg Noodles, Vermicelli, Minicate Rice, Najirshail Rice, Masur Dal achieved commendable sales growth. The customer feedback oriented initiative of 20 kilogram pack of rice products helped the sales to grow and develop a new market. This business is positively poised for growth.

### Edible Oil

ACI Pure Soyabean Oil was launched to make the consumer commodity basket more complete along with salt, flour products, rice, pulse and sugar. The journey of ACI Edible Oils Limited started with potential market coverage with a single product of soyabean oil. But in 2011, the world market of soyabean oil as well as national market faced a supply crisis. Along with the world crisis, government intervention on pricing, exchange rate rise, other materials price hike and unfavourable legislation led us to restrict our sales. Despite the difficulties, the business made a turnover of Tk. 84.8 million.



ACI Edible Oils Limited plans to increase its product line in upcoming year with more healthy

edible oils, further building on the theme of a healthy Bangladesh.

### Salt

ACI Pure Salt continued to maintain its strong position in the market despite having tremendous external challenges in the form of high raw materials price, increasing price of energy, severe gas supply crisis and production shortage. Throughout the year the demand for ACI Pure Salt was a lot more than its production. In spite of challenges from multiple angles, ACI Salt passed a successful year by increasing the profitability through quality sales. The business has undertaken the initiative to setup another state-of-the-art production plant from Evatherm of Switzerland with 22 MT per hour capacity. The construction work of the project is going in full swing and expected to be complete by May 2012. With this new plant ACI Salt Limited will emerge as the country's largest salt refinery project.

Having created one of the leading brands in the country, ACI Pure Salt continues to increase the awareness of quality and purity of foods in the minds of the people. This has a powerful impact far beyond the business proposition, which ACI has consciously propagated in its journey towards a healthier and meritorious Bangladesh.



## Agribusinesses Division

Our branding efforts, quality focus and knowledge based scientific agricultural support will make our business thrive and contribute to the food security of the nation.



### Crop Care and Public Health

Industry decline by 2% and the business increased by 19.36% over previous year. This was a planned initiative to drive down credit exposure in light of a large number of competitors entering the market with new registration. The industry witnessed increase in push sales from new competitors along with a deterioration of quality standards. ACI Crop Care and Public Health, as part of the premium branded segment of high quality products, had to exercise extreme caution in engaging with the markets through stringent credit control and demand based sales.

The business launched three new products in each of the major product ranges of insecticide, fungicide and herbicides to strengthen the overall portfolio. We have supplied Deltamethrin 5% WP to control sand fly which is the cause of Kala-Azar to DG Health. New technology products are under development with foreign



partners. Notably, Long Lasting Impregnated Net (LLIN) is an insect repellent net that will benefit the people of our country.

In light of this new industry landscape of an insurgence of new competitors, our business has focused on branded marketing and solution. Our field force has been augmented. Training has been enhanced both for our own people as well as the prescribers, retailers and channel partners. Focus on liquid insecticides has been increased. Farmer engagement programs that communicate proper and timely use of products through farmer meetings have been increased to counter the industry turmoil. Our branding efforts, quality focus and knowledge based scientific agricultural support will make our business thrive and contribute to the food security of the nation.

### Fertilizer

ACI Fertilizer grew 16% in revenue in 2011. The business has moved away from bulk fertilizers to four areas of specialty products.

They are soil health, soil deficiency correctors, supplements, and plant growth promoters. This classification has allowed the business to create the right strategic focus for the products.

The business launched several products, replacing older technology with new and more efficient ones. The new additions to ACI Fertilizer's portfolio includes 'Gypshar', a brand of Mineral Gypsum which is more effective than the Phospho Gypsum that is widely available in the market. Similarly, Bentonite Sulphate is more effective than Sulphur 80% generally used by the farmers. ACI Fertilizer has also launched a new variety of Organic Fertilizer (GreenSul), which has been proven to increase yields by 17% in demo-plots. In pursuit of providing complete plant nutrient management system to farmers, ACI Fertilizer plans to launch other products such as bio-fertilizers, urea saving fertilizers and crop specialized mixes. Seminars, multimedia presentations, and workshops that educate farmers about the correct usage and application of nutrient products have been a key driver for this business. The business established over 10 "Communication Centers" at dealer points in order to promote and inform farmers about new products through brochures and other promo materials. Through constant innovation and awareness building, ACI Fertilizer intends to become a leading player in micronutrient fertilizer market.

Through strategically aligned communication, modern technology and high quality products; ACI Fertilizer's mission is to enhance the agricultural practices in Bangladesh along with ensuring high yields of crops that ascertain food security for the nation.




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**Organic Fertilizer (GreenSul),  
which has been proven to  
increase yields by 17% in  
demo-plots.**

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## Seed

ACI Seed has grown by 28%. ACI Seed seeks to provide farmers with high quality, high-yield and hybrid seeds, so that they can obtain better yields, and through that contribute to the nation's food security.

ACI Seed markets high yield and hybrid varieties of paddy and vegetable seeds as well as other high value crop seeds under the supervision of specialized agriculture scientists.

Several new products have been launched including Bitter, Snake, Sponge, Ridge Gourds and Cucumber. The sales of open pollinated vegetable seeds increased by 20% primarily due to the introduction of these new products. The sales of hybrid vegetable seeds have grown by 308% this year. Furthermore the business has sold 1063MT of hybrid rice seed and held 2nd position in the hybrid rice market during 2011.



Special Emphasis is given to product demonstration activities. Each product is carefully tested in trial fields before being marketed. ACI Seed also has a large field force to develop its network of retailers through several training sessions.

This industry is fundamental to our economy, which is why ACI has taken a leading role in shaping its future. ACI Seed aspires to take the seed production system in Bangladesh to the higher level.

## Cropex

ACI Cropex seeks to lead integration in the agriculture value chain, and a fair market for the farmers, as well as to ensure the conservation of easily perishable crops through its logistics and cold storage facilities. Cropex went through significant changes in its business model leading to a 32% decline in sales. We developed a business model that will facilitate the business to grow in a more sustainable and robust manner.

ACI Cropex intermediated transactions of a range of crops including rice, wheat, maize, ginger, lentils, mustard, potato, vegetables, and fruits. ACI Cropex also provides animal feed with technical assistance and support farmers, as a result, that they can understand and control the quality of their produce.

ACI Cropex has signed Memorandum of Understanding with the NGO Practical Action,





Katalyst, and Grameenphone for Online Agri-Commodity Trading. It has also undertaken alignment with the farmers for local maize and wheat. Through these actions, Cropex gained farmers commitment and thus the volume of farmers procured items was doubled in 2011.

In a modest way, Cropex aspires to serve as a link between the several businesses of the ACI Agribusinesses, ACI Consumer Brands and ACI Logistics. Cropex is tying up with the farmers for their produce and then marketing the goods under Cropex brand, where farmers are encouraged to enhance their production and quality. It gradually continues to build equity in the future through buying, branding, grading and sorting of more farm products.

## Motors

In 2011, the sales of ACI Motors have remarkably increased by 62.8%. In addition, ACI Motors has been on a relentless pursuit in developing agricultural technology in Bangladesh, and its efforts have been recognized throughout the nation. In the International Agricultural fair, 2011, held in Bogra, ACI motors received an award recognizing the crucial role it played in helping the farmers improve agricultural efficiency and quality.



ACI Motors has made commendable progress toward its mission of providing mechanized solutions to ever increasing costs of agricultural production and scarcity of field labor. The business offers the farmers a comprehensive portfolio of machinery ranging from tractors, power tillers, diesel engines, rotavators and transplanters. Water pump business was launched with a plan to extend our solution irrigation and water management. Rice reapers were also introduced which was a lower cost intermediate harvesting technology. Furthermore, ACI motor has become the exclusive dealer harvesters and transplanters for DEADONG Group, the largest agro-based technology provider in Korea. We opened a new showroom in Gazipur for proper display of our products and establish our own contact points for service in addition to the numerous outsourced ones.

ACI Motors offers free health checkups to farmers, and free cultivation in certain areas for demonstration. The comprehensive product portfolio in conjunction with the superior customer service and holistic approach that ACI Motors takes in regards to its customers has helped ACI Motors build strong farmer equity and social value.







## Animal Health

In 2011, we continued to maintain a strong position in the market. The business encountered several severe pitfalls in the form of bird flu, and glitches on the supply side. A significant number of poultry had to be disposed due to the bird flu, which hampered flow of revenue and thus prevented the business from achieving its target. On the other hand, several vaccine suppliers failed to deliver the vaccines on time which was an important part of our business portfolio. Despite these setbacks the business moved forward in developing new avenues of business and improving operational efficiency.

ACI Animal Health employed the farmers' expertise combined with advanced technology in order to significantly improve the production of poultry, fish, and dairy. At present, ACI Animal Health produce Nutritional products, antibiotics, disinfectants, analgesic, antihistamines and vaccines at the pharmaceutical factory at Narayanganj. The comprehensive range of

products is made in a controlled environment that ensures quality.

ACI Animal Health is involved in strong product development activities, by which experienced pharmacists constantly improve products as well as control the quality of the medicinal products. ACI Animal Health has already introduced kill vaccines. A range of new products were launched that include dairy anthelmintic, dairy digestive stimulant, dairy antibiotic, poultry amino acid, poultry vitamins and growth promoters for aqua-segment. New products, awaiting launch are HVT-AIB, vaccine for Bird flu and two other vector-vaccines: HVT-NDV and HVT-IBD.

The distribution centers located in 19 cities employ strict quality control standards and hence ensure that the farmers could promptly access to our products and services. The business continued to strengthen its differentiators that will make the business better positioned for success despite the difficult environmental adversities.







## Logistics

In 2011, this business has achieved a remarkable 114% growth in revenue, 54% growth in customer transactions and 40% growth in basket size. ACI Logistics operates retail outlets in Dhaka, Chittagong and Sylhet, under the brand "Shwapno". Through its wide reach, it continues to hold the position of the largest supermarket chain in Bangladesh. Shwapno has evolved to interact with over 350,000 consumers every month, offering more than 5,000 products. It has developed strong links with more than 250 vendors, who we consider as our esteemed business partners.

As the business progressed, we incorporated effective changes to the operating model with new ideas, resources and infrastructure. Strengthening the front end operational team with empowerment and purpose, has led to transformation in customer service. With the placement of specialized personnel in planning and procurement for key categories, such as protein, commodities and perishables, combined with cluster based purchasing, the business created a noteworthy impact. This led to scalable purchase efficiency and ensured product availability. It also paved way for a supplier development model. This facilitates ACI logistics in making the rural farmers and domestic suppliers the heart of the business, linking them directly to the consumers with the benefit of lower prices. Based on customer feedback on product requirements, more than 2,000 new products were introduced, which helped to generate additional sales. These improvements were the key drivers behind the rapid growth of Shwapno as it enabled the business to satisfy and retain valued customers.

Several major seasonal promotional campaigns were conducted within the year, which resulted in increased footfall and excitement among the customers. To compliment the efforts and to establish our value proposition, we launched the first ever 360 degree thematic advertising campaign under the premise "the best buy with your hard earned money" with the intention of inviting and converting the wet market shoppers. The bold campaign messages that were publicized through television, press, leaflets and billboards, challenged the consumer to be wise in their spending. We are in the process of experiencing the fruits of the campaign through increased brand awareness, increased footfall, and extended support from our business partners.

The accelerated improvements in customer service and product offerings, excellent brand positioning, and strengthening of operations, the business is moving closer objective of transforming the value chain for the benefit of the consumers at large. Retail is one of the most promising businesses with tremendous growth potential in Bangladesh as it has been across the globe. ACI Logistics is moving forward journey to change the consumer lifestyle and landscape of the retail industry in Bangladesh.





## Subsidiaries and Associated Companies

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

**ACI Formulations Ltd.** is one of our largest subsidiaries which by itself is a public listed company, is discussed under crop care business. In addition to crop care, this company also manufactures coil and aerosol for ACI Consumer Brands division.

**Premiaflex Plastics Ltd.** The vision of Premiaflex is to add value to customers' product through innovative and informative packaging. Premiaflex Plastics Limited manufactures a wide range of packaging items starting from wrapper, pouch packs, shrink/pearl labels, shrinkage outer pack and pharmaceuticals strips.

Over the last year, Premiaflex Plastics Limited has grown at a remarkable 107%, whereas the growth of the plastic industry has been just 44%. In 2011, Premiaflex has had major achievements in all kinds of Metalized work and Laminated Oven Bag. In the laminated oven bag market, Premiaflex has dominant 84% market share.

Premiaflex manufactures products for many multinational and local companies. The company will soon receive the ISO 9001 certificate which will further reinforce the image of quality and standards of the company. The core focus of Premiaflex Plastics Limited is to build customer loyalty through providing customers a one stop solution. It seeks to provide consistent quality, on-time delivery and develop market leadership through relationship marketing.

**ACI Godrej Agrovet Private Ltd.** has registered an outstanding growth of 63 % over last year. The company has increased its revenues from broiler feeds and floating fish feed. It also registered double digit growth in other feed categories such as layer feeds, sinking fish feeds and dairy feeds.

The company commissioned a state-of-the-art automated 15 MT per hour poultry feed plant at Sirajganj in June, 2011. The Company further improved its product quality and enhanced its market share in the Industry. The company prides itself in being end customer centric by making continuous efforts in farmer training

programs, meetings and seminars, thereby inculcating customer loyalty by reducing their cost of production.

The company strives to become one among the top three feed companies in the country.

**Tetley ACI Bangladesh Limited** continued to maintain its strong position in the market. The company looked for alternative business model to support the future business initiatives. As a first step it changed its distribution model and partnered with ACI Branded Commodity which has enhanced the distribution reach. Through global tea sourcing and blending expertise, Tetley was able to provide a consistent blend and excellent quality tea in Bangladesh. Consequently, this has also improved gross margin of the product. A strategic approach to procurement, marketing, sales and distribution has improved the overall quality of the business. With all these initiatives outlook of the business has significantly improved.

**Asian Consumer Care (Pvt) Ltd.** Financial year 2011 - 12 has been a remarkable year for ACCL. While the FMCG industry in Bangladesh grew by 11.5%. The company grew by an outstanding 55%. Major brands like Vatika Hair oil, Dabur Amla Hair oil grew much faster than the total company's growth. Dabur brands exceeded the category growths of Hair oil, Shampoo and Toothpaste.

Of special mention is the proficiency introduced in the sphere of Distribution and Consumer Communication. The 'Think Global Act Local' idea has been the key to success. Careful planning and impeccable implementation of the right marketing mix helped propel growth. A 360 degree approach was used to synergize all resources.

Dabur's Global vision is "Dedicated to the health and well being of every household". All Dabur products are researched and certified by highly qualified scientists and professionals of Dabur Research and Development Center, India and are undoubtedly the best in all quality parameters. Currently we have 2 manufacturing facilities - Narayanganj and Manikganj. The management is inclined to further invest in the country to support future plans. Company has started developing a new production facility in Dhamrai on the Dhaka - Manikganj Road. Commercial production will start by March 2013.





## Financial Results - ACI Limited

In 2011, revenue of the company has reached to Tk. 8.52 billion from Tk. 7.92 billion of 2010, an increase of Tk. 0.60 billion or 7.56 percent over last year. Higher sales volume aided by favourable product mixes and selected product price increases has led to increase in Gross profit (Taka 0.34 billion) by 12 percent despite negative impact of inflation and adverse currency conversion rates. The PAT from operation rose to Tk. 681 million, a growth of Tk. 89 million or 15.14 percent from the comparative period. The basic earnings per share (BEPS) of the company was Tk. 34.64 in 2011 (Tk. 30.49 in 2010) representing a growth of 13.62 percent over last year. The diluted earnings per share (DEPS) of the company was Tk. 34.09 in 2011 (Tk. 29.40 in 2010). The diluted earnings per share has arose due to the existence of dilutive potential ordinary shares in the balance sheet to be required to be issued in case the bondholders of ACI 20% Convertible Zero Coupon Bonds exercise their convertibility option in the respective redemption dates.

### Appropriation of profit

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

	2011 Taka	2010 Taka
Un-appropriated profit from the previous year	2,454,473,365	2,099,163,480
Add: Net profit after tax for the year	681,129,072	591,590,015
Add: Realization of revaluation reserve	883,609	296,942
<b>Total available for appropriation</b>	<b>3,136,486,046</b>	<b>2,691,050,437</b>
Appropriation proposed:		
Proposed dividend:		
Cash dividend	158,492,224	236,577,072
Stock dividend	39,623,056	-
<b>Total dividend</b>	<b>198,115,280</b>	<b>236,577,072</b>
Balance carried forward	2,938,370,766	2,454,473,365

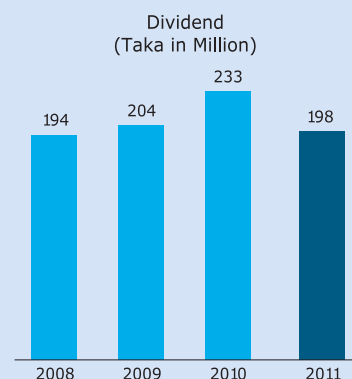
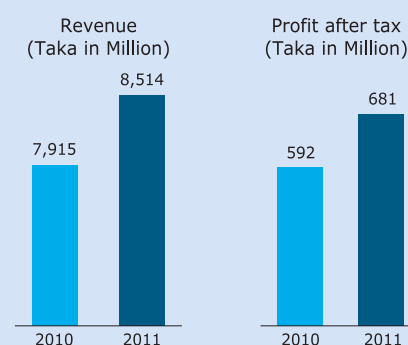
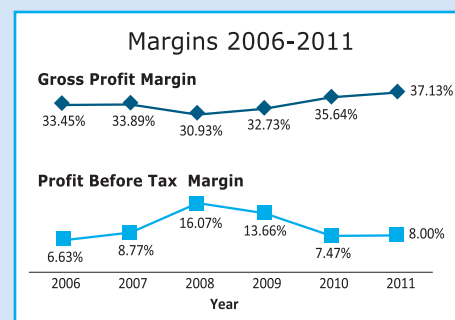
With the balance carried forward in this year and with future ploughing back of the profit, directors are confident that company will be able to maintain prudent dividend policy in years to come.

### Dividend

The Board of Directors is pleased to recommend dividend @ 100% which include Tk. 8.00 per share (80%) as cash dividend and 20% as stock dividend or 1 share against each 5 shares for the year 2011 to those shareowners whose names will appear in the Share Register of Members of the Company or in the Depository list of CDBL on the Record Date which is Wednesday, 16th May 2012.

### Contribution to the National Exchequer

During 2011, the company contributed Tk. 1.8 billion to the National Exchequer in the form of corporate tax, custom duty and Value Added Tax (VAT). This is equivalent to 21.36 percent of the Company's net sales revenue for the year 2011.







## Financial Results - ACI Group

In 2011, turnover has reached to Tk. 17.46 billion from Tk. 14.50 billion of 2010, an increase of Tk. 2.96 billion or 20 percent over last year. The higher sales volume has also resulted into increase in cost of sales by 22 percent. Despite higher growth in cost of sales, gross profit has rather shown a positive growth of 17 percent mainly on account of improved mix and selective price increases of products. The operating PAT resultantly was significantly higher (32.54 percent) than the comparative period. Earnings Per Share (EPS) has also increased by 9 percent from Tk. 11.14 to Tk. 12.11 per share in 2011.

### A. Statutory Information

In compliance with the SEC guidelines' condition no.- 1.4 the Directors confirm that:

- (a) The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- (b) Proper books of account of the Company have been maintained.
- (c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgement.
- (d) International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.
- (e) The system of internal control is sound in design and has been effectively implemented and monitored.
- (f) There are no significant doubts upon the Company's ability to continue as a going concern.
- (g) Significant deviations from last year in operating results of the Company have been highlighted in the Report and reasons thereof have been explained.
- (h) Key operating and financial data of preceding six years has been provided.
- (i) The company is declaring the dividend regularly
- (j) The number of Board meetings held during the year and attendance by each Director is given in annexure-I
- (k) The pattern of share holding is given in annexure-II





## The People of ACI

People are the core strength of ACI. Consequently, the development of human capital is a top priority. Value communication has been the foundation for our organization, with emphasis on code of conduct and business friendly culture.

Training has increased significantly in areas involving skills, knowledge and mindset development. New platforms for peer learning and sharing achievements are designed to compress the learning curve. New ways of fostering innovation and creating while maintaining efficiency and discipline has been explored.

Sports events are organized among department for social interaction and fostering of team spirit so crucial in a high performance culture. The interaction in an informal setting gives new meaning to being part of the ACI. Both top down and bottom up information sharing platform has been created to build a harmonious ACI family.

We thank the partners of ACI, shareowners, suppliers, customers, bankers, media and all other well wishers for their support and patronage to

bring us to this level. We pray for their continued support to fulfill our mission to improve the lives of people.

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

## Election of Director

By operation of Article 120 of the Company's Articles of Association Mr. M Anis Ud Dowla and Ms. Sheema Abed Rahman retire by rotation and being eligible, offer themselves for re-election.

## Auditors

Our Auditor Messrs Hoda Vasi Chowdhury & Co, Chartered Accountants has sought re-appointment for the year 2012 and the Directors recommend their re-appointment.

On behalf of the Board

**Dr. Arif Dowla**

Managing Director

**Mr. Waliur Rahman Bhuiyan, OBE**

Director







## B. Status of Compliance

The status of the compliance as per SEC guidelines' condition no.-5.0 is given in annexure- III

### Annexure - I: Attendance of Board meetings

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

Name	No. of Meeting Attended
Mr. M Anis Ud Dowla	3
Mrs. Najma Dowla	4
Dr. Arif Dowla	4
Ms. Shusmita Anis	4
Mr. Waliur Rahman	1
Mr. Wajed Salam	0
Ms. Sheema Abed Rahman	3
Mr. Waliur Rahman Bhuiyan OBE	4
Mr. Golam Mainuddin	3
Mr. Md. Fayekuzzaman	4

### Annexure - II: Pattern of Shareholding

As per SEC guideline condition no-1.4(k), the pattern of share holding status as on 31 December 2011 is given below:

1.4 (K) (i) Held by Parent/ Subsidiary/ Associates and other related parties: n/a

1.4. (K) (ii) Held by Directors, Chief Executive Officer, Company Secretary, and Chief Financial Officer etc.:

Name	Position	No. of Shares
Mr. M Anis Ud Dowla	Chairman	2,654,054
Mrs. Najma Dowla	Director	554,264
Mr. Md. Fayekuzzaman - representing ICB	Director	-
Dr. Arif Dowla	Managing Director	722,183
Ms. Shusmita Anis	Director	1,201,348
Mr. Waliur Rahman- representing ACI Foundation	Director	-
Mr. Wajed Salam- representing ACI Foundation	Director	-
Mr. Waliur Rahman Bhuiyan OBE- representing ACI Foundation	Director	-
Mr. Golam Mainuddin	Independent director	-
Ms. Sheema Abed Rahman	Company Secretary and Director	9,900

1.4 (K) (iii) Held by Executive - No shares held by such executive

1.4 (K) (iv) Held by Shareholders holding ten percent or more voting right:

Name	Position	% of Shares
Mr. M Anis Ud Dowla	Chairman	13.46

### Annexure - III: Status of Compliance

Status of compliance with the condition imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/Admin/ dated 20th February, 2006 issued under section 2CC of the Securities and Exchange Ordinance, 1969

Condition No	Title	Compliance Status		Explanation for non-compliance with the condition
		(Put ✓ in the appropriate column)		
		Complied	Not Complied	
1.1	Number of the Board members of the company should not be less than 5 and more than 20	✓		
1.2(i)	Number of Independent Directors should be at least 1/10 of the total number of Company's Board of Directors	✓		
1.2(ii)	Independent Directors should be appointed by the elected directors	✓		
1.3	Chairman of the Board and Chief Executive Officer should preferably be filled by different individuals	✓		
1.4(a)	Fair presentation of Financial Statements	✓		
1.4(b)	Maintenance of Proper books of accounts	✓		

Contd...



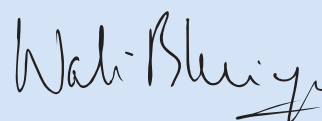
1.4(c)	Appropriate Accounting Policies applied consistently	✓		
1.4(d)	International Accounting Standards, as applicable in Bangladesh have been followed in preparing the Financial Statements	✓		
1.4(e)	Sound and Effective Internal Control System	✓		
1.4(f)	Ability to continue as going concern	✓		
1.4(g)	Significant deviations from last year in operating results	✓		
1.4(h)	Summary of Key operating and financial data	✓		
1.4(i)	If dividend has not been declared, the reasons thereof	✓		
1.4(j)	Number of Board Meetings held during the year and attendance by each director	✓		
1.4(k)	Pattern of share holding	✓		
2.1	Appointment of a CFO, a Head of Internal Audit and a Company secretary	✓		
2.2	Attend the Board meeting by CFO and Company Secretary	✓		
3	Constitution of Audit Committee	✓		
3.1(i)	The Audit Committee should be composed of at least 3 members	✓		
3.1(ii)	Members of Audit Committee should be appointed by the Board who are directors and one should be Independent Director	✓		
3.1(iii)	Board of Directors should fill up the vacancy within one month of the vacancy in the Audit Committee	✓		
3.2(i)	Board of Directors should select one member of the Audit Committee as Chairman of the Audit Committee	✓		
3.2(ii)	Chairman of the Audit Committee should have a professional qualification or knowledge, understanding and experience in accounting or finance	✓		
3.3.1(i)	Activities of the audit committee to the Board of Directors	✓		
3.3.1(ii)(a)	Report on conflict of interest	✓		
3.3.1(ii)(b)	Report on Fraud or irregularity or material defect in internal control system	✓		
3.3.1(ii)(c)	Report on infringement of laws, including security related laws, rules and regulations	✓		
3.3.1(ii)(d)	Report on any other matter which should be disclosed to the Board of Directors' immediately	✓		
3.3.2	<b>Reporting to the Authorities:</b> If the Audit Committee has reported to the Board of Directors about anything which has impact on the financial condition and results of operation and being ignored by the Board of Directors, the Audit Committee should report such findings to the Commission	✓		
3.4	<b>Reporting to the Shareholders:</b> Report on activities carried by the Audit Committee including any report made to the Board of Directors under condition 3.3.1 (ii) and the disclosure of which should be made in the annual report	✓		
4.00(i)	Appraisal or valuation services or fairness opinions	✓		
4.00(ii)	Financial information system design and implementation	✓		
4.00(iii)	Book-keeping or other services related to the accounting records or financial statements	✓		
4.00(iv)	Broker-dealer services	✓		
4.00(v)	Actuarial services	✓		
4.00(vi)	Internal audit services	✓		
4.00(vii)	Any other service that the Audit Committee determines	✓		

On behalf of the Board



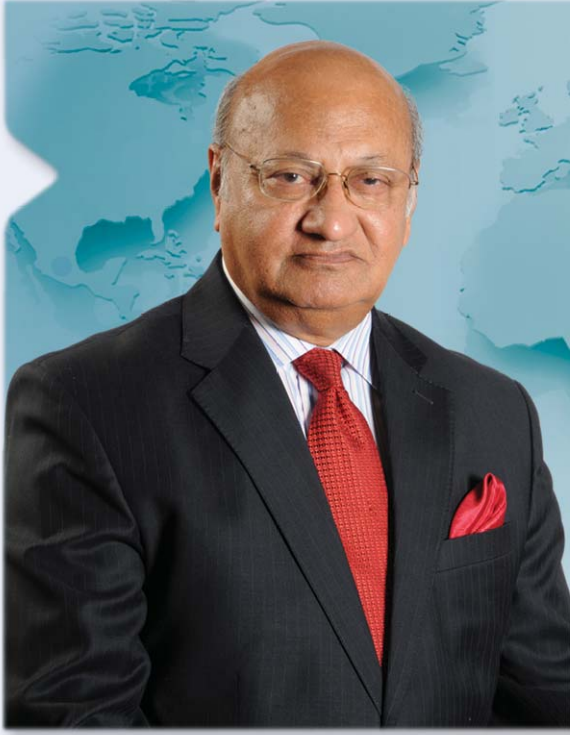
**Dr. Arif Dowla**

Managing Director



**Mr. Waliur Rahman Bhuiyan, OBE**

Director



## চেয়ারম্যানের বাণী

“

আমাদের এমন প্রকল্প  
হাতে নিতে হবে যেখানে  
আমরা আমাদের  
মূলদক্ষতা ব্যবহার  
করতে পারি এবং যা  
আমাদের ব্যবসার সাথে  
সম্পর্কিত সকলের স্বার্থ  
সংশ্লিষ্ট।

”

প্রিয় শেয়ারমালিকবৃন্দ এবং এসিআই'র শুভাকাজক্ষীবৃন্দ,

আসসালামু আলাইকুম।

কোম্পানীর ৩৯তম সাধারণ সভায় আপনাদের স্বাগত জানাচ্ছি। সম্প্রতি শেয়ার বাজার বেশকিছু সমস্যার মধ্যদিয়ে অতিবাহিত করেছে এবং যার ফল ভোগ করেছে নির্দোষ শেয়ারমালিকগণ। আমাদের শেয়ারের মূল্য উঠা-নামা করার কোন যুক্তিসংগত কারণ না থাকা সত্ত্বেও তা উঠা-নামা করেছে। আমি এই মূল্য উঠা-নামার শুধুমাত্র একটি কারণই খুঁজে পাই- যা হলো শেয়ার মূল্যের কারসাজি। SEC তদন্ত শুরু করেছে এবং আশা করি তারা প্রকৃত দোষীকে খুঁজে বের করবে এবং শাস্তিমূলক ব্যবস্থা গ্রহণ করবে। আমি ক্ষতিগ্রস্ত শেয়ারমালিকদের প্রতি আমার অন্তরের অন্তঃস্থল থেকে সমবেদনা জ্ঞাপন করছি।

সকল ব্যবসার জন্য এটি ছিল একটি কঠিন বছর। ব্যাংকে যেমন তারল্য সংকট ছিল তেমনিভাবে সুদের হারও তীব্রভাবে উঠা-নামা করেছে। কাঁচামালের আমদানী খরচও অনেক বৃদ্ধি পেয়েছে। এর উপর রয়েছে মুদ্রামানের অবমূল্যায়ন। খাদ্যমূল্য ও জ্বালানী খরচ বৃদ্ধি পেয়েছে এবং মূল্যস্ফীতির সীমা দু'অংক পেরিয়েছে। এই প্রতিকূল অর্থনৈতিক অবস্থার পরিপ্রেক্ষিতে ব্যবসা পরিচালনা করা অনেকটাই চ্যালেঞ্জিং ছিল। কিছু ক্ষেত্রে বিক্রয়ের মার্জিন এবং কিছু ক্ষেত্রে বিক্রয়ের পরিমাণ হ্রাস পেয়েছে। এ সব কিছুই আমাদের কৃষি ব্যবসার মুনাফাতে একটি প্রতিকূল প্রভাব ফেলেছে। কিছু সাবসিডিয়ারি ভালো করেছে এবং কিছু করেনি। পরিচালকের প্রতিবেদনে তাদের কর্ম এবং অর্জিত ফলাফলের মূল্যায়ন ও ব্যাখ্যা পাওয়া যাবে।



একটি সমাজ সচেতন কোম্পানী হিসাবে আমরা বিভিন্ন নতুন সামাজিক প্রকল্প হাতে নিয়েছি এবং চলতি প্রকল্পের কাজ চালাচ্ছি। আমাদের CSR (Corporate Social Responsibility) নীতির উপর ভিত্তি করে আমরা সচেতনভাবে যেন কোনো অনিয়ম না হয় তার দিকে লক্ষ্য রাখি। আমরা সঠিকভাবে ট্যাক্স, ভ্যাট, আবগারী শুল্ক ইত্যাদি পরিশোধ করি যা সরকারকে সমাজ কল্যাণমূলক পরিকল্পনা গ্রহণে সহায়তা করে। আমাদের এমন প্রকল্প হাতে নিতে হবে যেখানে আমরা আমাদের মূলদক্ষতা ব্যবহার করতে পারি এবং যা আমাদের ব্যবসার সাথে সম্পর্কিত সকলের স্বার্থ সংশ্লিষ্ট। সেজন্য আমরা সামাজিক কল্যাণমূলক কাজ হাতে নেয়ার ক্ষেত্রে সাবধানতা অবলম্বন করি।

আমরা আমাদের কর্মীদের সামর্থ্যের সর্বোচ্চ শিখরে পৌঁছাতে প্রতিজ্ঞাবদ্ধ। সেটি পূরণে আমাদের প্রশিক্ষকদের সমন্বয়ে একটি দক্ষ দল আছে যারা অনেক প্রশিক্ষণ কার্যক্রম পরিচালনা করে। প্রায় সব কর্মীই কিছু না কিছু প্রশিক্ষণ পায় যা তাদের দুর্বলতাগুলোকে কাটিয়ে উঠতে সাহায্য করে এবং পরবর্তী দায়িত্বশীল পদের জন্য প্রস্তুত করে। দায়িত্বশীল পদগুলোর জন্য আমরা আমাদের প্রতিষ্ঠানের কর্মীদেরই প্রাধান্য দিয়ে থাকি তবে প্রার্থী নিয়োগের ক্ষেত্রে যোগ্যতার ব্যাপারে আমরা কোন সমঝোতা করিনা।

আমি পরিচালনা পর্ষদকে তাদের মূল্যবান পরামর্শ এবং নির্দেশনার জন্য ধন্যবাদ জানাই। বার্ষিক সাধারণ সভায় প্রদত্ত শেয়ারমালিকগণের প্রতিক্রিয়া আমাদের কাজক্ষত লক্ষ্যে পৌঁছানোর জন্য পাথেয়।

সর্বোপরি, আমি সকল ম্যানেজমেন্ট এবং নন-ম্যানেজমেন্ট স্টাফকে আমার আন্তরিক ধন্যবাদ জানাচ্ছি। নারায়নগঞ্জ ফ্যাক্টরির একটি অবাঞ্ছিত ঘটনা আমাদের ম্যানেজার এবং শ্রমিকদের দূরদর্শী নেতৃত্বের গুণে শান্তিপূর্ণভাবে সমঝোতা হয়েছে। আন্তরিক সহযোগিতার জন্য আমি তাদের প্রতি কৃতজ্ঞ।

প্রিয় শেয়ারমালিকগণ, আমরা বিশ্বাস করি আমাদের দেশের অর্থনৈতিক প্রবৃদ্ধির অনেক সম্ভাবনা আছে। আমরা সবসময়ই চেষ্টা করি যেন আমরা এই উন্নয়নের অংশীদার হতে পারি, যাতে করে আমাদের সাথে সম্পৃক্ত সবার তথা অন্যদেরও উন্নয়ন হয়।

আমি কোম্পানীর উত্তরোত্তর সাফল্যের প্রত্যাশা করি এবং আশা রাখি আপনারাও এর কার্যক্রম থেকে উপকৃত হবেন।

আল্লাহ হাফেজ।

আপনাদের বিশ্বস্ত,



এম আনিস উদ্ দৌলা  
চেয়ারম্যান



# শেয়ার মালিকবৃন্দের প্রতি পরিচালকমন্ডলীর প্রতিবেদন

## প্রিয় শেয়ারমালিকবৃন্দ,

পরিচালকমন্ডলীর পক্ষ থেকে আমি ৩১শে ডিসেম্বর ২০১১ তারিখে সমাপ্ত বছরের জন্য উদ্বৃত্তপত্র, লাভ-ক্ষতি হিসাব, নগদ প্রবাহ, অডিটরবৃন্দের প্রতিবেদনসহ নিরীক্ষিত বার্ষিক হিসাব ও ব্যাখ্যা সানন্দে আপনাদের সামনে উপস্থাপন করছি।

### সামগ্রিক পর্যালোচনা

গত বছর এসিআই- ২০% এরও বেশি প্রবৃদ্ধি অর্জন করেছে। গত বছর আমাদের সবচেয়ে গুরুত্বপূর্ণ অর্জন ছিল বিদ্যমান সকল ব্যবসাকে শক্তিশালী করে প্রচণ্ড প্রতিদ্বন্দ্বিতাপূর্ণ সামষ্টিক অর্থনৈতিক পরিবেশের বিপক্ষে দৃঢ়ভাবে দাঁড় করাণো। মুদ্রাস্ফীতির চাপ, প্রতিকূল বিনিময় মূল্য এবং সুদের চড়া হার মোকাবেলা করার জন্য ব্যবসায়িক প্রক্রিয়ার দক্ষতা এবং মানবসম্পদ উন্নয়নের দিকে বেশী মনোযোগ দেয়া হয়েছিল। ফলশ্রুতিতে, আমাদের প্রায় সকল ব্যবসা তার আয় এবং মানের দিক দিয়ে উন্নতি লাভ করেছে। সেই সাথে প্রতিযোগিতামূলক যোগ্যতার উন্নয়নের দ্বারা ব্যবসা এবং যোগ্যতার সংযোগ আমাদেরকে এসিআই'র জন্য আরেকটি সফল বছর বয়ে আনতে সাহায্য করেছে।

২০১১ সাল প্রতিকূল অর্থনৈতিক চাপের মুখোমুখি হয়েছিলো। শেয়ার বাজারের পতন, অনেক ধরনের অর্থনৈতিক সমস্যার সূত্রপাত ঘটানোর পেছনে বড় কারণ ছিল। মুদ্রামানের অবমূল্যায়ন এবং সেই সাথে স্থানীয় বাজারের জন্য উচ্চমূল্যে কাঁচামাল আমদানী, উৎপাদনমুখী কোম্পানীগুলোর জন্য অনেক বড় চ্যালেঞ্জ ছিল। মুদ্রাস্ফীতি এবং মজুরীর অপ্রতুল বৃদ্ধিও আর একটি বড় চ্যালেঞ্জ ছিল। রাজনৈতিক কর্মকান্ড সামান্য বাড়লেও আইন-শৃংখলা পরিস্থিতি গত বছরের মতই ছিল। প্রত্যেক সেক্টরে পার্থক্যবিহীন নতুন প্রতিযোগীর আগমনে ব্যবসায়িক প্রতিযোগিতা বেড়েছে। অবকাঠামো, বিদ্যুৎ এবং গ্যাস এখনও প্রবৃদ্ধির পথে বড় অন্তরায় হয়ে রয়েছে। এই সকল সংকটপূর্ণ চ্যালেঞ্জ থাকার সত্ত্বেও, বাংলাদেশ শক্তিশালী ৬.৭% প্রবৃদ্ধি নিয়ে আরেকটি বছরে পদাধিপন করল।

এসিআই এর লক্ষ্য হচ্ছে মানুষের জীবনযাত্রার মান উন্নয়ন যা অর্জনের জন্য আমরা পণ্য উদ্ভাবন এবং ক্রেতাদের চাহিদা মোতাবেক বিশেষ অফার সমূহ প্রস্তুতকরনের মাধ্যমে আমাদের গ্রাহকদের উৎকর্ষতর ও আরও সাশ্রয়ী সমাধান দিয়েছি। গ্রাহকদের বিচিত্র এবং বিশেষ চাহিদা পূরণের জন্য পণ্যসারিতে নতুন নতুন পণ্য প্রবর্তন করা হয়েছে।

হেলথ কেয়ার সেক্টরে, আমাদের প্রবৃদ্ধির মূল চালিকাশক্তি ছিল প্রেসক্রিপশনের প্রতি বিশেষ গুরুত্ব প্রদান। ইনসুলিনের মত নতুন পণ্য ও প্রযুক্তি প্রবর্তনের পাশাপাশি রপ্তানী বাজারের ব্যাপকতর উন্নয়ন আমাদের ফার্মাসিউটিক্যাল ব্যবসার উল্লেখযোগ্য কার্যক্রম ছিল। কৃষি ব্যবসাতে শস্য সুরক্ষা, বীজ, সার, কৃষি যন্ত্রপাতি, প্রাণী স্বাস্থ্য, প্রাণী পুষ্টি এবং শস্য বিনিময়ে কৃষকদের সম্পূর্ণ সমাধান প্রদানের মাধ্যমে পূর্বের মতই আমরা নেতৃস্থানীয় সমন্বয়কারীর অবস্থানে রয়েছি। আমাদের লক্ষ্য কৃষকদের সঙ্গী হয়ে সম্পদ উৎপাদন করা। বাজারজাতকরণে দৃঢ় মনোযোগ এবং গ্রাহক চাহিদা পূরণ করে গৃহস্থালী সুরক্ষা ও পরিচ্ছন্নকারী পণ্য এবং বিশুদ্ধ ও খাঁটি খাদ্য পণ্যের মাধ্যমে আমাদের কনজুমার ব্র্যান্ডস্ ব্যবসা নেতৃস্থানীয় অবস্থানে রয়েছে। কৃষিজ সাপ্লাই চেইন ও নিত্য প্রয়োজনীয় পণ্যের বাজার ব্যবসার দক্ষতার উন্নয়নের লক্ষ্যকে মাথায় রেখে আমাদের লজিস্টিকস্ ব্যবসা বাংলাদেশের সর্ববৃহৎ রিটেইল চেইন পরিচালনা করেছে। এ বছর এ ব্যবসায়ের মূল লক্ষ্য ছিল গুণগত মান বৃদ্ধি, ক্রেতা-সেবার মান উন্নয়ন এবং ব্যবসায়িক পদ্ধতির উন্নয়ন করা। নতুন নতুন পণ্য এবং সেবা উদ্ভাবনের মাধ্যমে এসিআই আবারও গ্রাহক, অংশীদার এবং শেয়ারমালিকদের বিশেষ এবং উচ্চ গুণগত মানসম্পন্ন মূল্য প্রদানের দৃঢ় অঙ্গীকার ব্যক্ত করেছে। এসিআই সত্যিকার ভাবে তিনটি শেষ কথায় বিশ্বাস করে যা হলো-মুনাফা, মানুষ এবং পৃথিবী।

### হেলথ কেয়ার ডিভিশন

২০১১ সালের শুরুতেই ফার্মাসিউটিক্যাল ব্যবসা কৌশলগত দিক পরিবর্তন করে এবং প্রেসক্রিপশন জেনারেশনের উপর পরিপূর্ণ গুরুত্ব দিয়ে চাহিদাভিত্তিক মার্কেটে মনোনিবেশ করে। ফলে প্রেসক্রিপশন শেয়ার উল্লেখযোগ্যভাবে বৃদ্ধি পায় এবং সম্মানজনক প্রেসক্রিপশন বাজারে কোম্পানীর অবস্থান সুসংহত করে নিরবচ্ছিন্ন প্রবৃদ্ধি অর্জন করে। ২০১১ সালে এই ব্যবসা বিগতবছরের তুলনায় ১১.৫% প্রবৃদ্ধি অর্জন করে এবং বিগত ৫ বছরে এই ব্যবসা ২১% ক্রমপূঞ্জিত গড় প্রবৃদ্ধি অর্জন করেছে। গত বছরে অধিকাংশ প্রধান পণ্যসমূহ উল্লেখযোগ্য প্রবৃদ্ধি অর্জন করেছে এবং তাদের নিজ নিজ ক্যাটাগরীতে মার্কেট শেয়ার বৃদ্ধি করেছে।

এই ব্যবসা নিয়মিতভাবে নতুন পণ্য এবং সেবাসমূহ বাজারে আনছে। এ বছর আমরা অনেকগুলো নতুন উচ্চ প্রযুক্তির উৎপাদনকারী যন্ত্র ফ্যাক্টরীতে স্থাপন করেছি এবং অনেকগুলো নতুন পণ্য বাজারে এনেছি

যার মধ্যে ইনসুলিন, রেসপাইরেটরি সলিউশন এবং ড্রাই পাউডার ইনোহেলার (ডিপিআই) বিশেষ ভাবে উল্লেখযোগ্য। বাজার পরিধি বৃদ্ধির জন্য সর্বমোট ৪৮টি নতুন পণ্য বাজারে ছাড়া হয়েছে এবং রোগ নিরাময়ের জন্য নতুন সমাধান বাজারে আনা হয়েছে। এই সকল নতুন পণ্যের বাজার প্রতিক্রিয়া যথেষ্ট উৎসাহবঞ্জক।

এসিআই পৃথিবীব্যাপী বিস্তৃত উপস্থিতিতে বিশ্বাস করে এবং আমাদের ইন্টারন্যাশনাল মার্কেটিং টিম বিশ্ববাজারে আমাদের নিজেদের ছড়িয়ে দেওয়ার জন্য নতুন নতুন সম্ভাব্য মার্কেট খতিয়ে দেখছে। ২০১১ সালে আমরা মায়ানমার শ্রীলংকা, আফগানিস্তান, কেনিয়া, বেলিজ, গুয়েতমালা, সোমালিয়া, ইয়েমেন, ভিয়েতনাম, হংকং সহ মোট ১২ টি দেশে আমাদের পণ্য রপ্তানী করেছি। ল্যাটিন আমেরিকা, আফ্রিকা এবং এশিয়ার অন্যান্য অংশসহ আরও ১৫টি দেশে রপ্তানী পণ্যগুলোর নাম নিবন্ধন প্রক্রিয়াধীন রয়েছে।

এই বৈদেশিক পোর্টফোলিওর বর্তমান প্রসারণে যে দেশ সমূহ অন্তর্ভুক্ত আছে এগুলো হল, কম্বোডিয়া, ফিলিপাইন, নেপাল, থাইল্যান্ড, আইভরি কোস্ট, নাইজেরিয়া, কিউবা, কোস্টারিকা এবং চিলি।

এসিআই মেডিকেল সেবা দল নিয়মিতভাবে বিভিন্ন মেডিকেল শাখার এসোসিয়েশন এবং সোসাইটির জন্য বৈজ্ঞানিক সেমিনার এবং আলোচনাসভার আয়োজন ও পৃষ্ঠপোষকতা করেছে। এসিআই সারা বছরব্যাপী দেশজুড়ে নিয়মিতভাবে চিকিৎসা পরামর্শ দিয়ে আসছে যেখানে পেশাজীবী চিকিৎসকগণ সাম্প্রতিক রোগসমূহ ও তার নিরাময়ের বিভিন্ন পদ্ধতি আলোচনা করেন এবং নিজেদের অভিজ্ঞতা বিনিময় করেন। এই জ্ঞানের বিনিময় আমাদের চিকিৎসকদের পেশাগত দক্ষতার উন্নয়নে সাহায্য করেছে। এসিআই সমগ্র বাংলাদেশের বিভিন্ন গ্রামাঞ্চলে

গরীব রোগীদের সাহায্যার্থে বিনামূল্যে অনেক চিকিৎসা শিবিরের আয়োজন করেছে। এই সকল শিবিরে এসিআই বিনামূল্যে চিকিৎসা পরামর্শ এবং ঔষধ প্রদানের ব্যবস্থা করেছে। বাংলাদেশের স্বাস্থ্য সেবা ব্যবস্থার সামগ্রিক উন্নয়নের জন্য কোম্পানীটি বিভিন্ন মেডিকেল ও ক্লিনিক্যাল গবেষণাকার্যে আর্থিক সহায়তা প্রদানের পাশাপাশি অংশগ্রহণও করে থাকে।

নতুন প্রযুক্তি ও পণ্যকে কাজে লাগিয়ে এসিআই'র উচ্চাভিলাসী পরিকল্পনা রয়েছে। রপ্তানী বাজার উন্নয়ন এবং গুণগত মান সম্পন্ন পণ্যের মাধ্যমে এ ব্যবসা আন্তর্জাতিক অঙ্গনে নিজেদের প্রতিষ্ঠিত করতে ক্রমাগত প্রস্তুত করেছে।

## কনজুমার ব্রান্ডস্ ডিভিশন

২২% বিক্রয় প্রবৃদ্ধি অর্জনের মাধ্যমে এসিআই কনজুমার ব্রান্ডস্ আরেকটি সাফল্যমণ্ডিত বছর অতিবাহিত করল। মুদ্রামানের অবমূল্যায়ন, উচ্চ মূল্যস্ফীতি, চড়া সুদের হার ও কাঁচামালের মূল্যবৃদ্ধিজনিত কারণে সামগ্রিক খরচ বৃদ্ধির মত উচ্চতর অর্থনৈতিক এবং প্রতিযোগিতাপূর্ণ চ্যালেঞ্জ থাকা সত্ত্বেও এ সাফল্য অর্জিত হয়েছে। বিভিন্ন ব্রান্ডকে যথাযথভাবে ব্যবহার করে আমরা এই চ্যালেঞ্জ মোকাবেলা করতে সক্ষম হয়েছি।

আমরা আনন্দের সাথে জানাচ্ছি যে, গৃহস্থালি সুরক্ষা এবং পরিচ্ছন্নকারী পণ্য ক্যাটাগরিতে এসিআই মশার কয়েল ৩২% মার্কেট শেয়ার নিয়ে বাজারে নেতৃত্বস্থান দখল করেছে। এসিআই এরোসল ইনসেক্ট স্প্রে ২২% প্রবৃদ্ধি অর্জন করেছে এবং ৮৭% মার্কেট শেয়ার নিয়ে বাজারে নেতৃত্বস্থান বজায় রেখেছে। ভ্যানিশ টয়লেট ক্লিনারের বিক্রয় ৩১% বৃদ্ধি পেয়েছে। ককরোচ স্প্রে ক্রেতাদের প্রশংসা কুড়িয়েছে। ৪৪% প্রবৃদ্ধি অর্জন করে এনজেলিক এয়ার ফ্রেশনার বাজারে শীর্ষস্থান বজায় রেখেছে।

গত বছর এ দেশের জনগণকে একটি জীবনমুক্ত জীবন উপহার দিতে স্যাভলনের অভিযান ব্যাপক অগ্রগতি লাভ করেছে। সাফল্য অর্জনের উচ্চাকাঙ্ক্ষার কারণে এটি এন্টিসেপটিক বাজারে তার কর্তৃত্ব বজায় রেখে চলেছে যেখানে মার্কেট শেয়ার প্রায় ২০% বৃদ্ধি পেয়েছে। লিকুইড এন্টিসেপটিক এবং এন্টিসেপটিক ক্রীম যথাক্রমে ৭৫% ও ৭৭% মার্কেট

শেয়ার দখল করে বাজারের শীর্ষস্থানে অবস্থান করেছে। স্যাভলন হ্যাণ্ড ওয়াশের অসাধারণ ৯০% প্রবৃদ্ধি এবং স্যাভলন বার সাপের ২২% প্রবৃদ্ধির ঈর্ষনীয় সাফল্য এই ব্র্যান্ডের সামগ্রিক শক্তিকে আরো দৃঢ় ভিত্তি দান করেছে। স্যাভলন ফ্রিডম স্যানিটারি ন্যাপকিন ২০১১ সালে ৬২% প্রবৃদ্ধিসহকারে আগের মতই বৃদ্ধি অব্যাহত রেখেছে এবং মার্কেট শেয়ারে বিভিন্ন আন্তর্জাতিক ব্রান্ডগুলোকে পিছনে ফেলেছে। এই ব্রান্ডটি অতিদ্রুত নারীদের আস্থা অর্জনে সমর্থ হয়েছে।

কনজুমার ব্র্যান্ডস্ বিভিন্ন আন্তর্জাতিক ব্র্যান্ড যেমন-কোলগেট, নিভিয়া, মেরিসেন্ট, লেজার ইত্যাদিতে সমৃদ্ধ। ২০১১ সালে আন্তর্জাতিক ব্যবসা পোর্টফোলিও প্রায় ৪৯% বৃদ্ধি পায়। গতবছর দেশের দ্বিতীয় সর্বোচ্চ জনপ্রিয় টুথপেস্ট কোলগেট এর বিক্রি বেড়েছে ৪৫%। নিভিয়ার বিক্রয় প্রবৃদ্ধি হয়েছে ৭৭% এবং সর্বাধিক পছন্দনীয় নিম্ন ক্যালরিয়ুক্ত মিষ্টিকারক ব্র্যান্ড Merisant (Canderel & Equal) এর বিক্রি বেড়েছে ৮%। ছেলেদের পরিপাটির পণ্য Laser ব্র্যান্ডের বিক্রিও বেড়েছে ৬৫%।

নিরন্তর উদ্ভাবনী কৌশলের মাধ্যমে ব্র্যান্ডের অবস্থানকে আরো সুদৃঢ় এবং এর বন্টন ব্যবস্থার প্রসার ও এর পণ্য আরো বেশী মানুষের নাগালে পৌঁছে দেয়ার প্রচেষ্টা অব্যাহত রেখেছে। সৃজনশীলতা এবং ভোক্তাকেন্দ্রিক বিপণন ব্যবস্থা এই সাফল্যের চাবিকাঠি। শক্তিশালী বিক্রয় এবং বিপণন টিমের মাধ্যমে ভবিষ্যত চ্যালেঞ্জগুলো মোকাবেলা করতে এই ব্যবসা প্রস্তুত রয়েছে।

## এসিআই ইলেকট্রিক্যাল এবং কনজুমার ইলেকট্রনিক্স ডিভিশন

এসিআই ইলেকট্রিক্যাল এবং এসিআই কনজুমার ইলেকট্রনিক্স ডিভিশন তুলনামূলকভাবে নতুন দুটি ব্যবসা হলেও, মার্কেটে তাদের অবস্থান সুদৃঢ় করেছে, যদিও তা আমাদের আশানুরূপ লক্ষ্যে পৌঁছাতে পারেনি। ইলেকট্রিক্যাল ডিভিশন এসিআই স্পার্কল ব্র্যান্ড বিদ্যুৎ সশ্রয়ী বাতি, ডিসি ল্যাম্প, সার্কিট ব্রেকার এবং সুইচ সকেটের মাধ্যমে ইলেকট্রিক মার্কেটে নতুন নতুন ক্ষেত্র দখল করেছে।

এসিআই কনজুমার ইলেকট্রনিক্স ডিভিশন প্যানাসনিক ব্র্যান্ডের ইলেকট্রনিক্স পণ্য ক্রেতাদের কাছে আরও বেশী করে পৌঁছে দেয়ার লক্ষ্যে তার শো রুম বাড়িয়েছে। ২০১১ সালে নতুন ৮টি শো রুম স্থাপন করা হয়েছে। এই শো রুমগুলো ক্রেতাদের চাহিদা পূরণের লক্ষ্যে দেশের বিভিন্ন স্থানে নতুন নতুন পণ্য পরিচিতির মাধ্যমে তাদের কার্যক্রম অব্যাহত রাখবে।

তুমুল প্রতিযোগিতার মুখে এবং ক্রেতাদের স্বল্পমূল্যে পণ্য চাহিদার মোকাবেলায় উভয় ব্যবসায় চলমানভাবে কার্যক্রম পরিবর্তন করেছে। এখনকার পরিবর্তনগুলি ভবিষ্যতে সাফল্যের পথ সুগম করবে।

## এসিআই ফুডস্ লিমিটেড

২০১১ সালে এসিআই ফুডস্ লিমিটেড বিক্রয়ের দিক দিয়ে ৩০% প্রবৃদ্ধি অর্জন করেছে এবং এই ধারা বাজার রাখার ব্যাপারে আশাবাদী। নিত্যনতুন পণ্য সংযোজন এবং পণ্যের ক্রমোন্নয়ন ক্রেতাদের কাছে আমাদের পণ্যকে আরো জনপ্রিয় করে তুলেছে। এছাড়াও নতুন আকর্ষণীয় প্যাকেজগুলো ক্রেতাদের কাছে বেশ সমাদৃত হয়েছে। “পিওর” এবং “ফান” উভয় ব্রান্ডই তাদের অবস্থান পরিস্কার করে বাজারে তাদের পণ্যের অবস্থানকে সুসংহত করেছে। সেই সাথে বিভিন্ন বিপণন কার্যক্রম ভোক্তাদের মাঝে সাদা ফেলতে সক্ষম হয়েছে।

স্থানীয় বাজারের পাশাপাশি রপ্তানীর ক্ষেত্রেও কোম্পানী ভালো করেছে। বিভিন্ন মসলা, প্যাকেটজাত পণ্য, হিমায়িত খাদ্য ইত্যাদি বিশ্বের ১৪ টি দেশে রপ্তানী হচ্ছে যা প্রবাসী বাংলাদেশীদের জন্য অত্যন্ত লোভনীয়। এই ব্যবসা উৎপাদন, বিক্রয় এবং বন্টনে দক্ষতা বৃদ্ধির মাধ্যমে প্রতিযোগিতামূলক শক্তি অর্জন করেছে যা বাজার দখলের একটি পূর্ব শর্ত। এর ফলে ভবিষ্যতে আমাদের সাফল্য অর্জনের পথ সুগম হবে।

## পিওর ফ্লাওয়ার

এসিআই পিওর ফ্লাওয়ার লিমিটেড দেশের ভোক্তা সাধারণের জন্য শতভাগ গুণগতমানসম্পন্ন খাঁটি পণ্য নিশ্চিত করতে বন্ধপরিকর। গত বছর এ ব্যবসা ১৮% বিক্রয় প্রবৃদ্ধি অর্জন করেছে। গমের সংকট, ভর্তুকীর মাধ্যমে সরকারী হস্তক্ষেপ, অঙ্গসংস্থা ও বিদ্যুৎ সমস্যা ইত্যাদি থাকা সত্ত্বেও কোম্পানী সুকৌশলে ব্যবসা পরিচালনা করে মোটামুটি সন্তোষজনক বছর অতিক্রম করেছে।

সরকারের খোলাবাজারে বিক্রয় কার্যক্রমের সাথে ফ্লাওয়ার এসোসিয়েশনের কৌশলগত পদক্ষেপ ধারাবাহিক প্রবৃদ্ধি এবং নিয়মিত উৎপাদনের সুযোগ এনে দিয়েছে। এছাড়াও এসিআই পিওর ফ্লাওয়ারের রিটেইল মার্কেটে প্রবেশের মাধ্যমে এটি দ্বিতীয় বৃহত্তম ব্র্যান্ডের অবস্থান ধরে রেখেছে। পণ্যের গুণগত মান বজায় রাখার জন্য বাংলাদেশে প্রথমবারের মতো কোম্পানী চালু করেছে লেমিনেটেড প্যাকেটজাত আটা, ময়দা ও সুজি। এছাড়াও স্বাস্থ্য সুরক্ষার জন্য বাদামী আটার প্রচলন স্বাস্থ্য সচেতন ভোক্তাদের কাছ থেকে প্রশংসা কুড়িয়েছে।

সেই সাথে এসিআই পিওর ব্র্যান্ডের অধীন অন্যান্য পণ্য যেমন- এগ নুডলস, সেমাই, মিনিকেট চাল, নাজিরশাইল চাল, মসুর ডাল ও ভাল প্রবৃদ্ধি অর্জন করেছে। ক্রেতাদের চাহিদা পূরণে ২০ কেজি চালের প্যাকেটের প্রচলন বিক্রয় বৃদ্ধি এবং নতুন বাজার সৃষ্টিতে সহায়তা করেছে যা ইতিবাচক প্রবৃদ্ধি বয়ে আনবে।

## এডিবল অয়েল

লবণ, ময়দা জাতীয় পণ্য, চাল, ডাল, চিনি প্রভৃতির সাথে কমোডিটি বাস্কেটের পণ্য তালিকাকে সম্পূর্ণ করতে বাজারে আনা হয় এসিআই পিওর সয়াবিন তেল। শুধুমাত্র পিওর সয়াবিন তেল নিয়ে এসিআই এডিবল অয়েল লিমিটেড তার যাত্রা শুরু করে। কিন্তু ২০১১ সালে বিশ্ব বাজারের পাশাপাশি দেশীয় বাজারেও সয়াবিনের যোগানে ঘটতি দেখা

দেয়। বৈশ্বিক সংকটের সাথে মূল্য প্রণয়নে সরকারের হস্তক্ষেপ, বিনিময় মূল্য বৃদ্ধি, কাঁচামালের মূল্য বৃদ্ধি এবং সরকারের আইনগত বাধা যুক্ত হওয়াতে সয়াবিন তেলের প্রবৃদ্ধি বাধাপ্রাপ্ত হয়। এতদ্বাধা সত্ত্বেও ২০১১ তে এসিআই এডিবল অয়েল লি: এর বিক্রয়লব্ধ আয় হয়েছে ৮৪.৮ মিলিয়ন টাকা।

এসিআই এডিবল অয়েল লি: আরও স্বাস্থ্যকর ভোজ্যতেলের মাধ্যমে স্বাস্থ্যবান বাংলাদেশ গড়ে তুলতে সামনের বছরগুলোতে বিভিন্ন ধরণের ভোজ্যতেল বাজারে আনার পরিকল্পনা করছে।

## সল্ট (লবণ)

কাঁচামালের মূল্য অত্যধিক বৃদ্ধি, জ্বালানি মূল্যের উর্ধগতি ও তীব্র গ্যাস সংকট এবং উৎপাদন স্বল্পতা প্রভৃতি বাহ্যিক সমস্যা সত্ত্বেও আমাদের এসিআই পিওর সল্ট ব্যবসা পূর্বের মতোই ভালো ফলাফল অর্জন করেছে। সারা বছর ধরেই এসিআই পিওর সল্টের চাহিদা তার উৎপাদিত পণ্যের চেয়ে অনেক বেশী ছিল। বিভিন্নমুখী সমস্যা সত্ত্বেও বিক্রয়ের গুণগতমান বৃদ্ধির দ্বারা মুনাফা বৃদ্ধির মাধ্যমে এসিআই সল্ট একটি সফল বছর পার করেছে। এসিআই সল্ট একটি অত্যাধুনিক প্ল্যান্ট স্থাপনের পদক্ষেপ নিয়েছে যার যন্ত্রপাতি আনা হয়েছে সুইজারল্যান্ডের Evatherm থেকে। উক্ত প্ল্যান্টটি ঘটায় ২২ মেট্রিক টন পণ্য উৎপাদনে সক্ষম। প্ল্যান্টটির নির্মাণ কাজ দ্রুততার সাথে এগিয়ে যাচ্ছে এবং মে ২০১২ তে শেষ হবে বলে আশা করা হচ্ছে। নতুন প্ল্যান্টটি চালু হলে এসিআই সল্ট লি: দেশের সর্ববৃহৎ সল্ট রিফাইনারি প্ল্যান্ট হিসেবে আত্মপ্রকাশ করবে।

দেশের অন্যতম শীর্ষস্থানীয় ব্রান্ড তৈরী করে এসিআই পিওর সল্ট খাবারের গুণগত মান এবং বিশুদ্ধতার ব্যাপারে জনসচেতনতা বৃদ্ধি করেছে। এটি একটি শক্তিশালী পদক্ষেপ যা ব্যবসাসক্ষেত্রের বাইরে একটি স্বাস্থ্যবান ও মেধাবী বাংলাদেশ গড়ার আলোড়ন তৈরী করেছে।

## এগ্রিবিজনেসেস ডিভিশন

### ক্রপ কেয়ার এন্ড পাবলিক হেলথ

গত বছরের তুলনায় এই ইন্ডাস্ট্রিতে ব্যবসাসহাস পেয়েছে ২% এবং ক্রপ কেয়ার ও পাবলিক হেলথ এর ব্যবসায়িক প্রবৃদ্ধি হয়েছে ১৯.৩৬%। বাজারে অনেক নতুন প্রতিযোগীর আবির্ভাব হয়েছে যেকারণে ক্রেডিট নিয়ন্ত্রণ করতে এটি ছিল আমাদের একটি পূর্বপরিকল্পিত উদ্যোগ। এ শিল্পে নতুন প্রতিযোগীদের জোরপূর্বক বিক্রয় প্রবণতা লক্ষ্য করা গেছে যা থেকে এ শিল্পের গুণগতমান নিম্নগামী হয়েছে। এসিআই ক্রপ কেয়ার এবং পাবলিক হেলথ এর পণ্য প্রথম সারির এবং উচ্চ গুণগতমান সম্পন্ন হওয়ায় আমরা ক্রেডিট নিয়ন্ত্রণের উপর জোর গুরুত্ব প্রদান করেছি এবং পণ্য চাহিদা অনুযায়ী বিক্রয়কে প্রাধান্য দিয়েছি।

পণ্যসারিকে আরও সমৃদ্ধ করতে এ ব্যবসা আরও নতুন তিনটি পণ্য সংযোজন করেছে যার মধ্যে কীটনাশক- ১টি, ছত্রাকনাশক-১টি এবং ১টি আগাছানাশক। কালাজুরের বাহক স্যান্ড ফ্লাই দমনের জন্য আমরা ডিরেক্টর জেনারেল, হেলথ-কে Deltamethrin ৫% WP সরবরাহ করেছি যা কার্যকরী ফলাফল লাভ করেছে। বিদেশী সহযোগীদের সাথে আমরা নতুন প্রযুক্তির কিছু পণ্য উদ্ভাবনের চেষ্টা করছি যার মধ্যে প্রথম সারিতে রয়েছে Long Lasting Impregnated Net (LLIN) যা আমাদের দেশের মানুষের উপকারে আসবে।

এ শিল্পে অনেক নতুন কোম্পানীর আবির্ভাবের কারণে আমরা ব্রান্ড ভিত্তিক বিপণন এবং সমাধানের উপর জোর দিয়েছি। আমাদের মাঠ পর্যায়ে

কর্মীর সংখ্যা বৃদ্ধি করা হয়েছে। আমাদের নিজস্ব কর্মীদের সাথে সাথে প্রেসক্রাইবার, খুচরা ব্যবসায়ী এবং চ্যানেল অংশীদারদেরও প্রশিক্ষণ কর্মসূচী বৃদ্ধি করা হয়েছে। তরল কীটনাশকের উপর বিশেষ জোর প্রদান করা হয়েছে। শিল্পের অশান্ত পরিবেশকে মোকাবেলা করতে কৃষকদের অংশগ্রহণমূলক প্রোগ্রাম (যেমন: কৃষকদের আলোচনা অনুষ্ঠান) বৃদ্ধি করা হয়েছে যেখানে পণ্যের যথাযথ এবং সমন্বিতব্যবহার প্রসঙ্গে আলোচনা করা হয়। আমাদের ব্র্যান্ডিং প্রচেষ্টা, গুণগত মানের প্রতি গুরুত্ব প্রদান ও জ্ঞানভিত্তিক প্রযুক্তি নির্ভর কৃষি সহযোগিতা আমাদের ব্যবসাকে সাফল্য দান করবে এবং খাদ্য নিরাপত্তা নিশ্চিত করবে।

### ফার্টিলাইজার

২০১১ সালে এসিআই ফার্টিলাইজার ১৬% বিক্রয় প্রবৃদ্ধি অর্জন করেছে। এ ব্যবসা স্তুপাকার সারের ব্যবসা থেকে সরে এসে বিশেষ ধরনের চার প্রকার সারের দিকে নজর দিয়েছে, যা হলো সয়েল হেলথ, সয়েল ডেফিসিয়েন্সি কারেক্টর, সাপ্লিমেন্টস্, প্ল্যান্ট গ্রোথ প্রমোটর। এই বিভাজন ব্যবসাকে সঠিক কৌশলগত দিক নির্ধারণে সহায়তা করেছে।

পুরনো কিছু পণ্য পরিবর্তন করে নতুন প্রযুক্তির কিছু পণ্য বাজারে আনা হয়েছে যা আরও অধিক কার্যক্ষম। নতুনভাবে সংযোজিত পণ্যের মধ্যে উল্লেখযোগ্য হল Mineral Gypsum ব্র্যান্ডের জিপসাম যা বাজারে সাধারণভাবে প্রচলিত ফসপো জিপসাম অপেক্ষা অধিক কার্যকরী।



এছাড়াও সংযোজিত হয়েছে Bentonite Sulphate যা বাজারে প্রচলিত Sulphur ৮০% অপেক্ষা অধিক ফলপ্রসূ। তাছাড়া এসিআই ফার্টলাইজার একটি নতুন ধরনের Organic Fertilizer (Green Sul) বাজারে ছেড়েছে যা প্রদর্শনী প্লটে ব্যবহার করে ১৭% উৎপাদন বৃদ্ধি পরিলক্ষিত হয়েছে। কৃষকদের ফসলের পরিপূর্ণ পুষ্টি ব্যবস্থা নিশ্চিত করতে এসিআই ফার্টলাইজার আরও কিছু পণ্য বাজারে আনার পরিকল্পনা করছে যার মধ্যে রয়েছে Biofertilizers, Urea Savings fertilizers, Crop specialized mixes ইত্যাদি।

এসিআই ফার্টলাইজার কৃষকদের শুধুমাত্র পণ্য সরবরাহই করেনা বরং কৃষকদের সঠিকভাবে সার প্রয়োগ পদ্ধতির শিক্ষা দিতে বিভিন্ন ধরনের সেমিনার, মাল্টিমিডিয়া প্রেজেন্টেশন এবং ওয়ার্কশপের আয়োজন করে থাকে যা ব্যবসার চালিকা শক্তি হিসাবে কাজ করে। গত বছর ক্ষুদ্র পুস্তিকা এবং অন্যান্য সামগ্রীর সাহায্যে পণ্যের প্রচার এবং কৃষকদের নতুন পণ্য সম্পর্কে আগ্রহী করে তুলতে ডিলার পর্যায়ে ১০টিরও অধিক কমিউনিকেশন সেন্টার স্থাপন করা হয়।

নিয়মিত উদ্ভাবন এবং সচেতনতা বৃদ্ধির দ্বারা, এসিআই ফার্টলাইজার মাইক্রোনিউট্রিয়েন্ট সারের বাজারে শীর্ষস্থান দখলের আশা রাখে। এসিআই ফার্টলাইজারের উদ্দেশ্য হলো কৌশলের সাথে সামঞ্জস্যপূর্ণ প্রচার, আধুনিক প্রযুক্তি এবং গুণগত মান সম্পন্ন পণ্যের দ্বারা বাংলাদেশের কৃষি ব্যবস্থার উন্নতি করা যা শস্যের উৎপাদনশীলতা বৃদ্ধি করবে এবং এর ফলে দেশের খাদ্য নিরাপত্তা অর্জিত হবে।

## সীড

এসিআই সীড এর বিক্রয় প্রবৃদ্ধি ছিল ২৮%। এসিআই সীড এর প্রত্যাশা হচ্ছে কৃষকদের গুণগতমান সম্পন্ন উচ্চ ফলনশীল এবং শংকর জাতের বীজ সরবরাহ করা যাতে তারা আরও অধিক উৎপাদন সুবিধা ভোগ করতে পারে এবং যার দ্বারা দেশের খাদ্য নিরাপত্তা অর্জিত হবে।

এসিআই সীড বর্তমানে বিশেষজ্ঞ কৃষি বৈজ্ঞানিকদের তত্ত্বাবধানে উচ্চ ফলনশীল ও শংকর জাতের ধানবীজ এবং উচ্চ মূল্যমানের শস্যবীজ বাজারজাত করছে। এসিআই সীড অনেকগুলো নতুন পণ্য বাজারে নিয়ে এসেছে যার মধ্যে রয়েছে করলা, চিচিংগা, ধুন্দল, বিংগা এবং শসা। নতুন পণ্য সংযোজিত হওয়ায় মুক্ত পরাগায়িত সজি বীজের বিক্রয় ২০% বৃদ্ধি পেয়েছে। হাইব্রীড সজি বীজের বিক্রয় এ বছর ৩০৮% বৃদ্ধি পেয়েছে। এছাড়াও এ ব্যবসা ২০১১ সালে ১০৬৩ মেট্রিক টন ধান বীজ বিক্রি করে। হাইব্রীড ধানবীজ বাজারে ২য় স্থান লাভ করেছে।

এসিআই সীড পণ্য প্রদর্শনী কার্যক্রমের উপর বিশেষ জোর প্রদান করে। প্রতিটি পণ্যই বাজারজাতের পূর্বে সতর্কতার সাথে পরীক্ষামূলক চাষ করা হয়। বিভিন্ন ধরনের প্রশিক্ষণ প্রোগ্রামের মাধ্যমে খুচরা বিক্রেতাদের সাথে সুসম্পর্ক স্থাপন করতে আমাদের বড় একটি মাঠকর্মী দল রয়েছে। এটি আমাদের অর্থনীতির একটি মৌলিক শিল্প হওয়ায় এ শিল্পের ভবিষ্যত নির্মাণের জন্য এসিআই শীর্ষস্থানীয় ভূমিকা নিয়েছে। এসিআই সীড এর প্রত্যাশা হচ্ছে বাংলাদেশের বীজ উৎপাদন ব্যবস্থাকে উন্নততর পর্যায়ে নিয়ে যাওয়া।

## ক্রপেক্স

এসিআই ক্রপেক্স এর উদ্দেশ্য হচ্ছে কৃষকদের প্রয়োজনীয় উপকরণ এবং কোন্স্ট্রাক্টরেজ সুবিধাপ্রদান করে কৃষিক্ষেত্রে মূল্য শৃঙ্খলের সমন্বয় করা যাতে করে কৃষকরা একটি ন্যায্যমূল্যের বাজার পায় এবং সেই সাথে পঁচনশীল শস্য সংরক্ষণের সুযোগ পায়। ক্রপেক্স এর ব্যবসায়িক মডেলের গুরুত্বপূর্ণ কিছু পরিবর্তন আনা হয় যে কারণে বিক্রয় ৩২% হ্রাস পেয়েছে। আমরা এমন একটি ব্যবসায়িক মডেল তৈরী করেছি যা আরো টেকসই এবং শক্তিশালী।

এ পর্যন্ত এসিআই ক্রপেক্স কৃষকদের কাছ থেকে বিভিন্ন প্রকারের শস্য লেনদেন করেছে যার মধ্যে রয়েছে ধান, গম, ভুট্টা, আদা, ডাল, সরিষা, আলু, সজি এবং ফল। এছাড়াও এসিআই ক্রপেক্স কৃষকদের গবাদি পশুখাদ্য সরবরাহ করে এবং প্রযুক্তি দিয়ে কৃষকদের সাহায্য করে যাতে তারা গুণগতমান সম্পন্ন পণ্য সম্পর্কে জানতে পারে এবং সে ধরনের পণ্য উৎপাদনে সক্ষম হয়।

অনলাইনে কৃষিজাত পণ্য লেনদেনের জন্য এসিআই ক্রপেক্স এনজিও Practical Action ও Katalyst ছাড়াও Grameenphone এর সাথেও MOU সই করেছে। কৃষকদের সাথে স্থানীয় ভূট্টা এবং গমের জন্য চুক্তি করা হয়েছে। এসবের মাধ্যমে ২০১১ সালে ক্রপেক্স কৃষকদের আস্থা লাভ করেছে এবং তারা যেসব পণ্য কিনে তার পরিমাণ দ্বিগুন হয়েছে।

বিনীতভাবে বলা যায়, ক্রপেক্সের প্রত্যাশা হচ্ছে এসিআই এগ্রিবিজনেস, এসিআই কনজুমার ব্রান্ডস্ এবং এসিআই লজিস্টিকস্ এর বিভিন্ন ব্যবসায়ের মধ্যে যোগসূত্র স্থাপন করবে। ক্রপেক্স কৃষকদের সাথে যুক্ত হচ্ছে যাদের উৎপাদিত পণ্য ক্রপেক্সের ব্রান্ডে বাজারজাত করা যেতে পারে যা কৃষকদেরকে অধিক পণ্য উৎপাদনে এবং গুণগতমানের প্রতি যত্নবান হতে উৎসাহিত করবে। এটি ক্রমাগতভাবে আরো অধিক কৃষি পণ্য ক্রয়, ব্রান্ডিং, বাছাই এবং আলাদা করে ভবিষ্যত আয় বৃদ্ধি করবে।

## মটরস্

২০১১ সাল জুড়ে এসিআই মটরস্ এর আয় ৬২.৮% বেড়েছে। এছাড়াও এসিআই মটরস্ কৃষিপ্রযুক্তি উন্নয়নে নিরলসভাবে কাজ করে যাচ্ছে এবং দেশজুড়ে তার স্বীকৃতিও পেয়েছে। বগুড়ায় অনুষ্ঠিত আন্তর্জাতিক কৃষি মেলাতে এসিআই মটরস্কে কৃষক ও কৃষি উন্নয়নের স্বীকৃতিস্বরূপ পুরস্কৃত করা হয়।

ক্রমবর্ধমান কৃষি উৎপাদন খরচ কমাতে কৃষিকাজে কর্মী ঘাটতির অভাব পূরণের যান্ত্রিক সমাধান দিতে এসিআই মটরস্ প্রশংসনীয় অগ্রগতি লাভ করেছে। এসিআই মটরস্ কৃষকদের সবধরনের যন্ত্রপাতি সরবরাহ করে যেমনঃ ট্রাক্টর, পাওয়ার ট্রিলার, ডিজেল ইঞ্জিন, রোটাভেটর, ট্রান্সপ্ল্যান্টারস ইত্যাদি। পানি ব্যবস্থাপনা এবং সেচ সমস্যা সমাধানকল্পে পানি পাম্পের ব্যবসা শুরু করা হয়েছে। বাজারে আরো আনা হয়েছে ধানের চারা বপনের যন্ত্র যা স্বল্প মূল্যের একটি চাষাবাদ প্রযুক্তি।

এছাড়াও এসিআই মটরস্ কোরিয়ার সর্ববৃহৎ কৃষিভিত্তিক প্রযুক্তি সরবরাহকারী কোম্পানী DEADONG গ্রুপ এর ট্রান্সপ্ল্যান্টার এবং হার্ডেস্টার এর একমাত্র পরিবেশক হিসাবে নিয়োগ পেয়েছে। আমাদের পণ্যের যথাযথ প্রদর্শন এবং সরাসরি গ্রাহকসেবা প্রদানের জন্য গাজীপুরে আমরা একটি নতুন শো-রুম খুলেছি।

এসিআই মটরস্ শুধুমাত্র কৃষকদের উন্নত প্রযুক্তিই সরবরাহ করে না বরঞ্চ কৃষকদের বিনামূল্যে স্বাস্থ্য পরীক্ষা ও কিছু কিছু এলাকায় বিনামূল্যে চাষবাসের সুযোগও করে দেয়। সমন্বিত পণ্যসম্ভারের সাথে উত্তম বিক্রয়োগ্রহণ গ্রাহক সেবাসহ সর্বোপরি সামগ্রিক কার্যক্রম এসিআই মটরস্ এর অনেক বিশ্বস্ত গ্রাহক তৈরী করেছে যা এটির আয় বৃদ্ধি করেছে।

## এনিমেল হেলথ

২০১১ সালেও আমরা পূর্বের মত মার্কেটে শক্ত অবস্থান ধরে রেখেছি। এ বছর, এ ব্যবসায় বিভিন্ন মহামারী যেমন- বার্ডফ্লু এবং খ্রিচেস এর মুখোমুখি হয়। বিশাল সংখ্যক মুরগীকে বার্ডফ্লুর কারণে নিধন করতে হয়েছে, যা আয়ের গতিধারা কে বাধাগ্রস্ত করেছে এবং ব্যবসায়ের কাজিকত লক্ষ্যে পৌঁছাতে সমস্যাসৃষ্টি করেছে। অন্যদিকে, বিভিন্ন সরবরাহকারী সময়মত ড্যান্ডিন সরবরাহ করতে ব্যর্থ হয়েছে যা ছিল

আমাদের ব্যবসার একটি গুরুত্বপূর্ণ পোর্টফোলিও। এত বাধা সত্ত্বেও এ ব্যবসা নতুন ক্ষেত্র উন্মোচন করে এবং কার্যপ্রণালীতে দক্ষতা এনে ব্যবসাকে সামনের দিকে এগিয়ে নিয়ে গেছে।

এসিআই এনিমেল হেলথ কৃষকদের দক্ষতার সাথে সাথে অত্যাধুনিক প্রযুক্তির সমন্বয় ঘটিয়েছে যা হাঁসমুরগী, মৎস্য এবং দুগ্ধজাত দ্রব্য উৎপাদনে উন্নতি সাধন করেছে। বর্তমানে এসিআই এনিমেল হেলথ নারায়ণগঞ্জের ফার্মাসিউটিক্যাল ফ্যাক্টরীতে পুষ্টিকর দ্রব্য, এন্টিবায়োটিক, ডিসইনফেক্টেস, এনালজ্যাসিক, এন্টিহিস্টামিন এবং ভ্যাক্সিন উৎপাদন করে। সমন্বিত পণ্যগুলো একটি সুনিয়ন্ত্রিত পরিবেশে তৈরী হয় যা সঠিক মান বজায় রাখে।

এসিআই এনিমেল হেলথ পণ্য উন্নয়নে কঠোরভাবে কাজ করছে, যার ফলে অভিজ্ঞ ফার্মাসিস্টরা নিরন্তরভাবে পণ্যের উন্নয়ন সাধন এবং পণ্যমান নিয়ন্ত্রন করতে

পারছে। এসিআই ইতিমধ্যে কিলভ্যাক্সিন চালু করেছে। আরো যেসব নতুন পণ্য চালু হয়েছে তা হলো : Dairy Anthelmintic, dairy digestive stimulant, Dairy Antibiotic, poultry amino acid, poultry vitamins, growth promoters for aqua-segment। নতুন আরো কিছু পণ্য যা বাজারে আসার অপেক্ষায় আছে সেগুলো হলো HVT-AIB, বার্ড ফ্লু'র ভ্যাক্সিন এবং আরও দুটি ভেন্টের-ভ্যাক্সিন: HVT-NDB এবং HVT-IBD।

মোট ১৯ টি শহরে ডিসট্রিবিউশন সেন্টারের মাধ্যমে কঠোরমান নিয়ন্ত্রিত হচ্ছে এবং কোনো কৃষক যেন উন্নতমানের পশুখাদ্য এবং পণ্য পাওয়া থেকে বঞ্চিত না হয় তা নিশ্চিত করা হচ্ছে। অন্যান্য কোম্পানী থেকে আলাদা এবং আমাদের বিশেষ বৈশিষ্ট্যগুলোর প্রতি বিশেষ জোর দেয়া হয়েছে যা আমাদের ব্যবসাকে অন্যদের থেকে আলাদাভাবে পরিচিত করবে এবং প্রতিকূল ব্যবসায়িক পরিবেশেও সাফল্য বয়ে আনবে।

## এসিআই লজিস্টিকস

এ ব্যবসা পূর্ববর্তী বছরের চেয়ে বিক্রয়ের ক্ষেত্রে ১১৪%, ক্রেতার সাথে লেনদেনে ৫৪% এবং বাল্কেট সাইজে ৪০% প্রবৃদ্ধি অর্জন করেছে। এসিআই লজিস্টিকস 'স্বপ্ন' ব্র্যান্ডের মাধ্যমে ঢাকা, চট্টগ্রাম ও সিলেটে অনেকগুলো আউটলেট পরিচালনা করছে। ব্যাপক বিস্তৃতির কারণে 'স্বপ্ন' সর্ববৃহৎ সুপার মার্কেটের পজিশন ধরে রেখেছে। 'স্বপ্ন' প্রতিমাসে গড়ে ৩৫০,০০০ এর চেয়ে বেশী ক্রেতাকে সেবা প্রদান করে থাকে এবং ৫০০০ এর অধিক প্রকারের পণ্য সরবরাহ করছে। এছাড়া 'স্বপ্ন' ২৫০ জনের বেশী সরবরাহকারীর সাথে গভীর সম্পর্ক স্থাপন করেছে যাদেরকে গুরুত্বপূর্ণ ব্যবসায়িক অংশীদার হিসাবে বিবেচনা করা হয়।

ব্যবসায়ের অগ্রগতির সাথে সাথে আমরা নতুন ধারণা, সম্পদ ও অবকাঠামোগত পরিবর্তন এনেছি। ফ্রন্ট এবং অপারেশনাল টিমকে শক্তিশালী করার মাধ্যমে 'স্বপ্ন' তার ক্রেতার সম্ভৃষ্টি অর্জন করেছে। এছাড়াও উক্ত টিমগুলোকে উৎসাহিত করা হয়, যাতে তারা নিজেরা ব্যবসায়ের পরিসর বাড়াতে নতুন নতুন উপায় উদ্ভাবন করে আয়ের ক্ষেত্র তৈরী করতে পারে, যা 'স্বপ্ন' কে ইকোনমিস অব স্কেল অর্জন করতে সাহায্য করে এবং দরকষাকষির ক্ষমতা ও মূল্য নিয়ন্ত্রনের ক্ষেত্রে সুযোগ করে দেয় এবং সমগ্র রিটেইল অপারেশন পরিচালনার অর্থের যোগানের ব্যবস্থা করে।

গুরুত্বপূর্ণ ক্যাটাগরী যেমন- প্রোটিন, কমেডিটি এবং পঁচনশীল পণ্যের ক্ষেত্রে পরিকল্পনা ও ক্রয়ের জন্য বিশেষজ্ঞ কর্মী নিয়োগের মাধ্যমে কিছু কিছু গুরুত্বপূর্ণ পণ্য শ্রেণীভিত্তিকভাবে ক্রয় করে উল্লেখযোগ্য ফলাফল লাভ করেছে। এর ফলে বড়মাপের ক্রেতাদক্ষতা অর্জিত হয়েছে এবং পণ্যের প্রাপ্যতা নিশ্চিত হয়েছে। এর ফলে উন্নত বিতরণ ব্যবস্থা চালু হয়েছে। যার দ্বারা এ ব্যবসার কেন্দ্রবিন্দু গ্রাম্য কৃষক এবং স্থানীয় সরবরাহকারীদের সাথে ভোক্তাদের সরাসরি সংযুক্ত করবে এবং ভোক্তার স্বল্প মূল্যে গুণগতমান সম্পন্ন পণ্য পাবে। এছাড়াও ক্রেতার চাহিদার

ভিত্তিতে নতুন ২০০০ এরও বেশী পণ্য নতুন করে প্রচলন করা হয়েছে যা আমাদের বিক্রয় আরো বৃদ্ধি করেছে এবং ক্রেতা সম্ভৃষ্টি অর্জনে সহায়তা করেছে। এই পরিবর্তন 'স্বপ্ন'র দ্রুত প্রবৃদ্ধির চালিকাশক্তি হিসাবে কাজ করেছে যা গুরুত্বপূর্ণ ক্রেতাদের সম্ভৃষ্টি অর্জন ও ধরে রাখতে সাহায্য করেছে।

সারা বছর জুড়ে বেশকিছু মৌসুমী প্রচারণামূলক কর্মসূচী চালানো হয়েছে যার ফলে ঐসময়ে ক্রেতাদের পদচারণা ও আগ্রহ বৃদ্ধি পেয়েছে। আমাদের প্রচেষ্টা ও মূল্যবোধকে স্বীকৃতি দেয়ার জন্য আমরাই প্রথম ৩৬০ ডিগ্রী প্রচারণামূলক কর্মসূচী চালিয়েছি যার মূল প্রতিপাদ্য ছিল "আপনার কষ্টার্জিত অর্থে সবচেয়ে ভাল ক্রয়" এবং এর উদ্দেশ্য ছিল সনাতনী বাজারের ক্রেতাসাধারণকে আকৃষ্ট করা। এই সুস্পষ্ট বিজ্ঞাপনী প্রচারণা টেলিভিশন, প্রেস, বিলবোর্ড ইত্যাদিতে করা হয়েছে এবং এটি ক্রেতাদের তাদের ব্যয়ের ব্যাপারে সজাগ দৃষ্টি দিতে উৎসাহিত করেছে। আমাদের এই প্রচারণা সুফল হিসাবে ব্র্যান্ডের পরিচিতি বৃদ্ধিসহ ক্রেতার সংখ্যা বৃদ্ধি পেয়েছে এবং ব্যবসায়িক অংশীদারদের কাছ থেকে আমরা আরো বেশী সহায়তা পাচ্ছি।

ক্রেতার সম্ভৃষ্টি ও পণ্য সরবরাহের ক্ষেত্রে ক্রমবর্ধমান উন্নয়ন, অসাধারণ ব্র্যান্ড পজিশনিং, কার্যক্রমের দক্ষতা অর্জনের মাধ্যমে 'স্বপ্ন' সাপ্লাই চেইন ব্যবস্থায় পরিবর্তন এনে ক্রেতা সাধারণের সম্ভৃষ্টি অর্জনের লক্ষ্যের কাছাকাছি পৌঁছেছে। বিশ্বের অন্যান্য দেশের মত বাংলাদেশেও রিটেইল ব্যবসা অন্যতম উচ্চ প্রবৃদ্ধির সম্ভাবনাময় ব্যবসা। এসিআই লজিস্টিকস বাংলাদেশের ভোক্তাদের জীবনধারা পরিবর্তন এবং রিটেইল ইন্ডাস্ট্রির চিত্র পাল্টে দিতে তার সম্মুখাভ্রা অব্যাহত রেখেছে।

## সাবসিডিয়ারী ও সহযোগী কোম্পানী সমূহ

প্রতিটি অঙ্গসংস্থার পৃথক পৃথক প্রতিবেদন তাদের সকল হিসাব সহ এই প্রতিবেদনের শেষে দেয়া আছে।

**এসিআই ফর্মুলেশনস লিমিটেড**, যা আমাদের একটি বৃহৎ অঙ্গসংস্থা ও একটি পাবলিক লিমিটেড কোম্পানী, তা সম্পর্কে ক্রপ কেয়ার ব্যবসায়ের আলোচনা হয়েছে। ক্রপ কেয়ারের সাথে সাথে এটি এসিআই কনজুমার ব্র্যান্ডস এর জন্য মশার কয়েল ও এ্যারোসল উৎপন্ন করে।

**প্রিমিয়াফ্লেক্স প্ল্যাস্টিকস লিমিটেডের** এর লক্ষ্য হচ্ছে, উদ্ভাবনী এবং তথ্যপূর্ণ প্যাকেজিং এর মাধ্যমে ক্রেতাপণ্যে মূল্যসংযোজন করা। প্রিমিয়াফ্লেক্স বিভিন্ন ধরনের প্যাকেজিং প্ল্যাস্টিকস উৎপাদন করে যার মধ্যে মোড়ক, পাউচপ্যাক, সংকুচিত বা পার্ল লেবেলস, সংকুচিত আউটারপ্যাক ও ফার্মাসিউটিক্যাল স্ট্রিপস উল্লেখযোগ্য।

গত বছর প্রিমিয়াফ্লেক্সের উল্লেখযোগ্য পরিমাণ ১০৭% প্রবৃদ্ধি অর্জিত হয়েছে যেখানে সমগ্রবছরব্যাপী এই শিল্পের বিকাশ ছিল মাত্র ৪৪%। ২০১১ সালে সকলরকম ধাতব কর্ম ও লেমিনেটেড ওভেনব্যাগ এ 'প্রিমিয়াফ্লেক্স' এর

উল্লেখযোগ্য অর্জন রয়েছে। লেমিনেটেড ওভেনব্যাগ মার্কেটে প্রিমিয়াফ্লেক্স এর মার্কেট শেয়ার বিস্ময়কর যা প্রায় শতকরা ৮৪ ভাগ।

'প্রিমিয়াফ্লেক্স' অনেক বহুজাতিক ও স্থানীয় কোম্পানীর জন্য পণ্য উৎপাদন করে থাকে। কোম্পানীটি অতি শীঘ্রই ISO 9001:2008 সার্টিফিকেট লাভ করবে যা এর গুণগুণ ও মানদণ্ডকে আরও জোরদার করবে বলে আশা করা যায়। প্রিমিয়াফ্লেক্সের দৃষ্টিকেন্দ্রবিন্দু হল এর ক্রেতাদের ওয়ানস্টপ সমাধান প্রদানের মাধ্যমে তাদের বিশ্বাসযোগ্যতা অর্জন করা। নিয়মিতভাবে গুণগতমান বজায় রেখে যথাসময়ে পণ্য সরবরাহ এবং হ্রদ্যতাপূর্ণ সম্পর্ক তৈরীর মাধ্যমে বাজার শ্রেষ্ঠত্ব অর্জনের জন্য এটি কাজ করে যাচ্ছে।

**এসিআই গোদরেজ এগ্রোভেট প্রাইভেট লিমিটেড** ২০১১ সালে গত বছরের তুলনায় ৬৩% বেশী বিক্রয় প্রবৃদ্ধি অর্জন করেছে। কোম্পানী ব্রয়লার ফিড ও ফ্লোটিং ফিস ফিড এর আয়ে অগ্রগতি অর্জন করেছে। এছাড়াও এটি হাঁস-মুরগী, পশু ও মৎস্য খাদ্যের অন্যান্য শ্রেণীতেও যেমন- লেয়ার ফিড, সিংকিং ফিস ফিড ও ডেইরি ফিডেও দুই অংকের প্রবৃদ্ধি অর্জনে সক্ষম হয়েছে।



কোম্পানী ২০১১ সালের জুন মাসে দেশের অন্যতম স্বয়ংক্রিয় পোল্ডিফিড প্ল্যান্ট স্থাপন করেছে যা ঘন্টায় ১৫ মেট্রিক টন খাদ্য উৎপাদনে সক্ষম। কোম্পানীর পণ্যমান আগের চেয়েও উন্নতি করেছে এবং এই শিল্পে তাদের বাজার অংশীদারিত্বও বৃদ্ধি পেয়েছে। কোম্পানী কৃষক প্রশিক্ষণ অনুষ্ঠান, মিটিং ও সেমিনার ইত্যাদির মাধ্যমে গর্ব করার মত ক্রেতাকেন্দ্রিক বিশ্বাস অর্জনে সক্ষম হয়েছে। সেই সাথে উৎপাদন খরচ কমিয়ে বিশ্বস্ত ক্রেতা তৈরীতেও সফল হয়েছে। দেশের হাঁস-মুরগী, পশু ও মৎস্য খাদ্যের অন্যতম তিনটি কোম্পানীর একটি হওয়ার জন্য এটি আগ্রহণ চেষ্টা চালিয়ে যাচ্ছে।

**টেটেলি এসিআই বাংলাদেশ লিঃ** ২০১১ সালে পূর্বের মতই বাজারের শক্তিশালী অবস্থান ধরে রেখেছে। ভবিষ্যতের ব্যবসায়ের উদ্যোগে সহযোগিতা করার জন্য কোম্পানী বিকল্প ব্যবসায় মডেলের খোঁজ করেছে। প্রথম পদক্ষেপ হিসেবে এটি তার বিতরণ মডেল পরিবর্তন করে এবং সেই সাথে ২০১২ সালের জানুয়ারী মাসে এসিআই ব্র্যান্ডেড কমোডিটির সাথে অংশীদারিত্ব করে যা কোম্পানীর বিতরণ ব্যবস্থা আরও শক্তিশালী করতে সাহায্য করবে। বিশ্বের বিভিন্ন দেশের চায়ের পাতার উৎস সম্পর্কে জ্ঞান এবং মিশ্রনের দক্ষতাকে কাজে লাগিয়ে টেটেলি এসিআই বাংলাদেশ লিঃ সবচেয়ে ধারাবাহিক মিশ্রণ এবং গুণগতমান প্রদানে সক্ষম হয়েছে। ফলশ্রুতিতে পণ্যের মার্জিন বৃদ্ধি পেয়েছে। কাঁচামাল সংগ্রহ, বিপণন বিক্রয় এবং বন্টনে কৌশলগত পরিবর্তন এ ব্যবসার গুণগতমান বৃদ্ধি করেছে। উক্ত পদক্ষেপগুলোর কারণে ব্যবসার চেহারার উল্লেখযোগ্য উন্নতি হয়েছে।

**এশিয়ান কনজুমার কেয়ার প্রাইভেট লিমিটেড** (এসিসিএল) এর জন্য ২০১১-২০১২ সাল একটি উল্লেখযোগ্য বছর ছিল। যখন বাংলাদেশের এফএমসিজি শিল্প ১১.৫% বৃদ্ধি পেয়েছে তখন কোম্পানীর বৃদ্ধি ছিল ৫৫%। উল্লেখযোগ্য ব্র্যান্ডগুলো যেমন- ভাটিকা হেয়ার ওয়েল, ডাবর হেয়ার ওয়েল, ডাবর আমলা হেয়ার ওয়েল কোম্পানীর অন্যান্য পণ্যগুলোর চেয়ে অধিক দ্রুত প্রবৃদ্ধি অর্জন করেছে। ডাবর ব্র্যান্ড হেয়ার অয়েল, শ্যাম্পু ও টুথপেস্ট ইন্ডাস্ট্রিতে এ জাতীয় পণ্যের প্রবৃদ্ধিকে অতিক্রম করেছে।

বিশেষভাবে উল্লেখ করার মত ছিল বিতরণ ও ভোক্তা যোগাযোগের দক্ষতা বৃদ্ধি। “Think Global Act Global” -এই আদর্শই হল এ ব্যবসার সকল সাফল্যের চাবিকাঠি। দূরদর্শী মার্কেটিং মিশ্রণ এবং সঠিক পরিকল্পনা এ ব্যবসার প্রবৃদ্ধিতে সহায়তা করেছে। সকল সম্পদের সম্মিলিত ব্যবহারের জন্য ৩৬০ ডিগ্রী পদ্ধতি ব্যবহার করা হয়েছে।

ডাবর এর গ্লোবাল ভিশন হলো “সুস্বাস্থ্য এবং প্রতিঘরের মঙ্গলে নিবেদিত”। সকল ডাবর পণ্য ভারতের ডাবর গবেষণা ও উন্নয়ন সেন্টার এর বিশেষ যোগ্যতা সম্পন্ন বিজ্ঞানী এবং বিশেষ দক্ষতাসম্পন্ন ব্যক্তি দ্বারা গবেষণালব্ধ এবং সনদপ্রাপ্ত যা কিনা নিঃসন্দেহে সকল মানদণ্ডে সেরা। বর্তমানে নারায়ণগঞ্জ ও মানিকগঞ্জে আমাদের ২টি উৎপাদন ব্যবস্থা রয়েছে। ভবিষ্যত পরিকল্পনাকে সহায়তার লক্ষ্যে ব্যবস্থাপনা কর্তৃপক্ষ দেশে আরো বিনিয়োগ করতে উৎসাহী। ঢাকা-মানিকগঞ্জ রোডের ধামরাইতে কোম্পানীর নতুন উৎপাদন ব্যবস্থা চালু করা হয়েছে যার বানিজ্যিক উৎপাদন শুরু হবে ২০১৩ সালের মার্চে।

## আর্থিক ফলাফল - এসিআই লিমিটেড

২০১১ সালে কোম্পানীর বিক্রয়লব্ধ অর্থ দাঁড়িয়েছে ৮.৫২ বিলিয়ন টাকা যা ২০১০ সালে ছিল ৭.৯২ বিলিয়ন টাকা। ফলশ্রুতিতে গত বছরের তুলনায় ৭.৫৬% (০.৬০ বিলিয়ন টাকা) বিক্রয় প্রবৃদ্ধি অর্জিত হয়েছে। মুদ্রাস্ফীতির বিরূপ প্রভাব এবং প্রতিকূল বিনিময়-হার সত্ত্বেও লাভজনকভাবে পণ্য-মিশ্রণ এবং নির্বাচিত বিশেষ কিছু পণ্যের বিক্রয় মূল্য বৃদ্ধির দরুণ মোট মুনাফা ০.৩৪ বিলিয়ন টাকা (১২%) বৃদ্ধি পেয়েছে। ২০১১ সালে কর-পরবর্তী মুনাফা বেড়ে ৬৮১ মিলিয়ন টাকায় এসে দাঁড়িয়েছে যা গত বছরের তুলনায় ৮৯ মিলিয়ন টাকা বেশী, অর্থাৎ ১৫.১৪% প্রবৃদ্ধি অর্জিত হয়েছে। ২০১১ সালে প্রতিটি শেয়ারের বেসিক শেয়ার প্রতি আয় গত বছরের তুলনায় ১৩.৬২% বৃদ্ধি পেয়ে ৩৪.৬৪ টাকা হয়েছে (২০১০ সালে ছিল ৩০.৪৯ টাকা), যেখানে হ্রাসকৃত (diluted EPS) শেয়ার প্রতি আয় ৩৪.০৯ টাকা (২০১০ সালে ছিল ২৯.৪০ টাকা)। কোম্পানীর ব্যালান্স শীটে ভবিষ্যতে EPS হ্রাস করতে পারে এমন সম্ভাব্য শেয়ার (এসিআই'র জিরো কুপন বন্ডের কনভারশন হতে সময়ে সময়ে সৃষ্টি হতে পারে) বিদ্যমান থাকার কারণে হ্রাসকৃত (diluted) EPS -এর উৎপত্তি হয়েছে।

**মুনাফা বন্টন:** বিগত বছরের অর্থনৈতিক ফলাফল পর্যালোচনা এবং ফ্রি রিজার্ভের আলোকে পরিচালক মন্ডলী নীট মুনাফার নিম্নলিখিত বন্টন সুপারিশ করেছেন:

	২০১১ টাকা	২০১০ টাকা
বিগত বছরের অবনতি মুনাফা	২,৪৫৪,৪৭৩,৩৬৫	২,০৯৯,১৬৩,৪৮০
যোগ: কর-পরবর্তী মুনাফা	৬৮১,১২৯,০৭২	৫৯১,৫৯০,০১৫
যোগ: আদায়কৃত পূনঃ মূল্যায়ন সঞ্চিতি	৮৮৩,৬০৯	২৯৬,৯৪২
<b>সর্বমোট বন্টনযোগ্য তহবিল</b>	<b>৩,১৩৬,৪৮৬,০৪৬</b>	<b>২,৯৯১,০৫০,৪৩৭</b>
<b>প্রস্তাবিত লভ্যাংশ:</b>		
নগদ লভ্যাংশ	১৫৮,৪৯২,২২৪	২৩৬,৫৭৭,০৭২
স্টক লভ্যাংশ	৩৯,৬২৩,০৫৬	-
<b>সর্বমোট লভ্যাংশ</b>	<b>১৯৮,১১৫,২৮০</b>	<b>২৩৬,৫৭৭,০৭২</b>
অবনতি স্থিতি	২,৯৩৮,৩৭০,৭৬৬	২,৭৫৪,৪৭৩,৩৬৫

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

**লভ্যাংশ :** পরিচালকমন্ডলী আনন্দের সাথে ২০১১ সালে ১০০% লভ্যাংশের জন্য সুপারিশ করেছে। এর মধ্যে ৮০% নগদ লভ্যাংশ, অর্থাৎ শেয়ার প্রতি ৮.০০ টাকা হারে এবং ২০% স্টক লভ্যাংশ, অর্থাৎ প্রতি ৫টি শেয়ারে ১টি শেয়ার প্রদানের প্রস্তাব করা হয়েছে। ২০১২ সালের ১৬ই মে বৃক ক্রোজারের সময় যে সকল শেয়ার মালিকগণের নাম কোম্পানীর সদস্যদের শেয়ার রেজিস্টারে বা সিডিবিএল এর ডিপোজিটরীতে অন্তর্ভুক্ত থাকবে তারা এই লভ্যাংশ পাবেন।

**জাতীয় রাজস্ব আয়ে অবদান** : কোম্পানী ২০১১ সালে কর্পোরেট কর, আবগারী শুল্ক, উন্নয়ন সারচার্জ ও ভ্যাট বাবদ ১.৮ বিলিয়ন টাকা জাতীয় রাজস্ব খাতে প্রদান করেছে। এটি বছরের মোট বিক্রয়লব্ধ আয়ের ২১.৩৬%।

## আর্থিক ফলাফল - এসিআই গ্রুপ

২০১১ সালে কোম্পানীর বিক্রয়লব্ধ অর্থ দাঁড়িয়েছে ১৭.৪৬ বিলিয়ন টাকা, যা ২০১০ সালে ছিল ১৪.৫০ বিলিয়ন টাকা। ফলশ্রুতিতে গত বছরের তুলনায় বিক্রয়লব্ধ অর্থ বৃদ্ধি পেয়েছে ২.৯৬ বিলিয়ন টাকা, অর্থাৎ বিগত বছরের তুলনায় ২০% প্রবৃদ্ধি অর্জিত হয়েছে। অধিক বিক্রয়ের কারণে বিক্রয়জনিত ব্যয় ২২% বৃদ্ধি পেয়েছে। বিক্রিত পণ্যের ব্যয়বৃদ্ধি সত্ত্বেও, বিশেষভাবে পণ্য-মিশ্রণ এবং নির্বাচিত বিশেষ কিছু পণ্যের বিক্রয় মূল্য বৃদ্ধির দরুণ মোট মুনাফা গত বছরের তুলনায় ১৭% বৃদ্ধি পেয়েছে। ২০১১-তে কর পরবর্তী মুনাফা গত বছরের তুলনায় উল্লেখযোগ্যভাবে (৩২.৫৪%) বৃদ্ধি পেয়েছে। ১০.০০ টাকা অভিহিত মূল্যের প্রতিটি শেয়ারের ক্ষেত্রে শেয়ার প্রতি আয়ও ৯% বৃদ্ধি পেয়ে ১১.১৪ টাকা থেকে ১২.১১ টাকায় এসে দাঁড়িয়েছে।

## এসিআই'র মানব সম্পদ

কর্মীরা এসিআই এর মূল শক্তি। ফলশ্রুতিতে মানবসম্পদ উন্নয়নকে সর্বোচ্চ অগ্রাধিকার দেওয়া হয়। মূল্যবোধের প্রচার আমাদের প্রতিষ্ঠানের একটি মৌলিকভিত্তি যা আমাদের করণীয় এবং ব্যবসাবান্ধব পরিবেশকে উৎসাহিত করে।

দক্ষতা, জ্ঞান ও কর্মচারীদের মনোভাব উন্নয়নের জন্য প্রশিক্ষণের পরিমাণ উল্লেখযোগ্য হারে বৃদ্ধি করা হয়েছে। সহকর্মীর অর্জিত অভিজ্ঞতা এবং তাদের অর্জনের শিক্ষাকে অন্যদের সাথে ভাগাভাগি করার সুযোগ তৈরী করে প্রশিক্ষণের এক নতুন ভিত্তি তৈরী করা হয়েছে। দক্ষতা এবং নিয়মানুবর্তিতাকে বজায় রেখে অভিনব পছুর উদ্ভাবন এবং সৃষ্টিশীলতাকে উৎসাহিত করা হয়েছে।

কর্মোদ্যমী পরিবেশ গড়তে সামাজিক সক্ষমতা এবং দলগত উদ্দীপনা খুবই গুরুত্বপূর্ণ যা তৈরীতে বিভিন্ন ডিপার্টমেন্টের অংশগ্রহণে খেলাধুলার আয়োজন করা হয়েছে। অনানুষ্ঠানিক এই মেলামেশার ক্ষেত্রে এসিআই'র অংশীদার হিসাবে অন্যরকম অর্থ খুঁজে পাওয়া যায়। বিভিন্ন শ্রেণীর কর্মকর্তা ও কর্মচারীদের তথ্য আদান প্রদানের এই ক্ষেত্রে সুসংহতিপূর্ণ এসিআই পরিবার তৈরীতে গুরুত্বপূর্ণ ভূমিকা রেখেছে।

যে সকল অংশীদার, শেয়ারমালিক, সরবরাহকারী, ভোক্তা, ব্যাংকার, মিডিয়া এবং সকল শুভাকাঙ্ক্ষীদের সহযোগিতায় ও পৃষ্ঠপোষকতায় এসিআই আজ এ অবস্থানে পৌঁছেছে, তাঁদেরকে জানাই আমাদের

আন্তরিক ধন্যবাদ। জনগণের জীবনমান উন্নয়নের লক্ষ্যে আমাদের এই মিশনকে সফল করার জন্য সকলের নিরবচ্ছিন্ন সমর্থন কামনা করছি।

পরিশেষে, এবং সবচেয়ে গুরুত্বের সাথে আমরা এসিআই'র সকল ফ্যাক্টরী, ডিপো, বিক্রয়কেন্দ্র, অফিস ও সারাদেশে কর্মরত সকল কর্মকর্তা- কর্মচারীদেরকে আন্তরিক ধন্যবাদ জানাই তাদের নিরলস প্রচেষ্টার জন্য। উদ্ভূত অনিশ্চয়তা ও প্রতিকূলতা মোকাবেলায় তাঁদের কঠোর পরিশ্রম এসিআইকে আরও শক্তিশালী একটি প্রতিষ্ঠান হিসেবে গড়ে তুলেছে যা জনগণের জীবনমান উন্নয়নে গুরুত্বপূর্ণ ইতিবাচক প্রভাব ফেলতে পারে।

## পরিচালকমন্ডলীর নির্বাচন

কোম্পানীর আর্টিকেলস অব এসোসিয়েশন-এর ১২০ অনুচ্ছেদ অনুসারে জনাব এম. আনিস উদ্ দৌলা এবং মিজ সীমা আবেদ রহমান, পর্যায়ক্রমে অবসর গ্রহণ করেছেন এবং যোগ্যতার ভিত্তিতে তাঁদের পুণঃ নির্বাচনে প্রস্তাব রাখছেন।

## অডিটর

আমাদের অডিটর মেসার্স হুদা ভাসি চৌধুরী এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস ২০১২ সালের জন্য তাদের পুণঃনিয়োগ চেয়েছেন এবং পরিচালকমন্ডলী তাঁদের পুনঃনিয়োগে প্রস্তাব রাখছেন।

পরিচালকমন্ডলীর পক্ষে



ড. আরিফ দৌলা  
ব্যবস্থাপনা পরিচালক



ওয়ালিউর রহমান ভূঁইয়া, OBE  
পরিচালক





# Advanced Chemical Industries Limited

## Auditors' Report & Audited Financial Statements as at and for the year ended 31 December 2011



# Hoda Vasi Chowdhury & Co

## Chartered Accountants

Independent Correspondent Firm to **Deloitte Touche Tohmatsu**

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

We have audited the accompanying separate financial statements of Advanced Chemical Industries Limited (the "Company") as well as the consolidated financial statements of Advanced Chemical Industries Limited (the "Group") which comprises the separate and the consolidated statements of financial position as at 31 December 2011, income statements, statements of comprehensive income, statements of changes in equity, statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements of 10 subsidiaries, 2 associates and 2 joint ventures disclosed in note 44 to these financial statements were audited by other auditors and we have relied on those audited financial statements for the purpose of consolidation.

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

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

#### Auditor's Responsibility

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

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

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

#### Opinion

In our opinion, the financial statements of the Company and the consolidated financial statements of the Group give a true and fair view of the financial position of the Company as well as of the Group as at 31 December 2011 and of their financial performance and their cash flows for the year then ended in accordance with Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs), and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

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



Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 25 April 2012

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

# Advanced Chemical Industries Limited

## Statement of Financial Position

as at 31 December 2011

	Note	2011 Taka	2010 Taka
<b>Assets</b>			
Property, plant and equipment At cost/revaluation	4	2,545,580,924	1,813,315,763
Accumulated depreciation		(214,159,844)	(57,071,200)
		2,331,421,080	1,756,244,563
Capital work-in-progress	5	611,541,022	678,876,604
		2,942,962,102	2,435,121,167
Intangible assets		1,816,269	2,335,201
Long term investments	7	1,197,263,603	1,392,275,334
		4,142,041,974	3,829,731,702
<b>Non-current assets</b>			
Inventories	8	1,770,481,777	1,716,072,609
Trade receivables	9	1,131,611,820	1,017,539,096
Other receivables	10	138,454,704	134,442,146
Advances, deposits and prepayments	11	522,847,653	414,326,518
Advance income tax	25.1	122,788,615	222,974,570
Inter-company receivables	12	3,045,084,692	2,196,742,792
Cash and cash equivalents	13	223,659,923	154,440,135
		6,954,929,184	5,856,537,866
<b>Current assets</b>		<b>11,096,971,158</b>	<b>9,686,269,568</b>
<b>Total assets</b>			
<b>Equity</b>			
Share capital	14	197,147,560	194,040,000
Share premium	15	298,788,486	250,022,474
Capital reserve	16.1	1,671,386	1,671,386
Revaluation surplus	16.2	895,636,955	896,520,564
Available for sale reserve	17	237,767,126	424,872,936
Retained earnings		3,136,486,047	2,691,050,437
		4,767,497,560	4,458,177,797
<b>Total equity</b>			
<b>Liabilities</b>			
Long term liabilities	18	888,406,400	1,013,068,165
Deferred tax liabilities	19	125,011,848	127,860,190
		1,013,418,248	1,140,928,355
<b>Non-current liabilities</b>			
Bank overdrafts	20	905,029,397	230,296,089
Short term loan from banks	21	2,487,707,979	2,264,558,838
Long term loan from banks-current portion	22	256,410,862	295,781,565
Trade payables		221,220,224	211,838,314
Other payables	23	939,541,226	665,636,419
Inter-company payables	24	289,071,143	69,556,334
Obligation under finance lease-current portion	18.1	652,878	523,990
Current tax liability	25	216,421,641	348,971,867
		5,316,055,350	4,087,163,416
<b>Current liabilities</b>		<b>6,329,473,598</b>	<b>5,228,091,771</b>
<b>Total liabilities</b>		<b>11,096,971,158</b>	<b>9,686,269,568</b>
<b>Total equity and liabilities</b>			


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



Managing Director



Director



Company Secretary

As per our report of same date.



Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 25 April 2012



# Advanced Chemical Industries Limited

## Income Statement

for the year ended 31 December 2011

	<u>Note</u>	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
Revenue	26	8,513,841,846	7,915,400,279
Cost of sales	27	(5,352,860,199)	(5,094,561,620)
<b>Gross profit</b>		<u>3,160,981,647</u>	<u>2,820,838,659</u>
Administrative, selling and distribution expenses	28	(2,193,597,248)	(1,919,655,805)
<b>Operating profit</b>		<u>967,384,399</u>	<u>901,182,854</u>
Other income	29	99,755,402	86,240,840
		<u>1,067,139,801</u>	<u>987,423,694</u>
Financing costs	30	(126,842,315)	(136,849,107)
		<u>940,297,486</u>	<u>850,574,587</u>
Provision for contribution to WPPF		(47,014,874)	(42,528,729)
<b>Profit before income tax</b>		<u>893,282,612</u>	<u>808,045,858</u>
<b>Income tax expenses</b>			
Current tax expense	25	(194,212,347)	(213,842,650)
Deferred tax expense	31	(17,941,192)	(2,613,194)
		<u>(212,153,539)</u>	<u>(216,455,844)</u>
<b>Net profit after tax for the year</b>		<u><b>681,129,073</b></u>	<u><b>591,590,014</b></u>
<b>Earnings per share</b>			
Basic earnings per share	32.1	34.64	30.49
Diluted earnings per share	32.2	34.09	29.40

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



Managing Director



Director



Company Secretary

As per our report of same date.



Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 25 April 2012



# Advanced Chemical Industries Limited

## Statement of Comprehensive Income

for the year ended 31 December 2011

	<u>Note</u>	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
<b>Net profit after tax for the year</b>		681,129,073	591,590,014
<b>Other comprehensive income:</b>			
Revaluation surplus of property, plant and equipment-net of reversal of revaluation loss		-	562,656,790
Change in fair value of available-for-sale financial assets	17	(207,895,345)	257,970,169
Income tax on other comprehensive income		20,789,535	(63,414,315)
<b>Total other comprehensive income for the year, net of tax</b>		<u>(187,105,810)</u>	<u>757,212,644</u>
<b>Total comprehensive income for the year</b>		<u><b>494,023,263</b></u>	<u><b>1,348,802,658</b></u>

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

Managing Director

Director

Company Secretary

As per our report of same date.

Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 25 April 2012

# Advanced Chemical Industries Limited

## Statement of Changes in Equity

for the year ended 31 December 2011

### Particulars

	Share capital	Share premium	Capital reserve	Available for sale reserve	Revaluation surplus	Retained earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
<b>Restated balance as at 31 December 2009</b>	194,040,000	250,022,474	1,671,386	236,336,976	300,272,175	2,302,905,481	3,285,248,492
Total comprehensive income for the year 2010:							
Net profit after tax for the year	-	-	-	-	-	591,590,014	591,590,014
Total other comprehensive income-net of tax	-	-	-	188,536,826	525,039,492	-	713,576,318
<b>Total comprehensive income for the year 2010</b>	-	-	-	188,536,826	525,039,492	591,590,014	1,305,166,332
Contributions by and distributions to owners of the Company							
Dividends paid during the year	-	-	-	-	-	(203,742,000)	(203,742,000)
<b>Transactions recognized directly in equity:</b>							
Adjustment for change in tax rate for deferred tax on land	-	-	-	-	71,505,839	-	71,505,839
Transfer to equity	-	-	-	-	(296,942)	296,942	-
<b>Transactions with owners of the Company, recognized directly in equity:</b>							
<b>Balance as at 31 December 2010</b>	194,040,000	250,022,474	1,671,386	424,872,936	896,520,564	2,691,050,437	4,458,177,797
Total comprehensive income for the year 2011:							
Net profit after tax for the year	-	-	-	-	-	681,129,073	681,129,073
Total other comprehensive income-net of tax	-	-	-	(187,105,810)	-	-	(187,105,810)
<b>Total comprehensive income for the year 2011</b>	-	-	-	(187,105,810)	-	681,129,073	494,023,263
Contributions by and distributions to owners of the Company							
Conversion of bond into equity	3,107,560	-	-	-	-	-	3,107,560
Share premium	-	48,766,012	-	-	-	-	48,766,012
Dividends paid during the year	-	-	-	-	-	(236,577,072)	(236,577,072)
<b>Total contributions by and distributions to owners of the Company</b>	3,107,560	48,766,012	-	-	-	(236,577,072)	(184,703,500)
<b>Transactions recognized directly in equity:</b>							
Realization of revaluation reserve	-	-	-	-	(883,609)	883,609	-
<b>Transactions with owners of the Company, recognized directly in equity:</b>							
<b>Balance as at 31 December 2011</b>	<b>197,147,560</b>	<b>298,788,486</b>	<b>1,671,386</b>	<b>237,767,126</b>	<b>895,636,955</b>	<b>3,136,486,047</b>	<b>4,767,497,560</b>



# Advanced Chemical Industries Limited

## Statement of Cash Flows

for the year ended 31 December 2011

	Note	2011 Taka	2010 Taka
<b>A) Cash flows from operating activities</b>			
Cash receipts from customers		8,321,769,694	7,912,654,206
Cash receipts from other income		99,677,040	86,085,648
Receipts from/(payments to) other receivables		4,740,844	(62,864,578)
		<u>8,426,187,578</u>	<u>7,935,875,276</u>
Cash paid for:			
Purchase of inventories		(5,226,553,519)	(5,232,562,125)
Operating expenses		(2,017,808,930)	(1,784,838,765)
Other payables		130,422,049	28,525,337
Advances, deposits and prepayments		(121,754,144)	(23,920,357)
Workers' profit participation fund		(10,368,816)	(12,952,378)
		<u>(7,246,063,360)</u>	<u>(7,025,748,288)</u>
<b>Cash generated from operating activities</b>		<u>1,180,124,218</u>	<u>910,126,988</u>
Financing costs		(126,842,315)	(127,276,518)
Income tax paid		(226,576,618)	(158,707,773)
		<u>(353,418,933)</u>	<u>(285,984,291)</u>
<b>Net cash from operating activities</b>		<u>826,705,285</u>	<u>624,142,697</u>
<b>B) Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		(159,930,546)	(55,225,856)
Acquisition of intangible assets		-	(2,335,201)
Payments for capital work-in-progress		(510,291,628)	(653,285,590)
Investment		(12,883,614)	(98,322,592)
Sale proceeds from property, plant and equipment		1,229,827	1,106,000
<b>Net cash from (used in) investing activities</b>		<u>(681,875,961)</u>	<u>(808,063,239)</u>
<b>C) Cash flows from financing activities</b>			
Inter-company debts paid		(628,827,092)	(962,958,133)
Dividend paid		(228,144,885)	(194,716,557)
Payment for finance lease		(573,993)	(1,315,809)
Proceeds from/(payment for)sale/redemption of Zero Coupon Bonds		(124,391,015)	400,006,924
Short term bank loan received		223,149,141	408,160,574
Long term bank loan received		8,445,000	60,364,304
<b>Net cash used in financing activities</b>		<u>(750,342,844)</u>	<u>(290,458,697)</u>
<b>D) Net decrease in cash and cash equivalents (A+B+C)</b>		(605,513,520)	(474,379,239)
<b>E) Cash and cash equivalents at 1 January</b>		(75,855,954)	398,523,285
<b>F) Cash and cash equivalents at 31 December (D+E)</b>	13.1	<u><b>(681,369,474)</b></u>	<u><b>(75,855,954)</b></u>
<b>Closing balance represents:</b>			
Cash and cash equivalents	13	223,659,923	154,440,135
Bank overdraft		(905,029,397)	(230,296,089)
		<u><b>(681,369,474)</b></u>	<u><b>(75,855,954)</b></u>

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

# Advanced Chemical Industries Limited

## Consolidated Statement of Financial Position

as at 31 December 2011

	Note	2011 Taka	2010 Taka
<b>Assets</b>			
Property, plant and equipment	4(a)	6,322,173,701	5,254,590,967
At cost / revaluation		(878,635,804)	(487,128,907)
Accumulated depreciation		5,443,537,897	4,767,462,060
Capital work-in-progress	5(a)	1,295,296,242	875,065,530
Intangible assets	6	81,818,843	62,116,589
Long term investments	7(a)	769,517,554	908,344,759
<b>Non-current assets</b>		<b>7,590,170,536</b>	<b>6,612,988,938</b>
Inventories	8(a)	3,734,176,456	3,284,059,034
Trade receivables	9(a)	3,162,788,969	2,641,478,336
Other receivables	10(a)	150,235,143	149,058,590
Advances, deposits and prepayments	11(a)	713,391,611	836,251,046
Advance income tax	25.1(a)	291,909,295	389,792,767
Inter-company receivables	12(a)	14,124,729	14,331,021
Cash and cash equivalents	13(a)	419,074,206	276,053,818
<b>Current assets</b>		<b>8,485,700,409</b>	<b>7,591,024,611</b>
<b>Total assets</b>		<b>16,075,870,945</b>	<b>14,204,013,549</b>
<b>Equity</b>			
Share capital		197,147,560	194,040,000
Share premium		298,788,486	250,022,474
Capital reserve		1,671,386	1,671,386
Revaluation surplus	16.2(a)	1,515,015,779	1,515,899,388
Available for sale reserve		237,767,126	424,872,936
Retained earnings		1,943,697,532	1,941,277,922
<b>Total equity attributable to equity holders of the Company</b>		<b>4,194,087,869</b>	<b>4,327,784,106</b>
Non-controlling interest		494,270,382	586,663,688
<b>Total equity</b>		<b>4,688,358,251</b>	<b>4,914,447,794</b>
<b>Liabilities</b>			
Long term liabilities	18(a)	1,506,974,165	1,833,530,714
Deferred tax liabilities		273,562,157	218,365,538
<b>Non-current liabilities</b>		<b>1,780,536,322</b>	<b>2,051,896,252</b>
Bank overdraft	20(a)	1,116,708,457	387,540,323
Short term loan from banks	21(a)	5,154,801,386	3,911,060,043
Long term loan from banks-current portion	22(a)	690,766,349	600,988,955
Trade payables		936,929,700	649,079,203
Other payables	23(a)	1,348,381,804	1,180,279,013
Obligation under finance lease-current portion	18.1	652,878	523,990
Current tax liability	25(a)	358,735,798	508,197,976
<b>Current liabilities</b>		<b>9,606,976,372</b>	<b>7,237,669,503</b>
<b>Liabilities</b>		<b>11,387,512,694</b>	<b>9,289,565,755</b>
<b>Total equity and liabilities</b>		<b>16,075,870,945</b>	<b>14,204,013,549</b>

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



Managing Director



Director



Company Secretary

As per our report of same date.



Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 25 April 2012



# Advanced Chemical Industries Limited

## Consolidated Income Statement

for the year ended 31 December 2011

	Note	2011 Taka	2010 Taka
Revenue	26(a)	17,460,120,785	14,498,060,264
Cost of sales	27(a)	(12,625,298,947)	(10,357,630,780)
<b>Gross Profit</b>		4,834,821,838	4,140,429,484
Administrative, selling and distribution expenses	28(a)	(3,583,609,676)	(3,213,291,747)
		1,251,212,162	927,137,737
Other income	29(a)	103,912,840	98,161,945
<b>Operating profit</b>		1,355,125,002	1,025,299,682
Share of profit of equity accounted investees		57,750,693	92,928,389
		1,412,875,695	1,118,228,071
Financing costs	30(a)	(752,697,387)	(589,903,974)
		660,178,308	528,324,097
Provision for contribution to WPPF		(67,253,862)	(56,940,974)
<b>Profit before income tax</b>		592,924,446	471,383,123
<b>Income tax expenses</b>			
Current tax expense		(330,868,745)	(271,947,590)
Deferred tax expense		(75,986,155)	(59,047,083)
		(406,854,900)	(330,994,673)
<b>Profit after tax for the year</b>		186,069,546	140,388,450
<b>Profit attributable to:</b>			
Equityholders of the Company		238,113,071	216,246,323
Non-controlling interest		(52,043,525)	(75,857,873)
<b>Profit after tax for the year</b>		<b>186,069,546</b>	<b>140,388,450</b>
<b>Earnings per share</b>			
Basic earnings per share	32.1	12.11	11.14
Diluted earnings per share	32.2	12.11	11.14

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

  
Managing Director

  
Director

  
Company Secretary

As per our report of same date.

  
Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 25 April 2012



# Advanced Chemical Industries Limited

## Consolidated Statement of Comprehensive Income

for the year ended 31 December 2011

	<u>Note</u>	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
<b>Net profit after tax for the year</b>		186,069,546	140,388,450
<b>Other comprehensive income:</b>			
Revaluation surplus of property, plant and equipment		-	1,191,872,323
Change in fair value of available-for-sale financial assets	17	(207,895,345)	257,970,169
Income tax on other comprehensive income		(20,789,535)	(90,805,552)
<b>Total other comprehensive income, net of tax</b>		(187,105,810)	1,359,036,940
<b>Total comprehensive income</b>		(1,036,264)	1,499,425,390
<b>Profit attributable to:</b>			
Equity holders of the Company		51,007,261	1,295,436,370
Non-controlling interests		(52,043,525)	203,989,020
<b>Total comprehensive income</b>		<b>(1,036,264)</b>	<b>1,499,425,390</b>

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



Managing Director

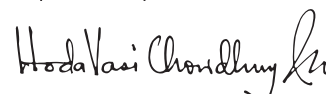


Director



Company Secretary

As per our report of same date.



Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 25 April 2012

# Advanced Chemical Industries Limited

## Consolidated Statement of Changes in Equity

for the year ended 31 December 2011

Particulars	Share capital	Share premium	Capital reserve	Revaluation reserve	Retained earnings	Available for sale financial assets	Total	Non-controlling interests	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
<b>Restated balance at 31 December 2009</b>	194,040,000	250,022,474	1,671,386	589,529,448	1,928,476,656	192,699,784	3,156,439,748	403,965,284	3,560,405,032
<b>Total comprehensive income for the year 2010</b>	-	-	-	-	216,246,323	-	216,246,323	(75,857,873)	140,388,450
Net profit after tax	-	-	-	-	216,246,323	-	216,246,323	(75,857,873)	140,388,450
Total other comprehensive income-net of tax	-	-	-	847,016,895	-	232,173,152	1,079,190,047	279,846,893	1,359,036,940
<b>Total comprehensive income for the year 2010</b>	-	-	-	847,016,895	-	232,173,152	1,295,436,370	203,989,020	1,499,425,390
<b>Contributions by and distributions to owners of the Company</b>	-	-	-	-	-	-	-	-	-
Dividends paid during the year	-	-	-	-	(203,742,000)	-	(203,742,000)	(34,889,825)	(238,631,825)
<b>Transactions recognized directly in equity:</b>	-	-	-	-	-	-	-	-	-
Transfer to equity	-	-	-	(296,942)	296,942	-	-	4,923,421	4,923,421
Adjustment for change in tax rate for deferred tax on land	-	-	-	79,649,987	-	-	79,649,987	7,078,493	86,728,480
Adjustment for transfer of share of ACI Motors Limited	-	-	-	-	-	-	-	1,597,295	1,597,295
<b>Transactions with owners of the Company, recognized directly in equity:</b>	-	-	-	-	-	-	-	-	-
<b>Balance at 31 December 2010</b>	194,040,000	250,022,474	1,671,386	1,515,899,388	1,941,277,922	424,872,936	4,327,784,106	586,663,688	4,914,447,794
<b>Total comprehensive income for the year 2011</b>	-	-	-	-	238,113,071	-	238,113,071	(52,043,525)	186,069,546
Net profit after tax	-	-	-	-	238,113,071	-	238,113,071	(52,043,525)	186,069,546
Total other comprehensive income-net of tax	-	-	-	(187,105,810)	-	(187,105,810)	(187,105,810)	-	(187,105,810)
<b>Total comprehensive income for the year 2011</b>	-	-	-	(187,105,810)	-	(187,105,810)	(187,105,810)	(52,043,525)	(1,036,264)
<b>Contributions by and distributions to owners of the Company</b>	-	-	-	-	-	-	-	-	-
Dividends paid during the year	-	-	-	-	(236,577,069)	-	(236,577,069)	(41,849,781)	(278,426,850)
<b>Transactions recognized directly in equity:</b>	-	-	-	-	-	-	-	-	-
Conversion of shares into equity	3,107,560	-	-	-	-	-	3,107,560	-	3,107,560
Share premium	-	48,766,012	-	-	-	-	48,766,012	-	48,766,012
Realization of revaluation reserve	-	-	-	(883,609)	883,609	-	-	-	-
Capital paid by minority	-	-	-	-	-	-	-	1,500,000	1,500,000
<b>Transactions with owners of the Company, recognized directly in equity:</b>	3,107,560	48,766,012	-	(883,609)	(235,693,460)	-	(184,703,497)	(40,349,781)	(225,053,278)
<b>Balance at 31 December 2011</b>	<b>197,147,560</b>	<b>298,788,486</b>	<b>1,671,386</b>	<b>1,515,015,779</b>	<b>1,943,697,532</b>	<b>237,767,126</b>	<b>4,194,087,869</b>	<b>494,270,382</b>	<b>4,688,358,251</b>

# Advanced Chemical Industries Limited

## Consolidated Statement of Cash Flows

for the year ended 31 December 2011

	Note	2011 Taka	2010 Taka
<b>A) Cash flows from operating activities</b>			
Cash receipts from customers		16,856,970,042	14,318,411,990
Cash receipts from other income		107,758,153	85,764,387
Receipts from (payments to) other receivables		8,406,330	(55,964,368)
		16,973,134,525	14,348,212,009
Cash paid for:			
Purchase of inventories		(12,455,993,372)	(10,705,135,957)
Operating expenses		(3,496,505,618)	(2,905,243,150)
Other payables		133,142,808	(66,357,858)
Advances, deposits and prepayments		119,969,942	97,333,724
Workers' profit participation fund		(16,828,423)	(24,259,093)
		(15,716,214,663)	(13,603,662,334)
<b>Cash generated from operations</b>		1,256,919,862	744,549,675
Financing costs		(747,735,931)	(575,158,489)
Income tax paid		(380,601,456)	(289,175,394)
		(1,128,337,387)	(864,333,883)
<b>Net cash from / (used in) operating activities</b>		128,582,475	(119,784,208)
<b>B) Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		(264,832,196)	(254,306,225)
Acquisition of intangible assets		-	(2,335,201)
Payments for capital work- in- progress		(1,221,760,212)	(762,281,056)
Investments		(11,282,572)	(154,607,192)
Sale proceeds from property, plant and equipment		1,472,114	7,235,600
<b>Net cash used in investing activities</b>		(1,496,402,867)	(1,166,294,074)
<b>C) Cash flows from financing activities</b>			
Dividend paid to non-controlling interest		(39,854,584)	(32,187,357)
Inter-company debts paid		(561,021)	(911,441)
Dividend paid		(228,144,884)	(194,716,557)
Short term loan received		1,304,337,820	959,228,238
Long term loan paid		(130,639,678)	(94,066,651)
Proceeds from / (payment for) sale / redemption of Zero Coupon Bonds		(124,391,014)	400,006,924
Issuance of shares to non-controlling interest		1,500,000	-
Repayment of lease obligation		(573,993)	(1,315,809)
<b>Net cash from financing activities</b>		781,672,646	1,036,037,347
<b>D) Net decrease in cash and cash equivalents (A+B+C)</b>		(586,147,746)	(250,040,935)
<b>E) Cash and cash equivalents at 1 January</b>		(111,486,505)	138,554,430
<b>F) Cash and cash equivalents at 31 December (D+E)</b>	13(a)	<b>(697,634,251)</b>	<b>(111,486,505)</b>
<b>Closing balance represents:</b>			
Cash and cash equivalents	13(a)	419,074,20	276,053,818
Bank overdraft		(1,116,708,457)	(387,540,323)
		<b>(697,634,251)</b>	<b>(111,486,505)</b>

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





# Advanced Chemical Industries Limited

## Notes to the Financial Statements

as at and for the year ended 31 December 2011

### 1. Reporting entity

Advanced Chemical Industries Limited (ACI Limited) is a public limited company incorporated in Bangladesh on 24 January 1973 as ICI Bangladesh Manufacturers Limited. The registered office of the Company is situated in Dhaka. The consolidated financial statements of the Company as at and for the year ended 31 December 2011 comprise the Company's and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates and jointly controlled entities. The Group primarily is involved in manufacturing of pharmaceuticals, consumer brands, livestock & fisheries products and marketing them along with fertilizer, seeds and other agricultural items.

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

#### 1.1 Description of subsidiaries

##### 1.1.1 ACI Formulations Limited

The Company was incorporated on 29 October 1995 as a private limited company under the Companies Act 1994. The principal activities of the Company are manufacturing and marketing of a number of agrochemical and consumer products. The Company became a publicly listed company through direct listing process effective from 18 November 2008 with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

##### 1.1.2 ACI Salt Limited

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

##### 1.1.3 ACI Foods Limited

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

##### 1.1.4 ACI Pure Flour Limited

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

##### 1.1.5 Apex Leather craft Limited

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



### **1.1.6 Flyban Insecticides Limited**

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

### **1.1.7 ACI Agrochemicals Limited**

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

### **1.1.8 ACI Motors Limited**

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

### **1.1.9 Creative Communication Limited**

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

### **1.1.10 Premiaflex Plastics Limited**

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

### **1.1.11 ACI Logistics Limited**

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

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

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

## **2. Basis of preparation**

### **2.1 Statement of compliance**

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

## **2.2 Date of authorisation**

The consolidated financial statements as well as separate financial statements were authorized by the Board of Directors on 25th April 2012 for public issue.

## **2.3 Basis of measurement**

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

## **2.4 Functional and presentational currency**

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

## **2.5 Use of estimates and judgment**

The preparation of these financial statements in conformity with Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

## **2.6 Reporting Period**

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

Financial periods of two associates are:

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

The figures involved in the aforesaid two associated companies up to 31 December 2011 from the end of their accounting years are considered to be immaterial to these financial statements.

## **3 Significant accounting policies**

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

### **3.1 Basis of consolidation**

#### **3.1.1 Subsidiaries**

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





### 3.1.2 Transactions eliminated on consolidation

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

## 3.2 Property, plant and equipment

### 3.2.1 Recognition and measurement

Items of property, plant and equipment are measured at cost or revaluation less accumulated depreciation. The items of property, plant and equipment were revalued in the year 2004, 2007 and 2010 by the firm of professional valuers on the basis of fair market value. When revalued assets are disposed off, the amounts included in the revaluation surplus are transferred to retained earnings. Capital work-in-progress represents the cost incurred for acquisition and / or construction of items of property, plant and equipment that were not ready for use at the end of 2011 and these are stated at cost. Cost includes expenditure that is directly attributable to the acquisition of asset. The cost of self constructed asset includes the cost of material, direct labour and any other costs directly attributable to bringing the assets to the working condition for their intended use.

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

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

### 3.2.2 Depreciation

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

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

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

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

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

### 3.2.3 Capitalization of borrowing costs

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

### 3.2.4 Impairment

The carrying amount of the entity's non-financial assets, other than inventories and deferred tax assets (considered as disclosed separately under respective accounting standards), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is reestimated. However, no such conditions that might be suggestive of a heightened risk of impairment of assets existed at the reporting date.

## 3.3 Intangible asset

### 3.3.1 Goodwill

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

### 3.3.2 Software

Software that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses.

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

### 3.3.3 Amortization

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

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

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

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

## 3.4 Leased assets

### 3.4.1 Finance lease

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

#### Depreciation

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

#### Lease payments

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



### **3.4.2 Operating lease**

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

### **3.5 Inventories**

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

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

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

### **3.6 Trade receivables**

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

### **3.7 Provision**

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### **3.8 Income tax**

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

#### **3.8.1 Current tax**

Current tax expense has been recognised on the basis of the Finance Act 2011 and Income Tax Ordinance 1984.

#### **3.8.2 Deferred tax**

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



### 3.9 Investment in shares

In the separate financial statements of the Company, all investments categorized under 'Investment available for sale' and 'Held-to-maturity' are carried at fair value and other investments are carried at cost.

In the consolidated financial statements of Advanced Chemical Industries Limited, following valuation principles have been used:

#### Investments in subsidiaries

Investment in subsidiaries has been accounted for as per, Bangladesh Accounting Standard 27 (revised-2008): *Consolidated and Separate Financial Statements* - The investment is eliminated in full against the equity of acquiree measured at fair value at the date of acquisition.

#### Investments available for sale

These are valued at fair value and the change in fair value of investments available for sale is presented in comprehensive income statement and in statement of financial position. This is as per Bangladesh Financial Reporting Standard 7: *Financial Instruments Disclosures*, Bangladesh Accounting Standard 32: *Financial Instruments: Presentation* and Bangladesh Accounting Standard 39: *Financial Instruments: Recognition and Measurement* applicable for periods beginning from 1 January 2010.

#### Associates and joint ventures

Associates are those entities in which ACI Limited has significant influence, but not control, over the financial and operating policies. Joint ventures are those entities over whose activities ACI Limited has joint control, established by contractual agreement and requiring unanimous consent for strategic, financial and operating decisions. Associates and joint ventures are accounted for using the equity method (equity accounted investees). The consolidated financial statements include the ACI Limited's share of the income and expenses of equity accounted invested, after adjustments to align the accounting policies with those of the ACI Limited, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. This is in consistent with Bangladesh Accounting Standard 28: *Investments in Associates* and Bangladesh Accounting Standard 31: *Interests in Joint Ventures*.

### 3.10 Foreign currency transactions

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

### 3.11 Financial instruments

Non-derivative financial instruments comprise investments in shares and fixed deposit receipts (FDR), trade receivables, cash and cash equivalents, trade payables, share capital, and interest-bearing borrowings.

#### *Trade and other receivables*

Trade and other receivables are recognized at fair value plus any directly attributable transaction costs.

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

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



#### *Investment in Fixed Deposit Receipts (FDR)*

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

#### *Cash and cash equivalents*

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

#### *Share capital*

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

#### *Trade payables*

Trade payables are recognized at fair value.

#### *Interest-bearing borrowings*

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

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

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

### **3.12 Financial risk management**

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

Credit risk (note-33.1)

Liquidity risk (note-33.2)

Market risk (note-33.3)

### **3.13 Revenue recognition**

#### **3.13.1 a) Sale of goods**

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

#### **3.13.2 Revenue arising from services**

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

#### **3.13.3 Revenue arising from commission**

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

#### **3.13.4 Dividend income**

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

### **3.14 Allocation common service costs**

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

### **3.15 Statement of cash flows**

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

### **3.16 Employee benefits**

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

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

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

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

Defined benefit plan is a retirement benefit plan under which amounts to be paid as retirement benefits are determined by reference to employees' earnings and year of services. The rate used to discount post employment benefit obligations is determined by reference to the rate stated in the actuarial report. Actuarial valuation of gratuity scheme has been made in 2011 to assess the adequacy of the liabilities provided for the schemes.

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

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

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

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

### **3.18 Segment reporting**

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

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





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

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

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

*Livestock & Fisheries:* Involves in manufacturing and distributing of veterinary and fisheries products.

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

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

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

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

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

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

### **3.19 Going concern review**

During the year under review, ACI Logistics Limited, a subsidiary of ACI Limited, incurred a net loss of Tk. 630,727,475 resulting an accumulated loss at the reporting date to Tk. 1,776,391,190. The Company's current liabilities exceeded its current assets by Tk. 1,644,994,361 at the balance sheet date. The equity of the Company at the closing date shows an adverse balance of Tk. 1,428,551,190 whereas amount due to banks on the same date was Tk. 705,697,294.

Another subsidiary of the Group namely ACI Foods Limited, incurred a net loss of Tk. 199,299,884 during the year making an accumulated loss at the balance sheet date to Tk. 609,710,533. Company's current liabilities exceeded its current assets by Tk. 740,970,087. The equity of the Company at the closing date shows an adverse balance of Tk. 569,710,533 whereas amount due to banks on the same date was Tk. 320,095,257.

In addition to the above facts, these two subsidiaries have been experiencing working capital deficiencies and adverse key financial ratios during the last few years. However, the management of these companies are expected to overcome the present situation by taking necessary measures as appropriate. Necessary plans and actions are underway to this effect which has been substantiated by projections and forecasts supported by enhanced and effective operation mechanisms. Nevertheless, major shareholders of these companies assured in principle for further financing, if so required. Further, the Group also committed to continue support by way of trade finance. In view of the continued support and assurance from the Group and major shareholders, management believes that it remains appropriate to prepare these financial statements on a going concern basis.

#### 4. Property, plant and equipment

##### a) Own assets

##### i) Cost

Particulars	Cost						Depreciation						Written down value as at 31 December 2011
	As at 1 January 2011	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2011	As at 1 January 2011	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2011		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka		
Land	46,318,282	99,206,000	233,056,403	-	-	378,580,685	-	-	-	-	-	378,580,685	
Building	157,538,605	-	3,905,969	-	-	161,444,574	-	4,847,753	-	-	4,847,753	156,596,821	
Plant and machinery	504,874,187	12,407,367	340,197,742	-	(9,180,049)	848,299,247	2,803,112	93,420,012	-	(35,405)	96,187,719	752,111,528	
Furniture and fixtures	55,120,160	12,706,376	467,096	-	(15,279)	68,278,353	4,860,542	7,819,255	-	-	12,679,797	55,598,556	
Electrical and other appliances	34,819,017	6,852,611	-	(11,609)	(146,708)	41,513,311	5,623,913	5,589,599	-	-	11,213,512	30,299,799	
Office machinery	23,391,764	7,820,050	-	-	(1,004,922)	30,206,892	1,160,751	3,831,738	-	(9,575)	4,982,914	25,223,978	
Vehicles	79,533,466	21,060,408	-	(3)	1,672,474	102,266,345	31,471,882	18,683,878	-	167,246	50,323,006	51,943,339	
Total (i)	901,595,481	160,052,812	577,627,210	(11,612)	(8,674,484)	1,630,589,407	45,920,200	134,192,235	-	122,266	180,234,701	1,450,354,706	

##### ii) Revaluation

Particulars	Revaluation						Depreciation						Written down value as at 31 December 2011
	As at 1 January 2011	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2011	As at 1 January 2011	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2011		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka		
Land	744,081,718	-	-	-	-	744,081,718	-	-	-	-	-	744,081,718	
Building	38,483,654	-	-	-	-	38,483,654	-	962,091	-	-	962,091	37,521,563	
Plant and machinery	56,436,931	-	-	-	(57,446)	56,379,485	-	8,521,883	-	-	8,521,883	47,857,602	
Furniture and fixtures	3,815,410	-	-	-	(492)	3,814,918	-	751,952	-	-	751,952	3,062,966	
Electrical and other appliances	3,935,225	-	-	(611)	(10,271)	3,924,343	-	778,940	-	-	778,940	3,145,403	
Office machinery	2,206,444	-	-	-	25,044	2,231,488	-	409,891	-	-	409,891	1,821,597	
Vehicles	50,183,413	-	-	(1,174,995)	-	49,008,418	-	9,801,684	-	-	9,801,684	39,206,734	
Total (ii)	899,142,795	-	-	(1,175,606)	(43,165)	897,924,024	-	21,226,441	-	-	21,226,441	876,697,583	
<b>Total assets (i+ii)</b>	<b>1,800,738,276</b>	<b>160,052,812</b>	<b>577,627,210</b>	<b>(1,187,218)</b>	<b>(8,717,649)</b>	<b>2,528,513,431</b>	<b>45,920,200</b>	<b>155,418,676</b>	<b>-</b>	<b>122,266</b>	<b>201,461,142</b>	<b>2,327,052,289</b>	

##### b) Leased assets

Vehicles	12,577,493	4,490,000	-	-	-	17,067,493	11,151,004	1,547,698	-	-	12,698,702	4,368,791
<b>Total 2011 (a+b)</b>	<b>1,813,315,769</b>	<b>164,542,812</b>	<b>577,627,210</b>	<b>(1,187,218)</b>	<b>(8,717,649)</b>	<b>2,545,580,924</b>	<b>57,071,204</b>	<b>156,966,374</b>	<b>-</b>	<b>122,266</b>	<b>214,159,844</b>	<b>2,331,421,080</b>
<b>Total at 31 December 2010</b>	<b>1,829,790,619</b>	<b>618,592,878</b>	<b>80,539,714</b>	<b>(7,036,529)</b>	<b>(708,570,919)</b>	<b>1,813,315,763</b>	<b>654,029,893</b>	<b>120,871,314</b>	<b>(6,555,655)</b>	<b>(711,274,352)</b>	<b>57,071,200</b>	<b>1,756,244,563</b>

\*The Company has capitalised the borrowing costs to the extent of Tk. 104,042,337 using the weighted average cost of borrowing on acquisition of qualifying assets during the year 2011.

## Property, plant and equipment-comparative-2010

### a) Own assets

#### i) Cost

Particulars	Cost						Depreciation						Written down value as at 31 December 2010
	As at 1 January 2010	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2010	As at 1 January 2010	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2010	As at 31 December 2010	
Land	46,318,282	-	-	-	-	46,318,282	-	-	-	-	-	46,318,282	
Building	191,957,123	-	-	-	(34,418,518)	157,538,605	4,798,928	-	(34,418,518)	-	2,803,112	157,538,605	
Plant and machinery	808,791,118	7,466,042	80,539,714	(3,264,570)	(388,658,117)	504,874,187	73,615,735	(2,878,670)	(389,368,117)	4,860,541	502,071,075		
Furniture and fixtures	77,940,807	16,444,666	-	-	(39,265,313)	55,120,160	6,985,178	-	(39,265,313)	5,623,913	50,259,619		
Electrical and other appliances	64,431,050	7,997,224	-	-	(37,609,257)	34,819,017	4,922,710	-	(37,609,257)	1,160,751	29,195,104		
Office machinery	51,076,416	3,553,590	-	-	(31,238,242)	23,391,764	3,797,613	-	(32,764,742)	31,471,879	22,231,013		
Vehicles	130,609,528	19,764,334	-	(3,362,384)	(67,478,017)	79,533,461	15,065,182	(3,362,381)	(67,944,982)	(601,370,929)	45,920,196		
Total (i)	1,371,124,324	55,225,856	80,539,714	(6,626,954)	(598,667,464)	901,595,476	109,185,346	(6,241,051)	(601,370,929)	45,920,196	855,675,280		

#### ii) Revaluation

Particulars	Revaluation						Depreciation						Written down value as at 31 December 2010
	As at 1 January 2010	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2010	As at 1 January 2010	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2010	As at 31 December 2010	
Land	284,047,862	460,033,856	-	-	-	744,081,718	-	-	-	-	-	744,081,718	
Building	39,764,561	10,508,070	-	-	(11,788,977)	38,483,654	994,113	-	(11,788,977)	-	38,483,654		
Plant and machinery	69,039,517	32,347,235	-	(211,046)	(44,738,775)	56,436,931	6,882,847	(116,076)	(44,738,775)	-	56,436,931		
Furniture and fixtures	(718,864)	4,067,014	-	-	467,260	3,815,410	(71,887)	-	467,260	-	3,815,410		
Electrical and other appliances	(1,561,403)	4,481,714	-	-	1,014,914	3,935,225	(156,140)	-	1,014,914	-	3,935,225		
Office machinery	1,316,194	1,745,771	-	-	(855,521)	2,206,444	131,619	-	(855,521)	-	2,206,444		
Vehicles	20,029,899	50,183,362	-	(198,529)	(19,831,320)	50,183,412	20,029,848	-	(198,528)	(19,831,320)	50,183,412		
Total (ii)	411,917,766	563,367,022	-	(409,575)	(75,732,419)	899,142,794	68,266,471	(314,604)	(75,732,419)	-	899,142,794		
<b>Total assets (i+ii)</b>	1,783,042,090	618,592,878	80,539,714	(7,036,529)	(674,399,883)	1,800,738,270	612,613,301	116,965,898	(6,555,655)	(677,103,348)	45,920,196	1,754,818,074	

#### b) Leased assets

Vehicles	46,748,529	-	-	-	(34,171,036)	12,577,493	3,905,416	-	(34,171,036)	-	11,151,004	1,426,489
<b>Total 2010 (a+b)</b>	<b>1,829,790,619</b>	<b>618,592,878</b>	<b>80,539,714</b>	<b>(7,036,529)</b>	<b>(708,570,919)</b>	<b>1,813,315,763</b>	<b>654,029,893</b>	<b>120,871,314</b>	<b>(6,555,655)</b>	<b>(711,274,352)</b>	<b>57,071,200</b>	<b>1,756,244,563</b>



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

##### a) Freehold assets

###### i) Cost

Particulars	Cost						Depreciation						Written down value as at 31 December 2011
	As at 1 January 2011	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2011	As at 1 January 2011	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2011		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka		
Land	276,480,624	181,976,926	252,050,573	-	-	710,508,123	-	-	-	-	-	710,508,123	
Building	757,507,146	428,544	19,966,860	-	-	777,902,550	45,872,691	19,070,667	-	-	64,943,358	712,959,192	
Plant and machinery	1,638,388,573	20,400,989	472,150,554	-	(9,180,049)	2,121,760,067	266,021,941	209,458,552	-	(35,405)	475,445,088	1,646,314,979	
Furniture and fixtures	323,388,393	14,584,147	41,457,490	-	(15,279)	379,414,751	52,319,041	52,841,527	-	-	105,160,568	274,254,183	
Electric and other appliances	159,766,332	8,354,885	9,525,284	(11,609)	(146,708)	177,488,184	30,832,543	19,669,021	-	-	50,501,564	126,986,620	
Office machinery and equipment	169,211,020	9,124,358	13,486,542	-	(1,004,922)	190,816,998	33,467,577	29,240,571	-	(9,575)	62,698,573	128,118,425	
Vehicles	120,896,929	25,546,616	5,861,939	(245,635)	-	152,059,849	45,076,164	27,172,424	(111,825)	-	72,136,763	79,923,086	
<b>Total (i)</b>	<b>3,445,639,017</b>	<b>260,416,465</b>	<b>814,499,242</b>	<b>(257,244)</b>	<b>(10,346,958)</b>	<b>4,509,950,522</b>	<b>473,589,957</b>	<b>357,452,762</b>	<b>(111,825)</b>	<b>(44,980)</b>	<b>830,885,914</b>	<b>3,679,064,608</b>	

###### ii) Revaluation

Particulars	Revaluation						Depreciation						Written down value as at 31 December 2011
	As at 1 January 2011	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2011	As at 1 January 2011	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2011		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka		
Land	1,555,030,636	-	-	-	-	1,555,030,636	-	-	-	-	-	1,555,030,636	
Building	82,265,271	-	-	-	(57,446)	82,265,271	(81,555)	2,437,640	-	-	2,356,085	79,909,186	
Plant and machinery	84,070,146	-	-	-	(492)	84,012,700	(265,631)	16,327,871	-	-	16,062,240	67,950,460	
Furniture and fixtures	7,180,114	-	-	(611)	(10,271)	7,179,622	982,911	1,113,774	-	-	2,096,685	5,082,937	
Electric and other appliances	9,828,560	-	-	-	25,044	9,817,678	1,160,649	1,270,810	-	-	2,431,459	7,386,219	
Office machinery and equipment	4,668,590	-	-	(1,174,995)	-	4,693,634	591,573	1,081,918	-	-	1,673,491	3,020,143	
Vehicles	53,331,140	-	-	(1,175,606)	(43,165)	52,156,145	(1)	10,431,229	-	-	10,431,228	41,724,917	
<b>Total (ii)</b>	<b>1,796,374,457</b>	<b>260,416,465</b>	<b>814,499,242</b>	<b>(1,432,850)</b>	<b>(10,390,123)</b>	<b>6,305,106,208</b>	<b>475,977,903</b>	<b>390,116,004</b>	<b>(111,825)</b>	<b>(44,980)</b>	<b>865,937,102</b>	<b>5,439,169,106</b>	

###### b) Leased assets

Vehicles	12,577,493	4,490,000	-	-	-	17,067,493	11,151,004	1,547,698	-	-	12,698,702	4,368,791
<b>Total 2011 ( a + b )</b>	<b>5,254,590,967</b>	<b>264,906,465</b>	<b>814,499,242</b>	<b>(1,432,850)</b>	<b>(10,390,123)</b>	<b>6,322,173,701</b>	<b>487,128,907</b>	<b>391,663,702</b>	<b>(111,825)</b>	<b>(44,980)</b>	<b>878,635,804</b>	<b>5,443,537,897</b>
<b>Total 2010</b>	<b>4,393,880,112</b>	<b>1,270,203,430</b>	<b>525,426,575</b>	<b>(18,525,279)</b>	<b>(916,393,871)</b>	<b>5,254,590,967</b>	<b>1,092,720,946</b>	<b>319,893,969</b>	<b>(9,665,108)</b>	<b>(915,820,900)</b>	<b>487,128,907</b>	<b>4,767,462,060</b>

## Consolidated property plant and equipment-comparative-2010

### a) Freehold assets

#### i) Cost

Particulars	Cost						Depreciation						Written down value as at 31 December 2010
	At 1 January 2010	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2010	At 1 January 2010	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2010	At 31 December 2010	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Land	267,927,141	5,265,049	3,288,434	-	-	276,480,624	-	-	-	-	-	-	276,480,624
Building	781,869,535	1,767,125	34,101,398	-	(60,230,912)	757,507,146	89,940,883	19,041,390	-	(60,230,912)	48,751,361	-	708,755,785
Plant and machinery	1,856,710,183	11,518,358	278,791,144	(3,264,570)	(505,366,542)	1,638,388,573	598,677,242	174,131,241	(2,878,670)	(506,786,542)	263,143,271	-	1,375,245,302
Furniture and fixtures	238,927,147	17,415,125	118,393,318	-	(51,347,197)	323,388,393	61,873,935	41,116,538	-	(50,671,432)	52,319,041	-	271,069,352
Electric and other appliances	186,655,573	8,342,244	13,242,360	-	(48,473,845)	159,766,332	58,521,818	18,762,319	-	(46,451,594)	30,832,543	-	128,933,789
Office machinery and equipment	130,326,538	4,443,086	73,749,980	-	(39,308,584)	169,211,020	48,711,916	24,765,279	-	(40,009,618)	33,467,577	-	135,743,443
Vehicles	176,097,330	30,198,010	3,859,941	(14,851,134)	(74,407,218)	120,896,929	103,071,922	22,883,328	(6,471,836)	(74,407,250)	45,076,164	-	75,820,765
<b>Total (i)</b>	<b>3,638,513,447</b>	<b>78,948,997</b>	<b>525,426,575</b>	<b>(18,115,704)</b>	<b>(779,134,298)</b>	<b>3,445,639,017</b>	<b>960,797,716</b>	<b>300,700,095</b>	<b>(9,350,506)</b>	<b>(778,557,348)</b>	<b>473,589,957</b>	<b>-</b>	<b>2,972,049,060</b>

#### ii) Revaluation

Particulars	Revaluation						Depreciation						Written down value as at 31 December 2010
	At 1 January 2010	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2010	At 1 January 2010	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2010	At 31 December 2010	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Land	524,624,489	1,030,406,147	-	-	-	1,555,030,636	-	-	-	-	-	-	1,555,030,636
Building	56,637,466	39,034,522	-	-	(13,406,717)	82,265,271	1,811,149	-	(13,406,717)	-	(81,555)	-	82,346,826
Plant and machinery	101,039,995	51,403,286	-	(211,046)	(68,162,089)	84,070,146	55,101,470	12,911,064	(116,076)	(68,162,089)	(265,631)	-	84,335,777
Furniture and fixtures	2,241,373	4,894,699	-	-	44,042	7,180,114	816,636	122,233	-	44,042	982,911	-	6,197,203
Electric and other appliances	1,059,947	8,082,355	-	-	686,258	9,828,560	349,831	128,571	-	682,247	1,160,649	-	8,667,911
Office machinery and equipment	1,350,619	4,102,336	-	-	(784,365)	4,668,590	1,060,497	315,441	-	(784,365)	591,573	-	4,077,017
Vehicles	21,664,247	53,331,088	-	(198,529)	(21,465,666)	53,331,140	21,664,191	-	(198,529)	(21,465,666)	(1)	-	53,331,141
<b>Total (ii)</b>	<b>708,618,136</b>	<b>1,191,254,433</b>	<b>-</b>	<b>(409,575)</b>	<b>(103,088,537)</b>	<b>1,796,374,457</b>	<b>90,506,638</b>	<b>15,288,458</b>	<b>(314,602)</b>	<b>(103,092,548)</b>	<b>2,387,946</b>	<b>-</b>	<b>1,793,986,511</b>
<b>Total assets (i + ii)</b>	<b>4,347,131,583</b>	<b>1,270,203,430</b>	<b>525,426,575</b>	<b>(18,525,279)</b>	<b>(882,222,835)</b>	<b>5,242,013,474</b>	<b>1,051,304,354</b>	<b>315,988,553</b>	<b>(9,665,108)</b>	<b>(881,649,896)</b>	<b>475,977,903</b>	<b>-</b>	<b>4,766,035,571</b>

#### b) Leased assets

Vehicles	46,748,529	-	-	-	(34,171,036)	12,577,493	41,416,592	3,905,416	-	(34,171,004)	11,151,004	-	1,426,489
<b>Total 2010 (a + b)</b>	<b>4,393,880,112</b>	<b>1,270,203,430</b>	<b>525,426,575</b>	<b>(18,525,279)</b>	<b>(916,393,871)</b>	<b>5,254,590,967</b>	<b>1,092,720,946</b>	<b>319,893,969</b>	<b>(9,665,108)</b>	<b>(915,820,900)</b>	<b>487,128,907</b>	<b>-</b>	<b>4,767,462,060</b>

## 5. Capital work-in-progress- 2011

	Balance as at 1 January	Additions during the year	Transferred to fixed assets	Adjustments	Balance as at 31 December 2011
	Taka	Taka	Taka	Taka	Taka
Building	132,210,919	84,312,646	3,905,969	-	212,617,596
Plant and machinery	313,311,493	163,793,172	340,197,742	-	136,906,923
Land and land development	232,887,096	262,106,310	233,056,403	-	261,937,003
Furniture & fixtures	467,096	-	467,096	-	-
Electrical and other office appliances	-	79,500	-	-	79,500
	<b>678,876,604</b>	<b>510,291,628</b>	<b>577,627,210</b>	<b>-</b>	<b>611,541,022</b>

### Capital work-in-progress-comparative -2010

Building	42,113,872	90,097,047	-	-	132,210,919
Plant and machinery	64,016,856	330,301,447	80,539,714	-	313,778,589
Land and land development		232,887,096	-	-	232,887,096
	<b>106,130,728</b>	<b>653,285,590</b>	<b>80,539,714</b>	<b>-</b>	<b>678,876,604</b>

## 5 (a) Consolidated capital work-in-progress-2011

Land	240,807,096	273,180,480	252,050,573	-	261,937,003
Building	145,809,724	257,607,837	19,966,860	-	383,450,701
Plant and machinery	393,946,592	727,368,999	472,150,554	-	649,165,037
Furniture and fixture	47,169,340	1,654,323	41,457,491	(7,366,172)	-
Electrical and other office appliances	10,149,603	119,182	9,525,284	-	743,501
Software	21,829,905	-	21,829,905	-	-
Office machinery	11,497,270	4,651,940	13,486,542	(2,662,668)	-
Vehicles	3,856,000	2,005,939	5,861,939	-	-
	<b>875,065,530</b>	<b>1,266,588,700</b>	<b>836,329,148</b>	<b>(10,028,840)</b>	<b>1,295,296,242</b>

### Consolidated capital work-in-progress-comparative-2010

Land	-	261,277,105	3,390,009	-	257,887,096
Building	75,387,646	57,541,864	33,999,823	-	98,929,687
Plant and machinery	266,872,428	432,765,955	273,891,451	-	425,746,932
Furniture and fixture	19,472,923	118,387,317	118,393,317	-	19,466,923
Electrical and other office appliances	1,332,505	13,242,360	13,242,360	-	1,332,505
Software	559,199	-	-	-	559,199
Office machinery	89,698,510	55,204,655	73,759,977	-	71,143,188
Vehicles	-	3,859,941	3,859,941	-	-
	<b>453,323,211</b>	<b>942,279,197</b>	<b>520,536,878</b>	<b>-</b>	<b>875,065,530</b>

## 6 Consolidated intangible assets

	Balance as at 1 January	Additions during the year	Retirement and disposal	Balance as at 31 Dec 2011
	Taka	Taka	Taka	Taka
Goodwill on acquisition	49,261,574	-	-	49,261,574
Software	15,242,787	21,986,128	-	37,228,915
<b>Cost</b>	<b>64,504,361</b>	<b>21,986,128</b>	<b>-</b>	<b>86,490,489</b>
Less: Accumulated amortization	2,387,772	2,283,874	-	4,671,646
<b>Carrying amounts</b>	<b>62,116,589</b>	<b>19,702,254</b>	<b>-</b>	<b>81,818,843</b>



## 7. Long term investments

### a) Investment in shares

	2011					2010
	Number of shares	Face value per share	Called and paid up capital per share	Share-holding	Value	Value
		Taka	Taka	%	Taka	Taka
<b>Investment in subsidiaries</b>						
Flyban Insecticides Limited	25,500	100	100	51.00	2,550,000	2,550,000
ACI Formulations Limited	16,050,070	10	10	53.50	66,872,823	66,872,823
ACI Salt Limited	78,000	1,000	1,000	78.00	78,000,000	78,000,000
ACI Foods Limited	380,000	100	100	95.00	38,000,000	38,000,000
ACI Pure Flour Limited	380,000	100	100	95.00	38,000,000	38,000,000
Apex Leathercraft Limited	365,700	100	100	100.00	24,567,963	24,567,963
ACI Agrochemicals Limited	180	100	100	90.00	18,000	18,000
Creative Communication Limited	6,000	100	100	60.00	600,000	600,000
ACI Motors Limited	6,750	100	100	72.00	675,000	675,000
Premiaflex Plastics Limited	32,000	1,000	1,000	80.00	32,000,000	32,000,000
ACI Logistics Limited	273,600	1,000	1,000	76.00	273,600,000	273,600,000
ACI Edible Oils Limited	850,000	10	10	85.00	8,500,000	-
					563,383,786	554,883,786
<b>Investment in Associates and Joint Ventures</b>						
Asian Consumer Care (Pvt.) Limited	3,393,321	10	10	24.00	33,933,210	23,994,450
ACI Godrej Agrovet ( Pvt.) Limited	1,850,000	100	100	50.00	185,000,000	185,000,000
Computer Technology Limited	200	100	100	40.00	20,000	20,000
Stochastic Logic Limited	2,000	100	100	20.00	200,000	200,000
Tetley ACI (Bangladesh) Limited	1,150,000	100	100	50.00	115,000,000	115,000,000
					334,153,210	324,214,450
<b>Investment in others</b>						
Mutual Trust Bank Limited	8,478,310	10	10	3.33	292,501,695	500,397,040
Central Depository Bangladesh Limited	913,889	10	10	0.58	3,138,890	8,833,340
					295,640,585	509,230,380
<b>b) Other investment</b>						
FDR with Bank Asia Limited and others					4,086,022	3,946,718
<b>Total investment</b>					<b>1,197,263,603</b>	<b>1,392,275,334</b>

Other investment includes Fixed Deposit Receipt amounting to Taka 3,586,022 which is kept as lien against service received from Titas Gas Transmission and Distribution Limited. Therefore, the Company has no intention to encash the said amount and recorded as long term investment.

### 7 (a) Consolidated long term investments

	2011					2010
	Number of shares	Face value per share	Called and paid up capital per share	Share-holding	Value	Value
		Taka	Taka	%	Taka	Taka
<b>Investment valued at fair value:</b>						
Mutual Trust Bank Limited	8,478,310	10	10	3.33	292,501,695	500,397,040
<b>Investment valued at cost:</b>						
Central Depository Bangladesh Limited	913,889	10	10	0.58	3,138,890	8,833,340
Computer Technology Limited	200	100	100	40	20,000	20,000
Investment in FDR					86,399,072	79,325,935
					382,059,657	588,576,315
<b>Investment valued under equity method:</b>						
Tetley ACI (Bangladesh) Limited	1,150,000	100	100	50	(16,826,441)	9,224,625
Asian Consumer Care (Pvt.) Limited	3,393,321	10	10	24	18,848,242	7,004,499
ACI Godrej Agrovet (Pvt.) Limited	1,850,000	100	100	50	386,469,639	304,500,567
Stochastic Logic Limited	2,000	100	100	20	(1,033,543)	(961,247)
					387,457,897	319,768,444
<b>Total carrying amount of investment</b>					<b>769,517,554</b>	<b>908,344,759</b>

## 8. Inventories

	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
Finished goods	1,176,656,093	936,842,134
Work-in-process	59,307,201	70,926,828
Raw materials	347,515,033	465,395,521
Packing materials	156,759,539	153,506,089
Stores and spares	19,673,154	12,828,553
Stock in transit	105,948,267	184,199,907
	<u>1,865,859,287</u>	<u>1,823,699,032</u>
Less: Provision for slow moving and damaged goods and write down to NRV	95,377,510	107,626,423
	<u>1,770,481,777</u>	<u>1,716,072,609</u>

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

### 8 (a) Consolidated inventories

Finished goods	2,177,959,321	1,699,955,555
Work-in-process	79,663,202	88,353,875
Raw materials	1,184,141,728	1,020,557,809
Packing materials	170,097,588	258,965,459
Stores and spares	65,965,711	58,866,223
Stock in transit	208,837,289	334,140,528
	<u>3,886,664,839</u>	<u>3,460,839,449</u>
Less: Provision for slow moving and damaged items and write down to NRV	152,488,383	176,780,415
	<u>3,734,176,456</u>	<u>3,284,059,034</u>

## 9. Trade receivables

	<u>2011</u>			<u>2010</u>
	<u>Dues over</u> <u>6 months</u>	<u>Dues below</u> <u>6 months</u>	<u>Total</u>	<u>Total</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Pharmaceuticals	30,187,007	163,051,890	193,238,897	280,664,756
Livestock & Fisheries	44,416,254	135,847,282	180,263,536	160,810,673
Consumer brands	51,172,066	208,371,365	259,543,431	207,962,448
Seeds	15,121,962	151,006,136	166,128,098	104,837,726
Fertilizer	34,311,323	155,129,939	189,441,262	169,048,589
Cropex	109,380,512	72,220,647	181,601,159	127,106,672
	<u>284,589,124</u>	<u>885,627,259</u>	<u>1,170,216,383</u>	<u>1,050,430,865</u>
Less: Provision for doubtful debts			38,604,563	32,891,769
			<u>1,131,611,820</u>	<u>1,017,539,096</u>

### 9 (a) Consolidated trade receivables

	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
Pharmaceuticals	193,238,897	280,664,756
Agro-chemicals	609,402,737	614,869,445
Consumer Brands	259,543,431	207,962,448
Livestock & Fisheries	180,263,536	160,810,673
Seeds	166,128,098	104,837,726
Fertilizer	189,441,261	169,048,589
Cropex	181,601,159	127,106,672
ACI Logistics	9,450,898	3,891,114
ACI Salt	5,305,571	2,727,922
ACI Foods	38,408,507	46,140,702
ACI Flour	101,925,030	80,143,031
Premiaflex Plastics	350,521,596	202,186,829
ACI Motors	990,780,729	719,228,996
Edible Oils	7,530,698	-
	<u>3,283,542,148</u>	<u>2,719,618,904</u>
Provision for doubtful debts	120,753,179	78,140,568
	<u>3,162,788,969</u>	<u>2,641,478,336</u>
Debits due over six months	496,802,509	360,753,907
Debits due below six months	<u>2,665,986,460</u>	<u>2,280,724,429</u>
	<u>3,162,788,969</u>	<u>2,641,478,336</u>

### 10. Other receivables

	<u>2011</u>			<u>2010</u>
	<u>Dues over</u> <u>6 months</u>	<u>Dues below</u> <u>6 months</u>	<u>Total</u>	<u>Total</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Receivable from Novartis (Bangladesh) Limited	-	583,270	583,270	547,517
Receivable from Oram Limited	2,262,050	-	2,262,050	2,262,050
Godrej consumer product advertisement and promotional fund	-	497,650	497,650	10,910,264
Les Laboratories Servier	-	29,894,080	29,894,080	41,556,604
Transcom Distribution Limited	-	2,958	2,958	5,600,619
Bank guarantee margin	8,173,854	-	8,173,854	7,728,456
Other receivables	10,647,115	86,393,727	97,040,842	65,836,636
	<u>21,083,019</u>	<u>117,371,685</u>	<u>138,454,704</u>	<u>134,442,146</u>

### 10 (a) Consolidated other receivables

	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
Debits due over six months	21,083,019	18,395,583
Debits due below six months	<u>129,152,124</u>	<u>130,663,007</u>
	<u>150,235,143</u>	<u>149,058,590</u>



## 11. Advances, deposits and prepayments

### Advances:

	2011 Taka	2010 Taka
Loans and advances to staff	112,032,246	117,029,402
Advance to C & F agents and others	132,572,986	180,168,535
Advance for rent and others	66,368,854	13,517,065
VAT current account	59,527,017	72,760,026
Advance for capital expenditure	134,689,931	-
	<u>505,191,034</u>	<u>383,475,028</u>

### Deposits:

Deposits for utilities	5,678,678	5,652,873
Tender deposits	11,065,850	10,352,387
	<u>16,744,528</u>	<u>16,005,260</u>

### Prepayments

	912,091	14,846,230
	<u>522,847,653</u>	<u>414,326,518</u>

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

### Advances:

Advance to staff	120,599,445	128,812,497
Advance to C&F agent and others	137,705,007	181,212,874
Advance for rent and others	206,718,174	377,582,131
VAT current account.	59,596,239	85,461,264
Advance for capital expenditure	135,318,521	-
	<u>659,937,386</u>	<u>773,068,766</u>

### Deposits:

Deposits for utilities	21,674,170	22,438,627
Tender deposits	22,002,252	18,863,969
L/C margin	1,256,000	1,256,000
	<u>44,932,422</u>	<u>42,558,596</u>

### Prepayments

	8,521,803	20,623,684
	<u>713,391,611</u>	<u>836,251,046</u>

## 12 Inter-company receivables

Flyban Insecticides Limited	999,861	987,341
Apex Leathercraft Limited	105,915,073	103,634,776
Computer Technology Limited	30,000	30,000
Tetley ACI (Bangladesh) Limited	469,249	484,909
Asian Consumer Care (Pvt.) Limited	7,576,425	8,149,787
ACI Salt Limited	116,151,680	161,039,371
ACI Godrej Agroviet (Pvt.) Limited	879,726	869,727
ACI Foods Limited	528,223,183	295,774,590
ACI Pure Flour Limited	-	116,219,923
ACI Agrochemicals Limited	151,227	115,662
Stochastic Logic Limited	5,169,329	4,796,599
Premiaflex Plastics Limited	566,438,472	369,425,920
ACI Motors Limited	12,515,082	218,602,960
ACI Logistics Limited	1,700,565,385	916,611,227
	<u>3,045,084,692</u>	<u>2,196,742,792</u>

## 12 (a) Consolidated inter-company receivables

Tetley ACI (Bangladesh) Limited	469,249	484,909
Asian Consumer Care (Pvt.) Limited	7,576,425	8,149,787
Computer Technology Limited	30,000	30,000
ACI Godrej Agroviet (Pvt.) Limited	879,726	869,726
Stochastic Logic Limited	5,169,329	4,796,599
	<u>14,124,729</u>	<u>14,331,021</u>

### 13. Cash and cash equivalents

	2011 Taka	2010 Taka
Cash in hand	12,562,750	13,137,489
Collection in hand	86,928,214	45,894,210
Cash at banks in current accounts	124,168,959	95,408,436
Total cash and cash equivalents	<u>223,659,923</u>	<u>154,440,135</u>

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

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

Total cash and cash equivalents	223,659,923	154,440,135
Bank overdrafts used for cash management purposes	(905,029,397)	(230,296,089)
Cash and cash equivalents in the statement of cash flows	<u>(681,369,474)</u>	<u>(75,855,954)</u>

Details of bank overdrafts alongwith terms and conditions are shown under note 20

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

Cash in hand	23,623,370	32,678,386
Cash at banks in current accounts	269,161,174	173,831,395
Collection in hand	126,289,662	69,544,037
Total consolidated cash and cash equivalents	<u>419,074,206</u>	<u>276,053,818</u>

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

Total Consolidated cash and cash equivalents	419,074,206	276,053,818
Bank overdrafts used for cash management purposes ( note-20.a)	(1,116,708,457)	(387,540,323)
Consolidated cash and cash equivalents in the consolidated statement of cash flows	<u>(697,634,251)</u>	<u>(111,486,505)</u>

### 14. Share capital

#### Authorized capital:

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

1,680,700 Ordinary shares of Tk. 10 each	16,807,000	16,807,000
1,049,300 Ordinary shares of Tk. 10 each issued for consideration other than cash	10,493,000	10,493,000
7,350,000 Rights shares of Tk. 10 each	73,500,000	73,500,000
9,324,000 Bonus shares of Tk. 10 each	93,240,000	93,240,000
310,756 Conversion of bond into equity of Tk 10 each	3,107,560	-
<u>19,714,756</u>	<u>197,147,560</u>	<u>194,040,000</u>

The aforesaid share capital is subscribed as under :

	Number of shares	Percentage
Directors/Sponsors	6,741,647	34.20
Institutions	6,809,854	34.54
General shareholders	6,163,255	31.26
	<u>19,714,756</u>	<u>100.00</u>

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

Number of shareholders	Shareholdings	No of shares	% of total shareholdings
15,498	Less than 500 shares	1,516,232	7.69
1,532	501- 5,000 shares	1,693,302	8.59
77	5,001- 10,000 shares	509,639	2.59
39	10,001- 20,000 shares	683,017	3.46
21	20,001- 30,000 shares	589,375	2.99
13	30,001- 40,000 shares	619,524	3.14
13	40,001- 50,000 shares	444,044	2.25
12	50,001- 100,000 shares	753,247	3.82
13	100,001- 1,000,000 shares	5,627,543	28.54
4	Over 1,000,000 shares	7,278,833	36.92
<u>17,222</u>		<u>19,714,756</u>	<u>100.00</u>

#### 15 Share premium-Tk. 298,788,486

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

#### 16 Capital reserve and revaluation surplus

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

This represents the total grant received from Imperial Chemical Industries plc, London towards the cost of fixed assets.

##### 16.2 Revaluation surplus

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

	2011 Taka	2010 Taka
Opening balance as at 1 January	896,520,564	300,272,175
Addition during the year	-	525,039,492
Adjustment due to change in tax rate for deferred tax on land	-	71,505,839
Realized during the year due to disposal of fixed assets	(883,609)	(296,942)
	<u>895,636,955</u>	<u>896,520,564</u>
<b>16.2 (a) Consolidated revaluation surplus</b>		
Opening balance as at 1 January	1,515,899,388	589,529,448
Addition during the year	-	847,016,895
Realized during the year due to disposal of fixed assets	(883,609)	(296,942)
Adjustment due to change in tax rate for deferred tax on land	-	79,649,987
	<u>1,515,015,779</u>	<u>1,515,899,388</u>

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

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

Year	No. of shares held	Cost of investment	MV of shares	Movement in fair value	Changes in fair value of AFS financial assets	AFS reserve as at 31 December
2008	498,960	28,316,000	159,542,460	131,226,460	131,226,460	118,103,814
2009	588,772	28,316,000	242,426,871	214,110,871	82,884,411	192,699,784
2010	706,526	28,316,000	500,397,040	472,081,040	257,970,169	424,872,936
2011	8,478,310	28,316,000	292,501,695	264,185,695	(207,895,345)	237,767,126



## 18 Long term liabilities

	Notes	<u>2011</u> Taka	<u>2010</u> Taka
Staff gratuity provision		187,185,768	139,451,996
Other long term employee benefits		38,381,000	44,827,716
Employees group insurance fund		400,000	400,000
Loan from other sources - unsecured		215,245	215,245
Obligation under finance lease-due more than one year	18.1	3,787,119	-
ACI 20% Convertible Zero Coupon Bonds (ZCB)	18.2	658,437,268	824,254,495
Long term bank loans	18.2	-	3,918,713
		<u>888,406,400</u>	<u>1,013,068,165</u>
<b>18 (a) Consolidated long term liabilities</b>			
Staff gratuity provision		192,352,477	144,281,512
Other long term employee benefits		43,785,320	44,827,716
Employees group insurance fund		400,000	400,000
Loan from other sources - unsecured		215,245	215,245
Obligation under finance lease		3,787,119	-
ACI 20% Convertible Zero Coupon Bonds (ZCB)	18.2 (a)	658,437,268	824,254,495
Long term bank loans	18.2 (a)	607,996,736	819,551,746
		<u>1,506,974,165</u>	<u>1,833,530,714</u>
<b>18.1 Obligation under finance lease</b>			
Payment due within one year		652,878	523,990
Payment due within 5 years but later than one year		3,787,119	-
		<u>4,439,997</u>	<u>523,990</u>
<b>18.2 Long term loans</b>			
The Hongkong and Shanghai Banking Corporation Limited		-	685,661
Standard Chartered Bank		-	3,233,052
Total long term bank loans		-	3,918,713
ACI 20% Convertible Zero Coupon Bonds		658,437,268	824,254,495
		<u>658,437,268</u>	<u>828,173,208</u>
<b>18.2 (a) Consolidated long term loans</b>			
Standard Chartered Bank		-	3,233,052
The Hongkong and Shanghai Banking Corporation Limited		66,150,540	34,198,643
Eastern Bank Limited		53,603,521	12,395,549
Bank Asia Limited		263,309	-
National Bank Limited		69,374,998	116,331,730
The City Bank Limited		24,155,765	48,566,336
Dhaka Bank Limited		74,116,719	112,738,368
Prime Bank Limited		52,150,553	84,836,564
Jamuna Bank Limited		268,181,331	407,251,504
		<u>607,996,736</u>	<u>819,551,746</u>
ACI 20% Convertible Zero Coupon Bonds		658,437,268	824,254,495
		<u>1,266,434,004</u>	<u>1,643,806,241</u>

## 19 Deferred tax liabilities

	<u>2011</u> Taka	<u>2010</u> Taka
<b>(a) Deferred tax on temporary differences</b>		
(i) Taxable temporary differences		
Fixed assets	1,720,703,079	1,259,848,580
(ii) Deductible temporary difference		
Inventories	95,377,510	107,626,423
Trade receivables	38,604,563	32,891,769
Gratuity	187,185,768	139,451,996
Total deductible temporary difference	<u>321,167,841</u>	<u>279,970,188</u>
Net taxable temporary differences	<u>1,399,535,238</u>	<u>979,878,392</u>
Deferred tax liability	98,593,278	80,652,086
<b>(b) Deferred tax liability on change in AFS Financial assets</b>	26,418,570	47,208,104
<b>Closing balance (a+b)</b>	<u>125,011,848</u>	<u>127,860,190</u>

## 20 Bank overdrafts

Standard Chartered Bank	140,461,228	83,004,933
Commercial Bank of Ceylon Plc	37,095,600	39,394,132
The Hongkong and Shanghai Banking Corporation Limited	19,767,861	5,830,010
Citibank, N.A.	30,072,484	32,066,654
Mercantile Bank Limited	65,438,061	407,624
The City Bank Limited	185,886,539	273,356
Eastern Bank Limited	15,340,172	451,350
Bank Alfalah Limited	90,604,857	41,709,608
BRAC Bank Limited	36,385,045	28,367,834
AB Bank Limited	(36,067,143)	(4,953,352)
Bank Asia Limited	-	9,479,228
The Premier Bank Limited	190,082,219	-
Dutch-Bangla Bank Limited	79,962,474	(5,735,288)
ONE Bank Limited	50,000,000	-
	<u>905,029,397</u>	<u>230,296,089</u>

## 20(a) Consolidated Bank Overdrafts

Standard Chartered Bank	169,652,359	107,957,853
Commercial Bank of Ceylon Plc	50,444,998	42,341,614
The Hongkong and Shanghai Banking Corporation Limited	17,648,638	11,455,069
Citibank, N.A.	31,032,265	56,291,684
The City Bank Limited	185,886,539	273,356
Mercantile Bank Limited	65,438,061	407,624
Dhaka Bank Limited	14,195,570	16,117,888
Eastern Bank Limited	63,234,807	15,548,765
Bank Alfalah Limited	90,604,857	41,709,608
BRAC Bank Limited	36,385,045	28,367,834
AB Bank Limited	(36,067,143)	(4,953,352)
Prime Bank Limited	26,147,266	21,881,140
National Bank Limited	53,400,446	26,727,502
Premier Bank Limited	190,082,219	-
Bank Asia Limited	14,442,636	23,920,625
Dutch Bangla Bank Limited	94,179,894	(506,887)
ONE Bank Limited	50,000,000	-
	<u>1,116,708,457</u>	<u>387,540,323</u>

## 21 Short term loan from banks

	2011 Taka	2010 Taka
Standard Chartered Bank	671,014,329	798,840,357
Commercial Bank of Ceylon Plc	200,000,000	123,900,000
The Hongkong and Shanghai Banking Corporation Limited	423,963,627	608,489,324
Citibank, N.A.	24,148,324	182,547,471
AB Bank Limited	205,707,078	40,335,040
The City Bank Limited	339,841,656	5,956,942
Eastern Bank Limited	397,885,742	3,273,923
BRAC Bank Limited	96,555,737	410,090,719
Bank Asia Limited	-	2,613,959
Jamuna Bank Limited	16,162,100	-
Dutch Bangla Bank Limited	16,408,250	18,025,103
Bank Alfalah Limited	96,021,136	70,486,000
	<u>2,487,707,979</u>	<u>2,264,558,838</u>
<b>21 (a) Consolidated short term loan from banks</b>		
Standard Chartered Bank	942,882,538	966,705,939
Commercial Bank of Ceylon Plc	455,739,000	268,881,000
The Hongkong and Shanghai Banking Corporation Limited	1,291,372,729	1,146,152,347
Citibank, N.A.	31,321,212	342,637,035
AB Bank Limited	205,707,078	138,531,961
The City Bank Limited	339,841,656	5,956,942
Eastern Bank Limited	1,098,302,160	77,953,366
Bank Alfalah Limited	96,021,136	70,486,000
Bank Asia Limited	38,752,800	74,826,027
Dutch Bangla Bank Limited	16,408,250	18,028,305
National Bank Limited	150,000,001	150,000,001
Jamuna Bank Limited	16,162,100	-
Bangladesh Krishi Bank Limited	-	12,022
BRAC Bank Limited	96,555,737	410,090,719
ONE Bank Limited	182,900,050	190,078,734
Prime Bank Limited	192,834,939	50,719,645
	<u>5,154,801,386</u>	<u>3,911,060,043</u>

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

### Bank overdraft (Note: 20)

Limit	: BDT 1,130,000,000
Purpose	: Working capital financing
Tenure	: 1 year

### LC/LATR (Note: 21)

Limit	: BDT 3,430,000,000
Purpose	: To import raw material, packing material, Finished Goods and spare parts etc.
Tenure	: Ranges from 120 days to 180 days

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

Limit	: BDT 2,015,000,000
Purpose	: Working capital financing
Tenure	: Range from 90 days to 180 days

### Term loan (Note: 18)

Limit	: BDT 34,051,010
Purpose	: Import of capital machinery
Tenure	: Range from 1 year to 4 years

### Guarantee

Limit	: BDT 70,000,000
Purpose	: To issue guarantee to different government organizations, gas/electricity service providers and other organization to participate in tender
Tenure	: Range from 0 days to 5 years



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

- Demand promissory notes for BDT 6,383.69 million.
- Registered hypothecation over inventories and accounts receivables on pari-passu basis for BDT 5,900 million.
- Registered hypothecation over plant and machinery on pari-passu basis for BDT 1,455 million .
- Corporate guarantee issued to AB Bank Limited by ACI Formulations Limited, ACI Pure Flour Limited and ACI Foods Limited.
- Corporate guarantee issued to Premier Bank Limited by ACI Salt Limited.
- Corporate guarantee issued to Bank Asia Limited by ACI Motors Limited and ACI Foods Limited.
- Corporate guarantee issued to Dutch Bangla Bank Limited by ACI Salt Limited, ACI Foods Limited and ACI Motors Limited.

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

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

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

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

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

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

	Note	2011 Taka	2010 Taka
Standard Chartered Bank		3,233,057	28,357,620
The Hongkong and Shanghai Banking Corporation Limited		685,357	4,484,137
ACI 20% Convertible Zero Coupon Bonds		252,492,448	262,939,808
		256,410,862	295,781,565

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

Standard Chartered Bank		3,233,057	28,357,620
The Hongkong and Shanghai Banking Corporation Limited		43,348,115	51,601,383
The City Bank Limited		21,669,426	21,242,847
Dhaka Bank Limited		36,914,498	36,914,498
National Bank Limited		46,956,732	46,956,732
Eastern Bank Ltd.		115,402,915	22,971,668
Jamuna Bank Limited		144,111,757	130,004,399
Bank Asia Limited		9,349,788	-
Prime Bank Limited		17,287,613	-
ACI 20% Convertible Zero Coupon Bonds		252,492,448	262,939,808
		690,766,349	600,988,955

**23 Other payables**

Creditors for expenses		407,912,344	309,507,832
Security money received from customers		77,970,381	53,871,317
Workers' profit participation fund	23.1	163,641,857	126,995,798
Unclaimed dividend		35,865,457	27,433,270
Tax deducted at source		53,480,795	27,128,362
Employees welfare fund		99,290,904	101,871,776
Rights share deposit to be refunded		563,723	563,723
Family day fund		4,148,057	4,311,769
Non-management staff provident fund		364,291	2,600,445
Advance against sale of land of ACI Trading Limited		72,639,388	-
Unclaimed refund warrant-Zero Coupon Bonds		3,738,779	4,442,737
Payable for redemption for ZCB		13,105,840	-
Management staff provident fund		276,830	1,279,802
Laser advertisement and promotional fund		6,411,162	4,274,846
Electronics advertisement and promotional fund		131,418	1,354,742
		939,541,226	665,636,419

### 23.1 Workers' profit participation fund (WPPF)

	Note	2011 Taka	2010 Taka
Opening balance		126,995,798	87,846,858
Interest		13,348,196	9,572,589
Addition during the year		47,014,874	42,528,729
		<u>187,358,869</u>	<u>139,948,176</u>
Paid during the year		(23,717,012)	(12,952,378)
Closing Balance		<u>163,641,857</u>	<u>126,995,798</u>
<b>23 (a) Consolidated other payables</b>			
Creditors for expenses		699,206,929	616,976,117
Security money received from customers		107,544,296	59,488,635
Workers' profit participation fund	23.1 (a)	197,050,389	146,674,920
Unpaid dividend		36,336,980	30,682,812
Provident fund		364,291	1,279,802
Tax deducted from suppliers and employees		65,047,572	31,543,494
Employees savings fund		99,290,904	101,871,776
Rights share deposit to be refunded		563,723	563,723
Family day fund		4,148,057	4,311,769
Non-management staff provident fund		276,830	2,600,445
Unclaimed refund warrant-Zero Coupon Bonds		3,738,779	4,442,737
Payable for redemption for ZCB		13,105,840	-
Creditors for capital expenditure		42,525,246	174,213,193
Proceeds from sale of land of ACI Trading		72,639,388	-
Laser advertisement and promotional fund		6,411,162	4,274,846
Electronics advertisement and promotional fund		131,418	1,354,742
		<u>1,348,381,804</u>	<u>1,180,279,013</u>
<b>23.1 (a) Consolidated Workers' profit participation fund (WPPF)</b>			
Opening balance		146,674,920	104,370,484
Interest		13,348,196	9,572,589
Addition during the year		67,253,862	56,940,974
		<u>227,276,978</u>	<u>170,884,047</u>
Paid during the year		(30,226,589)	(24,209,127)
Closing Balance		<u>197,050,389</u>	<u>146,674,920</u>
<b>24 Inter-company payables</b>			
ACI Formulations Limited		243,764,427	56,454,542
Creative Communication Limited		17,164,621	13,101,792
ACI Edible Oils Limited		10,497,600	-
ACI Pure Flour Limited		17,644,495	-
		<u>289,071,143</u>	<u>69,556,334</u>
<b>25 Current tax liability</b>			
Opening balance		348,971,867	353,966,851
Provision made during the year		194,212,347	213,842,650
		<u>543,184,214</u>	<u>567,809,501</u>
Adjustment made during the year		(326,762,573)	(218,837,634)
Closing balance		<u>216,421,641</u>	<u>348,971,867</u>
<b>25 (a) Consolidated current tax liability</b>			
Opening balance		508,197,976	523,703,557
Provision for the year		330,868,745	271,947,590
		<u>839,066,721</u>	<u>795,651,147</u>
Adjustment made during the year		(480,330,923)	(287,453,171)
Closing balance		<u>358,735,798</u>	<u>508,197,976</u>

## 25.1 Advance income tax

	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
Opening Balance	222,974,570	283,104,430
Paid / withheld during the year	226,576,618	158,707,774
	<u>449,551,188</u>	<u>441,812,204</u>
Adjustment made during the year	(326,762,573)	(218,837,634)
Closing Balance	<u>122,788,615</u>	<u>222,974,570</u>

### 25.1 (a) Consolidated advance income tax

Opening Balance	389,792,767	387,574,948
Paid / withheld during the year	416,312,605	290,263,956
	<u>806,105,372</u>	<u>677,838,904</u>
Adjustment made during the year	(514,196,077)	(288,046,137)
Closing Balance	<u>291,909,295</u>	<u>389,792,767</u>

## 26 Revenue

Pharmaceuticals*	3,740,773,487	3,355,588,404
Livestock & Fisheries	734,828,063	762,479,568
Consumer Brands	2,800,535,499	2,424,865,916
Seeds	329,446,668	256,487,543
Fertilizer	360,540,151	311,332,513
Cropex	547,717,978	804,646,335
	<u>8,513,841,846</u>	<u>7,915,400,279</u>

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

	<u>Quantity</u>	<u>Quantity</u>
	13,046,403	10,845,175
Tablets (Pc)	3,763,924	3,324,475
Capsules (Pc)	4,220,507	3,944,264
Injection (Pc)	20,429,860	18,257,997
Bottled products (Pc)	3,974,346	4,067,223
Creams (Pc)	362,974	150,577
Inhaler		

The rest relates to agrochemical, livestock & fisheries, seeds, fertilizer, cropped and consumer goods.

### 26 (a) Consolidated revenue

Gross sales	18,905,526,176	15,596,577,576
Inter-company sales	(1,445,405,391)	(1,098,517,312)
Net sales	<u>17,460,120,785</u>	<u>14,498,060,264</u>

## 27. Cost of sales

Particulars	2011						2010	
	Pharmaceuticals	Livestock & fisheries	Consumer brands	Seeds	Fertilizer	CropeX	Total	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Raw and packing materials:								
Opening stock	408,624,968	67,992,662	31,628,548	8,690,866	101,964,566	-	618,901,610	688,089,928
Purchase	1,365,550,683	150,513,212	197,297,787	19,068,083	178,125,205	214,800	1,910,769,770	1,856,086,927
Closing stock	(336,250,907)	(61,200,368)	(47,536,132)	(8,623,595)	(50,448,770)	(214,800)	(504,274,571)	(618,901,610)
Manufacturing expenses - note-28	1,437,924,744	157,305,506	181,390,203	19,135,354	229,641,001	-	2,025,396,809	1,925,275,245
Quality control and development expenses - note-28	377,007,612	13,971,477	14,045,914	21,619,513	6,685,412	-	433,329,928	370,948,800
Cost of samples, product bonus and stock write off	58,341,207	250	-	-	-	-	58,341,457	52,871,177
Opening work-in-process	(56,719,664)	(6,904,490)	12,167,348	1,206,323	(18,709,114)	-	(68,959,597)	(62,784,642)
Closing work-in-process	43,143,578	8,383,295	-	19,399,955	-	-	70,926,828	67,141,154
Cost of goods manufactured/sold	(42,807,069)	(6,888,848)	-	(9,611,284)	-	-	(59,307,201)	(70,926,828)
	1,816,890,408	165,867,190	207,603,465	51,749,861	217,617,299	-	2,459,728,224	2,282,524,906
Finished goods:								
Opening stock	292,466,141	187,836,291	306,349,351	61,079,186	89,111,165	-	936,842,134	700,562,703
Purchase	60,361,147	289,389,567	2,104,940,988	138,970,200	7,874,117	531,409,915	3,132,945,934	3,048,316,145
Closing stock	(260,178,870)	(223,477,104)	(596,298,553)	(41,456,312)	(55,245,254)	-	(1,176,656,093)	(936,842,134)
Inter business adjustment	(241,044,202)	85,962,919	155,081,283	-	-	-	-	-
	(148,395,784)	339,711,673	1,970,073,069	158,593,074	41,740,028	531,409,915	2,893,131,975	2,812,036,714
Cost of sales	1,668,494,624	505,578,864	2,177,676,534	210,342,935	259,357,327	531,409,915	5,352,860,199	5,094,561,620

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

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

China	India	Italy	Germany
France	Pakistan	Japan	Korea
USA	UK	Malaysia	Singapore

The total raw and packing materials consumed includes 84.40% of imported items.

### 27 (a) Consolidated cost of sales

Opening stock	2,696,168,839	2,284,878,010
Purchase	11,961,801,093	9,865,482,355
Closing stock	(14,657,969,932)	(12,150,360,365)
Manufacturing expenses	(3,049,029,563)	(2,696,168,841)
	11,608,940,369	9,454,191,524
	1,016,358,578	903,439,256
	12,625,298,947	10,357,630,780



## 28 Allocation of expenses

Particulars	2011						2010
	Administrative expenses	Distribution expenses	Manufacturing expenses	QC and development expenses	Selling expenses	Total	Total
	Taka (A)	Taka (A)	Taka (B)	Taka (C)	Taka (A)	Taka	Taka
Salary and wages	123,577,485	74,125,153	157,294,470	37,694,613	668,525,819	1,061,217,540	902,668,078
Traveling and conveyance	5,477,650	47,877,355	1,851,879	230,867	195,255,201	250,692,952	234,905,654
Rent and rates	9,690,844	21,054,576	30,940,935	-	24,976,850	86,663,205	80,362,801
Repair and maintenance	4,810,631	4,910,895	33,890,931	2,021,920	5,247,110	50,881,487	54,066,769
Fuel and power	2,318,862	2,869,256	77,127,447	1,431,428	4,400,479	88,147,471	56,330,731
Postage	5,172,090	1,744,909	1,012,301	325,657	14,716,763	22,971,719	22,878,152
Printing and stationery	7,673,118	7,538,369	1,702,876	1,002,040	17,334,638	35,251,041	26,286,651
Promotional expenses	4,953,619	5,061,826	154,211	-	641,002,002	651,171,658	596,089,895
Entertainment	2,002,860	2,798,609	7,002,829	-	5,352,021	17,156,318	12,136,260
Vehicle maintenance	4,442,303	38,018,397	4,508,790	160,441	21,544,771	68,674,703	59,526,325
Bad debts	-	-	-	-	5,991,736	5,991,736	6,782,660
Truck and handling	-	42,068,934	2,523,529	-	55,854,356	100,446,819	74,241,148
Legal and professional charges	3,824,263	4,900	52,835	-	1,273,738	5,155,736	2,529,069
Audit fees	400,000	-	-	-	-	400,000	400,000
Insurance	519,856	7,267,509	6,065,676	140,798	2,023,351	16,017,190	21,190,959
Directors' fees	15,000	-	-	-	-	15,000	12,750
Bank charges	65,156	2,138,228	344	-	5,660,680	7,864,408	7,635,086
Sundry expenses	115,411	39,138	398,070	-	-	552,619	186,210
Product development expenses	-	-	375,201	1,038,010	3,914,449	5,327,660	8,203,738
Training expenses	3,377,904	92,313	736,595	113,052	6,712,185	11,032,050	4,797,185
Depreciation	11,804,202	13,737,653	105,924,884	9,004,021	16,495,615	156,966,374	120,871,320
Amortization	518,932	-	-	-	-	518,932	259,467
Lab chemical and apparatus	-	-	1,751,126	5,178,610	-	6,929,736	9,972,051
Meeting expenses	4,571,479	25,955	15,000	-	13,262,962	17,875,396	17,994,932
Share department expenses	785,364	-	-	-	-	785,364	7,699,248
Export expenses	-	-	-	-	6,119,252	6,119,252	4,320,860
ISO/TQM related expenses	180,055	-	-	-	51,133	231,188	546,384
Market research	-	-	-	-	10,211,080	10,211,080	10,581,400
	196,297,084	271,373,973	433,329,928	58,341,457	1,725,926,191	2,685,268,632	2,343,475,781

	2011 Taka	2010 Taka
(a) Administrative expenses	196,297,084	150,022,353
(b) Distribution expenses	271,373,973	204,223,160
(c) Selling expenses	1,725,926,191	1,565,410,292
	2,193,597,248	1,919,655,805

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

Administrative expenses	484,879,076	381,651,545
Distribution expenses	486,743,172	463,751,352
Selling expenses	2,611,987,428	2,367,888,851
	3,583,609,676	3,213,291,747

## 29 Other income

	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
Service charges	3,977,018	15,195,208
Dividend income	49,046,172	40,510,175
Rental income	2,388,000	2,388,000
Proceeds from sale of fixed assets	42,609	625,125
Reversal of revaluation loss	-	710,233
Gain/(loss) from foreign currency translations	1,654,360	(800,456)
Proceeds from scrap sale	5,822,276	5,233,303
Commission income	35,580,316	21,900,665
Miscellaneous income	1,244,651	478,587
	<u>99,755,402</u>	<u>86,240,840</u>

### 29(a) Consolidated other income

Service charges	14,223,754	15,195,208
Dividend income	913,962	400,000
Rental income	2,388,000	2,388,000
Sales proceeds of scrap and used bags	35,385,896	47,240,911
Gain/(loss) from foreign currency translations	1,654,360	(800,456)
Commission income	47,951,128	21,900,665
Proceeds from sale of fixed assets	151,089	625,125
Reversal of revaluation loss	-	(617,888)
Miscellaneous income	1,244,651	11,830,380
	<u>103,912,840</u>	<u>98,161,945</u>

### 30 Financing costs

	2011 Taka	2010 Taka
<b>Interest expenses on</b>		
Bank loan *	285,641,399	214,765,893
Employees' welfare fund	11,647,079	8,177,943
Finance lease	81,122	1,367,071
Security deposits	4,501,419	3,317,593
Workers' profit participation fund	13,348,193	9,572,589
ACI 20% Zero Coupon Bonds	85,612,661	87,588,266
Other funds / borrowings	100,961	244,716
	<u>400,932,834</u>	<u>325,034,071</u>
<b>Interest income from</b>		
Investment / inter-company	(274,090,519)	(187,880,456)
Banks	-	(304,508)
	<u>(274,090,519)</u>	<u>(188,184,964)</u>
	<u>126,842,315</u>	<u>136,849,107</u>

\* The Company has capitalized borrowing costs to the extent of Tk. 104,042,337 and 19,476,454 using the weighted average cost of borrowing on acquisition of qualifying assets during the year 2011 and 2010 respectively.

### 30(a) Consolidated financing costs

<b>Interest expenses on</b>		
Bank loans	638,803,988	482,082,504
Employees' welfare fund	11,647,079	8,177,943
Finance lease	81,122	1,367,071
Security deposits	4,501,419	3,317,593
Workers' profit participation fund	13,348,193	9,572,589
ACI 20% Convertible Zero Coupon Bond	85,612,661	87,588,266
Other funds/borrowings	100,961	244,716
	<u>754,095,423</u>	<u>592,350,682</u>
<b>Interest income from</b>		
Investment/inter-company	(899,538)	(1,644,638)
Banks	(498,498)	(802,070)
	<u>(1,398,036)</u>	<u>(2,446,708)</u>
	<u>752,697,387</u>	<u>589,903,974</u>

### 31 Deferred tax expenses

Net taxable temporary differences	1,399,535,238	979,878,392
Tax rate	27.50%	27.50%
Deferred tax liability as at 31 December	98,593,278	80,652,085
Less: Opening balance as at 1 January	80,652,086	111,927,432
Less: Adjustment for change in tax rate	-	71,505,839
Less: Deferred tax on revaluation surplus recognized in other comprehensive income	-	37,617,298
	<u>17,941,192</u>	<u>2,613,194</u>

### 32 Earnings per share

#### 32.1 Basic earnings per share

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

	ACI Limited		ACI Group	
	2011	2010	2011	2010
Profit for the year	681,129,073	591,590,014	238,113,071	216,246,323
Weighted average number of shares	19,662,963	19,404,000	19,662,963	19,404,000
Basic earnings per share	<u>34.64</u>	<u>30.49</u>	<u>12.11</u>	<u>11.14</u>

### 32.2 Diluted earnings per share

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

	ACI Limited		ACI Group	
	2011	2010	2011	2010
Attributable profit for basic earnings per share	681,129,073	591,590,014	238,113,071	216,246,323
Interest savings for conversion of bond into equity	13,558,878	16,948,597	13,558,878	16,948,597
Adjusted profit for diluted earnings per share	<u>694,687,950</u>	<u>608,538,611</u>	<u>251,671,948</u>	<u>233,194,920</u>
Weighted average number of shares for basic earnings per share	19,662,963	19,404,000	19,662,963	19,404,000
Incremental number of shares from conversion	<u>716,041</u>	<u>1,296,085</u>	<u>716,041</u>	<u>1,296,085</u>
Weighted average number of share outstanding for diluted earnings per share	<u>20,379,004</u>	<u>20,700,085</u>	<u>20,379,004</u>	<u>20,700,085</u>
Diluted earnings per share (Taka)	<u>34.09</u>	<u>29.40</u>	<u>12.35</u>	<u>11.27</u>

The Group's diluted and basic EPS is Tk. 12.35 and Tk. 12.11 respectively. Since the diluted EPS is higher than the basic EPS, the effect of dilution has created anti-dilution. So, in the Group level, basic and diluted EPS are same i.e. Tk. 12.11.

### 33 Financial instruments for ACI Limited

#### 33.1 Credit risk

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

#### *Exposure to credit risk*

	Note	Carrying amount	
		2011	2010
		Taka	Taka
Trade receivables	9	1,131,611,820	1,017,539,096
Other receivables	10	138,454,704	134,442,146
Financial assets classified as available for sale		292,501,695	500,397,040
Inter-company receivables		2,939,169,619	2,093,108,016
Investment in Fixed Deposit Receipts	7	3,586,022	3,446,718
Cash at bank		124,168,959	141,302,646

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

Domestic	1,128,226,163	1,007,653,035
Sri Lanka	3,385,657	9,886,061
Myanmar	590,481	-
	<u>1,132,202,301</u>	<u>1,017,539,096</u>

The aging of trade receivables at the reporting date are

Due below 6 months	885,627,259	804,643,341
Due above 6 months	<u>284,589,124</u>	<u>245,787,524</u>
	1,170,216,383	1,050,430,865
Less: provision for doubtful debts	<u>38,604,563</u>	<u>32,891,769</u>
	<u>1,131,611,820</u>	<u>1,017,539,096</u>

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

Balance at 1st January	32,891,769	29,387,070
Impairment loss recognized	5,991,736	6,782,660
Adjustment made during the year	<u>(278,941)</u>	<u>(3,277,961)</u>
Balance at 31 December	<u>38,604,563</u>	<u>32,891,769</u>

#### 33.2 Liquidity risk

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



The following are the contractual maturities of financial liabilities of the Company as at 31 December 2011:

<b>Exposure to liquidity risk</b>	Carrying amount Taka	Contractual cash flows Taka	Less than 1 year Taka	1-5 years Taka
Short term interest bearing loans (note - 21)	2,487,707,979	(2,487,707,979)	(2,487,707,979)	-
Long term interest bearing loans	3,918,414	(3,918,414)	(3,918,414)	-
ACI 20% Convertible Zero Coupon Bonds	910,929,716	(910,929,716)	(252,492,448)	(658,437,268)
Finance lease liabilities (note - 18.1)	652,878	(652,878)	(652,878)	-
Inter-company payables (note - 24)	289,071,143	(289,071,143)	(289,071,143)	-
Trade and other payables	1,160,411,876	(1,160,411,876)	(1,160,411,876)	-
Bank overdraft (note - 20)	905,029,397	(905,029,397)	(905,029,397)	-
	<u>5,757,721,403</u>	<u>(5,757,721,403)</u>	<u>(5,099,284,135)</u>	<u>(658,437,268)</u>

The following are the contractual maturities of financial liabilities of the Company as at 31 December 2010:

	Carrying amount Taka	Contractual cash flows Taka	Less than 1 year Taka	1-5 years Taka
Short term interest bearing loans (note - 21)	2,264,558,838	(2,264,558,838)	(2,264,558,838)	-
Long term interest bearing loans	36,760,470	(36,760,470)	(32,841,757)	(3,918,713)
ACI 20% Convertible Zero Coupon Bonds	1,087,194,303	(1,087,194,303)	(262,939,808)	(824,254,495)
Finance lease liabilities (note - 18.1)	523,990	(523,990)	(523,990)	-
Inter-company payables (note - 24)	69,556,334	(69,556,334)	(69,556,334)	-
Trade and other payables	877,474,733	(877,474,733)	(877,474,733)	-
Bank overdraft (note - 20)	230,296,089	(230,296,089)	(230,296,089)	-
	<u>4,566,364,757</u>	<u>(4,566,364,757)</u>	<u>(3,738,191,549)</u>	<u>(828,173,208)</u>

### 33.3 Market risk

Market risk is the risk that include changes in market prices, such as foreign exchange rates, interest rates and equity prices that may affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

#### **Exposure to currency risk**

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

	31 December 2011			31 December 2010		
	GBP	Euro	USD	GBP	Euro	USD
Short term interest bearing loan	-	-	-	-	921,363	4,120,455
Trade and other payables	-	121,445	285,628	-	261,256	288,183
Trade receivables	-	-	46,988	-	-	140,427
Cash at bank	1,439	2,220	526,168	1,576	2,299	335,861
	<u>1,439</u>	<u>123,665</u>	<u>858,784</u>	<u>1,576</u>	<u>1,184,918</u>	<u>4,884,926</u>

The following significant exchange rates are applied:

	Reporting date spot rate	
	2011	2010
Euro	108.00	96.94
USD	83.00	71.40
GBP	90.32	99.75

### Market risk-interest rate risk

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

	Carrying amount	
	2011 Taka	2010 Taka
<b>Fixed rate instruments</b>		
Financial assets	3,586,022	3,446,718
Financial liabilities	(4,308,238,384)	(3,226,220,970)
	(4,304,652,362)	(3,222,774,252)
<b>Variable rate instruments</b>		
Financial liabilities	-	(393,112,720)
	-	(393,112,720)

### 34 Operating leases-lessee

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

	2011 Taka	2010 Taka
Less than one year	51,420,446	43,486,138
Between one and five years	128,991,524	122,275,631
More than five years	31,974,543	31,824,000
	212,386,513	197,585,769

The Company obtained leases of 58 agreements for 21 Depots and 5 agreements for 5 warehouses, 5 agreements for 5 office premises and 1 agreement for 1 show-room under operating leases. The leases typically run for 1-5 years, with an option to renew the leases after that date. Lease payments are increased at the time of renewal of the rent agreements to reflect market rental.

During the year ended 31 December 2011, Tk 51,751,377 was recognized as expense in the income statement in respect of operating leases (2010: 43,452,423).

### 35 Sale/adjustment of fixed assets

Particulars	Original cost	Accumulated depreciation	Book value	Sale value	Mode of disposal/adjustment
	Taka	Taka	Taka	Taka	
Motor vehicle	577,000	576,999	1	565,500	Sold through tender
Motor vehicle	1,438,542	1,438,541	1	300,375	Sold through tender
Motor vehicle	605,700	605,699	1	355,952	Sold through tender
Plant and Machinery	12,220	611	11,609	8,000	Sold through tender
	2,633,462	2,621,850	11,612	1,229,827	

### 36 Subsequent events

The Board of Directors in their meeting held on 25 April 2012 have recommended cash dividend @ 80% per share of Taka 10 each aggregating to Taka 158,492,224 and stock dividend @ 20% (i.e. 1(one) bonus share for every 5 (five) Ordinary share) of Taka 10 each aggregating to Taka 39,623,056 for the year ended 31 December 2011 subject to approval of the shareholders in the Annual General Meeting scheduled to be held on 13 June 2012. The financial statements for the year ended 31 December 2011 do not include the effects of the above cash dividend and stock dividend which will be accounted for in the period when shareholders' right to receive the payment will be established.

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

### 37. Consolidated operating segments-2011

Particulars	Reportable segment										Unallocated/ adjustment	Total
	Pharmaceuticals	Livestock & fisheries	Consumer brands	Crop Care and Public Health	ACI Motors	ACI Pure Flour	Retail chain	Premiaflex	Non-reportable segments			
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka		
External revenue	3,740,773,487	734,828,063	2,800,535,499	1,177,151,845	1,562,888,795	2,186,014,454	1,885,569,670	991,450,430	2,380,908,542	-	-	17,460,120,785
Inter-segment revenue	-	-	-	-	-	4,079,846	-	-	1,287,517,928	(1,291,597,774)	-	-
Finance cost	53,577,540	11,641,676	49,370,832	63,768,597	2,882,293	60,905,622	251,312,560	108,651,152	150,587,114	-	-	752,697,387
Operating expenses	1,264,029,324	197,784,065	538,894,306	258,362,041	142,879,659	104,787,122	579,831,269	18,222,149	479,058,326	(238,586)	-	3,583,609,676
Depreciation and amortization	112,400,898	7,462,838	30,840,054	19,998,886	1,270,350	24,050,527	79,645,531	36,045,083	51,925,306	30,151,881	-	393,791,354
Segment profit before tax	706,833,829	47,668,649	143,856,750	135,966,057	119,722,679	50,787,268	(616,706,098)	55,478,670	(113,708,016)	63,024,659	-	592,924,446
Segment assets	3,754,350,335	630,871,058	2,324,057,262	1,684,408,173	1,193,476,145	617,421,182	1,172,755,101	1,216,038,815	2,561,043,077	921,449,988	-	16,075,871,136
Segment external liabilities	1,689,138,295	609,978,913	1,242,470,757	340,993,915	1,033,689,864	521,660,971	2,601,306,292	1,120,725,181	2,510,194,448	(283,752,912)	-	11,386,405,725

### Consolidated operating segments-2010

Particulars	Reportable segment										Unallocated/ adjustment	Total
	Pharmaceuticals	Livestock & fisheries	Consumer brands	Crop Care and Public Health	ACI Motors	ACI Pure Flour	Retail chain	Foods	Non-reportable segments			
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka		
External revenue	3,355,588,404	762,479,568	2,424,865,917	986,215,727	958,045,653	2,181,936,158	897,976,258	333,260,181	2,597,692,399	-	-	14,498,060,264
Inter-segment revenue	-	-	-	-	-	19,182,907	-	13,957,564	127,188,785	(160,329,256)	-	-
Finance cost	60,802,058	12,083,776	51,661,863	57,131,366	16,439,753	47,540,594	163,046,010	63,920,515	117,278,038	-	-	589,903,974
Operating expenses	1,137,954,880	172,173,089	458,389,847	231,611,972	119,251,004	123,822,794	529,851,617	166,201,995	282,403,311	(8,368,762)	-	3,213,291,747
Depreciation and amortization	87,161,710	6,055,108	30,155,674	13,446,101	766,575	23,206,482	60,645,453	18,869,069	42,229,424	37,617,840	-	320,153,436
Segment profit before tax	569,588,422	126,636,855	145,199,219	95,770,632	72,211,626	57,799,639	(578,249,057)	(168,561,817)	53,471,145	97,516,461	-	471,383,124
Segment assets	3,529,219,230	601,202,683	1,721,510,032	1,779,879,290	863,524,706	632,567,604	1,210,359,819	328,080,468	2,452,877,137	1,140,205,256	-	14,259,426,226
Segment external liabilities	1,919,259,416	534,123,181	786,245,318	410,436,656	774,121,882	566,869,114	2,008,183,532	698,491,116	1,590,503,233	56,744,853	-	9,344,978,301

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

**(a) Name of related party**

	Relationship	Nature of transactions	Transactions value during the year				Outstanding balance as at 31 December	
			2011		2010		2010	
			Taka	Taka	Taka	Taka	Taka	Taka
ACI Formulations Limited	Subsidiary	Purchase of products	3,495,445,040	2,525,341,172	(243,764,427)	(56,454,542)		
ACI Salt Limited	Subsidiary	Providing working capital finance	743,491,074	687,391,151	116,151,680	161,039,371		
Apex Leathercraft Limited	Subsidiary	Lease of corporate office	11,696,697	9,416,400	105,915,073	48,218,448		
Flyban Insecticides Limited	Subsidiary	Providing working capital finance	12,520	2,028	999,861	987,341		
ACI Pure Flour Limited	Subsidiary	Providing working capital finance	1,789,467,064	953,000,472	(17,644,495)	116,219,923		
ACI Foods Limited	Subsidiary	Providing working capital finance	478,385,336	562,414,923	528,223,183	295,774,590		
ACI Agrochemicals Limited	Subsidiary	Providing working capital finance	35,565	28,770	151,227	115,662		
Creative Communication Limited	Subsidiary	Providing working capital finance	86,843,812	60,986,539	(17,164,621)	(13,101,792)		
ACI Motors Limited	Subsidiary	Providing working capital finance	1,137,160,693	872,943,842	12,515,082	218,602,960		
Premiaflex Plastics Limited	Subsidiary	Providing working capital finance	1,135,471,432	569,883,984	566,438,472	369,425,920		
ACI Logistics Limited	Subsidiary	Providing working capital finance	2,873,979,204	1,519,340,894	1,700,565,385	916,611,228		
ACI Edible Oils Limited	Subsidiary	Providing working capital finance	24,008,035	-	(10,497,600)	-		
Tetley ACI (Bangladesh) Limited	Joint Venture	Purchase of products	1,881,243	2,168,103	469,249	484,909		
Asian Consumer Care (Pvt) Limited	Associate	Promotional expenses	3,125,487	2,556,080	7,576,425	8,149,787		
ACI Godrej Agrovet (Pvt) Limited	Joint Venture	Providing working capital finance	10,000	-	879,726	869,726		

**(b) Directors' emoluments**

	2011		2010	
	Taka	Taka	Taka	Taka
Salary	16,553,250	14,798,700		
Benefits	8,083,256	6,961,568		
Provident fund contribution	1,277,550	1,130,520		
	<u>25,914,056</u>	<u>22,890,788</u>		



### 39 Off-balance sheet items

#### 39.1 Commitments

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

##### Letters of credit

	<u>2011</u> Taka	<u>2010</u> Taka
Standard Chartered Bank	150,284,786	151,120,272
Commercial Bank of Ceylon Plc	46,492,639	12,844,860
The Hongkong and Shanghai Banking Corporation Limited	96,325,193	161,919,540
Citibank, N.A.	23,039,390	21,076
BRAC Bank Limited	2,918,384	8,000,400
Eastern Bank Limited	57,317,702	7,726,109
The City Bank Limited	102,553,720	17,716,349
Bank Alfalah Limited	7,022,168	43,832,696
Bank Asia Limited	-	51,840,000
AB Bank Limited	11,753,125	-
	<u>497,707,107</u>	<u>455,021,302</u>

#### 39.2 Contingent liabilities

##### Shipping guarantees

Standard Chartered Bank	17,280,973	-
	<u>17,280,973</u>	<u>-</u>

#### 39.3 Capital expenditure

- i) Contracted but not approved for
- ii) Approved but not contracted for

Nil	Nil
<u>806,640,000</u>	<u>529,000,000</u>

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

#### 40 Payments made in foreign currencies

Raw and packing materials	1,136,584,209	912,894,758
Finished goods	988,374,139	851,428,285
	<u>2,124,958,348</u>	<u>1,764,323,043</u>

#### 41 Production capacity and utilization

	Capacity in units pack per 8hr / month		Utilization	
	2011	2010	2011	2010
Pharmaceuticals, Consumer Brand and Livestock and Fisheries	4,999,402	5,027,327	99%	114%

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

The number of employees drawing Tk. 3,000 or more per month was 4014 in 2011 (2010: 3378) during the year.

#### 43 General

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

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

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



# Advanced Chemical Industries Limited

## Report of the Directors and Audited Financial Statements of the Subsidiary Companies for the year 2011



# ACI Formulations Limited

## Directors' Report

### Overview

Agriculture plays a vital role in Bangladesh economy in terms of GDP contribution, employment generation, rural development, food security and export earnings. Feeding 160 million people from a small surface area is a serious challenge. More than 45% of the labor force are engaged in agricultural activity accounting for around 20% of our GDP. Diversification of agricultural output is also important for balanced nutrition of the people. Thus agricultural development is a crucial and non optional road to the prosperity in Bangladesh.

### Sales

Industry decline by 2% and CC & PH business increased by 19.36% over previous year. This was a planned initiative to drive down credit exposure in light of a large number of competitors entering the market with new registration. The industry witnessed increase in push sales from new competitors along with a deterioration of quality standards. ACI Crop Care and Public Health, as part of the premium branded segment of high quality products, had to exercise extreme caution in engaging with the markets through stringent credit control and demand based sales.

### New Product Development:

ACI Formulations has launched a new molecule of each Insecticide, Fungicide and Herbicide named Protect 50SG, Xtramil 720WP and Super Care 25EC respectively as more effective solution. From our Sulphur plant we produced over Sulphox 80WP, which was well received by the farmers.

### Public Health Products:

Vector Born Disease like Malaria, Kala-Azar, and Dengue cause significant adversity to public health. ACI Formulations has developed products for controlling vectors and successfully supplied Deltamethrine 5WP to Government for Indoor Residual Spray (IRS), to help control vector born diseases. Some new products are under development to support the Government, notably LLIN (Long Lasting Impregnated Net), Larvicides, Adulticides, Insecticide - Treated Nets (ITNs). ACI Formulations collaborates closely with a variety of partners, including health organizations, humanitarian aid agencies and academic institutions, to ensure the availability of mosquito control products in affected areas and to provide education as to their safe and effective use. ACIFL is also conducting seminars, symposiums and community based field trials with local and international agencies to support vector control programs.

### Manufacturing:

ACI Formulations Plant has provided production support of insecticide, fungicide and herbicide to the Crop Care and Public Health Business. There was considerable growth in the production of mosquito coil and aerosol insect spray. ACI Air Freshener, ACI Cockroach Spray and Vanish Toilet Cleaner also grew satisfactorily. We have a well equipped factory with modern machineries and equipment where government rules and regulations are followed strictly. Modern Effluent Treatment Plant (ETP) & Incinerator is there to make the factory eco friendly. ACI Formulation Plant is considered as Smoke Free Zone.



### **Promotion and Communication Campaign:**

Integrated approach of ACI Formulation involves educational institutions, scientists, researchers, retailers and farmers to influence and educate the entire ecosystem. Main objective is to improve the social, economic and environmental conditions by providing technology and solution support to all layers of stakeholders. We have used direct interactions, field demonstrations, audio-visual campaigns, solution booths and "Uthan Boithaks" to communicate a range of ideas. In each program, safety precaution and pesticide regulation has been a compulsory topic.

### **People:**

Human capital development has been a top priority for ACI Formulation. The approach is multidimensional; values, knowledge and skill delivered through training, coaching, communication and social events. Health and safety day was observed when all factory members enjoy a day of togetherness around this concept. A sports day was observed that foster team spirit and enjoyment. This holistic approach makes ACI Formulations a strong value based cohesive team and an example for the community at large.

### **Corporate Social responsibility:**

In 2011, the CSR activity of ACIFL was objectively aligned with the business operation. ACIFL's mission is to improve the farmers' life in terms of food, shelter, treatment, education and socio economic development. ACIFL is continuously transferring technological knowledge and promoting best cultivation practices to bring prosperity among farmers through different awareness programs such as trainings, seminars, field demonstrations etc. by our large number of skilled field forces and scientists. This knowledge is helping our farmers to protect their crop and achieve better yield. Through this initiative we will be able to ensure food security of the country and the nation will grow as a whole.

### **Prospects:**

A large proportion of the cultivated land is not using scientific agriculture. Currently, we are protecting only 32% of insect, 39% of disease and 16% of weed of the total rice acreage. Relatively new herbicide technology can reduce about 15% of traditional cultivation cost. Environment friendly, yield booster products can increase output by as much as 20%. Crop specific solution is another area that is largely unexplored. These facts reveal the enormous potential for growth and development through scientific agriculture in Bangladesh.

## Financial Results

In 2011, total turnover increased to Tk. 2,443.66 million from Tk. 1,924.40 million of 2010, an increase of Tk. 519.26 million, resulting into 26.98% growth over last year. The cost of sales has also increased by 27.65% mainly due to higher sales volume coupled with increased raw materials cost. Higher turnover partially offset by the increased cost of sales has contributed to the increase in gross profit by 24.82% (Tk. 113.72 million) over last year. Profit after tax has also increased to Tk. 146.85 million from Tk. 91.61 million of 2010 which is higher by 60.30% mainly due to increased gross margin partially offset by increased financing cost. Earnings Per Share (EPS) has also increased by 60.30% to Tk. 4.89 from Tk. 3.05 (2010).

### Appropriation of profit

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

	<u>2011</u> Taka	<u>2010</u> Taka
Un-appropriated profit from previous year	498,554,370	496,949,034
Add: Net profit after tax for the year	<u>146,847,207</u>	<u>91,605,336</u>
Total available for appropriation	<u>645,401,577</u>	<u>588,554,370</u>
Appropriation proposed:		
Proposed dividend:		
Cash dividend	75,000,000	90,000,000
Stock dividend	<u>150,000,000</u>	<u>-</u>
Total dividend	<u>225,000,000</u>	<u>90,000,000</u>
Balance carried forward	<u>420,401,577</u>	<u>498,554,370</u>

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

### Dividend

The Board of Directors is pleased to recommend dividend @75% which include Tk. 2.50 per share of Taka 10 i.e. 25% as cash dividend and 50% stock dividend or 1 Share against 2 Shares held for the year 2011 to those shareowners whose names will be appeared in the Share Register of Members of the Company or in the Depository list of CDBL on the Record Date which is Wednesday, 16th May 2012.

### Contribution to the National Exchequer

During 2011, the company contributed Tk. 172.47 million to the National Exchequer in the form of corporate tax, custom duty, VAT etc. This is equivalent to 7.06 percent of our net sales revenue for the year 2011.

On behalf of the Board



**M Anis Ud Dowla**  
Managing Director



**Dr. Arif Dowla**  
Director

# Hoda Vasi Chowdhury & Co

## Chartered Accountants

Independent Correspondent Firm to **Deloitte Touche Tohmatsu**

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

We have audited the accompanying financial statements of ACI Formulations Limited (the Company) which comprise the statement of financial position as at 31 December 2011, the related income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other relevant explanatory notes thereon.

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

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

#### Auditor's Responsibility

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

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

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

#### Opinion

In our opinion, the financial statements prepared in accordance with the Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the financial position of ACI Formulations Limited as at 31 December 2011 and the results of its financial performance and its cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

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



Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 25 April 2012

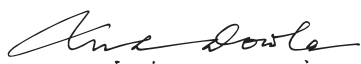
**National Office** : BTMC Bhaban (8th Floor), 7-9 Karwan Bazar Commercial Area, Dhaka-1215, Bangladesh  
**Motijheel Office** : Ispahani Building (3rd Floor), 14-15 Motijheel Commercial Area, Dhaka 1000, Bangladesh  
**Chittagong Office** : Delwar Bhaban (4th Floor), 104 Agrabad Commercial Area, Chittagong-4100,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

# ACI Formulations Limited

## Statement of Financial Position

as at 31 December 2011

<b>Assets</b>	<u>2011</u> Taka	<u>2010</u> Taka
<b>Non-current assets</b>		
Property, plant and equipment		
At cost/revaluation	1,229,783,264	1,124,225,291
Less: Accumulated depreciation	52,490,189	6,568,832
	1,177,293,075	1,117,656,459
Capital work-in-progress	33,113,538	13,475,657
Investment	2,396,817	3,599,050
<b>Total non-current assets</b>	<u>1,212,803,430</u>	<u>1,134,731,166</u>
<b>Current assets</b>		
Inventories	704,746,537	699,819,589
Trade receivables	546,036,962	577,768,167
Advances, deposits and prepayments	68,353,667	109,561,096
Inter-company receivables	243,764,427	68,426,208
Cash and cash equivalents	83,150,407	51,027,175
<b>Total current assets</b>	<u>1,646,052,000</u>	<u>1,506,602,235</u>
<b>Total assets</b>	<u>2,858,855,430</u>	<u>2,641,333,401</u>
<b>Equity and liabilities</b>		
<b>Shareholders' equity</b>		
Share capital	300,000,000	300,000,000
Revaluation surplus	693,376,055	693,376,055
Retained earnings	645,401,577	588,554,370
<b>Total equity</b>	<u>1,638,777,632</u>	<u>1,581,930,425</u>
<b>Non-current liabilities</b>		
Long term liabilities	34,726,794	58,198,966
Deferred tax liabilities	59,234,469	72,295,436
<b>Total non-current liabilities</b>	<u>93,961,263</u>	<u>130,494,402</u>
<b>Current liabilities</b>		
Bank overdrafts	58,082,809	26,212,136
Short term loan from banks	762,277,352	634,784,684
Long term loan from bank- current portion	21,669,426	21,242,847
Trade payables	97,971,753	61,363,824
Other payables	112,959,962	80,965,765
Inter-company payables	-	7,928,466
Current tax liability	73,155,233	96,410,852
<b>Total current liabilities</b>	<u>1,126,116,535</u>	<u>928,908,574</u>
<b>Total equity and liabilities</b>	<u>2,858,855,430</u>	<u>2,641,333,401</u>



Managing Director



Director



Company Secretary

As per our report of same date.



Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 25 April 2012





# ACI Formulations Limited

## Income Statement

for the year ended 31 December 2011

	2011 Taka	2010 Taka
Revenue	2,443,657,886	1,924,403,783
Cost of sales	(1,871,798,982)	(1,466,262,071)
<b>Gross profit</b>	<u>571,858,904</u>	<u>458,141,712</u>
Administrative, selling and distribution expenses	(302,740,217)	(270,483,649)
<b>Results from operating activities</b>	<u>269,118,687</u>	<u>187,658,063</u>
Other income	10,246,736	7,082,997
Finance costs	(71,477,257)	(65,548,912)
	<u>207,888,166</u>	<u>129,192,148</u>
Provision for contribution to WPPF	(10,394,408)	(6,459,607)
<i>Profit before taxation</i>	<u>197,493,758</u>	<u>122,732,541</u>
Income tax:		
Current tax expense	(63,707,518)	(26,302,190)
Deferred tax income/(expense)	13,060,967	(4,825,015)
	<u>(50,646,551)</u>	<u>(31,127,205)</u>
<i>Profit for the year</i>	<u><u>146,847,207</u></u>	<u><u>91,605,336</u></u>
<b>Earnings per share (EPS)</b>		
Basic earnings per share (par value Tk. 10)	<u>4.89</u>	<u>3.05</u>

Managing Director

Director

Company Secretary

As per our report of same date.

Hoda Vasi Chowdhury & Co.  
Chartered Accountants

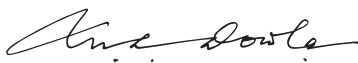
Dhaka, 25 April 2012

# ACI Formulations Limited

## Statement of Comprehensive Income

for the year ended 31 December 2011

	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
Profit for the year	146,847,207	91,605,336
<b>Other Comprehensive Income</b>		
Revaluation surplus of property, plant and equipment	-	629,215,532
Income tax on other comprehensive income	-	(27,391,237)
Total other comprehensive income net of tax	-	601,824,295
<b>Total comprehensive income</b>	146,847,207	693,429,631



Managing Director



Director



Company Secretary

As per our report of same date.



Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 25 April 2012



# ACI Formulations Limited

## Statement of Changes in Equity

for the year ended 31 December 2011

<u>Particulars</u>	<u>Paid up capital</u>	<u>Revaluation reserve</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
<b>Balance as per 01 January 2010</b>	300,000,000	76,329,119	571,949,034	948,278,153
<b>Comprehensive income for the year</b>				
Profit for the year 2010	-	-	91,605,336	91,605,336
Total other comprehensive income net of tax	-	601,824,295	-	601,824,295
<b>Total Comprehensive income for the year 2010</b>	-	601,824,295	91,605,336	693,429,631
<b>Contributions by and distributions to owners of the Company</b>				
Dividends to owners of the Company	-	-	(75,000,000)	(75,000,000)
<b>Total contributions by and distributions to owners of the Company</b>	-	-	(75,000,000)	(75,000,000)
<b>Transaction directly recognised in equity</b>				
Adjustment of deferred tax on land due to changes in tax rate	-	15,222,641	-	15,222,641
<b>Total contributions by and distributions to owners of the Company</b>	-	15,222,641	-	15,222,641
<b>Balance as at 31 December 2010</b>	<u>300,000,000</u>	<u>693,376,055</u>	<u>588,554,370</u>	<u>1,581,930,425</u>
<b>Comprehensive income for the year</b>				
Profit for the year 2011	-	-	146,847,207	146,847,207
Total other comprehensive income net of tax	-	-	-	-
<b>Total Comprehensive income for the year 2011</b>	-	-	146,847,207	146,847,207
<b>Contributions by and distributions to owners of the Company</b>				
Dividends paid during the year	-	-	(90,000,000)	(90,000,000)
<b>Total contributions by and distributions to owners of the Company</b>	-	-	(90,000,000)	(90,000,000)
<b>Balance at 31 December 2011</b>	<u>300,000,000</u>	<u>693,376,055</u>	<u>645,401,577</u>	<u>1,638,777,632</u>

# ACI Formulations Limited

## Statement of Cash Flows

for the year ended 31 December 2011

	2011 <u>Taka</u>	2010 <u>Taka</u>
<b>A) Cash flows from operating activities</b>		
Cash received from customers	2,288,963,108	2,093,342,518
Cash received from other income	10,246,736	7,701,118
	<u>2,299,209,844</u>	<u>2,101,043,636</u>
Cash received/(paid) from/(for):		
Purchase of inventory	(1,796,964,576)	(1,552,616,205)
Operating expenses	(274,799,775)	(261,957,354)
Other creditors	1,812,081	592,305
Payment for WPPF	(6,459,607)	(11,306,715)
Advances, deposits and prepayments	2,802,390	(1,905,025)
	<u>(2,073,609,487)</u>	<u>(1,827,192,994)</u>
Cash generated from operating activities	<u>225,600,357</u>	<u>273,850,642</u>
Finance costs	(71,477,257)	(65,548,912)
Income tax	(48,558,099)	(63,134,449)
	<u>(120,035,356)</u>	<u>(128,683,361)</u>
<i>Net cash inflows/(outflows) from operating activities</i>	<u>105,565,001</u>	<u>145,167,281</u>
<b>B) Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(69,985,937)	(14,279,814)
Investment	1,202,232	(1,971,942)
Sale proceeds from property, plant and equipment	-	6,129,600
Payments for capital work in progress	(55,209,917)	(18,431,050)
<i>Net cash used in investing activities</i>	<u>(123,993,622)</u>	<u>(28,553,206)</u>
<b>C) Cash flows from financing activities</b>		
Inter-company debts received/(paid)	3,159,298	(10,618,036)
Dividend paid	(87,986,794)	(72,297,532)
Short term loan received/(paid) from banks	127,492,668	(1,999,894)
Long term loan received/(paid) from banks	(23,983,992)	(11,338,268)
<i>Net cash from/(used in) financing activities</i>	<u>18,681,180</u>	<u>(96,253,730)</u>
<b>D) Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	252,559	20,360,345
<b>E) Cash and cash equivalents at 1 January</b>	24,815,039	4,454,694
<b>F) Cash and cash equivalents at 31 December (D+E)</b>	<u>25,067,598</u>	<u>24,815,039</u>
<b>Closing balance represents</b>		
Cash in hand and at banks	83,150,407	51,027,175
Bank overdrafts	(58,082,809)	(26,212,136)
	<u>25,067,598</u>	<u>24,815,039</u>





# ACI Logistics Limited Directors' Report

ACI Logistics Limited is a subsidiary of Advanced Chemical Industries (ACI) Limited with ACI holding majority shareholding. The Company was formed in 2008 and started its commercial operation in 2009. The objective of the Company is to facilitate the improvement in goods market efficiency and to provide a modern self service shopping option to customers who would benefit by the convenience of their regular shopping needs.

2011 was the third year of operation of ACI Logistics. The company is still in its initial stage and making all out efforts to reach break-even point. In line with that adequate steps have been taken to augment sales and to improve supply chain efficiencies along with controlling and containing costs. Initial results show some improvement in operating loss reduction.

## Key Financial Results

	<u>Taka</u>
Revenue	1,885,569,670
<b>Gross profit</b>	212,165,999
<b>Operating loss</b>	(367,665,270)
<b>Profit before tax</b>	(616,706,099)
<b>Profit after tax</b>	<u>(630,727,475)</u>

On behalf of the Board

**Dr. Arif Dowla**

Managing Director

Dhaka, 25 April 2012



**Rahman Rahman Huq**  
Chartered Accountants  
9 Mohakhali C/A (11th & 12th Floors)  
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Bangladesh

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## ACI Logistics Limited

# Auditors' Report to the Shareholders

We have audited the accompanying financial statements of ACI Logistics Limited (the "Company") which comprise the statement of financial position as at 31 December 2011 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), 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.

### Auditors' Responsibility

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

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

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

### Opinion

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the Company's affairs as at 31 December 2011 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

We also report that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- the statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account and returns.

### Emphasis of Matter

Without qualifying our opinion above, we draw attention to Note 3.13 to the financial statements where management explains how they will continue in operational existence for the foreseeable future in spite of having net current liabilities as at the reporting date.

Dhaka, 25 April 2012

Rahman Rahman Huq  
Chartered Accountants

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

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# ACI Logistics Limited

## Statement of Financial Position

as at 31 December 2011

### Assets

#### Non-current assets

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

#### Current assets

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

#### Total assets

### Equity And Liabilities

#### Shareholders' equity

Share capital  
Accumulated loss

#### Non-current liability

Long term bank loan

#### Current liabilities

Current portion of long term bank loan  
Short term bank loan  
Trade payables  
Other payables  
Provision for expenses  
Inter-company liabilities  
Provision for income tax

#### Total equity and liabilities

	2011 <u>Taka</u>	2010 <u>Taka</u>
<b>Non-current assets</b>		
Property, plant and equipment	373,263,144	385,401,731
Intangible assets	30,740,999	10,519,814
Capital work-in-progress	664,001	94,035,022
Investments in FDR	79,956,358	71,855,167
	<u>484,624,502</u>	<u>561,811,734</u>
<b>Current assets</b>		
Inventory	555,681,782	342,754,924
Trade receivables	9,450,898	3,891,114
Other receivables	-	1,500,000
Advances, deposits and prepayments	89,122,835	279,634,931
Cash and cash equivalents	33,875,085	20,767,115
	<u>688,130,600</u>	<u>648,548,084</u>
<b>Total assets</b>	<u>1,172,755,102</u>	<u>1,210,359,818</u>
<b>Equity And Liabilities</b>		
<b>Shareholders' equity</b>		
Share capital	347,840,000	347,840,000
Accumulated loss	(1,776,391,190)	(1,145,663,715)
	<u>(1,428,551,190)</u>	<u>(797,823,715)</u>
<b>Non-current liability</b>		
Long term bank loan	268,181,331	407,251,504
<b>Current liabilities</b>		
Current portion of long term bank loan	144,111,757	130,004,399
Short term bank loan	293,404,206	231,720,903
Trade payables	131,181,168	64,130,660
Other payables	9,916,645	179,329,898
Provision for expenses	39,919,424	69,814,491
Inter-company liabilities	1,700,565,385	925,926,678
Provision for income tax	14,026,376	5,000
	<u>2,333,124,961</u>	<u>1,600,932,029</u>
<b>Total equity and liabilities</b>	<u>1,172,755,102</u>	<u>1,210,359,818</u>

Managing Director

Director

Company Secretary

As per our report of same date.

Rahman Rahman Huq  
Chartered Accountants

Dhaka, 25 April 2012

# ACI Logistics Limited

## Statement of Comprehensive Income

for the year ended 31 December 2011

	<u>2011</u> Taka	<u>2010</u> Taka
Revenue	1,885,569,670	897,976,258
Cost of sales	(1,673,403,671)	(809,371,263)
<b>Gross profit</b>	212,165,999	88,604,995
Administrative expenses	(175,102,701)	(130,165,058)
Marketing, selling and distribution expenses	(404,728,568)	(384,994,776)
<b>Operating loss</b>	(367,665,270)	(426,554,839)
Finance cost	(251,312,560)	(158,733,353)
Other income	2,271,731	7,039,136
<b>Loss before income tax</b>	(616,706,099)	(578,249,056)
Income tax expenses:		
Current tax	(14,021,376)	(5,000)
<b>Net loss for the year</b>	(630,727,475)	(578,254,056)
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive loss for the year</b>	(630,727,475)	(578,254,056)



Managing Director



Director



Company Secretary

As per our report of same date.



Rahman Rahman Huq  
Chartered Accountants

Dhaka, 25 April 2012





# ACI Logistics Limited

## Statement of Changes in Equity

for the year ended 31 December 2011

	Share capital	Accumulated loss	Total
	Taka	Taka	Taka
<b>Balance as at 01 January 2010</b>	347,840,000	(567,409,659)	(219,569,659)
Total comprehensive loss for the year 2010	-	(578,254,056)	(578,254,056)
<b>Balance as at 31 December 2010</b>	<u>347,840,000</u>	<u>(1,145,663,715)</u>	<u>(797,823,715)</u>
Total comprehensive loss for the year 2011	-	(630,727,475)	(630,727,475)
<b>Balance as at 31 December 2011</b>	<u><u>347,840,000</u></u>	<u><u>(1,776,391,190)</u></u>	<u><u>(1,428,551,190)</u></u>

# ACI Logistics Limited

## Statement of Cash Flows

for the year ended 31 December 2011

	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
<b>A) Cash flows from operating activities</b>		
Cash receipts from customers	1,880,009,886	894,085,144
Cash receipts from other income	3,771,731	7,535,819
	1,883,781,617	901,620,963
<b>Cash paid for:</b>		
Purchase of inventory	(1,819,280,021)	(930,974,015)
Operating expenses	(699,494,058)	(403,926,384)
Vendor settlement	10,028,840	-
Advances, deposits and prepayments	190,512,096	183,333,831
<i>Cash used in operation</i>	(2,318,233,143)	(1,151,566,568)
Finance cost	(251,312,560)	(158,733,353)
Income tax	-	(5,000)
	(251,312,560)	(158,738,353)
<i>Net cash used in operating activities</i>	(685,764,086)	(408,683,958)
<b>B) Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(4,385,948)	(175,746,455)
Investment in fixed deposits	(8,101,191)	(54,312,657)
<i>Net cash used in investing activities</i>	(12,487,139)	(230,059,112)
<b>C) Cash flows from financing activities</b>		
Inter-company payables	774,638,707	511,253,306
Long term loan paid	(124,962,815)	(1,525,204)
Short term loan received	61,683,303	127,720,903
<i>Net cash from financing activities</i>	711,359,195	637,449,005
<b>D) Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	13,107,970	(1,294,065)
<b>E) Opening cash and cash equivalents</b>	20,767,115	22,061,180
<b>F) Closing cash and cash equivalents</b>	33,875,085	20,767,115



# ACI Pure Flour Limited Directors' Report

ACI Pure Flour Limited is a private limited company which was incorporated in 2006 with the Registrar of Joint Stock Companies, Dhaka, Bangladesh under Companies Act 1994. It is a subsidiary of Advanced Chemical Industries (ACI) Limited with ACI holds 95% shareholding. The plant is situated at Chawrapara, Bandar, Narayanganj with most advanced European technology coupled with a well-equipped laboratory keeping in mind to provide the best quality flour to the consumers.

ACI Pure Flour Limited was established with the objectives of delivering cleanest, healthiest and most hygienic flour by adopting the state-of-the-art technology. The business is enjoying high growth and its products has become a daily necessity in most households. The financial results of the company for the year ended 31 December 2011 is as follows:

## Key Financial Results

	<u>Taka</u>
Revenue	2,190,094,300
<b>Gross profit</b>	213,924,984
<b>Operating profit</b>	53,460,282
<b>Profit before tax</b>	50,787,268
<b>Profit after tax</b>	<u>30,061,722</u>

On behalf of the Board

**Dr. Arif Dowla**  
Managing Director

**Mr. Syed Alamgir**  
Director

Dhaka, 25 April 2012

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

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Dhaka-1205

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

We have audited the accompanying financial statements of ACI Pure Flour Limited which comprise statement of financial position as at 31 December 2011 and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and explanatory notes thereto.

### Management's responsibility for the financial statements

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

### Auditors' responsibility

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

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

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

### Opinion

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the Company's affairs as on 31 December 2011 and of the results of its operations and its cash flow for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

### We also report that :

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- Company's statement of financial position and statement of comprehensive income together with the annexed notes 1 to 24 dealt with by the report are in agreement with the books of account and
- the expenditure incurred and payments made were for the purposes of the Company's business;

Dated: 9 April 2012  
Place: Dhaka



M. J. Abedin & CO  
Chartered Accountants

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





# ACI Pure Flour Limited

## Statement of Financial Position

as at 31 December 2011

	<u>2011</u> Taka	<u>2010</u> Taka
<b>Non-current assets:</b>		
Tangible fixed assets - at cost less accumulated depreciation	365,200,181	385,497,355
<b>Current assets:</b>		
Inventories	51,274,918	81,078,547
Advances, deposits and prepayments	10,500,748	36,644,026
Accounts receivable	99,677,966	79,143,031
Advance income tax	47,932,161	26,214,561
Receivable from inter-companies	31,906,877	-
Other receivable	132,120	89,341
Cash and bank balances	10,796,212	23,900,743
	252,221,002	247,070,249
<b>Total assets</b>	<u>617,421,183</u>	<u>632,567,604</u>
<b>Shareholders' equity:</b>		
Share capital	40,000,000	40,000,000
Retained earnings	55,760,212	25,698,490
	95,760,212	65,698,490
<b>Long term loan</b>	74,116,719	112,738,368
<b>Deferred tax liabilities</b>	37,508,714	16,783,168
<b>Current liabilities:</b>		
Bank overdraft	40,937,134	45,582,438
Short term bank loan	284,400,000	160,089,564
Long term bank loan - current portion	36,914,498	36,914,498
Trade creditors	17,575,126	60,832,650
Other creditors	30,208,780	17,708,505
Inter-company liabilities	-	116,219,923
	410,035,538	437,347,578
<b>Total equity and liabilities</b>	<u>617,421,183</u>	<u>632,567,604</u>

  
Company Secretary

  
Director

  
Managing Director

As per our report of same date.



M. J. Abedin & CO  
Chartered Accountants

Dated: 9 April 2012  
Place: Dhaka

# ACI Pure Flour Limited

## Statement of Comprehensive Income

for the year ended 31 December 2011

	<u>2011</u> Taka	<u>2010</u> Taka
Revenue	2,190,094,300	2,191,561,298
Cost of goods sold	(1,976,169,316)	(1,979,574,519)
<b>Gross profit</b>	213,924,984	211,986,779
Operating expenses	(104,787,122)	(114,265,027)
<b>Operating profit</b>	109,137,862	97,721,752
Financial expenses	(60,905,622)	(47,540,594)
Other income	5,228,042	10,660,567
	53,460,282	60,841,725
<b>Provision for contribution to WPPF</b>	(2,673,014)	(3,042,086)
<b>Net profit before tax</b>	50,787,268	57,799,639
<b>Income tax expenses:</b>		
Deferred tax expenses	(20,725,546)	(22,006,706)
	(20,725,546)	(22,006,706)
<b>Net profit after tax</b>	30,061,722	35,792,933
<b>Total comprehensive income</b>	30,061,722	35,792,933

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

  
\_\_\_\_\_  
Director

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

As per our report of same date.



\_\_\_\_\_  
M. J. Abedin & CO  
Chartered Accountants

Dated: 9 April 2012  
Place: Dhaka



# ACI Pure Flour Limited

## Statement of Changes in Equity

for the year ended 31 December 2011


	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
<b>Balance as at 01 January 2010</b>	40,000,000	(10,094,443)	29,905,557
Net profit after tax for the year	-	35,792,933	35,792,933
<b>Total comprehensive income for the year 2010</b>	-	35,792,933	35,792,933
Balance as at 31 December 2010	40,000,000	25,698,490	65,698,490
<b>Net profit after tax for the year 2011</b>	-	30,061,722	30,061,722
<b>Total comprehensive income for the year 2011</b>	-	30,061,722	30,061,722
<b>Balance as at 31 December 2011</b>	40,000,000	55,760,212	95,760,212

  
Company Secretary

  
Director

  
Managing Director

As per our report of same date.

  
M. J. Abedin & CO  
Chartered Accountants

Dated: 9 April 2012  
Place: Dhaka

# ACI Pure Flour Limited

## Statement of Cash Flows

for the year ended 31 December 2011

	<u>2011</u> Taka	<u>2010</u> Taka
<b>A) Cash flows from operating activities</b>		
Cash received from customer	2,169,559,365	2,170,371,939
Cash received from other income	5,119,562	10,206,862
	2,174,678,927	2,180,578,801
<b>Cash paid for :</b>		
Purchase and production	(1,966,262,417)	(1,968,650,849)
Operating expenses	(94,270,128)	(113,775,417)
Financing cost	(60,905,622)	(47,540,594)
Other receivable	(42,779)	61
Payments for advance, deposits and prepayments	26,143,278	(32,496,008)
Advance income tax	(21,717,600)	(15,127,732)
	(2,117,055,268)	(2,177,590,539)
<b>Net cash flow from/(used in) operating activities</b>	57,623,659	2,988,262
<b>B) Cash flows from investing activities</b>		
Acquisition of fixed assets	(3,887,160)	(2,094,679)
Sales Proceeds from fixed assets	242,287	1,043,000
Net cash used in investing activities	(3,644,873)	(1,051,679)
<b>C) Cash flows from financing activities</b>		
Intercompany debts(paid)/received	(148,126,800)	57,940,400
Short term loan (paid)/received	124,310,436	59,520,801
Long term loan (paid)/received	(38,621,649)	(131,394,231)
Net cash flows provided by financing activities	(62,438,013)	(13,933,030)
<b>D) Net cash flow from all activities (A+B+C)</b>	(8,459,227)	(11,996,447)
<b>E) Cash and bank balances at the beginning of the year</b>	(21,681,695)	(9,685,248)
<b>F) Cash and bank balances at the end of the year</b>	(30,140,922)	(21,681,695)
<b>Closing Balance represents :</b>		
Cash in hand and at bank	10,796,212	23,900,743
Bank overdraft	(40,937,134)	(45,582,438)
	(30,140,922)	(21,681,695)

  
Company Secretary

  
Director

  
Managing Director

As per our report of same date.



M. J. Abedin & CO  
Chartered Accountants

Dated: 9 April 2012  
Place: Dhaka





# ACI Foods Limited Directors' Report

ACI Foods Limited is a private limited company incorporated in 2006 with the Registrar of Joint Stock Companies, Dhaka, Bangladesh under Companies Act 1994. It is a subsidiary of Advanced Chemical Industries (ACI) Limited with ACI holds 95% shareholding. The company is engaged in manufacturing, marketing and distribution of various branded food products and condiment. The factory of the company is situated at Kutirchar, Bhadrachhat, Kamarkhand, Sirajganj. The company went into commercial production in January 2008.

The company has embarked its journey with wholesome food products under the brand name 'Pure' and 'Fun' and striving to establish its brand in a highly competitive market. The Company is making all out efforts to reduce its loss in order to acclerate break-even. Steps include introducing new products, improving supply chain efficiencies, controlling cost and exploring new export destinations.

## Key Financial Results

	<u>Taka</u>
Revenue	469,308,493
<b>Gross profit</b>	69,745,516
Operating expenses	(182,739,360)
<b>Operating loss</b>	(97,654,212)
<b>Loss before tax</b>	(198,700,678)
<b>Loss after tax</b>	<u>(199,299,884)</u>

On behalf of the Board

**Dr. Arif Dowla**  
Managing Director

**Mr. Syed Alamgir**  
Director

Dhaka, 25 April 2012

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

Telephone Off : 8629771, 8612203  
Fax : (880-2) 8617681  
Res : 8631678  
E-mail : mjabedin@bangla.net  
mjabedinbd@gmail.com

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

## ACI Foods Limited

# Auditors' Report to the Shareholders

We have audited the accompanying financial statements of ACI Foods Limited which comprise statement of financial position as at 31 December 2011 and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and explanatory notes thereto.

### Management's responsibility for the financial statements

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

### Auditors' responsibility

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

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

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

### Emphasis of matter

We draw attention to note -1.5.10 to the financial statements which describes the uncertainty related to the Company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

### Opinion

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the Company's affairs as on 31 December 2011 and of the results of its operations and its cash flow for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

### We also report that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- Company's statement of financial position and statement of comprehensive income together with the annexed notes 1 to 24 dealt with by the report are in agreement with the books of account and
- the expenditure incurred and payments made were for the purposes of the Company's business;

Dated: 9 April 2012  
Place: Dhaka



M. J. Abedin & CO  
Chartered Accountants

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



# ACI Foods Limited

## Statement of Financial Position

as of 31 December 2011

### Assets

Property, plant and equipments:  
At cost  
Accumulated depreciation

Capital work-in-progress

### Total non-current assets

### Deferred tax asset

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

### Total current assets

### Total assets

### Equity and liabilities

#### Equity

Share capital  
Accumulated loss

### Total equity

#### Liability

Long term loan

### Total non-current liabilities

Bank overdraft  
Short term bank loan  
Long term bank loan -current portion  
Trade payables  
Other payables  
Inter-company liabilities

### Total current liabilities

### Total liabilities

### Total equity and liabilities

	2011 Taka	2010 Taka
Property, plant and equipments: At cost	283,717,390	256,280,237
Accumulated depreciation	(63,047,807)	(45,627,785)
Capital work-in-progress	220,669,583	210,652,452
<b>Total non-current assets</b>	<b>220,784,866</b>	<b>211,476,142</b>
<b>Deferred tax asset</b>	<b>19,849,687</b>	<b>17,110,419</b>
Inventories	91,101,589	56,427,729
Trade debtors	27,379,608	42,611,937
Other receivables	1,071,439	759,712
Advances, deposits and prepayments	3,696,636	14,717,330
Advance income tax	1,448,617	720,293
Inter-company receivable	-	25,493
Cash and cash equivalents	18,547,952	1,345,531
<b>Total current assets</b>	<b>143,245,841</b>	<b>116,608,025</b>
<b>Total assets</b>	<b>383,880,394</b>	<b>345,194,587</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Share capital	40,000,000	40,000,000
Accumulated loss	(609,710,533)	(410,410,649)
<b>Total equity</b>	<b>(569,710,533)</b>	<b>(370,410,649)</b>
<b>Liability</b>		
Long term loan	69,374,998	116,331,730
<b>Total non-current liabilities</b>	<b>69,374,998</b>	<b>116,331,730</b>
Bank overdraft	53,400,446	26,727,502
Short term bank loan	150,363,081	150,000,001
Long term bank loan -current portion	46,956,732	46,956,732
Trade payables	46,308,418	30,981,194
Other payables	52,872,694	43,919,006
Inter-company liabilities	534,314,557	300,689,071
<b>Total current liabilities</b>	<b>884,215,928</b>	<b>599,273,506</b>
<b>Total liabilities</b>	<b>953,590,926</b>	<b>715,605,236</b>
<b>Total equity and liabilities</b>	<b>383,880,394</b>	<b>345,194,587</b>

Managing Director

Director

Company Secretary

As per our report of same date.

M. J. Abedin & CO  
Chartered Accountants

Dated: 9 April 2012  
Place: Dhaka

# ACI Foods Limited

## Statement of Comprehensive Income

for the year ended 31 December 2011

	<u>2011</u> Taka	<u>2010</u> Taka
Revenue	469,308,493	347,217,745
Cost of sales	(399,562,977)	(301,199,831)
<b>Gross profit</b>	69,745,516	46,017,915
Administration, selling and distribution expenses	(182,739,360)	(166,201,993)
	(112,993,844)	(120,184,079)
Other income	15,339,632	15,542,776
<b>Result from operating activities</b>	(97,654,212)	(104,641,303)
Finance cost	(101,046,466)	(63,920,515)
<b>Loss before income tax</b>	(198,700,678)	(168,561,818)
Income tax :		
Current tax (U/S 16CCC)	(3,338,473)	-
Deferred tax	2,739,267	6,321,917
	(599,206)	6,321,917
<b>Net loss after tax</b>	(199,299,884)	(162,239,901)



Managing Director



Director



Company Secretary

As per our report of same date.



M. J. Abedin & CO  
Chartered Accountants

Dated: 9 April 2012  
Place: Dhaka





# ACI Foods Limited

## Statement of Changes in Shareholders' Equity

for the year ended 31 December 2011

<u>Particulars</u>	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
<b>Balance on 01 January 2010</b>	40,000,000	(248,170,748)	(208,170,748)
Net loss after tax for the year	-	(162,239,901)	(162,239,901)
Total other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	(162,239,901)	(162,239,901)
Transactions with owners of the Company, recognised directly in equity	-	-	-
<b>Balance as at 31 December 2010</b>	40,000,000	(410,410,649)	(370,410,649)
Net loss after tax for the year	-	(199,299,884)	(199,299,884)
Total other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	(199,299,884)	(199,299,884)
Transactions with owners of the Company, recognised directly in equity	-	-	-
<b>Balance as at 31 December 2011</b>	40,000,000	(609,710,533)	(569,710,533)

Managing Director

Director

Company Secretary

As per our report of same date.

M. J. Abedin & CO  
Chartered Accountants

Dated: 09 April 2012  
Place: Dhaka

# ACI Foods Limited

## Statement of Cash Flows

for the year ended 31 December 2011

	<u>2011</u> Taka	<u>2010</u> Taka
<b>A) Cash flows from operating activities</b>		
Cash receipts from customers	484,540,822	349,478,864
Cash receipts from other income	15,339,632	14,783,064
	499,880,454	364,261,928
<b>Cash paid for:</b>		
Purchase of inventory	(402,510,615)	(295,441,305)
Operating expenses	(174,575,128)	(160,141,108)
Advances, deposits and pre-payments	11,020,695	(11,958,919)
Advance income tax	(728,324)	(373,992)
<b>Cash generated from operations</b>	(566,793,372)	(467,915,324)
Financing cost	(101,046,466)	(63,920,515)
<b>Net cash used in operating activities</b>	(167,959,384)	(167,573,911)
<b>B) Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(2,334,283)	(3,714,292)
Payment for capital work-in-progress	(26,234,183)	(1,057,691)
<i>Net cash from (used in) investing activities</i>	(28,568,466)	(4,771,983)
<b>C) Cash flows from financing activities</b>		
Inter-company debts received	233,650,979	30,724,792
Short term bank loan received	363,080	77,195,261
Long term bank loan (paid)/ received	(46,956,732)	80,100,741
<i>Net cash flows from financing activities</i>	187,057,327	188,020,794
<b>D) Net increase in cash and cash equivalent (A+B+C)</b>	(9,470,523)	15,674,900
<b>E) Cash and cash equivalent at 1 January</b>	(25,381,971)	(41,056,871)
<b>F) Cash and cash equivalent at 31 December (D+E)</b>	(34,852,494)	(25,381,971)
<b>Closing balance represents:</b>		
Cash in hand and at bank	18,547,952	1,345,531
Bank overdraft	(53,400,446)	(26,727,502)
	(34,852,494)	(25,381,971)



Managing Director



Director



Company Secretary

As per our report of same date.



M. J. Abedin & CO  
Chartered Accountants

Dated: 09 April 2012  
Place: Dhaka



# ACI Salt Limited Directors' Report

ACI Salt Limited is a private limited company which was incorporated in 2004 with the Registrar of Joint Stock Companies, Dhaka, Bangladesh under Companies Act 1994 as a subsidiary of Advanced Chemical Industries (ACI) Limited with ACI holding 78% shareholding.

Within a short span of time, the company has succeeded in becoming the brand leader in the edible salt category and turned itself into a profit making company in 2008. The Company is continuing to make profit despite having production constraints. The Company has taken ambitious plan to expand its production capacity by setting up a completely new plant. The new plant is expected to go into production by middle of 2012.

## Key Financial Results

	<u>Taka</u>
Revenue	630,050,331
<b>Gross profit</b>	175,793,716
<b>Operating profit</b>	85,032,700
<b>Profit before tax</b>	80,781,065
<b>Profit after tax</b>	<b><u>46,878,831</u></b>

On behalf of the Board

**Dr. Arif Dowla**  
Managing Director

**Mr. Syed Alamgir**  
Director

Dhaka, 25 April 2012

# Hoda Vasi Chowdhury & Co

## Chartered Accountants

Independent Correspondent Firm to **Deloitte Touche Tohmatsu**

### ACI Salt Limited

## Auditors' Report to the Shareholders

We have audited the accompanying financial statements of ACI Salt Limited, which comprise the statement of financial position as at 31 December 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

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

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

#### Auditor's Responsibility

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

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


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

#### Opinion

In our opinion, the financial statements present fairly in all material respects, the financial position of ACI Salt Limited as at 31 December 2011 and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs) and comply with the Companies Act, 1994 and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the Company's statement of financial position and statement of comprehensive income along with notes 1 to 26 thereto dealt with by the report are in agreement with the books of account.



Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 25 April 2012

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





# ACI Salt Limited

## Statement of Financial Position

as at 31 December 2011

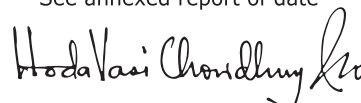
	2011 <u>Taka</u>	2010 <u>Taka</u>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment - at cost	391,390,804	387,659,328
Accumulated depreciation	(169,189,357)	(141,421,332)
	222,201,447	246,237,996
Capital work-in-progress	649,862,399	78,128,585
<b>Total non-current assets</b>	<b>872,063,846</b>	<b>324,366,581</b>
<b>Current assets</b>		
Inventories	73,430,792	70,460,621
Trade receivables	5,305,571	2,527,922
Other receivable	61,380	3,769,645
Advance income tax	2,199,007	-
Advances, deposits and prepayments	18,498,307	13,294,861
Inter-company receivables	738,699	141,973
Cash and cash equivalents	12,256,160	6,085,154
<b>Total current assets</b>	<b>112,489,916</b>	<b>96,280,176</b>
<b>Total assets</b>	<b>984,553,762</b>	<b>420,646,757</b>
<b>Equity and liabilities</b>		
<b>Shareholders' equity</b>		
Share capital	100,000,000	100,000,000
Retained earnings	42,202,906	(4,675,925)
<b>Total equity</b>	<b>142,202,906</b>	<b>95,324,075</b>
<b>Liabilities</b>		
Long term loan from bank	41,660,079	56,809,198
Deferred tax liability	36,932,591	5,230,357
<b>Current liabilities</b>		
Bank overdraft	1,868,265	4,017,829
Short term loan from bank	499,644,611	50,012,022
Long term loan from bank - current portion	15,149,119	3,787,280
Trade payables	5,132,741	919,534
Other payables	121,562,465	43,507,092
Inter-company payables	118,200,985	161,039,370
Current tax liability	2,200,000	-
<b>Total current liabilities</b>	<b>763,758,186</b>	<b>263,283,127</b>
<b>Total equity and liabilities</b>	<b>984,553,762</b>	<b>420,646,757</b>

  
Company Secretary

  
Managing Director

  
Director

Auditors' report to the shareholders  
See annexed report of date



Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Dhaka, 25 April 2012

# ACI Salt Limited

## Statement of Comprehensive Income

for the year ended 31 December 2011

	<u>2011</u> Taka	<u>2010</u> Taka
Revenue	630,050,331	654,211,774
Cost of sales	(454,256,615)	(489,682,281)
<b>Gross profit</b>	175,793,716	164,529,493
Administrative, selling and distribution expenses	(67,210,034)	(80,623,478)
<b>Results from operating activities</b>	108,583,682	83,906,015
Other income - sale of scraps	500,645	119,629
	109,084,327	84,025,644
Financing cost	(24,051,627)	(24,999,106)
	85,032,700	59,026,538
Provision for contribution to WPPF	(4,251,635)	(2,951,327)
<b>Profit before taxation</b>	80,781,065	56,075,211
<b>Income tax</b>		
Current tax expenses	(2,200,000)	-
Deferred tax expenses	(31,702,234)	(21,525,459)
	(33,902,234)	(21,525,459)
<b>Profit for the year</b>	46,878,831	34,549,752

*Sheema Akmal Rahman*  
\_\_\_\_\_  
Company Secretary

*[Signature]*  
\_\_\_\_\_  
Managing Director

*[Signature]*  
\_\_\_\_\_  
Director

Auditors' report to the shareholders  
See annexed report of date

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

Dhaka, 25 April 2012



# ACI Salt Limited

## Statement of Changes in Equity

for the year ended 31 December 2011

Particulars	Share capital	Retained earnings	Total
	Taka	Taka	Taka
<b>Balance as per 01 January 2010</b>	100,000,000	(39,225,677)	60,774,323
<b>Comprehensive income for the year</b>			
Profit for the year 2010	-	34,549,752	34,549,752
Total other comprehensive income	-	-	-
<b>Total comprehensive income for the year 2010</b>	-	34,549,752	34,549,752
<b>Transactions directly recognised in equity</b>	-	-	-
<b>Balance as at 01 January 2011</b>	100,000,000	(4,675,925)	95,324,075
<b>Comprehensive income for the year</b>			
Profit for the year 2011	-	46,878,831	46,878,831
Total other comprehensive income	-	-	-
<b>Total comprehensive income for the year 2011</b>	-	46,878,831	46,878,831
<b>Transactions directly recognised in equity</b>	-	-	-
<b>Balance as at 31 December 2011</b>	100,000,000	42,202,906	142,202,906



Company Secretary



Managing Director



Director

# ACI Salt Limited

## Statement of Cash Flows

for the year ended 31 December 2011

	2011 Taka	2010 Taka
<b>A Cash flow from operating activities</b>		
Cash received from customers	627,272,682	656,618,138
Cash received from other income	500,645	119,629
	627,773,327	656,737,767
Cash received/(paid) from/(for):		
Purchase of inventory	(425,269,629)	(484,603,474)
Operating expenses	(33,839,962)	(66,487,061)
Other receivable	3,708,265	(3,760,418)
Advance, deposits and prepayments	(5,203,446)	(2,380,439)
	(460,604,772)	(557,231,392)
Cash generated from operating activities	167,168,555	99,506,375
Financing cost	(24,051,627)	(24,999,106)
Advance income tax paid	(2,199,007)	-
	(26,250,634)	(24,999,106)
<i>Net cash inflows from operating activities</i>	140,917,921	74,507,269
<b>B Cash flow from investing activities</b>		
Purchase of property plant and equipments	(3,731,476)	(899,533)
Payment of capital work-in-progress	(531,276,073)	(78,128,585)
<i>Net cash used in investing activities</i>	(535,007,549)	(79,028,118)
<b>C Cash flow from financing activities</b>		
Proceed/(repayment) of short term loan from bank	449,632,589	(139,892,165)
Repayment of long term loan from bank	(3,787,280)	-
(Payment)/proceed of inter-company payable/receivable	(43,435,111)	109,737,294
<i>Net cash from/(used) in financing activities</i>	402,410,198	(30,154,871)
<b>D Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	8,320,570	(34,675,720)
<b>E Cash and cash equivalents at 1 January</b>	2,067,325	36,743,045
<b>F Cash and cash equivalents at 31 December (D+E)</b>	10,387,895	2,067,325
<b>Closing balance represents:</b>		
Cash and cash equivalent	12,256,160	6,085,154
Bank overdraft	(1,868,265)	(4,017,829)
	10,387,895	2,067,325

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

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

  
\_\_\_\_\_  
Director





# ACI Motors Limited Directors' Report

ACI Motors Limited is a private limited company incorporated in 2007 with the Registrar of Joint Stock Companies, Dhaka, Bangladesh under Companies Act 1994 as a subsidiary of Advanced Chemical Industries (ACI) Limited with ACI holds 71% shareholding. The company was established with an objective to market high quality agri-machineries and light commercial vehicles.

ACI Motors markets various models of 'Sonalika' tractors and currently it is number 3 brand in tractors category. The Company has expanded its business by introducing new agriculture equipment like 'harvester and trans-planter'. It has also taken ambitious plan to market other products like diesel engine and pumps and also considering manufacturing spare parts for the use of agriculture machineries.

## Key Financial Results

	<u>Taka</u>
Revenue	1,562,888,795
<b>Gross profit</b>	253,113,819
<b>Operating profit</b>	119,722,679
<b>Profit before tax</b>	119,722,679
<b>Profit after tax</b>	<u>70,383,458</u>

On behalf of the Board

**Dr. Arif Dowla**  
Director

**Dr. F H Ansarey**  
Director

Dhaka, 25 April 2012

## ACI Motors Limited Auditors' Report to the Shareowners

We have audited the accompanying financial statements of ACI Motors Limited which comprise the statement of financial position as at 31 December, 2011 and the related statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other relevant explanatory notes thereon.

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

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

### Auditor's responsibility:

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

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

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

### Opinion:

In our opinion, the financial statements prepared in accordance with the Bangladesh Accounting Standards (BASs) and the Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the financial position of ACI Motors Limited as at 31 December, 2011 and the results of its financial performance and its cash flows for the year then ended and comply with the Companies Act, 1994, and other applicable laws and regulations.

### We also report that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- the company's statement of financial position and statement of comprehensive income along with the annexed notes 1 to 25 dealt with by the report are in agreement with the books of accounts; and
- the expenditures incurred were for the purpose of the Company's businesses.



Ashraful Haque Nabi & Co.  
Chartered Accountants

Dhaka, 21 March 2012



# ACI Motors Limited

## Statement of Financial Position

as at 31 December 2011

	2011 <u>Taka</u>	2010 <u>Taka</u>
<b>Assets</b>		
<b>Non- current assets:</b>		
Property, plant and equipment- at cost	10,697,045	5,428,799
Accumulated depreciation	(3,167,516)	(1,887,504)
	7,529,529	3,541,295
<b>Current assets</b>		
Inventories	139,785,451	70,615,561
Advances, deposits and prepayments	31,258,250	29,398,472
Trade receivable	985,478,071	714,926,338
Other receivable	-	2,532,155
Advance income tax	12,835,945	42,364,106
Cash and bank balance	16,588,899	146,779
<b>Total current assets</b>	<b>1,185,946,616</b>	<b>859,983,411</b>
<b>Total assets</b>	<b>1,193,476,145</b>	<b>863,524,706</b>
<b>Equity:</b>		
Share capital	1,000,000	1,000,000
Retained earnings	158,786,281	88,402,824
<b>Total equity</b>	<b>159,786,281</b>	<b>89,402,824</b>
<b>Liability:</b>		
Long term bank loan	52,860,580	12,395,549
Deferred tax liability	349,249	-
<b>Current liabilities</b>		
Bank overdraft	24,763,413	29,522,692
Short term bank loan	334,867,198	146,891,511
Long term bank loan-current portion	124,752,703	22,971,668
Other payable	30,215,845	63,288,690
Inter-company liabilities	12,515,082	220,375,274
Trade payable	406,497,939	219,095,775
Provision for tax	46,867,855	59,580,723
<b>Total current liabilities</b>	<b>980,480,035</b>	<b>761,726,333</b>
<b>Total liabilities</b>	<b>1,033,689,864</b>	<b>774,121,882</b>
<b>Total equity and liabilities</b>	<b>1,193,476,145</b>	<b>863,524,706</b>

*Sheema Akhbar Rahman*

Company Secretary

*[Signature]*

Director

*[Signature]*

Director

Auditors' Report to the Shareowners  
See annexed report of date.

*[Signature]*

Ashraful Haque Nabi & Co.  
Chartered Accountants

Dhaka, 21 March 2012

# ACI Motors Limited

## Statement of Comprehensive Income

for the year ended 31 December 2011

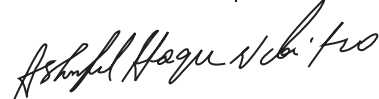
	<u>2011</u> Taka	<u>2010</u> Taka
Revenue	1,562,888,795	958,045,653
Cost of Sales	<u>(1,309,774,976)</u>	<u>(753,516,788)</u>
<b>Gross profit</b>	253,113,819	204,528,865
Administrative, selling and distribution expenses	<u>(142,879,660)</u>	<u>(119,251,004)</u>
<b>Operating profit</b>	110,234,159	85,277,861
Other income	<u>12,370,812</u>	<u>3,373,518</u>
<b>Profit before interest &amp; tax</b>	122,604,971	88,651,379
Financing cost	<u>(2,882,293)</u>	<u>(16,439,753)</u>
<b>Profit before income tax</b>	119,722,678	72,211,626
<b>Income tax expenses</b>		
Current tax expenses	<u>(48,989,972)</u>	<u>(28,609,600)</u>
Deferred tax expenses	<u>(349,249)</u>	<u>-</u>
	<u>(49,339,221)</u>	<u>(28,609,600)</u>
<b>Net profit after tax</b>	<u>70,383,457</u>	<u>43,602,026</u>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<u>70,383,457</u>	<u>43,602,026</u>

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

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

Auditors' Report to the Shareowners  
See annexed report of date.

  
\_\_\_\_\_  
Ashraf Haque Nabi & Co.  
Chartered Accountants

Dhaka, 21 March 2012





# ACI Motors Limited

## Statement of Changes in Shareowners' Equity

for the year ended 31 December 2011

<u>Particulars</u>	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
<b>Balance as at 1 January 2010</b>	1,000,000	44,800,798	45,800,798
Net profit for the year	-	43,602,026	43,602,026
Total other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	43,602,026	43,602,026
Transaction with owners of the Company, recognized directly in equity	-	-	-
<b>Balance as at 31 December 2010</b>	1,000,000	88,402,824	89,402,824
Net profit for the year	-	70,383,457	70,383,457
Total other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	70,383,457	70,383,457
Transaction with owners of the Company, recognized directly in equity	-	-	-
<b>Balance as at 31 December 2011</b>	1,000,000	158,786,281	159,786,281

*Sheema Akmal Rahman*

Company Secretary

*[Signature]*

Director

*[Signature]*

Director

Auditors' Report to the Shareowners  
See annexed report of date.

*Ashrafal Haque Nabi*

Ashrafal Haque Nabi & Co.  
Chartered Accountants

Dhaka, 21 March 2012

# ACI Motors Limited

## Statement of Cash Flows

for the year ended 31 December 2011

	2011 Taka	2010 Taka
<b>A) Cash flows from operating activities</b>		
Cash receipts from customers	1,292,337,063	767,199,526
Cash receipts from other income	14,902,967	2,671,459
	1,307,240,030	769,870,985
<b>Cash paid for:</b>		
Purchase of inventory	(1,191,542,702)	(642,930,785)
Operating expenses	(174,672,493)	(81,042,367)
Financing cost	(2,882,293)	(16,439,753)
Advances, deposit and prepayments	(1,859,779)	(11,566,025)
Advance income tax	(32,174,679)	(41,174,492)
	(1,403,131,946)	(793,153,422)
<b>Net cash flow used in operating activities</b>	(95,891,916)	(23,282,437)
<b>B) Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(5,268,246)	(694,500)
Net cash used in investing activities	(5,268,246)	(694,500)
<b>C) Cash flows from financing activities</b>		
Long term bank loan received	142,246,066	(201,054,364)
Short term bank loan received	187,975,687	76,411,115
Receipt / (Payments) inter-company	(207,860,192)	108,194,500
Net cash flows provided by financing activities	122,361,561	(16,448,749)
<b>D) Net cash inflows/(outflows) from total activities (A+B+C)</b>	21,201,399	(40,425,686)
<b>E) Opening balance</b>	(29,375,913)	11,049,773
<b>F) Closing balance (D+E)</b>	(8,174,514)	(29,375,913)
<b>Closing balance represents:</b>		
Cash in hand and at bank	16,588,899	146,779
Bank overdraft	(24,763,413)	(29,522,692)
	(8,174,514)	(29,375,913)

# Creative Communication Limited

## Directors' Report

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

The principal business of the Company is to provide result-oriented advertisement, public relations and complete corporate communication solutions and has long experience in handling outdoors, events and project management along with strong rapport in the electronic and press media.

### Key Financial Results

	<u>Taka</u>
Revenue	24,526,058
Gross Profit	11,124,078
<b>Profit before tax</b>	10,413,162
<b>Profit after tax</b>	<u>5,859,079</u>

On behalf of the Board



**Dr. Arif Dowla**  
Director



**Bilkis Mansoor**  
Director

Dhaka, 25 April 2012

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

We have audited the accompanying financial statements of **Creative Communication Limited** which comprise the statement of financial position as at 31 December, 2011 and the related statement of comprehensive income, statement of changes in shareholders equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other relevant explanatory notes thereon.

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

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

### Auditor's responsibility:

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

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

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

### Opinion:

In our opinion, the financial statements prepared in accordance with the Bangladesh Accounting Standards (BASs) and the Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the financial position of Creative Communication Limited as at 31 December, 2011 and the results of its financial performance and its cash flows for the year then ended and comply with the Companies Act, 1994, and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the company's statement of financial position and statement of comprehensive income along with the annexed notes 1 to 15 dealt with by the report are in agreement with the books of accounts; and
- d) the expenditures incurred were for the purpose of the Company's businesses.



Ashraf Haque Nabi & Co.  
Chartered Accountants

Dhaka, 21 March 2012



# Creative Communication Limited

## Statement of Financial Position

as at 31 December 2011


	<u>2011</u> Taka	<u>2010</u> Taka
<b>Assets</b>		
Property, plant and equipment	3,024,857	2,810,857
Accumulated depreciation	(866,268)	(377,983)
	2,158,589	2,432,874
<b>Current assets :</b>		
Advance, deposit and prepayments	10,000	37,200
Trade receivables	10,515,500	5,965,590
Advance income tax	905,070	1,414,938
Inter-company receivable	17,164,620	13,101,792
	28,595,190	20,519,520
<b>Total assets</b>	30,753,779	22,952,394
<b>Equity and liabilities</b>		
Shareholders' equity :		
Share capital	1,000,000	1,000,000
Retained earnings	20,292,615	14,433,536
	21,292,615	15,433,536
<b>Liability</b>		
Deferred tax liabilities	327,843	172,819
Non-current liabilities	327,843	172,819
<b>Current liabilities</b>		
Bank overdraft	1,152,183	3,300,496
Trade paybles	207,000	-
Other paybales	3,738,908	857,393
Current tax liability	4,035,230	3,188,150
	9,133,321	7,346,039
<b>Total liabilities</b>	9,461,164	7,518,858
<b>Total equity and liabilities</b>	30,753,779	22,952,394



Director

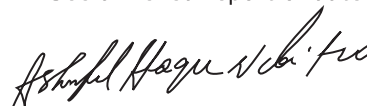


Director



Company Secretary

Auditors' Report to the Shareowners  
See annexed report of date.



Ashrafal Haque Nabi & Co.  
Chartered Accountants

Dhaka, 21 March 2012

# Creative Communication Limited

## Statement of Comprehensive Income

for the year ended 31 December 2011

	<u>2011</u> Taka	<u>2010</u> Taka
Revenue	24,526,058	19,886,301
Cost of service	(13,401,980)	(10,714,658)
<b>Gross profit</b>	11,124,078	9,171,643
Administrative & selling expenses	(710,916)	(725,537)
<b>Profit before income tax</b>	10,413,162	8,446,106
<b>Income tax</b>		
Current tax expenses	(4,399,059)	(3,188,150)
Deferred tax expense	(155,024)	(172,819)
	(4,554,083)	(3,360,969)
<b>Net profit after tax</b>	5,859,079	5,085,137
Other comprehensive income	-	-
<b>Total comprehensive income</b>	5,859,079	5,085,137



Managing Director

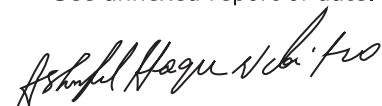


Director



Company Secretary

Auditors' Report to the Shareholders  
See annexed report of date.



Ashraf Haque Nabi & Co.  
Chartered Accountants

Dhaka, 21 March 2012

# Creative Communication Limited

## Statement of Changes in Equity

for the year ended 31 December 2011

**Particulars**

	Share capital	Retained earnings	Total
	Taka	Taka	Taka
<b>Balance as at 1 January 2010</b>	1,000,000	9,348,399	10,348,399
Net profit after tax for the year	-	5,085,137	5,085,137
Total other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	5,085,137	5,085,137
Transaction with owners of the company, recognised deriectly in equity	-	-	-
<b>Balance as at 31 December 2010</b>	1,000,000	14,433,536	15,433,536
Net profit after tax for the year	-	5,859,079	5,859,079
Total other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	5,859,079	5,859,079
Transaction with owners of the company, recognised deriectly in equity	-	-	-
<b>Balance as at 31 December 2011</b>	1,000,000	20,292,615	21,292,615



Managing Director

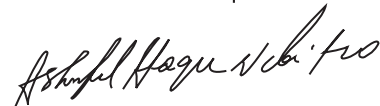


Director



Company Secretary

Auditors' Report to the Shareowners  
See annexed report of date.



Ashraful Haque Nabi & Co.  
Chartered Accountants

Dhaka, 21 March 2012

# Creative Communication Limited

## Statement of cash flows

for the year ended 31 December 2011

	Note	2011 Taka	2010 Taka
<b>A) Cash flows from operating activities</b>			
Cash receipts from income		19,976,148	15,423,790
		19,976,148	15,423,790
Cash paid for:			
Operating expenses		(10,536,096)	(12,258,762)
Income tax		(3,042,111)	(3,287,192)
Advances, deposits and prepayments		27,200	87,800
		(13,551,007)	(15,458,154)
Net cash generated from/ (used in) operating activities		6,425,141	(34,364)
<b>B) Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(214,000)	(1,989,987)
<b>Net cash used in investing activities</b>		(214,000)	(1,989,987)
<b>C) Cash flows from financing activities</b>			
Inter-company debts paid		(4,062,828)	(1,276,145)
<b>Net cash from financing activities</b>		(4,062,828)	(1,276,145)
<b>D) Net increase in cash and cash equivalent (A+B+C)</b>		2,148,313	(3,300,496)
<b>E) Cash and cash equivalent at 1 January 2011</b>		(3,300,496)	-
<b>F) Cash and cash equivalent at 31 December 2011 (D+E)</b>		(1,152,183)	(3,300,496)
<b>Closing balance represents:</b>			
Bank overdraft		(1,152,183)	(3,300,496)
		(1,152,183)	(3,300,496)

# Premiaflex Plastics Limited

## Directors' Report

Premiaflex Plastics Limited is a private Limited company incorporated in 2007 with the Registrar of Joint Stock Companies, Dhaka, Bangladesh under Companies Act 1994 having 80% shares held by Advanced Chemical Industries Limited. The principal activities of the company are manufacturing and marketing of plastic products, flexible printing and doing other ancillary business associated with plastic and flexible printing.

The factory of the company is located at Sreepur, Gazipur which has started its operation in the later part of 2008. The Company became profitable within a short span of time of going into operation. The company has recently gone into further expansion to cater for the larger section of customers. In the year 2011, the company enjoyed significant growth in turnover (71%) which also resulted positively in its bottom line (49%). The company is planning to go for further expansion to meet the increasing demand of the customers. It is expected that the company will be able to keep up its good performance in the years to come.

### Key Financial Results

	<u>Taka</u>
Revenue	1,145,258,047
<b>Gross profit</b>	178,961,902
<b>Operating profit</b>	58,398,600
<b>Profit before tax</b>	55,478,670
<b>Profit after tax</b>	<u>34,333,918</u>

On behalf of the Board



**Dr. Arif Dowla**  
Director



**Dr. F H Ansarey**  
Director

Dhaka, 25 April 2012



## Premiaflex Plastics Limited Auditors' Report to the Shareowners

We have audited the accompanying financial statements of Premiaflex Plastics Limited which comprise the statement of financial position as at 31 December, 2011 and the related statement of comprehensive income, statement of changes in shareholders equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other relevant explanatory notes thereon.

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

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

### Auditor's responsibility:

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

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

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

### Opinion:

In our opinion, the financial statements prepared in accordance with the Bangladesh Accounting Standards (BASs) and the Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the financial position of Premiaflex Plastics Limited as at 31 December, 2011 and the results of its financial performance and its cash flows for the year then ended and comply with the Companies Act, 1994, and other applicable laws and regulations.

### We also report that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- the Company's statement of financial position and statement of comprehensive income along with the annexed notes 1 to 23 dealt with by the report are in agreement with the books of accounts; and
- the expenditures incurred were for the purpose of the Company's businesses.



Ashraful Haque Nabi & Co.  
Chartered Accountants

Dhaka, 28 February 2012

# Premiaflex Plastics Limited

## Statement of Financial Position

as at 31 December 2011

	2011 Taka	2010 Taka
<b>Assets</b>		
Property, plant and equipment-at cost	509,076,090	385,507,108
Accumulated depreciation	(89,200,722)	(53,155,639)
	419,875,368	332,351,469
Capital work-in-progress	-	9,725,971
<b>Total non-Current assets</b>	419,875,368	342,077,440
<b>Current assets</b>		
Inventories	356,248,999	249,666,434
Advances, deposits and prepayments	11,986,671	20,439,482
Trade receivable	350,327,379	202,186,829
Advance income tax	57,843,025	12,238,007
Receivable from inter-company	6,067,428	12,675,481
Cash and bank balance	13,699,945	1,704,028
<b>Total current assets</b>	796,173,447	498,910,261
<b>Total assets</b>	1,216,048,815	840,987,701
<b>Equity</b>		
Share capital	40,000,000	40,000,000
Retained earnings	55,313,633	20,979,715
<b>Total equity</b>	95,313,633	60,979,715
<b>Liability</b>		
Long term bank loan	77,647,265	118,349,546
Deferred tax liability	34,278,739	13,133,987
<b>Current liabilities</b>		
Bank overdraft	31,474,809	5,247,311
Short term bank loan	342,136,959	212,406,042
Long term bank loan-current portion	44,801,252	47,117,246
Inter-company liabilities	566,438,472	369,425,920
Trade payables	10,579,688	4,778,545
Other payables	13,377,997	9,549,389
<b>Total current liabilities</b>	1,008,809,178	648,524,453
<b>Total liabilities</b>	1,120,735,182	780,007,986
<b>Total equity and liabilities</b>	1,216,048,815	840,987,701

*Sheema Akhmed Rahman*

Company Secretary

*[Signature]*

Director

*[Signature]*

Director

Auditors' Report to the Shareowners  
See annexed report of date.

*Ashraf Haque Nabi & Co.*

Ashraf Haque Nabi & Co.  
Chartered Accountants

Dhaka, 28 February 2012

# Premiaflex Plastics Limited

## Statement of Comprehensive Income

for the year ended 31 December 2011

	<u>2011</u> Taka	<u>2010</u> Taka
Revenue	1,145,258,047	668,404,718
Cost of sales	(966,296,145)	(554,186,125)
<b>Gross profit</b>	<u>178,961,902</u>	<u>114,218,593</u>
Administrative, selling and distribution expenses	(18,222,149)	(12,547,071)
<b>Operating profit</b>	<u>160,739,752</u>	<u>101,671,522</u>
Other income	6,310,000	3,900,000
	<u>167,049,752</u>	<u>105,571,522</u>
Financing cost	(108,651,152)	(66,387,081)
	58,398,600	39,184,441
Provision for contribution to WPPF	(2,919,930)	(1,959,222)
<b>Profit before income tax</b>	<u>55,478,670</u>	<u>37,225,219</u>
Income tax expenses		
Deferred tax expenses	(21,144,752)	(14,225,806)
	(21,144,752)	(14,225,806)
<b>Net profit after tax</b>	<u>34,333,918</u>	<u>22,999,413</u>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<u><u>34,333,918</u></u>	<u><u>22,999,413</u></u>

*Sheema Akhbar Rahman*  
Company Secretary

*[Signature]*  
Director

*[Signature]*  
Director

Auditors' Report to the Shareowners  
See annexed report of date.

*[Signature]*

Ashraful Haque Nabi & Co.  
Chartered Accountants

Dhaka, 28 February 2012

# Premiaflex Plastics Limited

## Statement of changes in Shareholders' Equity

for the year ended 31 December 2011

<u>Particulars</u>	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
<b>Balance as at 01 January 2010</b>	40,000,000	(2,019,698)	37,980,302
Net profit after tax for the year	-	22,999,413	22,999,413
Total other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	22,999,413	22,999,413
Transaction with owners of the company, recognized directly in equity	-	-	-
<b>Balance as at 31 December 2010</b>	40,000,000	20,979,715	60,979,715
Net profit after tax for the year	-	34,333,918	34,333,918
Total other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	34,333,918	34,333,918
Transaction with owners of the company, recognized directly in equity	-	-	-
<b>Balance as at 31 December 2011</b>	40,000,000	55,313,633	95,313,633

*Sheena Akmal Rahman*

Company Secretary

*[Signature]*

Director

*[Signature]*

Director

Auditors' Report to the Shareowners  
See annexed report of date.

*Ashraful Haque Nabi*

Ashraful Haque Nabi & Co.  
Chartered Accountants

Dhaka, 28 February 2012

# Premiaflex Plastics Limited

## Statement of cash flows

for the year ended 31 December 2011

	2011 Taka	2010 Taka
<b>A) Cash flows from operating activities</b>		
Cash receipts from customers	997,117,497	611,933,306
Cash receipts from other income	6,310,000	4,661,852
	<u>1,003,427,497</u>	<u>616,595,158</u>
Cash paid for:		
Purchase of inventory	(1,031,063,772)	(700,601,113)
Operating expenses	(18,190,861)	(10,931,361)
Receipts from/(payments to) other payables	908,678	(95,475,499)
Payments for advances, deposits and prepayments	(4,032,658)	(1,861,136)
Income tax	(45,605,018)	(7,364,764)
Value Added Tax (VAT)	12,485,469	(75,644,579)
Financing cost	(108,651,152)	(66,387,081)
	<u>(1,194,149,314)</u>	<u>(958,265,533)</u>
<b>Net cash flow from/(used in) operating activities</b>	<u>(190,721,817)</u>	<u>(341,670,375)</u>
<b>B) Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(15,094,600)	(250,402)
Payments for capital work-in-progress	(98,748,411)	(11,378,140)
<b>Net cash used in investing activities</b>	<u>(113,843,011)</u>	<u>(11,628,542)</u>
<b>C) Cash flows from financing activities</b>		
Receipts from inter-company	203,620,605	170,402,377
Short term bank loan received	129,730,917	154,972,564
Long term bank loan (paid)/ received	(43,018,275)	57,418,783
Net cash flows provided by financing activities	<u>290,333,247</u>	<u>382,793,724</u>
<b>D) Net cash inflows/(outflows) from total activities (A+B+C)</b>	(14,231,581)	29,494,807
<b>E) Opening balance</b>	(3,543,283)	(33,038,090)
<b>F) Closing balance (D+E)</b>	<u>(17,774,864)</u>	<u>(3,543,283)</u>
<b>Closing Balance represents:</b>		
Cash in hand and at bank	13,699,945	1,704,028
Bank overdraft	(31,474,809)	(5,247,311)
	<u>(17,774,864)</u>	<u>(3,543,283)</u>





# ACI Agrochemicals Limited

## Directors' Report

ACI Agrochemicals Limited is a private limited company which was incorporated in 2006 with the Registrar of Joint Stock Companies, Dhaka, Bangladesh under Companies Act 1994 as a subsidiary with 90% shares owned by Advanced Chemical Industries (ACI) Limited.

The principal activities of the company are formulating and packaging of pesticides, fertilizer, plant nutrient products. The company is yet to start its operation.

### Key Financial Results

	<u>Taka</u>
Revenue	-
Expenses	(30,565)
<b>Loss after tax</b>	<u>(30,565)</u>

On behalf of the Board

**Dr. Arif Dowla**  
Managing Director

**Dr. F H Ansarey**  
Director

Dhaka, 25 April 2012

## ACI Agrochemicals Limited Auditors' Report to the Shareowners

We have audited the accompanying statement of financial position of ACI Agrochemicals Limited as at 31 December 2011 and the related statement of comprehensive income and notes to the accounts for the year then ended. The preparation of these financial statements is the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit, the financial statements, prepared in accordance with Bangladesh Accounting Standards (BASs), give a true and fair view of the state of the company's affairs as of 31 December 2011 and of the results of its operations for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the Company's statement of financial position dealt with by the report are in agreement with the books of accounts;
- d) the expenditure incurred was for the purposes of the Company's business; and
- e) there was no commercial activities during the period.

Dhaka, 25 February 2012



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Shiraz Khan Basak & CO.  
Chartered Accountants



# ACI Agrochemicals Limited

## Statement of Financial Position

As at 31 December 2011

	2011 <u>Taka</u>	2010 <u>Taka</u>
<b><u>Assets</u></b>		
<b><u>Current assets</u></b>		
Cash in hand	-	-
	-	-
<b><u>Equity and liabilities</u></b>		
Share capital	20,000	20,000
Accumulated loss	(176,227)	(145,662)
	(156,227)	(125,662)
<b><u>Current liabilities</u></b>		
Current Account with ACI Limited	151,227	115,662
Audit fee payable	5,000	10,000
	156,227	125,662
	-	-

*Sheema Akhmed Rahman*  
Company Secretary

*M. J. Akh*  
Managing Director

*D. H. Akh*  
Director

Auditors' Report to the Shareowners  
See annexed report of date.

*R. Khan*

Shiraz Khan Basak & CO.  
Chartered Accountants

Dhaka, 25 February 2012

# ACI Agrochemicals Limited

## Statement of Comprehensive Income

For the year ended 31 December 2011

	2011 Taka	2010 Taka
<b>Revenue</b>	-	-
<b>Less expenses:</b>		
Bank Charge	-	345
Office stationery	-	-
Travelling & Conv	6,310	-
Audit Fee	5,450	5,000
Govt tax & license fee	18,805	28,425
	30,565	33,770
<b>Net loss</b>	(30,565)	(33,770)

*Sheema Akmal Rahman*  
\_\_\_\_\_  
Company Secretary

*M. J. Ak*  
\_\_\_\_\_  
Managing Director

*D. H. Ak*  
\_\_\_\_\_  
Director

Auditors' Report to the Shareowners  
See annexed report of date.

*R. P. Basak*  
\_\_\_\_\_  
Shiraz Khan Basak & CO.  
Chartered Accountants

Dhaka, 25 February 2012



# Flyban Insecticides Limited

## Directors' Report

Flyban Insecticides Limited is a private limited company which was incorporated in 1991 with the Registrar of Joint Stock Companies, Dhaka, Bangladesh under Companies Act 1994 as a subsidiary with 51% shares owned by Advanced Chemical Industries (ACI) Limited.

The company has been dormant for last ten years. The principal business of the company was manufacturing and marketing of Mosquito coils.

### Key Financial Results

	<u>Taka</u>
Revenue	-
Expenses	(7,970)
<b>Loss after tax</b>	<u>(7,970)</u>

On behalf of the Board

**Dr. F H Ansarey**  
Managing Director

**Sheema Abed Rahman**  
Director

Dhaka, 25 April 2012



## Flyban Insecticides Limited Auditors' Report to the Shareowners

We have audited the statement of financial position of Flyban Insecticides Limited as at 31 December 2011 and the related statement of comprehensive Income and notes to the accounts for the year then ended. The preparation of these financial statements is the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit, the financial statements, prepared in accordance with Bangladesh Accounting Standards (BASs), give a true and fair view of the state of the company's affairs as of 31 December 2011 and of the results of its operations for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the Company's statement of financial position dealt with by the report are in agreement with the books of accounts;
- d) the expenditure incurred was for the purposes of the Company's business; and
- e) there was no commercial activities during the period.

Dhaka, 25 February 2012



Shiraz Khan Basak & CO.  
Chartered Accountants



# Flyban Insecticides Limited

## Statement of Financial Position

As at 31 December 2011

	<u>2011</u> Taka	<u>2010</u> Taka
<b><u>Assets</u></b>		
<b>Property, plant and equipment:</b>		
At cost	6,349,299	6,349,299
<b>Total asset :</b>	<u>6,349,299</u>	<u>6,349,299</u>
<b><u>Equity and liabilities</u></b>		
<b>Shareholders' equity:</b>		
Share capital	5,000,000	5,000,000
Accumulated loss	(461,178)	(453,208)
	4,538,822	4,546,792
<b>Current liabilities:</b>		
Current account with ACI Limited	999,862	987,342
Other liabilities	810,615	815,165
	1,810,477	1,802,507
	<u>6,349,299</u>	<u>6,349,299</u>

*Sheema Abed Rahman*

**Sheema Abed Rahman**

Director & Company Secretary

*Dr. F H Ansarey*

**Dr. F H Ansarey**

Managing Director

As per our report of same date

*Shiraz Khan Basak & CO.*

Shiraz Khan Basak & CO.  
Chartered Accountants

Dhaka, 25 February 2012

# Flyban Insecticides Limited

## Statement of Comprehensive Income

for the year ended 31 December 2011

	<u>2011</u> Taka	<u>2010</u> Taka
<b>Revenue</b>	-	-
<b>Less: expenses</b>		
Rent rates and taxes	2,070	2,028
Audit fee	5,900	5,000
	7,970	7,028
<b>Net loss</b>	(7,970)	(7,028)

*Sheema Abed Rahman*

**Sheema Abed Rahman**

Director & Company Secretary

*Dr. F H Ansarey*

**Dr. F H Ansarey**

Managing Director

As per our report of same date

*Shiraz Khan Basak*

Shiraz Khan Basak & CO.  
Chartered Accountants

Dhaka, 25 February 2012



# Apex Leathercraft Limited

## Directors' Report

Apex Leathercraft Limited is a private limited company incorporated in 1990 with the Registrar of Joint Stock Companies, Dhaka, Bangladesh under Companies Act 1994 having 100% shares owned by Advanced Chemical Industries Limited (ACI). The company is in the business of owning property and letting them on rents to its Parent, ACI Limited.

### Key Financial Results

	<u>Taka</u>
Revenue	9,912,000
Expenses	(5,361,890)
<b>Loss before tax</b>	<b><u>(411,346)</u></b>

On behalf of the Board

**Dr. Arif Dowla**

Managing Director

**Mr. Syed Alamgir**

Director

Dhaka, 25 April 2012

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

Telephone Off : 8629771, 8612203  
Fax : (880-2) 8617681  
Res : 8631678  
E-mail : mjabedin@bangla.net  
mjabedinbd@gmail.com

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

## Apex Leathercraft Limited

### Auditors' Report to the Shareholders

We have audited the accompanying financial statements of **Apex Leathercraft Limited** which comprise statement of financial position as at 31 December 2011 and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and explanatory notes thereto.

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

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

#### Auditors' responsibility

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

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

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

#### Opinion

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the Company's affairs as on 31 December 2011 and of the results of its operations and its cash flow for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

We also report that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- Company's statement of financial position and statement of comprehensive income together with the annexed notes 1 to 8 dealt with by the report are in agreement with the books of account and
- the expenditure incurred and payments made were for the purposes of the Company's business.



M. J. ABEDIN & CO.  
Chartered Accountants

Date: 9 April 2012  
Place: Dhaka





# Apex Leathercraft Limited

## Statement of Financial Position

as at 31 December 2011

	<u>2011</u> Taka	<u>2010</u> Taka
<b>Assets</b>		
Investment property	319,807,700	323,455,648
<b>Current assets</b>		
Advance income tax	7,373,650	1,856,751
Advance Holding tax	2,349,023	1,853,423
Cash at Bank	314,674	-
	4,709,953	3,328
Security deposit	210,000	210,000
<b>Total assets</b>	<u>327,391,350</u>	<u>325,522,399</u>
<b>Capital And Liabilities</b>		
<b>Shareholders' equity</b>		
Share capital	221,413,993	221,825,339
Share money deposit	37,010,000	37,010,000
Accumulated profit	25,325,000	25,325,000
	159,078,993	159,490,339
<b>Loan from ACI Limited (Unsecured)</b>		
Non interest bearing	55,416,328	55,416,328
Interest bearing	50,498,745	48,218,448
<b>Current liabilities</b>		
Accrued expenses	62,284	62,284
Income tax payable	20,900	20,900
	41,384	41,384
<b>Total liabilities and shareholders' equity</b>	<u>327,391,350</u>	<u>325,522,399</u>

Managing Director

Director

Company Secretary

As per our separate report of even date annexed.

M. J. ABEDIN & CO.  
Chartered Accountants

Date: 9 April 2012  
Place: Dhaka

# Apex Leathercraft Limited

## Statement of Comprehensive Income

for the year ended 31 December 2011

	<u>2011</u> Taka	<u>2010</u> Taka
<b>Revenue from</b>		
Investment property rentals	9,912,000	9,912,000
<b>Less: Expenses</b>		
Municipal and land revenue tax	1,019,058	1,127,338
Audit fee	20,900	20,900
Bank Charge	1,575	-
Insurance premium	537,409	434,605
Other expenses	135,000	70,220
	(1,713,942)	(1,653,063)
Change in fair value of investment property	(3,647,948)	(3,891,639)
<b>Profit before interest and tax</b>	4,550,110	4,367,298
Financing cost	(4,961,456)	(5,172,896)
<b>Loss before tax</b>	(411,346)	(805,598)
Provision for tax	-	-
<b>Net loss after tax transferred to statement of changes in equity</b>	(411,346)	(805,598)

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

  
\_\_\_\_\_  
Director

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

As per our separate report of even date annexed.

  
\_\_\_\_\_

Date: 9 April 2012  
Place: Dhaka

M. J. ABEDIN & CO.  
Chartered Accountants

# Apex Leathercraft Limited

## Statement of Changes in Equity

for the year ended 31 December 2011

### Particulars

	Share capital	Share Money deposit	Accumulated Profit/(loss)	Total
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
<b>Opening balance at 1st January, 2010</b>	37,010,000	25,325,000	160,295,937	222,630,937
Net loss for the year 2010	-	-	(805,598)	(805,598)
<b>As at 31st December 2010</b>	37,010,000	25,325,000	159,490,339	221,825,339
Net loss for the year 2011	-	-	(411,346)	(411,346)
<b>As at 31st December 2011</b>	<u>37,010,000</u>	<u>25,325,000</u>	<u>159,078,993</u>	<u>221,413,993</u>

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

  
 \_\_\_\_\_  
 Director

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

As per our separate report of even date annexed.

  
 \_\_\_\_\_

M. J. ABEDIN & CO.  
 Chartered Accountants

Date: 9 April 2012  
 Place: Dhaka

# Apex Leathercraft Limited

## Statement of Cash Flows

for the year ended 31 December 2011

	<u>2011</u> Taka	<u>2010</u> Taka
<b>A. Cash flows from operating activities</b>		
Cash received from customer	9,912,000	9,912,000
Payment of cost & expenses	(7,485,672)	(7,671,359)
<b>Net cash provided by operating activities</b>	2,426,328	2,240,641
<b>B. Cash flows from financing activities</b>		
Interest bearing loan received / (repaid)	2,280,297	(2,240,641)
<b>Net cash flows from financing activities</b>	2,280,297	(2,240,641)
<b>C. Net cash flow from total activities (A+B)</b>	4,706,625	-
Cash balance as at 01 January	3,328	3,328
<b>Cash balance as at 31 December</b>	4,709,953	3,328



Managing Director



Director



Company Secretary

As per our separate report of even date annexed.



M. J. ABEDIN & CO.  
Chartered Accountants

Date: 9 April 2012  
Place: Dhaka



# ACI Edible Oils Limited Directors' Report

ACI Edible Oils Limited was incorporated on 13 December 2010 as a private limited company under the Companies Act 1994 having 85% shares owned by Advanced Chemical Industries Limited (ACI). The main objective of the Company is to carry out the business of manufacturing and trading of all kinds of crude and refined edible oils, edible fats, food grade chemicals, cleansing materials, preservatives and other allied food products. The company has started its initial operation in this year in a limited scale and hopeful to enhance its portfolio considering that the regulatory and other conditions becomes favorable.

## Key Financial Results

	<u>Taka</u>
Revenue	30,418,750
Operating expenses	(765,163)
Loss before tax	(617,622)
<b>Loss after tax</b>	<b><u>(386,014)</u></b>

On behalf of the Board

**Dr. Arif Dowla**  
Managing Director

**Mr. Syed Alamgir**  
Director

Dhaka, 25 April 2012



## Auditors' Report to the Shareholders of ACI Edible Oils Limited

We have audited the accompanying financial statements of **ACI Edible Oils Limited** which comprise the statement of financial position as at 31 December, 2011 and the related statement of comprehensive income, statement of changes in shareholders equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other relevant explanatory notes thereon.

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

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

### Auditor's responsibility:

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

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

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

### Opinion:

In our opinion, the financial statements prepared in accordance with the Bangladesh Accounting Standards (BASs) and the Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the financial position of ACI Edible Oils Limited as at 31 December, 2011 and the results of its financial performance and its cash flows for the year then ended and comply with the Companies Act, 1994, and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the Company's statement of financial position and statement of comprehensive income along with the annexed notes 1 to 13 dealt with by the report are in agreement with the books of accounts; and
- d) the expenditures incurred were for the purpose of the Company's businesses.



Ashraful Haque Nabi & Co.  
Chartered Accountants

Dhaka, 21 March 2012



# ACI Edible Oils Limited

## Statement of Financial Position

as at 31 December 2011

	<u>2011</u> <u>Taka</u>
<b>Non-current assets :</b>	
Deferred tax assets	231,608
<b>Total non-current assets</b>	<u>231,608</u>
<b>Current assets :</b>	
Inventories	2,568,550
Advances, deposits and prepayments	200,000
Accounts receivable	7,684,790
Receivable from inter-company (ACI Ltd.)	10,497,600
Cash and bank balances	1,789,670
	<u>22,740,610</u>
<b>Total assets</b>	<u><u>22,972,218</u></u>
<b>Shareholders' equity:</b>	
Share capital	10,000,000
Accumulated loss	(386,014)
	<u>9,613,986</u>
<b>Current liabilities:</b>	
Trade payables	255,664
Other payables	174,739
Inter-company liabilities	12,927,829
	<u>13,358,232</u>
<b>Total equity and liabilities</b>	<u><u>22,972,218</u></u>

Director

Director

Company Secretary

Auditors' report to the shareholders  
See annexed report of date

Ashraful Haque Nabi & Co.  
Chartered Accountants

Dhaka, 21 March 2012

# ACI Edible Oils Limited

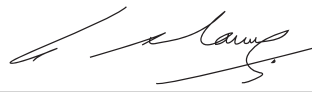
## Statement of Comprehensive Income

for the year ended 31 December 2011

	2011 Taka
<b>Revenue</b>	30,418,750
Cost of goods sold	(29,726,620)
<b>Gross profit</b>	692,130
Operating expenses	(765,163)
<b>Operating loss</b>	(73,033)
Financing cost	(566,639)
Other income	22,050
	(617,622)
Provision for contribution to WPPF	-
<b>Net loss before tax</b>	(617,622)
<b>Income tax expenses:</b>	
Deferred tax income	231,608
	231,608
<b>Net loss after tax</b>	(386,014)
Total other comprehensive income	-
<b>Total comprehensive loss</b>	(386,014)



Director

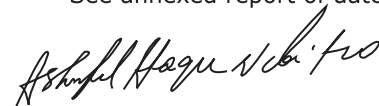


Director



Company Secretary

Auditors' report to the shareholders  
See annexed report of date



Ashraf Haque Nabi & Co.  
Chartered Accountants

Dhaka, 21 March 2012



# ACI Edible Oils Limited

## Statement of Changes in Equity

for the year ended 31 December 2011

Particulars	Share capital	Accumulated Loss	Total
<b>Balance at 1 January 2011</b>	10,000,000	-	10,000,000
Net loss for the year 2011	-	(386,014)	(386,014)
Total other comprehensive income	-	-	-
<b>Total comprehensive loss for the year</b>	-	(386,014)	(386,014)
Transactions with owners of the company, recognised directly in equity	-	-	-
<b>Balance at 31 December 2011</b>	<u>10,000,000</u>	<u>(386,014)</u>	<u>9,613,986</u>

Director

Director

Company Secretary

Auditors' report to the shareholders  
See annexed report of date

Ashrafal Haque Nabi & Co.  
Chartered Accountants

Dhaka, 21 March 2012

# ACI Edible Oils Limited

## Statement of Cash Flows

for the year ended 31 December 2011

	2011 Taka
<b>A Cash flows from operating activities</b>	
Cash received from customer	22,733,960
Cash received from other income	22,050
	22,756,010
<b>Cash paid for :</b>	
Purchase and production	(32,039,506)
Operating expenses	(590,424)
Financing cost	(566,639)
Advance, deposits and prepayments	(200,000)
	(33,396,569)
<b>Net cash flow from/(used in) operating activities</b>	(10,640,559)
<b>B Cash flows from financing activities</b>	
Inter-company debts received	2,430,229
Share capital	10,000,000
	12,430,229
<b>Net cash flows provided by financing activities</b>	12,430,229
<b>C Net cash flow from all activities (A+B)</b>	1,789,670
<b>D Cash and bank balances at the beginning of the year</b>	-
<b>E Cash and bank balances at the end of the year</b>	1,789,670
Closing balance represents :	
Cash in hand and at bank	1,789,670
	1,789,670





# Corporate Directory

## Registered Office

ACI Centre  
245 Tejgaon Industrial Area  
Dhaka 1208  
Phone : (8802) 8878603  
Fax : (8802) 8878626 & 8878619

## Share Office

9 Motijheel C/A  
Dhaka 1000  
Phone : (8802) 9556254  
Fax : (8802) 9565257

## Manufacturing Facilities

### **1. Pharmaceuticals Plant**

7 Hajiganj Road, Narayanganj  
Phone : (8802) 7630496, 7630525, 7630493  
Fax : (8802) 7630524

### **2. ACI Formulations Plant**

Rajabari, Sreepur, Gazipur  
Phone : (8802) 0682555135  
Fax : (8802) 9201070

### **3. ACI Salt Limited**

Murapara, Rugganj, Narayanganj  
Phone : (8802) 7650017  
Fax : (8802) 7650028

### **4. ACI Foods Limited**

Kutirchar, Bhadraghat  
Kamarkhand, Sirajgonj  
PABX : 01961559762

### **5. ACI Pure Flour Limited**

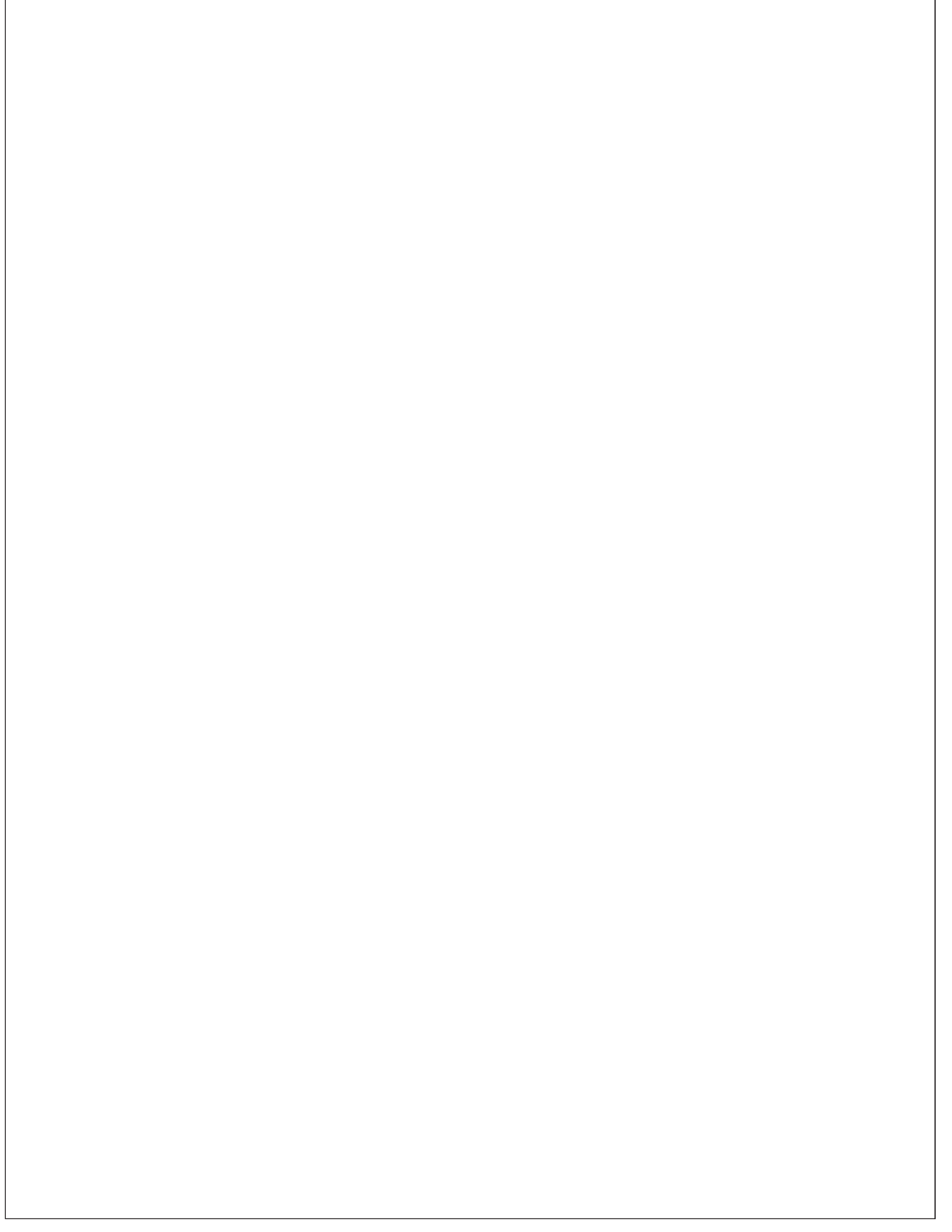
6/3 Dewli Chowrapara  
Bondor, Narayanganj  
Phone : 7661419  
Fax : 7661420

### **6. ACI Napkin Plant**

Nil Nagar, Konabari  
Gazipur  
Phone : 01730007780

### **7. Premiaflex Plastics Limited**

Kewa Poschim Khondo,  
Mouna, Sreepur, Gazipur  
Phone : 01730028466





# Advanced Chemical Industries Limited

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

## PROXY FORM

I/We \_\_\_\_\_  
of \_\_\_\_\_  
being a Member of Advanced Chemical Industries Limited, hereby appoint \_\_\_\_\_  
of \_\_\_\_\_

whose signature is appended below as my/our proxy to attend and vote for me/us and on my/our behalf at the 39th Annual General Meeting of the Company to be held on Tuesday, 12 June 2012 at 9:00 a.m. and/or at any adjournment thereof.

As witness my hands this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

Signature on  
Tk. 10  
Revenue Stamp

\_\_\_\_\_  
(Signature of the Proxy)

\_\_\_\_\_  
(Signature of the Shareowner)  
Registered Folio / BO ID No. \_\_\_\_\_  
No. of Shares held \_\_\_\_\_

Note : A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The Proxy Form, duly completed, must be deposited at the Share Office of the Company at 9 Motijheel C/A, Dhaka 1000, not later than 48 hours before the time fixed for the meeting.



## Quality Policy

One of our important vision is to provide products and services of high and consistent quality, ensuring value for money to our customers.

To attain the Vision ACI will:

- Aim to achieve business excellence by understanding, accepting, meeting and exceeding customer expectations.
- Follow International Standards on Quality Management System to ensure consistent quality of products and services to achieve customer satisfaction. ACI will also meet all national and regulatory requirements relating to its current businesses and ensure that current Good Manufacturing Practice (cGMP) as recommended by World Health Organisation is followed for its pharmaceutical operations and conform to all other guidelines and best practices relating to its other businesses.
- Commit itself to quality as the prime consideration in all its business decisions. All employees of ACI follow documented procedures to ensure compliance with quality standards.
- Develop a pool of human resources of the Company to their full potential through regular training and participation in seeking continuous improvement of the Quality Management System.



## Environmental Policy

ACI is committed to formulate and conduct all its operations in an environmentally friendly manner, ensuring continual improvement in the utilisation of resources and prevention of pollution or degradation of the environment.

In pursuit of this Goal, ACI will:

- Comply with all local and national legislations and regulations.
- Conserve natural resources like water and energy for sustainable development, and adopt environmentally safe processes.
- Ensure appropriate treatment of all effluents prior to discharge.
- Ensure appropriate communication with internal and external interested parties on environmental issues.
- Create awareness on environmental issues among our employees and contractors.
- Ensure waste management in an environmentally responsible manner through continuous upgradation of technology.



## Safety, Health and Environment (SHE) Policy

ACI is committed to conduct all its operations in a manner that is protective of the environment, health and safety of employees, customers and the community. To this end, the company has already obtained ISO 14001 Certification for Environmental Management System. ACI will provide the resources to educate and involve every individual in the Company in achieving this objective. In fulfillment of this commitment, we shall maintain a continuing effort to adhere to the following principles.

### Principles

- 1 We believe that all accidents, incidents and work-related ill health are preventable and with this aim in mind we will manage our businesses. We will deploy adequate resources for the prevention and control of accident.
- 2 We will investigate all workplace accidents and illnesses in order to promptly correct any unsafe conditions or practices, and to prevent repetition of these occurrences.
- 3 We will fully comply with all the national regulations but in addition will set our own stringent internal corporate standards on matters relating to safety, health and the environment, and endeavour to strictly adhere to them.
- 4 We will continue to improve communication and exchange views with employees, employee representatives, customers, contractors, suppliers, neighbours and any other individual or organisation affected by our business.
- 5 We will integrate SHE considerations into business planning and decision-making.
- 6 We will continue to innovate in order to improve our products and processes so that their effects on safety, health and the environment are reduced.
- 7 We will increase shareowners' value through SHE excellence.



**Advanced Chemical Industries Limited**  
ACI Centre, 245 Tejgaon Industrial Area, Dhaka 1208

