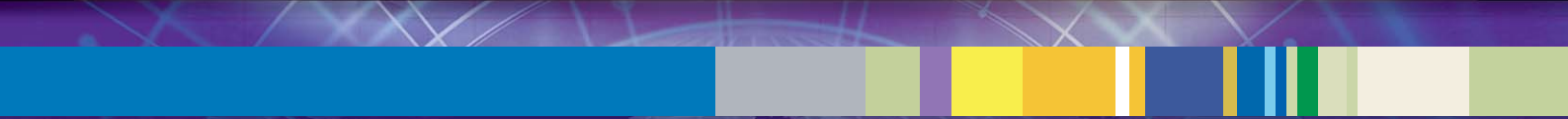
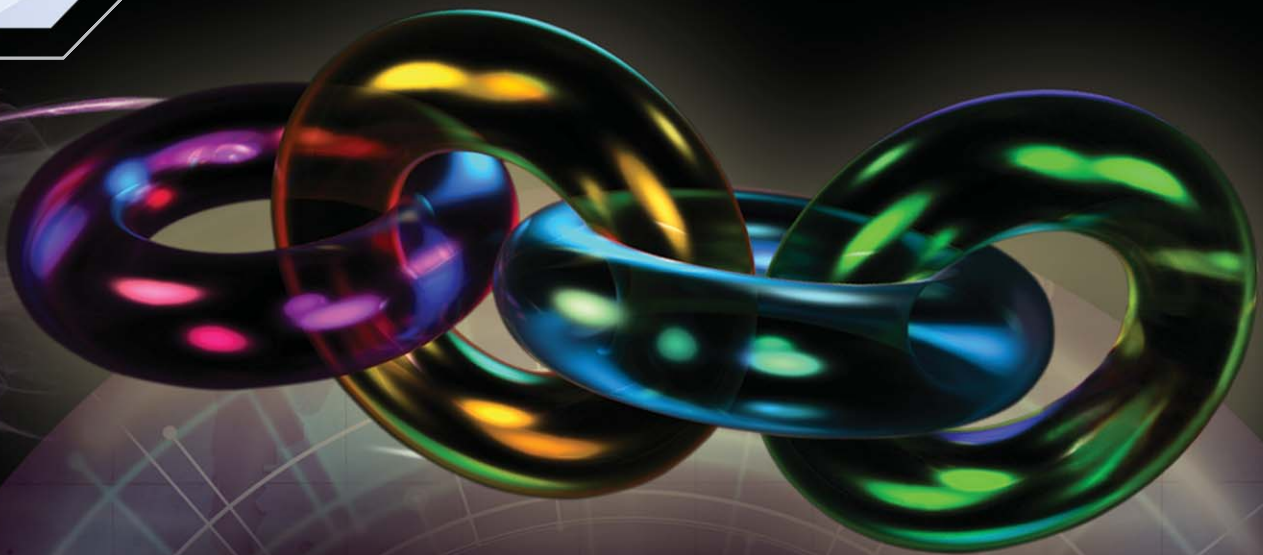


**ADVANCING
POSSIBILITIES**



Annual Report 2012



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

The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. Under the Global Compact initiative, 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. It is the largest voluntary corporate responsibility initiative in the world with over 10,000 corporate participants and other stakeholders from over 130 countries. 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.

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 2012

ACI is devoted to improve the living standard of the rural community of Bangladesh 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 UNGC with its business policy and system and perform CSR activities in areas where it can utilize its business experience and expertise. In 2012, in particular, ACI continued with the works that has already started earlier and also initiated few new activities in the areas of human rights and environment.

Adopt a Village is an initiative of ACI for the progression of the community through sustainable poverty reduction initiatives. This is a CSR approach to change the society by providing adaptable technology, cost effective solution and services. At the initial stage, ACI adopted a village as pilot basis to improve the villagers' knowledge on personal hygiene, sanitation and agricultural practices. In Year 2012, this project has been replicated in further 11 villages under the Gopalganj Sadar and Tungipara Upazila. According to the action plan, ACI provided training on safe and judicious use of pesticides among 1455 farmers in 50 batches from selected 11 villages to educate the farmers about the best agronomic practices. ACI also distributed personal protective equipment (PEE) among the farmers where every lead farmer got apron, safety goggles, a set of hand gloves and a spray machine. In an effort to allow villagers to get access to safe drinking water, ACI also installed at least 22 Deep Tube Wells (DTW) in the villages of Gopalganj district where people were facing acute shortage of pure drinking water. ACI is also performing a consistent motivational activity among the villagers about vegetable cultivation, homestead gardening, safe drinking water, hygiene and sanitation, etc. About 200 households are engaged in vegetable cultivation in their homestead premises.

ACI has observed the "International Safe Motherhood Day" on 28 May 2012 and took a month long program to help mothers and new born babies protecting them from all kinds of germs. ACI distributed Savlon New Born Baby Kit to all the mothers of new born babies at 47 Smiling Sun Franchise Program (SSFP) clinics throughout Bangladesh through partnership arrangement with SSFP.

ACI Pure Flour a subsidiary of ACI Ltd, with the help of NHN (National Health Network) center run by BIRDEM, observed "World Diabetes Day" by undertaking a highly effective awareness campaign on 14 November 2012. Throughout the day, 15 teams interacted with diabetes patients, advised them to emulate doctors' suggestions and raised awareness about diabetes. They distributed leaflets which were enriched with valuable information that ranged from types of diabetes and their respective prevention methods, diet chart, etc.

Providing comprehensive care for patients with advanced disease (Palliative care) is now widely recognized as a critical global need. In collaboration with Institute for Palliative Medicine, ACI is at the leading edge of the effort to meet these needs. From ACI, Dr. Rumana Dowla is participating in the International Palliative Care Leadership Development Initiative, 2012-2013. The Knowledge and skills of this initiative can be used to benefit others, strengthen the community and also enrich the organization.

For further information on the Compact, please visit www.unglobalcompact.org



About Cover: The cover depicts the systemic and dynamic nature of ACI's businesses where energy of our empowered employees are linked with highly effective globalisation strategies using internal driving force to meet the challenges of creating better value for our customers.

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Corporate Management



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



Mr. Abdul-Muyeed Chowdhury
Director



Mr. Juned Ahmed Choudhury
Director



Ms. Sheema Abed Rahman
Director

Board of Directors

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
Director, 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 40th Annual General Meeting

Notice is hereby given that the 40th Annual General Meeting of Advanced Chemical Industries Limited will be held on Tuesday, 11 June 2013 at 10:30 a.m. at Officers Club, 26 Baily Road, Dhaka to transact the following business:

AGENDA

Ordinary Business

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31 December 2012 together with Reports of the Auditors and the Directors.
2. To declare dividend for the year ended 31 December 2012.
3. To elect Directors of the Company.
4. To confirm appointment of Independent Directors as nominated by the Board.
5. To appoint Auditors for the year 2013 and to fix their remuneration.

Special Business

1. To pass Special Resolution as follows:

"Resolved that the arrangement for amalgamation of assets and liabilities of Apex Leather Craft Limited with Transferee Company Advanced Chemical Industries Limited (ACI) as of 31 December 2012 in terms of the provisions of section 228 & 229 of the Companies Act 1994, as contained in the scheme of Merger & Acquisition, is hereby approved subject to the sanction of the Honorable High Court Division of jurisdiction of the Supreme Court of Bangladesh and upon compliance of its order in the matter."

By Order of the Board

Sheema Abed Rahman
Company Secretary

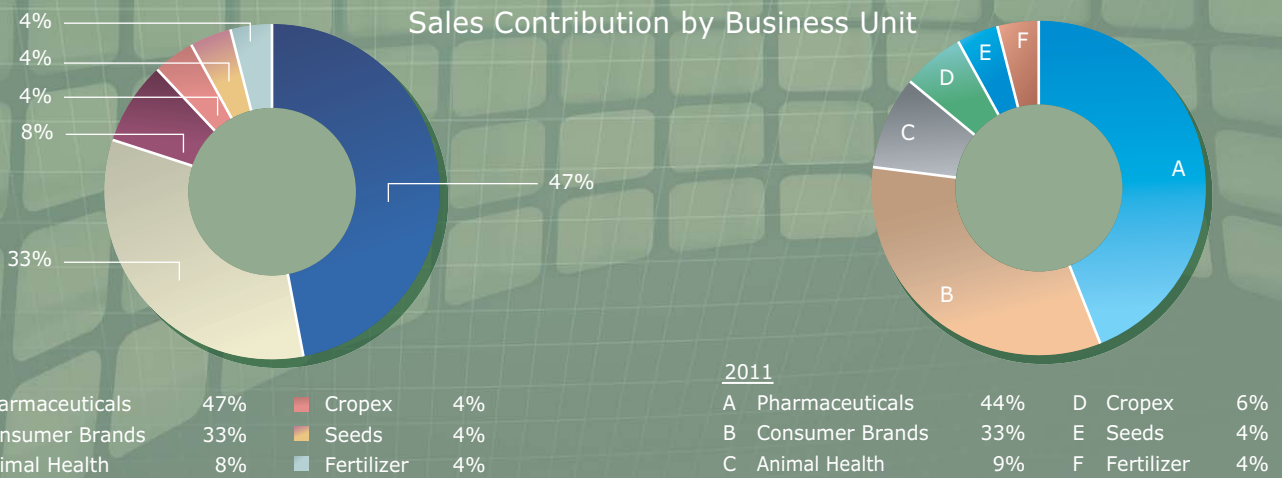
Dhaka
30 April 2013

Notes

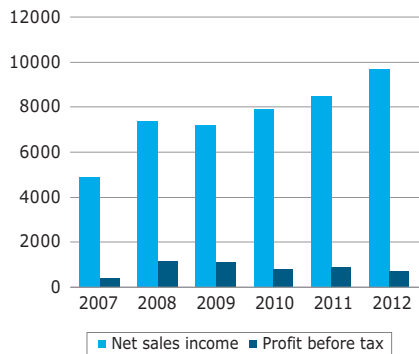
- a. The Record Date shall be on Sunday, 12 May 2013.
- b. The Shareowners' names appearing in the Register of Members of the Company or in the Depository on the Record Date will be eligible to receive the dividend.
- c. The Directors have recommended dividend as follows:
 - i. Cash dividend: @80% or Taka 8 per share of Taka 10 each for the year ended 31 December 2012.
 - 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 2012.
- 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.



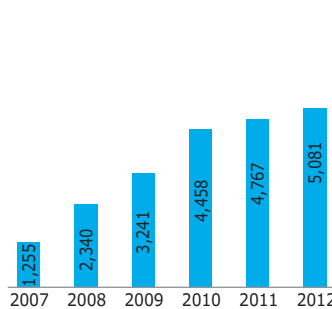
Year 2012 - at a Glance



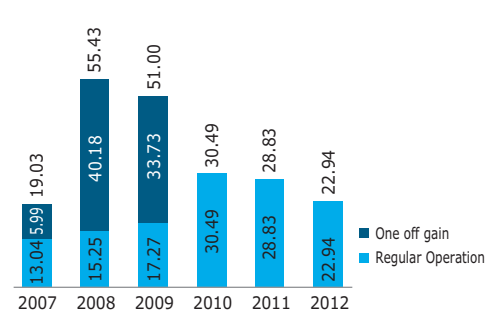
Net Sales Income & Profit Before Tax (Taka in Million)



Shareowners' Equity (Taka in Million)



Earnings Per Share (Taka)



ACI Group's Six Years' Comparative Statistics from 2007-2012

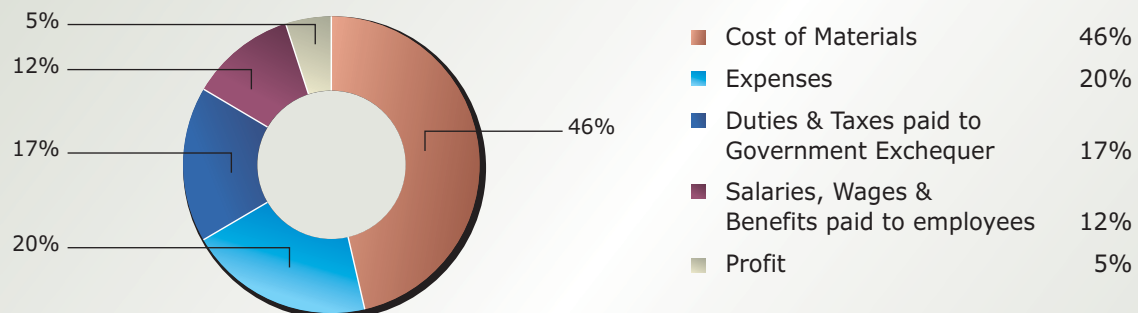
Particulars	2007	2008	2009	2010	2011	2012
Taka in million						
Authorized capital	500	500	500	500	500	500
Issued & paid capital	162	162	194	194	197	238
Current assets	3,228	5,926	7,639	7,591	8,486	9,927
Tangible fixed assets (gross)	1,949	3,822	4,394	5,255	6,322	7,826
Shareowners' equity	1,794	2,667	3,200	4,328	4,195	3,797
Turnover (net)	5,756	10,341	12,300	14,498	17,460	21,976
Gross profit	2,007	3,052	3,584	4,140	4,835	5,668
Profit before tax	531	1,095	769	471	593	104
Profit after tax	340	918	598	216	238	(166)
Current ratio (times)	0.93	0.99	1.07	1.05	0.88	0.84
Quick ratio (times)	0.47	0.47	0.68	0.60	0.49	0.47
Return on equity (%)	18.95	34.42	18.69	5.00	5.67	(4.37)
Inventory turnover (times)	2.66	3.08	2.95	3.42	3.59	3.99
Debtors turnover (times)	8.53	7.44	6.56	6.42	6.02	6.66
Fixed assets turnover (times)	2.53	3.22	2.99	3.01	3.02	3.11
Net asset per share (Taka)	110.95	164.94	164.91	223.05	212.78	159.98
Earnings per share (Taka)	20.99	56.67	30.82	11.14	10.08	(6.98)



ACI Limited's Six Years' Comparative Statistics from 2007-2012

Particulars	2007	2008	2009	2010	2011	2012
Taka in million						
Authorized capital	500	500	500	500	500	500
Issued & paid capital	162	162	194	194	197	238
Current assets	3,121	4,987	5,369	5,856	6,955	8,335
Tangible fixed assets (gross)	1,541	1,700	1,830	1,813	2,546	2,975
Shareowners' equity	1,255	2,340	3,241	4,458	4,767	5,081
Turnover (net)	4,917	7,365	7,228	7,915	8,514	9,680
Gross profit	1,667	2,278	2,366	2,821	3,197	3,590
Profit before tax	426	1,184	1,108	808	893	737
Profit after tax	308	1,076	990	592	681	545
Dividend	137	194	204	237	197	238
Current ratio (times)	1.0	1.13	1.13	1.43	1.31	1.17
Quick ratio (times)	0.6	0.66	0.66	1.01	0.98	0.87
Return on equity (%)	24.5	45.98	30.55	13.28	14.29	10.73
Inventory turnover (times)	3.6	3.47	2.83	3.08	3.05	3.12
Debtors turnover (times)	7.5	9.00	7.61	7.27	7.92	7.99
Fixed assets turnover (times)	4.1	4.91	4.13	4.35	3.91	3.51
Net asset per share (Taka)	77.6	136.34	167.06	229.75	241.98	213.73
Market price per share (Taka)	181.7	521.30	447.10	372.60	206.60	141.20
Earnings per share (Taka)	19.03	55.43	51.00	30.49	28.83	22.94
Dividend per share (Taka)	8.50	12.00	10.50	12.00	10.00	10.00
Dividend rate (%)	85.0	120.0	105.0	120.00	100.00	100.00
Dividend payout ratio (%)	44.7	21.6	20.6	39.36	34.69	43.58
Price earnings ratio (times)	9.5	9.4	8.8	12.22	7.17	6.20
Dividend yield (%)	4.7	2.3	2.3	3.22	4.84	7.10
Number of employees	3,050	3,339	3,552	3,378	4,014	4,560

Analysis of Turnover (%)



Comparison of Turnover & Costs over last year

	2012	%	2011	%
Turnover (Gross)	10,927.36	100	9,726.22	100
Cost of Materials	5,067.90	46.38	4,431.39	45.56
Salaries, Wages & Benefits paid to employees	1,257.32	11.51	1,061.22	10.91
Expenses	2,204.47	20.17	1,733.72	17.83
Duties & Taxes paid to Government Exchequer	1,852.56	16.95	1,818.07	18.69
Profit	545.12	4.99	681.82	7.01
Total	10,927.36	100.00	9,726.22	100.00



Message from the Chairman

*Dear Shareowners
and Friends of AES,*

Assalamu Alaikum,

I welcome you to the 40th Annual General Meeting.

Businessmen of the country are watching with great concern and anxiety how the destructive forces of political confrontation have started hurting the economy and causing lawlessness. Advice and caution about the adverse effect of confrontational politics on the economy and welfare of the people have been highlighted by the Business Leaders but have been ignored. We are silent spectators of a game of destruction in the name of saving democracy. Business will suffer tremendously and it will take years to recover from the consequences.

Sense of insecurity and deterioration of law and order situation have affected investment. Domestic consumption of goods and services has started to decline. Currency has begun to be unstable. Financial market has also lost its robustness. We, as a highly geared Company, have been particularly hit hard because of higher

interest rate. The government has begun to make up its revenue shortfall by introducing some irrational taxes through SRO. In our case two of our industries, which are operating on very low margin are seriously affected by these new taxes.

Our most important project, "Shwapno", has shown some remarkable improvements under the stewardship of a new Executive Director and we believe that the business model we have set up is the one that will lead us to success. We consider that the losses have been balanced out by the value of brand building of the name "Shwapno". I have no doubts that we will succeed in this pioneering role in successfully operating modern trade in Bangladesh, which will serve the emerging middle class who will be the backbone of our economy in not too distant future.

Dear Shareowners, a contribution we are making in our nation building is by developing human resources through training and empowerment.



Our middle-order Executives will become the future leaders of industry, trade and commerce. We are proud of our employees for their innovativeness and creativity which they are using successfully to reduce the adverse effect of hartals and lawlessness at present and in peace time will use in business development. We care for our people and they, care for the Company.

On behalf of the Shareowners and my own behalf I thank the employees at all levels for their devotion to duty and loyalty to the Company. I also thank our suppliers and our consumers for their support and understanding in these difficult times. Our neighbourhood at all locations is supportive and helpful.

I had promised you two years ago that we are testing the grounds of Corporate Social Responsibility (CSR) with some small projects. We have completed some of these and others are ongoing. We are now in a position to give you,

from next year, a separate brochure in which our CSR activities will be described, Sustainability issues will be conceptualized, Social Business concept will be expanded and how to approach the issue to realistically implement it for the benefit of our stakeholders as well as society as a whole. This is something to look forward to next year.

Wishing you good health, prosperity and happiness.

Allah Hafez.

Sincerely,



M Anis Ud Dowla
Chairman, ACI Group

Audit Committee Report

The Board of Directors of Advanced Chemical Industries (ACI) Limited has constituted an Audit Committee as per Bangladesh Securities and Exchange Commission's (BSEC) guidelines which is appended at the Compliance Report enclosed with the Directors' Report. The Committee consists of Mr. Golam Mainuddin, Ms. Shusmita Anis, and Ms. Sheema Abed Rahman. Mr. Golam Mainuddin is an Independent Director and also the Chairman of the Committee. Ms. Sheema Abed Rahman, Company Secretary, is also the Secretary of the Audit Committee. The Audit Committee is appointed by the main Board. All members of the Audit Committee are financially literate and are able to analyze and interpret financial statements to effectively discharge their duties and responsibilities as members of the Audit Committee.

Purpose of Audit Committee

The role of the Audit Committee is to scrutinize and monitor the authenticity of the financial statements of the Company and review and, where appropriate, make recommendations to the main Board as per Terms of Reference given by the Board. The Audit Committee reviews on business risks, internal controls and compliances. The Committee satisfies itself, by means of suitable steps and appropriate information, that proper and satisfactory internal control systems are in place to identify and contain business risks and that the company's business is conducted in a proper and economically sound manner. The key responsibilities of the Audit Committee include:

- Monitor the integrity of the financial reporting process ensuring compliance to accounting policies, Standard Operating Procedure (SOP) and principles defined by the Company.
- Monitor internal control and business risk management process as laid down by the Company.
- Oversee hiring and performance of external auditors.
- Monitor and review the effectiveness of internal audit function.
- Other matters as per terms of reference of the Audit Committee.

Authority

The Audit Committee is authorised by the main Board to review any activity within the business as per its Terms of Reference. It is authorised to seek any information it requires from, and require the attendance at any of its meetings of, any Director or member of management, and all employees are

expected to co-operate with any request made by the Committee.

The Committee is also authorised to refer any matter to the Board.

Meeting Attendance

The Audit Committee met four times during the year 2012. The details of attendance of each member at the Audit Committee meetings during 2012 are as follow:

Composition of Audit Committee	No. of Meeting Attended
Golam Mainuddin Chairman (Independent Non-Executive Director)	4
Ms. Shusmita Anis (Non-Executive Director)	4
Ms. Sheema Abed Rahman Secretary, Audit Committee Company Secretary, ACI Ltd.	2

The Audit Committee Meeting is attended by Chief Financial Officer, Internal Auditors of ACI Limited and all the above Members of the Audit Committee appointed by the Board. From time to time, the Managing Director also joins the Meeting.

Summary of Activities 2012

In 2012, the Audit Committee reviewed its Terms of Reference in line with requirements of BSEC notification on Corporate Governance. The Committee carried out its duties in accordance with the Terms of Reference of the Audit Committee.

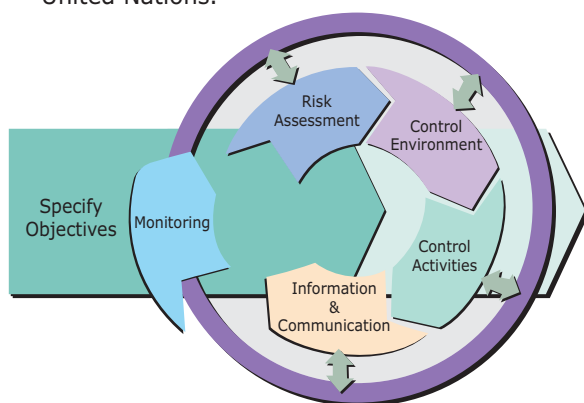
During the year 2012, the Audit Committee carried out the following activities:

1. Internal Control and Business Risk management

The Board has established a process designed to provide reasonable assurance by the Management regarding the achievement of objectives relating to effectiveness and efficiency of operations, reliability of the information and reporting, compliance with applicable laws, regulation and policy, procedures and safeguarding company assets. The internal control system of the company has been working through five components.

To further strengthen the controls, the company has introduced and consistently complying the following international standards and guidelines:

- ISO 9001:2008 Quality Management System
- ISO 14001:2004 Environmental Management System
- Adopted Ten Principals of Global Compact, an initiative taken by the Secretary General of the United Nations.



Business Risk Management is an ongoing process in ACI where strategic business units identify the risk, recognize risk factors, review and evaluate risks to the achievement of business objectives. The Managing Director has to satisfy the Board adequacy of the assigned Business Risk

Management and Internal Control Process. Internal Audit is dedicated in a pivotal role into Risk Management Process. As such, Risk Management and Internal Audit department conducts yearly review focusing on to the risk indicators, where a detailed risk map is prepared.

Audit Committee and Managing Director review this risk map periodically.

2. Internal Audit

Audit activities play an essential and useful role in the conduct of successful operations. These activities serve to examine and evaluate financial, administrative and operational activities of the company, supplying management personnel at all levels with information to assist in their control of the assets and operations and their attainment of objectives for which they are responsible.

The internal audit activity is established to provide independent, objective assurance and consulting services designed to add value and improve the company's operation. It helps the SBU's achieving its objective by bringing a systematic, disciplined approach to evaluate risk management, control and governance process. It performs ongoing evaluations of internal controls, advises the audit committee, management and the statutory auditors of the result of their evaluations and makes recommendation to improve risk management, control and governance process. A comprehensive internal audit plan is prepared on yearly basis and internal audit activity is always conducted with the highest standards of business ethics, integrity and honest dealings in all areas and functions within the company and with all outside stakeholders. Internal Audit mainly concentrates on risk-based audit approach, and that allows Internal Audit to provide assurance to the Board that risk management processes are managing risk effectively, in relation to the risk appetite.

Sheema Abed Rahman

Sheema Abed Rahman

Secretary, Audit Committee
Company Secretary, ACI Ltd



Golam Mainuddin

Chairman
(Independent Director)



Report of the Directors to the Shareowners

Overview

2012 has been a challenging year for ACI. The company faced an adverse macroeconomic environment. However, ACI and its resilient workforce managed to increase the business by 13.70% over the previous year.

Interest rates were high throughout the year and the exchange rate against the US Dollar was unfavourable as well. Cost of raw material went up significantly. High rate of inflation and political instability increased cost of doing business which ultimately deteriorated the overall business climate.

ACI focused its activities around efficiency and productivity. The goal was to restore profitability that was eroded due to the macroeconomic factors. This meant that there was increased focus on cost reduction and optimization rather than growth and expansion. We managed to achieve

moderate success to restore the profitability, which is likely to continue through 2013.

Bird flu adversely affected our animal health and poultry business joint venture. Farmer did not fare well which affected agribusiness, in particular agri-machineries business which is closely tied to farmers' prosperity. Export orientation and preparedness of ACI Pharma to approach regulated markets. There was a significant increase in the sales of ACI Salt, in line with our investment in capacity. Logistics sales volume had more than doubled, improving the quality of the business significantly. Through these ups and downs, ACI managed to navigate through a challenging year and served our customers with distinction. Through continued effort, we expect ACI will be able to generate greater value for its stakeholders.





Strategic Business Units and Subsidiaries



Health Care
Consumer Brands
Agribusinesses | Logistics

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

Health Care Division

Our International Marketing team has strengthened ACI's presence in overseas markets with strong dedication and support of overseas partners



The pharmaceutical Industry experienced a sluggish growth in 2012 according to IMS. The industry has grown by 11.9% over last year whereas, the business had a growth of 21%. This has been primarily driven by the strategic reorganisation of product portfolio launched in the beginning of last year.

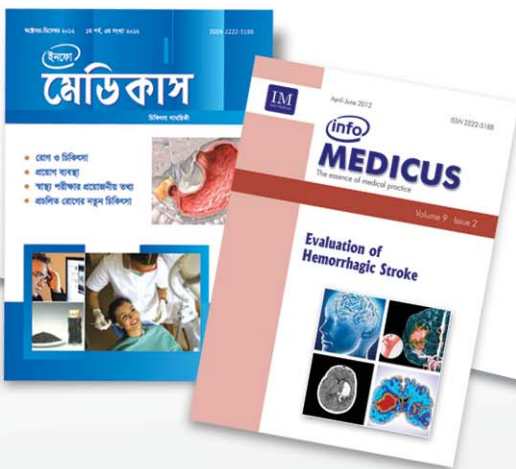
Diabetes is one of the fastest growing health problems in Bangladesh. ACI pharmaceutical business had launched a range of Insulin products, brand name Diasulin, to provide improved solution to this challenging health issue. In addition, 85 new products were launched which was 21% higher than that of 2011.

International Marketing team has strengthened ACI's presence in overseas markets with strong dedication and support of overseas partners.



ACI exported its quality products to 13 countries. ACI's products are in different phases of registration in another 23 destinations. ACI had planned to establish a new manufacturing plant according to the USFDA guidelines to include the highly regulated US market on its international market portfolio. Some progresses had been made.

Medical Services Department has been organising CME Programmes, Scientific Seminars, and Live Workshops with the collaboration of different medical societies. About 46,000 doctors had participated in CME and Scientific Seminars arranged by ACI in 2012.



In addition, ACI and Bangladesh Lung Foundation have introduced Evidence Based Medicine (EBM) training programme for the first time in Bangladesh.

In 2012, 'Info Medicus' a quarterly newsletter for medical professionals got the International Standard Serial Number (ISSN) from ISSN National Centre, France. This recognition has had created a greater value for 'Info Medicus' and further enhanced its credibility. ACI has been playing an important role on knowledge transfer, hence, contributing to the quality of healthcare in Bangladesh.

Consumer Brands Division

Creativity and consumer driven marketing still remains the key to success for this high visibility business



The Consumer Brands Division has a number of market leading brands namely, ACI Mosquito Coil, Aerosol Insect Spray, Savlon as well as a number of prominent international brands in its portfolio. The division has registered a satisfactory 12% growth over 2011.

From the Home Care solutions category, ACI Mosquito Coil has further strengthened its No.1 position in the market reaching 38% market share against 32% in 2011. ACI Aerosol Insect Spray has also successfully retained its leadership position with 83% market share. Vanish Toilet Cleaner grew by 15% while Angelic Air Freshener grew at an impressive rate of 23%.

Savlon continued its journey for germ free household solutions with its superior quality clinical and personal care products. The brand continued to perform well with the portfolio registering a cumulative growth of 32%. Savlon Liquid Antiseptics & Cream maintained market share of 75% in each category as the dominant

market leader and the Bar Soap under the brand group grew by 82% while Savlon Hand wash by 24%. As an extension to the category, 35 gram Savlon mini soap was introduced for deeper consumer penetration. Savlon Freedom Sanitary Napkin had a sustainable growth of 35% capturing more share in the market from international brands and improving consumer loyalty.

Consumer Brands Division is also enriched with prominent international brands like Colgate, Nivea, Merisant and Laser. The portfolio has registered impressive growth of 20% over 2011.

Creativity and consumer driven marketing still remains the key to success for this high visibility business.

ACI Electrical Division & Consumer Electronics

ACI Electrical Division and ACI Consumer Electronics are two relatively new divisions and



are continuously working with great efforts to establish strong position. The Consumer Electronics has achieved an outstanding growth of 75% over last year.

In order to better serve the customers and creating local jobs, the Electrical Division has installed its own production facility, expected to be in full operation in 2013.

Foods

ACI Foods achieved a revenue growth of 28%. The business was reengineered to make it more focused on consumer preferences. The sales and distribution had been strengthened and the product portfolio was rationalised to create a much more efficient business model.



ACI Foods had invested in new technologies. The factory has improved its capability to produce a wider variety of high standard products with proper process that ensures consistency and quality.

Both the brands 'PURE' and 'Fun' are active in the consumer market through products that highlight taste and quality as the emerging branded food industry get developed.

ACI Foods products are also made available in various international markets through exports. Spices, packaged foods, frozen foods, etc are being exported to 17 countries which are becoming products of choice to the Bangladeshi expatriates. The export business is showing a positive growth and a clear direction for future opportunities.

Flour

This year ACI Pure Flour achieved a 16% growth. The business managed to use its full production

capacity. Various new and cost effective marketing activities and campaigns have been undertaken throughout the past year.

The business launched a new range of products that focused on healthy living under the ACI Nutrilife brand. Consequently, we have launched two products named ACI Nutrilife Low GI Rice and ACI Nutrilife Multi Grain Atta for health conscious people. ACI Pure brand along with the Nutrilife range have developed an exciting portfolio that will have more to offer to the consumers.

Edible Oil

The journey of ACI Edible Oils Limited started with potential market coverage with a single product of soyabean oil. However, in 2012, the



company launched a healthier and heart friendly product, ACI Nutrilife Rice Bran Oil which is fortified with anti-oxidant and vitamin E along with its high smoke point allows us to use less oil for cooking. These properties give us the confidence that this new product would create a new avenue of growth in the business.

Salt

The business achieved outstanding growth of 60% over 2011, mainly due to price increase and better market share.

Raw materials price and scarcity were serious challenges for the business. In the second half of the year, import of salt in finished form impacted the market tremendously, putting all the local manufacturers in a difficult position.

Our new plant has been commissioned and the suppliers are trying to improve the performance of the plant which is still below the guaranteed capacity.

Agribusinesses Division

ACI Seed intends to contribute to the development of seeds in Bangladesh, not just in through market share, but in terms of product innovation and transformation of agricultural practice



Crop Care and Public Health

In 2012, less infestation of pests, inadequate rainfall and lower price of paddy had induced the farmers to use less crop care products where industry decreased by 1% and ACI increased by 7% of sales value over 2011. The business has registered six new products to strengthen its portfolio.

With a view to create and develop Trade Network, Retailers Development Programmes were conducted where around one thousand retailers were trained across the country and provided them with signboards. Ten products were registered in Myanmar for export. This is the first instance of export arrangement of pesticides from Bangladesh.

Vector borne diseases are now a significant problem in Bangladesh and surrounding counties. ACI has introduced new technology to control vector borne diseases by marketing Long Lasting

Impregnated Net (LLIN), Multi Location Community Based Field Trial under the guidance of NIPSOM and providing high technology yield booster.

By using this yield booster farmers are getting 15% to 20% additional yield of paddy and above 35% more yield in vegetables and fruits.

Fertilizer

ACI Fertilizer's sales have grown by 6% in 2012. Although farmers incurred a loss on two of its major sub-market namely rice and potato, the business maintained its market leader position in the Micro Nutrient Market with 18% market share. We observed remarkable growth of Gypsum by 58% and Organic Fertilizer by 24%.

ACI Fertilizer has signed an agreement with RDA and started marketing 'Polly Joibo Sar' to cater to the growing demand of the farmers.



The business has been focused on crop based promotional activities highlighting the crop wise nutrient solution and getting remarkable response from farmers and traders. ACI Fertilizer will continue to establish strong trade channel around the country. ACI Fertilizer is working on balanced plant nutrition and new technology products with the aim of ensuring food security and farmers' prosperity.

Seed

ACI Seed's revenue has grown by 18%. This result is commendable considering that crop prices were lower than expected last year. Focus was shifted towards vegetables and maize, realizing the uncertainty in hybrid rice market. Several new varieties have been launched that significantly contributed to growth.

ACI Seed's R&D department is working with 300 diverse germplasm of different crops and has already invented five new hybrid vegetables, and subsequently initiated large scale seed production. Summer Cauliflower and Summer Tomato are significant innovations. In addition, two new varieties of maize were launched that received good response from the market.

Hybrid Breeding and Molecular Plant Breeding were initiated in order to fill in the gaps in the development of plant varieties suitable for specific ecological conditions in Bangladesh, and for specific traits of both nutritional and commercial importance.

ACI Seed intends to contribute to the development of seeds in Bangladesh, not just in through market share, but in terms of product innovation and transformation of agricultural practice.

Cropex

ACI Cropex did not perform as per expected. The business is taking measures to improve its business model emphasizing on building business efficiency by focusing on farmers aligned business model to develop Cropex brand in the agriculture value chain. They have started contract farming at Rajbari with the support from practical action.

Although Cropex has achieved little, ACI Cropex aims to give higher return on investment and fair value for the farmers. ACI Cropex has a vision to play a vital role in developing market linkage for farmers and make a significant impact in the agricultural value chain.



The business has been focused on crop based promotional activities highlighting the crop wise nutrient solution and getting remarkable response from the farmers and traders



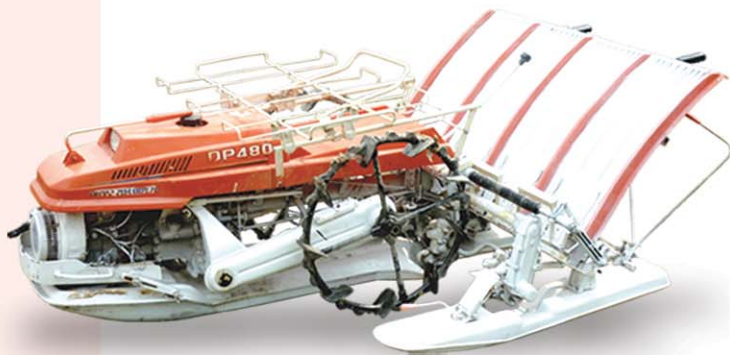


Motors

In 2012, the tractor industry has declined by 47% coupled with a decline in power tiller industry by 55%, which caused the sales of ACI Motors to decline by 15%. This is mainly due to shrinking purchasing power of the farmers as a result of lower paddy price. ACI Motors will focus on cost reduction, improve information technology for reducing supervision cost, and source low cost fund to reduce financing cost and add to the profitability of the business.

To cater to the low purchasing power of farmers, we have introduced the smallest tractors (20 HP) named Sonartrac. New model of power tiller and diesel engine were also introduced. Sales and service centers ensured high quality after sales service, including repairs and spare parts supply. ACI Motors introduced some innovative products like reaper, storage cocoon and grain dryer for the farmers.

ACI Motors came up with an array of mechanization solutions for the farmers in the areas of cultivation, post harvest technologies, haulage, harvesting, irrigation solutions, and transplanting. These activities will allow the business to contribute more effectively in reducing cost of agricultural production, optimization of production timeline, and consequently, prosperity for the farmer.



Animal Health

ACI Animal Health had achieved sales growth of 9% over last year. During the first half of 2012, there was a negative growth in poultry and vaccine as bird flu resulted in a loss in chick population.

The aim of ACI Animal Health is to increase the supply of quality protein by ensuring healthy Livestock and Fisheries. ACI Animal Health markets premium quality nutritional premix, disinfectants, anthelmintics, antibiotic and others for livestock.

The business has recovered from a difficult situation gradually with the increased sales of Ceva-biomine Vaccine. There were 26 new products launched and 8 reformulations done in 2012.

Bird flu has proved to be an epidemic for the whole world, and not only Bangladesh. The poultry industry of Bangladesh has suffered a great deal in 2011-12 because of the epidemic. ACI Animal Health had come up with HVT-AI Vaccine for the first time in Bangladesh to prevent bird flu which is caused by Avian Influenza. The vaccine is cost effective since it is only given once in a life to the chicken. The Ministry of Livestock and Fisheries of Govt. of People's Republic of Bangladesh has approved this innovative product.



Logistics

2012 has been a year marked by significant developments for ACI Logistics. Some highlights of these achievements include attaining market leadership, brand acceptance and improvement in supply chain via various strategic business initiatives. Other operational improvements included outlet pruning and cost minimization.

A revenue growth of 131% was one of the most notable accomplishments for Shwapno in 2012. This spike in earnings were the direct outcome of efforts in the area of customer base expansion using penetration pricing which helped draw in customers from the lower and upper middle echelon of the society. Given that the purchasing power of these segments has seen a relative uphill climb their shift to shopping from Shwapno has ensured that the latter is able to experience a constant and steady growth.

Brand salience and acceptance were a crucial development areas in 2012 and one of the fundamental reasons, a footfall growth of 35%, was possible for Shwapno. Increased visibility through consistent and tactical BTL (Below the Line) communication, as well as one to one communication, has ensured Shwapno is widely recognized in Dhaka, Chittagong and Sylhet.

Slight alteration of ACI Logistic's existing business model has also made noteworthy differences in Shwapno's performance. Joint business plans and

agreements with some of the leading companies in Bangladesh i.e. Bata, Nestle and Unilever have ensured that Shwapno is able to get exclusive offers for its customers on their products. Shwapno is now currently the largest seller of leading brands like Coca-Cola, Lux, Maggi etc. Moreover, introduction of DSD (Direct Store Delivery) brought about much needed efficiency in the distribution of items from the Distribution Centre to the outlets. It must be noted that Shwapno's burgeoning customer base and its ensuing scaling created the opportunity to improve its value chain and procure goods directly from the source at lower prices. These benefits were then passed on to the customers in order to instill the proposition that Shwapno offers the best value for money.

Establishing a larger assortment of profitable categories and private label branding on essential items such as rice, lentils, sugar and whole spice along with numerous variants of protein items has helped put Shwapno in the right direction for growth and success. Shwapno launched four new outlets which are already showing great potential of attracting large customer base.



Subsidiaries and Associated Companies

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

ACI Formulations Ltd., a Public Listed Company has provided its own report for its shareowners. The business has grown by 5.6% in sales and 2% in net profit.

Premiaflex Plastics had achieved a sales growth of 25%. This was mainly due to increase in raw materials price as well as shifting our business to more value added packaging required by premium customers.

Premiaflex Plastics ensures high quality flexible packaging solution to discerning customers in a timely manner. Premiaflex offers four kinds of packaging solutions which includes food products, agro and pesticides, cosmetics and toiletries, and pharmaceutical strip foil.

Premiaflex developed tea tag printed paper which has significant market demand. From the launching of Printed Pet Shrink Films, Premiaflex has gained significant market share. This product is a substitution for PVC. Printed Woven Bag was also a significant success of the business, securing the dominant market share of the business.

This B2B business and strong base of loyal customers including multinational and leading local business houses has developed a relationship, where trust and partnership is the cornerstone. The future looks bright for the business as we bring in new technologies and grow with our business partners.

ACI Godrej Agrovet Private Limited is a 50:50 joint venture company between ACI Limited & Godrej Agrovet Private Limited.

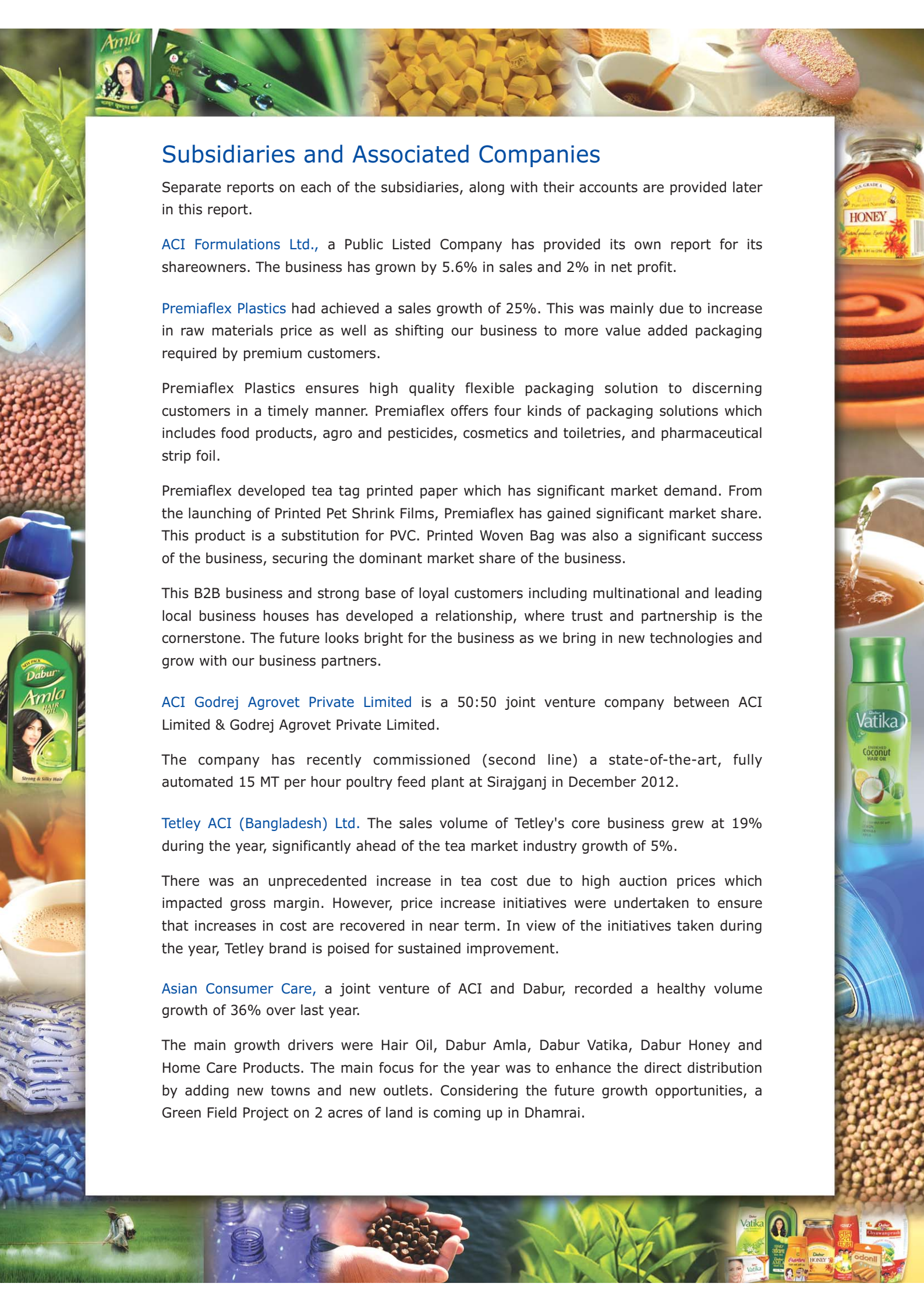
The company has recently commissioned (second line) a state-of-the-art, fully automated 15 MT per hour poultry feed plant at Sirajganj in December 2012.

Tetley ACI (Bangladesh) Ltd. The sales volume of Tetley's core business grew at 19% during the year, significantly ahead of the tea market industry growth of 5%.

There was an unprecedented increase in tea cost due to high auction prices which impacted gross margin. However, price increase initiatives were undertaken to ensure that increases in cost are recovered in near term. In view of the initiatives taken during the year, Tetley brand is poised for sustained improvement.

Asian Consumer Care, a joint venture of ACI and Dabur, recorded a healthy volume growth of 36% over last year.

The main growth drivers were Hair Oil, Dabur Amla, Dabur Vatika, Dabur Honey and Home Care Products. The main focus for the year was to enhance the direct distribution by adding new towns and new outlets. Considering the future growth opportunities, a Green Field Project on 2 acres of land is coming up in Dhamrai.



Financial Results - ACI Limited

In 2012, revenue of the company was reached to Tk. 9.68 billion from Tk. 8.52 billion of 2011, an increase of Tk. 1.17 billion or 13.70 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 0.39 billion) by 12 percent despite existence of adverse macroeconomic factors like high inflation leading to increased raw material prices and unfavourable conversion rates due to devaluation of Taka. Profit after tax has decreased to Tk. 0.55 billion from Tk. 0.68 of 2011 which was lower by 20 percent due mainly to unusual increase in interest cost both from the point of rate increase and negative impact of Taka devaluation. The basic earnings per share (BEPS) of the company was Tk. 22.94 in 2012 (Tk. 28.83 in 2011) representing a negative growth of 20.41 percent over last year. The diluted earnings per share (DEPS) of the company were Tk. 22.79 in 2012 (Tk. 28.54 in 2011). The DEPS 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 and in line with following a consistent dividend policy, the Directors recommended appropriation of net profit as follows:

	2012 Taka	2011 Taka
Un-appropriated profit from the previous year	2,938,370,766	2,454,473,365
Add: Net profit after tax for the year	545,115,873	681,129,072
Add: Realization of revaluation reserve	1,014,996	883,609
Total available for appropriation	<u>3,484,501,635</u>	<u>3,136,486,046</u>

Appropriation proposed:

Proposed dividend:

Cash dividend	190,547,216	158,492,224
Stock dividend	47,636,804	39,623,056
Total dividend	<u>238,184,020</u>	<u>198,115,280</u>
Balance carried forward	<u>3,246,317,615</u>	<u>2,938,370,766</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

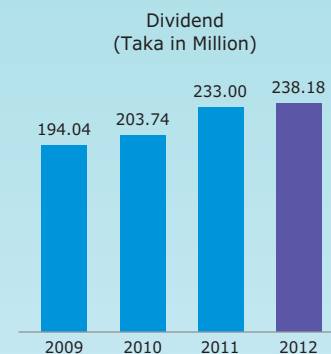
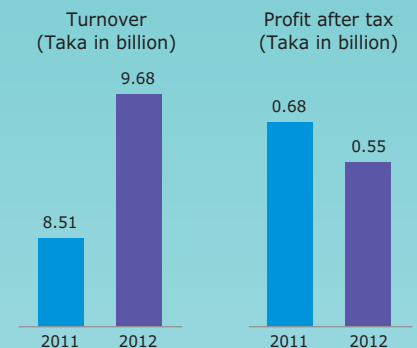
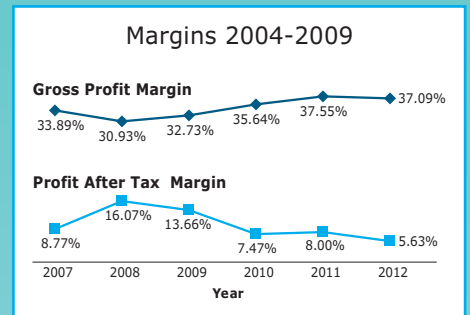
The Board of Directors is pleased to recommend dividend @ 100% which include Tk. 8.00 per share (80%) as cash dividend and 20% as stock dividend (1 share against each 5 shares) for the year 2012 to those shareowners whose names will appear in the Share Register of Members of the Company or in the Depository list of CDBL on the Record Date which is Sunday, 12th May 2013.

Contribution to the National Exchequer

During 2012, the company contributed Tk. 1.7 billion to the National Exchequer in the form of corporate tax, custom duty and Value Added Tax (VAT). This is equivalent to 17.39 percent of the Company's net sales revenue for the year 2012.

Cost of Goods Sold and Profit Margins

Year 2012 was impacted with frequent Taka devaluation and as most of our raw materials are sourced from overseas suppliers, this had a serious negative impact on COGS. This along with inflationary adjustments at suppliers end, on a unit to unit basis, COGS for the year was significantly higher than the last year. With improved mix and selective price increases of products along with higher volume, we have been able to improve the Gross Profit by around 12%. However, with higher interest rates and increased borrowings on account of accommodating increased cost of imports and higher operation cost, PAT showed a decline of 20%.





Financial Results - ACI Group

In 2012, turnover has reached to Tk. 21.98 billion from Tk. 17.46 billion of 2011, an increase of Tk. 2.96 billion or 26 percent over last year. The higher sales volume has also resulted into increase in cost of sales by 30 percent. Despite higher growth in cost of sales, gross profit has rather shown a positive growth of 16.38 percent mainly on account of improved mix and selective price increases of products. The operating profit resultantly was significantly higher (11 percent) than the comparative period. The group result was however, negative at the PBT level due mainly to massive increase in financing costs due to multiple factors like more than usual interest rate increase, affect of highest ever Taka devaluations that persisted throughout the year and continued financing of loss making units-both of them however, have improved their performance at the operating level. The consolidated basic and diluted earnings per share, therefore, in 2012 was negative Tk. 6.98 in comparison to last year's positive Tk.10.08 resulting into 169 percent adverse performance compared to 2011.

Directors Declaration as to Statutory Information

In connection with preparation and presentation of the financial statements, the Directors also report that:

- Segment-wise performance has been shown in Note-37 of the Financial Statements.
- The Company is aware of the different risks associated with doing business and is prepared to counter those risks through systematic approach. Financial risks management has been disclosed in the Note-33 of the Financial Statements.
- No extra ordinary gain or loss exists during the year as recommended by the Bangladesh Accounting Standards (BAS).
- All transactions with related parties are made on a commercial basis and the basis was the principle of "Arms Length Transaction". Details of related party transaction are disclosed in the Note-38(a) of the Financial Statement.
- No IPO or Right issue during the year.
- No significant variance occurs between Quarterly Financial Performance and Annual Financial Statement.
- During the year, Company has paid a total of Taka 18,750 as Board meeting attendance fees. The remuneration of Directors has been mentioned in Note-28 and 38(b) of the Financial Statements.
- The financial statement prepared by the management of the Company present a true and fair view of Company's state of affairs, result of its operation, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently followed in formulating the Financial Statements and Accounting estimates are reasonable and accurate.
- Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) have been followed in preparation of the financial statements.
- All significant variations in operating results from the previous year have been highlighted and reasons thereof have been explained.
- The key financial and operating data for last six years is disclosed at 'Year 2012-at a Glance'.
- The Company declared dividend in 2012.
- During 2012 a total of five Board meetings were held, which conform the regulatory requirements which are shown in Annexure-I.
- Shareholding pattern of the Company as on 31 December 2012 are shown in Annexure-II.
- The profiles of directors who have sought for appointment/re-appointment are shown in Annexure-IV.
- The CEO and CFO has certified to the Board that they have reviewed the Financial Statements and believe that these statements do not contain any material untrue statements or omit any material fact or certain statements that might be misleading.
- The CEO and CFO further confirm that Financial Statements together present a true and fair view of the Company's affairs and are in compliance with applicable laws.
- The CEO and CFO have further certified to the Board that there are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the Company's code of conduct.

Composition of the Board

The Board presently consists of 9 members drawn from amongst the major shareowners, business professionals. Mr. M Anis Ud Dowla currently occupies the position of Chairman of the Board and Dr. Arif Dowla as its Managing Director. Two independent Directors have been appointed during 2012 making on total Independent Directors to three which is in confirming with the SEC regulations. One Independent Director was re-appointed for a second term in 2012.

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 meeting held in 2012 was five. The Executive Directors are kept informed of the results and the major activities through distribution of the 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.

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.

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.

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.

Audit Committee

Following the BSEC Guidelines, the Board has constituted an Audit Committee for the Company which is mentioned at the Compliance Report enclosed herewith. The Committee comprises of Mr. Golam Mainuddin, Ms. Shusmita Anis and Ms. Sheema Abed Rahman. Mr. Golam Mainuddin is an Independent Director and also the Chairman of the Committee. The Audit Committee met four



Advancing Possibilities

Advanced Chemical Industries Limited 39th Annual General Meeting, 12 June 2012

এডভান্সড কেমিক্যাল ইন্ডাস্ট্রিজ লিমিটেড
৩৯তম বার্ষিক সাধারণ সভা, ১২ জুন ২০১২



Election of Director

By operation of Article 120 of the Company's Articles of Association Mr. Waliur Rahman Bhuiyan OBE and Mr. Md. Fayekuzzaman retire by rotation and being eligible, offer themselves for re-election.

Independent Director

The Board in its meeting held on Monday, 28 May 2012 appointed Mr. Abdul-Muyeed Chowdhury and Mr. Juned Ahmed Choudhury as Independent Directors of the Company in terms of the provision of BSEC guidelines.

The term of Mr. Golam Mainuddin, Independent Director has also been renewed for three years with effect from 10 October 2012.

Brief resume and other information of the above mentioned Directors as per clause 1.5 (xxii) of SEC Notification dated August 07, 2012 are depicted in Annexure-IV.

times during the year 2012. The Company Secretary functioned as Secretary of the Committee. The main performances of the Audit Committee during the year were as follows:

1. Reviewed and appraised the performance of internal control system.
2. Reviewed the risks associated with the company's operation including mitigation and awareness plan.
3. Overseeing hiring and performance of external auditors.
4. Ensuring Company's financial reporting process.
5. Reviewed the matter as required under the BSEC Guidelines

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 organization as a going concern and the Directors

analyze the financial statements to ensure that. Accordingly, Financial Statements are prepared on a going concern basis.

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

Corporate Governance compliance statement

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



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 the boards commitment to ensure that adequate risk management and internal control system are in place across the Company. In addition, the Company has adopted the Ten Principles of Global Compact, an initiative taken by the Secretary General of the United Nations and adopted worldwide by big and progressive companies.

followed in their own involvement in the oversight function and in setting up clear guidelines for the executive management.

We have the pleasure to confirm herewith that the Company has meanwhile complied with all the necessary guidelines under BSEC Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012. The compliance report along with the necessary remarks/disclosure is appended in the Directors' Report of the Company for the year 2012 in continuation pages of Annexure-III. Further a Certificate of Compliance required under the said Guidelines, as provided by Hoda Vasi Chowdhury & Co, Chartered Accountants, is also annexed to this report in Annexure-III.

Auditors

Our Auditor Messrs Hoda Vasi Chowdhury & Co, Chartered Accountants has sought re-appointment for the year 2013 and the Directors recommend their re-appointment.



The People of ACI

Development of people have been the cornerstone of ACI activity, and is the primary reason behind sustained business growth. Reinforcing our values through practice, communication and assessment has been carried out throughout the year. Through on-the-job coaching, mentoring, training, experience sharing and other ways of development, we upgrade the knowledge and skills of our people. We promote innovation in learning, as well as a work culture driven by innovation.

Productivity enhancement through transparency and accountability has been an important theme for the year. Greater use of information technology to measure various performance indicators played an important role in implementing the productivity drive. Rapid feedback and visibility of achievement generated greater excitement among many whose impact to the organization would otherwise be difficult to measure.

Team spirit and togetherness have been an integral part of ACI culture and we celebrate this

in a variety of ways all the year round. Through sport events, health and safety awareness programmes, field force conferences and cultural programmes, ACI people socially engaged with their colleagues, families and the community at large. CSR and sustainability consciousness has allowed ACI people to develop healthy relationship with the broader community.

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 wish 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 across 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.

On behalf of the Board



Dr. Arif Dowla
Managing Director



Mr. Waliur Rahman Bhuiyan, OBE
Director



Annexure - I

Number of Board meetings held and Attendance by the Directors

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

Name	No. of Meeting Attended
Mr. M Anis Ud Dowla	5
Mrs. Najma Dowla	4
Dr. Arif Dowla	5
Ms. Shusmita Anis	3 (resigned on 19-06-2012)
Mr. Juned Ahmed Choudhury	2 (joined on 28-05-2012)
Mr. Abdul-Muyeed Chowdhury	3 (joined on 28-05-2012)
Ms. Sheema Abed Rahman	4
Mr. Waliur Rahman Bhuiyan, OBE	4
Mr. Golam Mainuddin	4
Mr. Md. Fayekuzzaman	5

Annexure - II

Pattern of Shareholding

As per SEC guideline condition no-1.5(xxi), the pattern of shareholding status as on 31 December 2012 is given below:

1.5 (xxi) (a) Held by Parent/ Subsidiary/ Associates and other related parties: N/A

1.5 (xxi) (b) Held by Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children etc.:

Name	Position	No. of Shares
Mr. M Anis Ud Dowla	Chairman	3,187,384
Mrs. Najma Dowla	Director	665,116
Mr. Md. Fayekuzzaman-representing ICB	Director	-
Dr. Arif Dowla	Managing Director	866,619
Ms. Shusmita Anis	Director (resigned on 19.06.2012)	1,441,617
Mr. Waliur Rahman Bhuiyan, OBE-representing ACI Foundation	Director	-
Mr. Golam Mainuddin	Independent Director	Nil
Mr. Juned Ahmed Choudhury	Independent Director	Nil
Mr. Abdul-Muyeed Chowdhury	Independent Director	Nil
Ms. Sheema Abed Rahman-representing ACI Foundation	Company Secretary	11,880
Chief Financial Officer and his spouse and minor children	Nil	Nil
Head of Internal Audit and his spouse and minor children	Nil	Nil

1.5 (xxi) (c) Held by Executives

Name	Position	No. of Shares
Ms. Sheema Abed Rahman	Company Secretary	11,880

1.5 (xxi) (d) Held by Shareholders holding ten percent or more voting interest:

Name	Position	% of Shares
Mr. M Anis Ud Dowla	Chairman	13.41



Annexure-III

Hoda Vasi Chowdhury & Co **Chartered Accountants**

Independent Correspondent Firm to **Deloitte Touche Tohmatsu**

Certificate on compliance of conditions of corporate governance guidelines to the shareholders of Advanced Chemical Industries (ACI) Limited.

We have examined the compliance of conditions of corporate governance guidelines of the Bangladesh Securities and Exchange Commission ("BSEC") by Advanced Chemical Industries (ACI) Limited (the "Company") for the year ended 31 December 2012 as stipulated in clause 7(i) of the BSEC notification no SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012.

The compliance of conditions of corporate governance guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the Company's management. Our examination for the purpose of issuing this certification was limited to the checking of procedures and implementations thereof, adopted by the Company for ensuring the compliance of conditions of corporate governance and correct reporting of compliance status on the attached statement on the basis of evidence gathered and representation received.

To the best of our information and according to the explanations given to us, we certify that, as reported on the attached status of compliance statement, the Company has complied with the conditions of corporate governance stipulated in the above mentioned BSEC notification dated 07 August 2012.

A F Nesaruddin, FCA

Partner

ICAB Enrolment Number - 469
For Hoda Vasi Chowdhury & Co
Chartered Accountants

Dated, 30 April 2013

Hoda Vasi Chowdhury & Co

Chartered Accountants

Independent Correspondent Firm to **Deloitte Touche Tohmatsu**

Advanced Chemical Industries Limited

For the year ended 31 December 2012

Status of Compliance with the Corporate Governance Guidelines (CGG)

Status of the compliance with the conditions imposed by the Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 of the Bangladesh Securities and Exchange Commission (BSEC) issued under section 2CC of the Securities and Exchange Ordinance 1969: (Report under Condition No. 7.00)

Condition No.	Title	Compliance Status as on 31 December 2012	Remarks
1.1	Board's Size: The number of the Board members of the Company shall not be less than 5 (five) and more than 20 (twenty).	Complied	
1.2	Independent Directors		
1.2(i)	At least one fifth (1/5) of the total number of directors in the Company's Board shall be Independent Directors	Complied	
1.2(ii)	For the purpose of this clause "Independent Director" means a director-		
1.2(ii)(a)	Who either does not hold share in the company or holds less than one (1%) shares of the total paid up shares of the company.	Complied	
1.2(ii)(b)	Who is not sponsor of the Company and is not connected with any sponsor or director or shareholder who holds one percent or more shares of the Company.	Complied	
1.2(ii)(c)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	Complied	
1.2(ii)(d)	Who is not a member, director or officer of any stock exchange;	Complied	
1.2(ii)(e)	Who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	Complied	
1.2(ii)(f)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm;	Complied	
1.2(ii)(g)	Who shall not be an independent director in more than 3 (three) listed companies;	Complied	
1.2(ii)(h)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	Complied	
1.2(ii)(i)	Who has not been convicted for a criminal offence involving moral turpitude.	Complied	
1.2(iii)	Independent Director(s) shall be appointed by the Board of Directors and approved by the Shareholders in the Annual General Meeting (AGM);	Complied/ compliance in process	Independent directors appointed in the Board in 2012 will be approved in the forthcoming AGM.
1.2(iv)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	Complied	
1.2(v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	Complied	
1.2(vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	Complied	
1.3	Qualification of Independent Director (ID)		
1.3(i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	Complied	

Contd.



Condition No.	Title	Compliance Status as on 31 December 2012	Remarks
1.3(ii)	The person should be a Business Leader / Corporate Leader / Bureaucrat / University Teacher with Economics or Business Studies or Law background / Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management / professional experiences.	Complied	
1.3(iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	Not applicable	
1.4	Chairman of the Board and Chief Executive Officer: The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.	Complied	
1.5	Directors Report to Shareholders shall include following additional statements on:		
1.5(i)	Industry outlook and possible future developments in the industry.	Complied	The Directors' report complies with the guideline.
1.5(ii)	Segment-wise or product-wise performance.	Complied	Do
1.5(iii)	Risks and concerns.	Complied	Do
1.5(iv)	Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	Complied	Do
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss.	Not applicable	No extraordinary gain or loss experienced during the period
1.5(vi)	Statement of all related party transactions.	Complied	The Directors' report complies with the guideline.
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	Not applicable	
1.5(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	Not applicable	There was no IPO/RPO/ Right issue in 2012
1.5(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	Complied	The Directors' report complies with the guideline.
1.5(x)	Remuneration to directors including independent directors.	Complied	Do
1.5(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	Complied	Discussed in "Directors' declaration as to Statutory Information"
1.5(xii)	Proper books of account of the issuer company have been maintained.	Complied	Do
1.5(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	Complied	Do

Condition No.	Title	Compliance Status as on 31 December 2012	Remarks
1.5(xiv)	International Accounting Standards (IAS) / Bangladesh Accounting Standards (BAS) / International Financial Reporting Standards (IFRS) / Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.	Complied	Do
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	Complied	Stated under section "The system of Internal Control" in the Directors' Report.
1.5(xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	Complied	Stated under section "Going Concern" in the Directors' Report.
1.5(xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	Complied	The Directors' report complies with the guideline.
1.5(xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	Complied	Six years' key operating and financial data has been disclosed at the 'Year-2012 at a Glance' of Annual Report.
1.5(xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	Complied	The Directors' report complies with the guideline.
1.5(xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	Complied	Stated in Annexure-I of the Directors' report which comply with the guideline.
1.5(xxi)	The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:-		
1.5(xxi)(a)	Parent / Subsidiary / Associated Companies and other related parties (name wise details);	Complied	Stated in Annexure-II of the Directors' report which comply with the guideline.
1.5(xxi)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	Complied	Do
1.5(xxi)(c)	Executives;	Complied	Do
1.5(xxi)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	Complied	Do
1.5(xxii)	In case of the appointment / reappointment of a director the company shall disclose the following information to the shareholders:- A brief resume of the director;		
1.5(xxii)(a)	A brief resume of the director.	Complied	The Directors' report complies with the guidelines
1.5(xxii)(b)	Nature of his / her expertise in specific functional areas;	Complied	Do
1.5(xxii)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	Complied	Do

Contd.



Condition No.	Title	Compliance Status as on 31 December 2012	Remarks
2.0	Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS)		
2.1	The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	Complied	
2.2	Requirement to attend the Board Meetings The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	Complied	
3.0	AUDIT COMMITTEE:		
3.0 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	Complied	
3.0(ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	Complied	
3.0(iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	Complied	
3.1	<i>Constitution of the Audit Committee:</i>		
3.1(i)	The Audit Committee shall be composed of at least 3 (three) members.	Complied	
3.1(ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) Independent Director.	Complied	The members of the Audit Committee have been appointed by the Board of Directors who are Directors and which includes one Independent Director.
3.1(iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	Complied	
3.1(iv)	Filling of casual vacancy in the Audit Committee.	Complied	
3.1(v)	The company secretary shall act as the secretary of the Committee.	Complied	
3.1(vi)	The quorum of the Audit Committee meeting shall not constitute without Independent Director.	Complied	
3.2	Chairman of the Audit Committee		
3.2(i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	Complied	
3.2(ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	Complied	
3.3	<i>Role of Audit Committee:</i>		
3.3(i)	Oversee the financial reporting process.	Complied	
3.3(ii)	Monitor choice of accounting policies and principles.	Complied	

Condition No.	Title	Compliance Status as on 31 December 2012	Remarks
3.3(iii)	Monitor Internal Control Risk management process.	Complied	
3.3(iv)	Oversee hiring and performance of external auditors.	Complied	
3.3(v)	Review along with the management, the annual financial statements before submission to the board for approval.	Complied	
3.3(vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	Complied	
3.3(vii)	Review the adequacy of internal audit function.	Complied	
3.3(viii)	Review statement of significant related party transactions submitted by the management.	Complied	
3.3(ix)	Review Management Letters / Letter of Internal Control weakness issued by statutory auditors.	Complied	
3.3(x)	Declaration to Audit Committee by the company regarding utilization of IPO / RPO, Right issue money.	Not applicable	There was no IPO/RPO/ Right Issue in 2012.
3.4	<i>Reporting of the Audit Committee:</i>		
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors.	Complied	Audit Committee informs Board periodically through its minutes.
3.4.1 (ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-		
3.4.1(ii)(a)	Report on conflicts of interests;	Complied	There was no reportable case of conflict of interest in 2012.
3.4.1(ii)(b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;	Complied	There was no such case in the year.
3.4.1(ii)(c)	Suspected infringement of laws, including securities related laws, rules and regulations;	Complied	Do
3.4.1(ii)(d)	Any other matter which shall be disclosed to the Board of Directors immediately.	Complied	Do
3.4.2	Reporting to the Authorities – Reported to the Board of Directors about anything which has material impact on the financial condition and results of operation.	Complied	
3.5	Reporting to the Shareholders and General Investors Report on the activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii)	Complied	The Audit Committee (AC) report is disclosed in the Annual Report and signed by the Chairman of the AC.
4.0	EXTERNAL/STATUTORY AUDITORS: The issuer company should not engage its external / statutory auditors to perform the following services of the company; namely:-		
4.0(i)	Appraisal or valuation services or fairness opinions.	Complied	
4.0(ii)	Financial information systems design and implementation.	Complied	
4.0(iii)	Book-keeping or other services related to the accounting records or financial statements.	Complied	
4.0(iv)	Broker-dealer services.	Complied	
4.0(v)	Actuarial services.	Complied	
4.0(vi)	Internal Audit service.	Complied	

Contd.



Condition No.	Title	Compliance Status as on 31 December 2012	Remarks
4.0(vii)	Any other services that the Audit Committee determines.	Complied	
4.0(viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	Complied	
5.0	SUBSIDIARY COMPANY:		
5.0(i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	Complied	
5.0(ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	Complied	
5.0(iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	Complied	
5.0(iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	Complied	
5.0(v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	Complied	
6.0	Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO): The CEO and CFO shall certify to the Board that:-		
6.0(i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief:		
6.0(i)(a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	Complied	Stated at "Directors' declaration as to statutory infomation"
6.0(i)(b)	These statements together present a true and fair view of the company's affairs and are in compliance with affairs and are in compliance with applicable laws.	Complied	Do
6.0(ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	Complied	Do
7.0	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:		
7.0(i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	Complied	Required certificate has been obtained from M/S Hoda Vasi Chowdhury & Co; Chartered Accountants 'for the year 2012 which is published in Annexure-III of the Directors' Report.
7.0(ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	Complied	Status of Compliance is published with the Directors' Report as required.

Annexure-IV

Brief resumé of the Directors who seek appointment/re-appointment

Directors re-election

Mr. Waliur Rahman Bhuiyan, OBE

Waliur Rahman Bhuiyan, OBE obtained degree of M.A in Economics D.U. and MBA from University of California, USA. Mr. Bhuiyan joined ACI Limited as Director on November 4, 2007. He was the Managing Director of BOC Bangladesh Ltd. Mr. Bhuiyan was appointed as Honorary Officer of the most excellent Order of the British Empire (OBE) in 2007. He is an active member of the Business Community. He is Director of Linde Bangladesh Ltd, IDCOL. He is also an Adviser of Robi Axiata Ltd., Chief Advisor of Friendship (NGO) and Honorary Council General of Finland in Bangladesh. He is also an Independent Director of Eastland Insurance Company Limited

Mr. Md. Fayekuzzaman, Director

Mr. Md. Fayekuzzaman obtained B.Com (Hons) and M.Com in Management (1st Class) and Post Graduation studies in Investment Planning, Appraisal and Management of Development Finance Institution from Bradford University, United Kingdom. He is the Managing Director of Investment Corporation of Bangladesh. Mr. Fayekuzzaman attended training course/seminar on Corporate Governance, Rehabilitation Management and Accounting Information for Management Planning and Control, Training Methodology, Investment Planning & Appraisal, Conduct and Disciplinary Rules, BASEL-II Compliance and different subjects of Banking, Economics, Finance and Management. Mr. Fayekuzzaman is the Chairman of ICB Capital Management Ltd. He is also Director of Standard Bank Ltd., Bangladesh Development Bank Ltd., IIDFC, CDBL, DSE Ltd., Credit Rating Information and Services Ltd. (CRISL), Credit Rating Agencies of Bangladesh Ltd. (CRAB), Bangladesh Institute of Capital Market, The Institute of Bankers Bangladesh, GlaxoSmithKline Bangladesh Ltd., Renata Limited, Linde Bangladesh Ltd., National Tea Company Ltd. and Apex Tannery Ltd.

Independent Directors

Mr. Abdul-Muyeed Chowdhury

Mr. Abdul-Muyeed Chowdhury obtained Degree of Bachelor of Arts with honors in History and Master of Arts (1st Class) from University of Dhaka. Mr. Abdul-Muyeed Chowdhury a CSP, attended Certificate of Participation in an acceptable program of special study in Political Science, Public Administration in the University of Tennessee, Knoxville. He is also Director of BRAC Net, MJL Bangladesh Ltd; Omera Petroleum Ltd., Opera Fuels Ltd., Pioneer Insurance Company Ltd., Summit Alliance Port Limited and Tiger Tours Limited. He was also an Advisor in the non-party Care Taker Government of Bangladesh in 2001 responsible for five Ministries - Information, Housing and Public Works, Environment and Forest, Land, and Food and also worked as Chairman, NBR, Managing Director, Bangladesh Biman, Executive Director, Jamuna Multipurpose Bridge Authority and lastly as CEO of the largest NGO in the world, BRAC.

Mr. Juned Ahmed Choudhury

Mr. Juned Ahmed Choudhury obtained B.A (Hons) Degree in Economics from Dhaka University in 1957 and Master of Public Administration from Karachi University in 1959. He received training in Human Resource Development at the National Institute of Administration, Paris, and Institute of Labour Studies in Geneva. He was Director of Shell Oil Company Ltd. and Public Affairs Adviser of Bangladesh Shell Petroleum Development B.V. He was decorated Knight of the Order of Arts and Letters by the Government of France for his contribution to promotion of better Bangladesh-France relationship in the fields of language and culture.

Mr. Golam Mainuddin, Director

Mr. Golam Mainuddin obtained his Masters of Science degree from Dhaka University. Mr. Mainuddin pursued the first 30 years of career in the agree-based industry followed by corporate management over the next decade. Mr. Golam Mainuddin joined BAT in 80's and due to his successful leadership in the Company, he was given the responsibility of Deputy Managing Director of the Company. Later on he was invited to the position of the Chairman of the Board in 2008 by BAT. He is currently the Chairman of the Audit Committee of both BAT and ACI. He is also a Director of Federation of Bangladesh Chambers of Commerce and Industries (FBCCI), an Executive Committee member of Metropolitan Chambers of Commerce and Industries (MCCI) and Bangladesh Employers Federation (BEF). He has been elected as a CIP (Commercially Important Person) by the Government of Bangladesh for last two consecutive terms.



চেয়ারম্যানের বাণী

প্রিয় শেয়ারমালিকবৃন্দ
এবং এসিআই'র শুভাকাঙ্ক্ষীবৃন্দ,

আসসালামুআলাইকুম।

আমি ৪০তম সাধারণ সভায় আপনাদের স্বাগত জানাই।

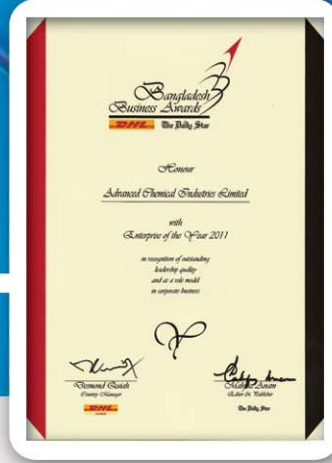
দেশের ব্যবসায়ীগণ গভীর উদ্বেগ ও শঙ্কার সাথে লক্ষ্য করছে যে, পারস্পরিক রাজনৈতিক বিরোধিতার নাশকতামূলক শক্তি কিভাবে অর্থনীতিকে ক্ষতিগ্রস্ত ও দেশজুড়ে অরাজকতা সৃষ্টি করছে। অর্থনীতি ও জনকল্যানের উপর রাজনৈতিক বিরোধিতার প্রতিকূল প্রভাবের বিষয়ে ব্যবসায়িক নেতাদের মাধ্যমে বিভিন্ন পরামর্শ ও সতর্কীকরণ সকলের দৃষ্টিগোচর করা হলেও তা উপেক্ষিত হয়েছে। গনতন্ত্র রক্ষার নামে সৃষ্ট ধ্বংসলীলার আমরা নীরব দর্শক। এতে ব্যবস্মবাণিজ্য ভীষণভাবে ক্ষতিগ্রস্ত হবে এবং এই ক্ষতি কাটিয়ে উঠতে আগামী অনেক বছর লেগে যাবে।

নিরাপত্তাহীনতা এবং আইল্লশৃংখলা পরিস্থিতির অবনতি দেশের বিনিয়োগ পরিস্থিতিতে বিরূপ প্রতিক্রিয়া ফেলেছে। পণ্য ও সেবার আভ্যন্তরীণ চাহিদা হ্রাস পেতে শুরু করেছে। মূল্যস্ফীতি অস্থিতিশীল হয়ে পড়েছে। সেই সাথে আর্থিক বাজারও তার বলিষ্ঠতা হারাচ্ছে। আমরা দ্রুত অগ্রসরমান প্রতিষ্ঠান হিসাবে, বিশেষ করে সুদের উচ্চ হারের জন্য ক্ষতিগ্রস্ত হচ্ছি। SRO এর মাধ্যমে সরকার রাজস্ব ঘাটতি পূরণ করতে কিছু অযৌক্তিক কর আরোপ করতে শুরু করেছে। এক্ষেত্রে, আমাদের দুইটি শিল্প

যারা অনেক নিম্নহারে ব্যবসা পরিচালনা করছে, তারা এই নতুন কর আরোপে ব্যপকভাবে ক্ষতিগ্রস্ত হয়েছে।

আমাদের অত্যন্ত গুরুত্বপূর্ণ প্রকল্প “স্বপ্ন” নতুন এক্সিকিউটিভ ডিরেক্টরের সুদক্ষ তত্ত্বাবধানে কিছু উল্লেখযোগ্য উন্নতি সাধন করেছে। আমরা বিশ্বাস করি, ব্যবসার যে মডেল আমরা স্থাপন করেছি তা আমাদের সফলতার যাত্রায় নেতৃত্ব দিবে। আমরা মনে করি, বিগত বছরগুলোতে আমাদের যে ক্ষতি হয়েছে সেটা “স্বপ্ন” ব্র্যান্ড তৈরীর মাধ্যমে সমতায় এনেছে। আমার কোন সন্দেহ নেই যে, আমরা ভবিষ্যতে বাংলাদেশের এই আধুনিক বানিজ্যধারা সফলভাবে পরিচালনার সাফল্য অর্জন করব যা আমাদের অর্থনীতির মেরুদণ্ড এবং সেদিন বেশী দূরে নয় যে আমাদের এই ব্যবসায়িক উদ্যোগ উঠতি মধ্যবিত্ত শ্রেণীর জনগোষ্ঠীর জন্য সহায়ক হবে।

প্রিয় শেয়ারমালিকবৃন্দ, মানব সম্পদ উন্নয়নে প্রশিক্ষণ ও ক্ষমতায়নের মাধ্যমে আমরা আমাদের জাতির উন্নয়নে অবদান রেখে যাচ্ছি। আমাদের মধ্যম পর্যায়ের কর্মকর্তারা আগামী দিনের শিল্প, বাণিজ্য ও অর্থনীতির নেতৃত্ব দিবে। আমরা আমাদের কর্মকর্তৃকর্মচারীবৃন্দের উদ্ভাবনীশক্তি ও সৃজনশীলতার জন্য



গর্বিত যা তারা বর্তমানকালের হরতাল ও অরাজকতার প্রতিকূল প্রভাব সফলভাবে কমিয়ে আনতে ব্যবহার করছে এবং যা অনুকূল সময়ে ব্যবসার উন্নয়নে কাজে লাগবে। আমরা যেমন আমাদের কর্মকর্তাকর্মচারীবৃন্দের প্রতি দায়িত্বশীল তেমনি তারাও কোম্পানীর প্রতি নিবেদিতপ্রান।

আমি শেয়ারমালিক ও আমার পক্ষ থেকে কোম্পানীর সকল স্তরের কর্মকর্তাকর্মচারীবৃন্দের দায়িত্বশীলতা ও আনুগত্যের জন্য তাদের ধন্যবাদ জানাই। সেই সাথে আমাদের সকল সরবরাহকারী ও ভোক্তাগণকে তাদের সমর্থন ও বর্তমান কঠিন পরিস্থিতি উপলব্ধি করার জন্য ধন্যবাদ জানাই। আমাদের সকল এলাকার প্রতিনিবেশীগণ অত্যন্ত সাহায্যকারী এবং সহায়ক ভূমিকা পালন করেছে।

দুই বছর আগে আমি আপনাদের প্রতিশ্রুতি দিয়েছিলাম যে, কিছু ক্ষুদ্র কার্যক্রমের দ্বারা আমরা প্রাতিষ্ঠানিক সামাজিক দায়িত্বের ক্ষেত্র যাচাই করছি। এর মধ্য কিছু কাজ আমরা শেষ করেছি, কিছু এখনও অগ্রসরমান। আমরা এখন এমন পর্যায়ে আছি যে, আগামী বছর থেকে আপনাদের একটি পৃথক বই প্রদান করব যেখানে আমাদের CSR কার্যকলাপের বিবরণ, দীর্ঘমেয়াদী ইস্যু

আত্মস্থকরণ, সামাজিক ব্যবসার ধারণা প্রবৃদ্ধিকরণ এবং কিভাবে আমাদের ব্যবসায়ীক অংশীদারদের সর্বোপরি গোটা সমাজের জন্য কল্যানকর বিষয়সমূহ বাস্তবায়নের ব্যাপারে অগ্রসর হওয়া যায় তা উল্লেখ থাকবে। আগামী বছর এই বিষয়টি নিয়ে কাজ করা হবে।

আপনাদের সুস্বাস্থ্য, সমৃদ্ধি এবং মঙ্গল কামনা করছি।

আল্লাহ হাফেজ,

আপনাদের বিশ্বস্ত,



এম আনিস উদ্ দৌলা
চেয়ারম্যান, এসিআই গ্রুপ

শেয়ার মালিকবৃন্দের প্রতি পরিচালকমন্ডলীর প্রতিবেদন

প্রিয় শেয়ারমালিকবৃন্দ,

পরিচালকমন্ডলীর পক্ষ থেকে আমি ৩১শে ডিসেম্বর ২০১২ তারিখে সমাপ্ত বছরের উদ্বৃত্তপত্র, লাভ-ক্ষতি হিসাব, নগদ প্রবাহ, অডিটরবৃন্দের প্রতিবেদনসহ নিরীক্ষিত বার্ষিক হিসাব ও ব্যাখ্যা সানন্দে আপনাদের সামনে উপস্থাপন করছি।

সামগ্রিক পর্যালোচনা

২০১২ সাল এসিআই'র জন্য ছিল একটি চ্যালেঞ্জিং বছর। কোম্পানী মুখোমুখি হয়েছিল এক প্রতিকূল অর্থনৈতিক পরিবেশের সাথে। তা সত্ত্বেও এসিআই এর প্রত্যয়ী কর্মীবাহিনী গত বছরের তুলনায় ১৩.৭০% ব্যবসা বৃদ্ধি করেছে।

গত বছর ব্যাপী সুদের হার ছিল উচ্চমাত্রার এবং ডলারের বিপরীতে টাকার মূল্যমানও ছিল প্রতিকূলে। উল্লেখযোগ্যভাবে বেড়ে গিয়েছিল কাঁচামালের মূল্য। উচ্চমাত্রার মুদ্রাস্ফীতি এবং রাজনৈতিক অস্থিরতার কারণে ব্যবসায়ের ব্যয় বৃদ্ধি পাওয়ায় সামগ্রিক পরিবেশ ক্ষতিগ্রস্ত হয়েছে।

দক্ষতা ও উৎপাদনশীলতার মধ্যে এসিআই এর কর্মতৎপরতা কেন্দ্রীভূত করেছে। লক্ষ্য ছিল সামষ্টিক অর্থনীতির কারণে ব্যাহত মুনাফার হারকে পূর্ণরূপে ফিরিয়ে আনা। ফলশ্রুতিতে ব্যবসায়ের বৃদ্ধি এবং বিস্তারের চেয়ে মনোযোগ বাড়ানো হয়েছে খরচ হ্রাস এবং এর অনুকূল

পরিবেশের উপর। মুনাফার হারকে পূর্ণরূপে ফিরিয়ে আনা মোটামুটি সাফল্য অর্জন করেছে, যা ২০১৩ সাল জুড়ে চলমান থাকবে।

বার্ড ফু আমাদের এনিমেল হেলথ এবং পোল্ট্রি বিজনেসকে মারাত্মকভাবে ক্ষতিগ্রস্ত করেছে। এগ্রিবিজনেসের ক্ষতির প্রভাব ফেলেছে কৃষকদের উপর, বিশেষত এগ্রি মেশিনারীজ বিজনেস কৃষকের সাফল্যের সাথে ঘনিষ্ঠভাবে সম্পর্কযুক্ত। আমাদের যথাসামান্য বিনিয়োগের ফলে এসিআই সল্টের উল্লেখযোগ্য প্রবৃদ্ধি ঘটেছে। লজিস্টিকসের বিক্রয় বেড়েছে দু'গুণের বেশি, উল্লেখযোগ্য উন্নতি হয়েছে ব্যবসার মানের। এ সব উত্থান পতনের মধ্য দিয়ে এসিআই একটি চ্যালেঞ্জিং বছর পরিচালন করেছে এবং আমাদের গ্রাহকদের স্বতন্ত্র বৈশিষ্ট্য সুচক সেবা দিয়েছে। আমরা প্রত্যাশা করছি এই প্রচেষ্টার ফলে এসিআই তার স্টেকহোল্ডারদের জন্য উন্নত মান উদ্ভাবন করতে সক্ষম হবে।

হেলথ কেয়ার ডিভিশন

আইএমএস এর পরিসংখ্যান অনুযায়ী ২০১২ সালে ফার্মাসিউটিক্যাল ইন্ডাস্ট্রির প্রবৃদ্ধি ছিল ধীরগতির। গত বছর এই ইন্ডাস্ট্রির প্রবৃদ্ধি ছিল ১১.৯%। এসিআই ফার্মাসিউটিক্যাল ব্যবসার উল্লেখযোগ্য ২১% প্রবৃদ্ধি অর্জিত হয়েছে। এটি প্রাথমিকভাবে সম্ভব হয়েছে গত বছরের গুরুত্বপূর্ণ প্রবর্তিত হওয়া প্রোডাক্ট পোর্টফোলিওর কুশলী পুনর্গঠনের ফলে।

ডায়াবেটিস বাংলাদেশের একটি অন্যতম দ্রুত বর্ধনশীল স্বাস্থ্য সমস্যা। ডায়াবেটিস রোগীদের জীবনমান উন্নয়নে এসিআই ফার্মাসিউটিক্যালস চালু করেছে ইনসুলিন প্রোডাক্টস, যার নাম ডায়াসুলিন। নবগঠিত সেলস্ টিম ডায়াবেটিস রোগীদের সেবা দিতে সম্পূর্ণভাবে নিবেদিত। ২০১২ সালে ৮৫ টি নতুন প্রোডাক্ট চালু করা হয়েছে, যা ২০১১ সালের তুলনায় ২১% বেশি।

আমাদের ইন্টারন্যাশনাল মার্কেটিং টিম তাদের নিবেদিত উৎসর্গের দ্বারা আন্তর্জাতিক বাজারে এসিআই এর উপস্থিতি এবং বিদেশী পার্টনারদের সমর্থন সুসংহত করেছে। ১৩টি দেশে এসিআই তার মানসম্পন্ন পণ্য রপ্তানী করে থাকে। ভবিষ্যতের বিশাল লক্ষ্যে বিভিন্ন ধরনের ওষধিগণ্য দক্ষিণ এবং মধ্য আমেরিকা, আফ্রিকা, এশিয়া এবং আরো ২৩টি গন্তব্যে

যাওয়ার অপেক্ষায় আছে। USFDA নীতিমালা অনুসরণ করে এসিআই একটি নতুন উৎপাদনশীল প্লান্ট তৈরি করার পরিকল্পনা করেছে যা যুক্তরাষ্ট্রসহ আন্তর্জাতিক বাজারে আমাদের ব্যবসাকে সম্প্রসারণ করবে।

আমাদের মেডিকেল সার্ভিসেস ডিপার্টমেন্ট বিভিন্ন মেডিকেল সোসাইটির সাথে যৌথভাবে সিএমই প্রোগ্রাম, সাইনট্রিফিক সেমিনার এবং লাইভ ওয়ার্কশপ অনুষ্ঠান করে থাকে। ২০১২ সালে এসিআই আয়োজিত সিএমই সাইনট্রিফিক সেমিনারে প্রায় ৪৬,০০০ হাজার ডাক্তার অংশগ্রহণ করেছেন। এছাড়া এসিআই এবং বাংলাদেশ লাভ ফাউন্ডেশন বাংলাদেশ প্রথমবারের মত এভিডেন্স বেইজড মেডিসিন (EBM) ট্রেনিং প্রোগ্রাম চালু করেছে।

২০১২ সালে আমাদের ত্রৈমাসিক নিউজ লেটার 'ইনফো মেডিকাস' ন্যাশনাল সেন্টার, ফ্রান্স থেকে ইন্টারন্যাশনাল স্ট্যান্ডার্ড সিরিয়াল নাম্বার (ISSN) অর্জন করেছে। এই স্বীকৃতি 'ইনফো মেডিকাসে' বিশেষ মর্যাদা যোগ করেছে এবং চিকিৎসক সমাজে এর গ্রহণ যোগ্যতা আরো বাড়িয়ে তুলেছে। এসব কর্মকাণ্ডের মাধ্যমে ডায়াগোনোসিস এবং পেশাগত দক্ষতা বৃদ্ধিতে এসিআই একটা গুরুত্বপূর্ণ ভূমিকা পালন করেছে এবং বাংলাদেশের স্বাস্থ্য পরিচরায় ভূমিকা রেখেছে।

কনজুমার ব্র্যান্ডস ডিভিশন

এসিআই কনজুমার ব্র্যান্ডস পোর্টফোলিওতে অনেকগুলো বিখ্যাত আন্তর্জাতিক ব্র্যান্ডের পাশাপাশি আছে এসিআই মশার কয়েল, এরোসল ইনসেক্ট স্প্রে, স্যাভলন ইত্যাদি প্রোডাক্ট। এই বিভাগ ২০১১ সালের চেয়ে ১২% প্রবৃদ্ধি নিশ্চিত করেছে।

হোম কেয়ার সলিউশন ক্যাটাগরীতে এসিআই মশার কয়েল বাজারে এক নম্বর অবস্থান আবারও নিশ্চিত করেছে। নেইলসন অডিট অনুযায়ী ২০১১ সালের ৩২% এর বিপরীতে ২০১২ সালে ৩৮% মার্কেট শেয়ার দখল করেছে। এসিআই এরোসল ইনসেক্ট স্প্রে ও ৮৩% মার্কেট শেয়ার নিয়ে সফলভাবে ধরে রেখেছে তার শীর্ষস্থান। ভ্যানিশ টয়লেট ক্লিনার ১৫% প্রবৃদ্ধি লাভ করেছে। পাশাপাশি এনজেলিক এয়ার ফ্রেশনারের প্রবৃদ্ধি হার ছিল ২৩%।

ক্লিনিক্যাল এবং পার্সোনাল কেয়ার প্রোডাক্টস নিয়ে জীবাণুমুক্ত হাউজ হোল্ড সলিউশন এর যাত্রা অব্যাহত রেখেছে স্যাভলন। এ ব্র্যান্ড তার ৩২% ক্রমবর্ধমান প্রবৃদ্ধি নিয়ে সংহত অবস্থান ধরে রেখেছে। স্যাভলন লিকুইড এন্টিসেপটিক ও ক্রিম প্রতি বিভাগে ৭৫% মার্কেট শেয়ার নিয়ে বাজারে শীর্ষস্থান ধরে রেখেছে এবং ব্র্যান্ড গ্রুপের অধীনে বার সোপের প্রবৃদ্ধি ছিল ৮২% যখন স্যাভলন হ্যান্ডওয়াশের ছিল ২৪%। পাশাপাশি হ্যান্ড ওয়াশের প্রবৃদ্ধি ছিল ২৪%। এই ক্যাটাগরির বর্ধিত প্রোডাক্ট হিসাবে ভোক্তাদের আরো ভিতরে প্রবেশের উদ্দেশ্যে আমরা ৩৫ গ্রাম স্যাভলন মিনি সোপ বাজারজাত করেছি। স্যাভলন ফ্রিডম স্যানিটারী ন্যাপকিনের প্রবৃদ্ধি ছিল ৩৫%, এটি আন্তর্জাতিক ব্র্যান্ডের মার্কেট শেয়ার দখল করেছে এবং ভোক্তাদের বিশ্বাস অর্জন করেছে।

বিখ্যাত আন্তর্জাতিক ব্র্যান্ডস যেমন; কোলগেট, নিভিয়া, মেরিসেন্ট এবং লেজার সমৃদ্ধ করেছে কনজুমার ব্র্যান্ড ডিভিশনকে। এই পোর্টফোলিও গত বছরের তুলনায় ২০১১ সালের চেয়ে ২০% প্রবৃদ্ধি অর্জন করেছে। সৃজনশীল এবং ভোক্তা পরিচালিত ব্যবসা পদ্ধতি এখনও এই সম্ভাবনাময় ব্যবসার সাফল্যের চাবিকাঠি।

এসিআই ইলেকট্রিক্যাল এবং কনজুমার ইলেকট্রনিক্স ডিভিশন

এসিআই ইলেকট্রনিক্স ডিভিশন এবং এসিআই কনজুমার ইলেকট্রনিক্স দু'টি পরস্পর সম্পর্কিত নতুন বিভাগ। বাজারে শক্ত অবস্থান প্রতিষ্ঠা করার জন্য তারা নিরলস কাজ করে যাচ্ছে। এসিআই কনজুমার ইলেকট্রনিক্স বাজারে আমাদের অবস্থানকে আরো শক্তিশালী করেছে, এর প্রবৃদ্ধি ছিল বিস্ময়কর ৭৫%।

আরো ভাল বিক্রয় এবং স্থানীয়ভাবে কর্মক্ষেত্র সৃষ্টির লক্ষ্যে, ইলেকট্রনিক্স ডিভিশন নিজস্ব উৎপাদন ফ্যাসিলিটি স্থাপন করেছে; আশা করা যায় ২০১৩ সালে এটি পূর্ণাঙ্গরূপে কাজ শুরু করবে।

এসিআই ফুডস্ লিমিটেড

এসিআই ফুডস্ ২৮% রাজস্ব অর্জন করেছে। গ্রাহক চাহিদাকে আরো বেশি গুরুত্ব দিতে ব্যবসা নবরূপে সাজিয়েছে। ব্যবসাকে আরো শক্তিশালী করতে সেলস্ এবং ডিস্ট্রিবিউশনকে শক্তিশালী করা হয়েছে এবং প্রোডাক্ট পোর্টফোলিও করা হয়েছে যৌক্তিকভাবে।

এসিআই ফুডস্ নতুন প্রযুক্তিতে বিনিয়োগ করেছে। সঠিক নিয়মে নানা ধরনের মান সম্পন্ন পণ্য উৎপাদনে ফ্যাক্টরীর উৎপাদন ক্ষমতা বাড়ানো হয়েছে, যা স্থিতিশীলতা এবং এর গুণগতমান নিশ্চিত করেছে।

স্বাদ এবং মানসম্পন্ন 'পিওর' এবং 'ফান' উভয় ব্র্যান্ডের পণ্য বাজারে চালু আছে। যা আমরা বাজারে ব্র্যান্ডেড ফুড হিসাবে সম্প্রসারিত করছি।

এখন বিভিন্ন আন্তর্জাতিক বাজারেও রপ্তানীর মাধ্যমে আমাদের পণ্য সহজপ্রাপ্য হয়েছে। ১৭ টি দেশে আমাদের মশলার প্যাকেটজাত খাদ্য, ফ্রোজেন খাদ্য ইত্যাদি রপ্তানী হচ্ছে, যেগুলো প্রবাসী বাঙ্গালীদের পছন্দের পণ্য হয়ে উঠেছে। এক্সপোর্ট বিজনেস এর নিশ্চিত প্রবৃদ্ধি এবং এতে ভবিষ্যৎ সুযোগের একটি নিশ্চিত দিক নির্দেশনা রয়েছে।

পিওর ফ্লাওয়ার

এই বছর এসিআই পিওর ফ্লাওয়ার ১৬% প্রবৃদ্ধি অর্জন করেছে। এই ব্যবসা তার পুরো উৎপাদন ক্ষমতা ব্যবহার করেছে। গত বছর জুড়ে বিভিন্ন ধরনের নতুন এবং অর্থসামগ্রী বিপণন কার্যক্রম এবং ক্যাম্পেইন হাতে নেওয়া হয়েছিল।

স্বাস্থ্যকর জীবন যাপন - এই বক্তব্য নিয়ে এসিআই নিউট্রিলাইফ ব্র্যান্ড এর অনেকগুলো প্রোডাক্ট বাজারে চালু করা হয়েছে। ফলশ্রুতিতে এই ব্র্যান্ডের অধীনে স্বাস্থ্য সচেতন মানুষের জন্য এসিআই নিউট্রিলাইফ লো-জিআই চাউল এবং এসিআই নিউট্রিলাইফ মাল্টিগ্রেন আটা অন্তর্ভুক্ত করা হয়েছে। নিউট্রিলাইফ পণ্যসমূহ নিয়ে এসিআই পিওর ব্র্যান্ড একটি আকর্ষণীয় পোর্টফোলিও তৈরী করেছে যা ভোক্তাদেরকে আরও বেশী সুবিধা প্রদান করবে।

এডিবল অয়েল

এসিআই এডিবল অয়েলস লিমিটেড সম্ভাবনার বাজারে তার যাত্রা শুরু করেছিল একটি মাত্র পণ্য সয়াবিন তেল দিয়ে। তবে ২০১২ সালে কোম্পানী এসিআই নিউট্রিলাইফ রাইস ব্রান অয়েল নামে স্বাস্থ্যসম্মত এবং হৃৎস্বাক্ষর একটি পণ্য উৎপাদন শুরু করে। অধিকন্তু এটি ভিটামিন-ই সমৃদ্ধ এবং এর স্মোক পয়েন্ট কম তেলে রান্নার সহায়ক। এই নতুন পণ্য ব্যবসার প্রবৃদ্ধিতে নতুন পথ দেখাবে বলে আমাদের বিশ্বাস।

সল্ট (লবণ)

প্রধানত মূল্যবৃদ্ধি এবং ভাল মার্কেট শেয়ারের কল্যাণে ২০১১ সালের তুলনায় এ বছর ব্যবসার বিস্ময়কর ৬০% প্রবৃদ্ধি ঘটেছে।

কাঁচামালের মূল্য এবং ঘাটতি এই ব্যবসার জন্য ছিল গুরুতর চ্যালেঞ্জিং বিষয়। বছরের দ্বিতীয়ার্ধে পরিশোধিত লবন আমদানী বাজারে দারুণ প্রভাব ফেলে এবং স্থানীয় উৎপাদকদের কার্টন পরিস্থিতিতে ফেলে দেয়।

আমাদের নতুন প্লান্ট চালু হয়েছে এবং সরবরাহকারীরা উৎপাদন বাড়াতে সচেষ্ট, যদিও আমরা এখনও পূর্ণ উৎপাদনে যেতে পারিনি।

এগ্রিবিজনেসেস ডিভিশন

ক্রপকেয়ার এবং পাবলিক হেলথ

২০১২ সালে পোকামাকড়ের উপদ্রব, অপর্യാণ্ড বৃষ্টিপাত এবং শস্যের হ্রাসকৃত মূল্যের কারণে কৃষকেরা ক্রপকেয়ার পণ্য স্বল্প পরিমাণে ব্যবহার করে, যা ২০১১ সালের চেয়ে বিক্রয়মূল্য এই শিল্পে ১% হ্রাস সত্ত্বেও এসিআই-তে ৭% বৃদ্ধি পায়। ব্যবসায়ী ইহার পোর্টফোলিওকে শক্তিশালী করার লক্ষ্যে আরো ৬টি নতুন পণ্য নিবন্ধন করে।

এই ব্যবসায়ী বিস্তৃত ও নতুন বাজার তৈরী করার লক্ষ্য নিয়ে ডেভেলপমেন্ট প্রোগ্রামে সারা দেশ থেকে প্রায় এক হাজার ভালো খুচরা বিক্রেতাকে প্রশিক্ষণ দেওয়া হয় এবং তাদেরকে সাইনবোর্ড প্রদান করে। এছাড়া মায়ানমারে রপ্তানী করার জন্য ১০টি পণ্যের নিবন্ধন করে। বাংলাদেশ থেকে পেস্টিসাইড রপ্তানীর এটি প্রথম উদাহরণ।

ভেক্টর বোর্ন রোগটি বাংলাদেশের এবং পার্শ্ববর্তী দেশসমূহের জন্য এখন একটি বড় সমস্যা। নিপসম এর নীতিমালা অনুসারে লংলাস্টিং ইমপ্রেগনেটেড নেট (LLIN) বাজারজাতকরণ ও মাল্টি লোকেশন কমিউনিটি বেসড ফিল্ড ট্রায়ালের মাধ্যমে এই ভেক্টর বোর্ন রোগকে নিয়ন্ত্রণ করার উদ্দেশ্যে এসিআই নতুন প্রযুক্তির সূচনা করেছে।

এই উদ্দীপক ব্যবহারের মাধ্যমে কৃষক ধানের ১৫%-২০%, এবং সবজী ও ফলের ক্ষেত্রে ৩৫% এর বেশি ফলন পাচ্ছে।

ফার্টিলাইজার

আলু এবং ধানের বাজারে কৃষকেরা লোকসানের মুখোমুখি হওয়া সত্ত্বেও ২০১২ সালে এসিআই ফার্টিলাইজারের বিক্রি বেড়েছে ৬%। ১৮% বাজার শেয়ার নিয়ে মাইক্রোইউট্রিয়ান্ট বাজারে এই ব্যবসা তার শীর্ষ স্থান ধরে রেখেছে। আমরা জিপসামের ৫৮% এবং জৈবসারের ২৪% উল্লেখ যোগ্য প্রবৃদ্ধি অর্জন করেছি।

এসিআই ফার্টিলাইজার আরডিএ এর সাথে নতুন একটি চুক্তিতে সহি করেছে এবং কৃষকের বর্ধিত চাহিদা পূরণের লক্ষ্যে 'পল্লী জৈবসার' বাজারজাত শুরু করেছে।

শস্যের পুষ্টির সমাধানকে সামনে রেখে এই ব্যবসায় কৃষকদের উল্লেখযোগ্য সাড়া পাওয়া যাচ্ছে। এসিআই ফার্টিলাইজার দেশজুড়ে সুদৃঢ় ব্যবসার পথ তৈরীতে কাজ করে যাবে। খাদ্য নিরাপত্তা এবং কৃষকদের উন্নতি নিশ্চিত করার লক্ষ্যে সুস্বাদু চারা পুষ্টি এবং নতুন প্রযুক্তির পণ্যের উপর কাজ করছে এসিআই ফার্টিলাইজার।

সীড

এসিআই সীডস এর প্রবৃদ্ধি হয়েছে ১৮% এই ফলাফল প্রশংসার দাবি রাখে কারণ গত বছর ফসলের দাম ছিল ধারণার চেয়ে কম। উচ্চফলনশীল ধানের বাজারে অস্থিতিশীলতার কারণে সবজি এবং ভূট্টার দিকে মনোযোগ দেয়া হয়েছে। এখানে বিচিত্র রকমের পণ্য বাজারজাত করা হয়েছে যার প্রবৃদ্ধি উল্লেখ যোগ্য ভূমিকা রেখেছে।

এসিআই সীড এর R & D ডিপার্টমেন্ট বিভিন্ন প্রকারের তিনশত শস্য নিয়ে কাজ করছে এবং ইতিমধ্যে নতুন ৫টি উচ্চফলনশীল সবজি আবিষ্কার করেছে, পরবর্তীকালে বিশাল আকারে বীজ উৎপাদন শুরু করে। গত বছর ভূট্টার দুইটি নতুন জাতের সাথে উল্লেখযোগ্য আবিষ্কার-গ্রীষ্মকালীন ফুলকপি এবং গ্রীষ্মকালীন টমেটো বাজারজাতকরণ করা হয়েছে।

বাংলাদেশের পরিবেশের সাথে সংগতি রেখে হাইব্রিড ব্রিডিং ও মলিকুলার

প্ল্যান্ট ব্রিডিং উদ্ভিদ বৈচিত্রের উন্নয়নে এবং পুষ্টিকর ও বানিজ্যিকভাবে গুরুত্বপূর্ণ উদ্ভিদের উন্নয়নের কর্মসূচী হাতে নিয়েছে।

শুধুমাত্র বাজার শেয়ারের মাধ্যমে নয় পণ্য উৎপাদন এবং বাংলাদেশে কৃষি সংস্কৃতি পরিবর্তনের মধ্যে দিয়ে এসিআই সীড বাংলাদেশের বীজের উন্নয়নের অংশিদারিত্বে অঙ্গিকারবদ্ধ।

ক্রপেক্স

এসিআই ক্রপেক্স আশানুরূপ ফলাফল করতে পারে নাই। ক্রপেক্স ব্র্যান্ডের উন্নয়নে কৃষকের ব্যবসার মডেলকে গুরুত্ব দানের মাধ্যমে ব্যবসার দক্ষতা বাড়ানোর উপর জোর দিয়ে ক্রপেক্স তার মডেল উন্নয়নের উদ্যোগ নিয়েছে। সরাসরি প্রাক্টিক্যাল এ্যাকশনের সহায়তায় তারা রাজবাড়ীতে কন্ট্রাক ফার্মিং শুরু করে। যদিও ক্রপেক্সের অর্জন অল্প তথাপি এসিআই ক্রপেক্স বিনিয়োগের উচ্চতর লাভ ফিরিয়ে দিতে এবং কৃষকদের জন্য যৌক্তিক মূল্য নির্ধারণে লক্ষ্য নির্ধারণ করেছে। বাজারে একটা গুরুত্বপূর্ণ ভূমিকা রাখা এবং দেশের কৃষির উপর একটা উল্লেখযোগ্য প্রভাব বিস্তারের চেষ্টা করছে এসিআই ক্রপেক্স।

মটরস

২০১২ সালে ট্রাষ্টার ইন্ডাস্ট্রির ৪৭% বিক্রয় হ্রাস পেয়েছে, পাওয়ার টিলার ইন্ডাস্ট্রির বিক্রি কমেছে ৫৫%। ফলে এসিআই মটরস এর বিক্রি কমেছে ১৫%। ধানের মূল্য কমে যাওয়ায় কৃষকের দুর্বল ক্রয়ক্ষমতায়ই এর প্রধান কারণ। এসিআই মটরস মুনাফা বাড়াতে খরচ হ্রাস, তথ্যপ্রযুক্তির উন্নয়নের মাধ্যমে পরিদর্শন খরচ হ্রাস এবং হ্রাসকৃত আর্থিক খরচের উপর মনোনিবেশ করবে।

কৃষকের দুর্বল ক্রয়ক্ষমতার সাথে সংগতি রেখে আমরা ছোট ট্রাষ্টার (২০ হর্স পাওয়ার) সোনারট্রাক বাজারজাত করেছি। ডিজেলচালিত নতুন মডেলের পাওয়ার ট্রিলারও বাজারজাত করেছি। সেলস এন্ড সার্ভিস সেন্টার রিপেয়ার এবং বাড়তি যন্ত্রাংশ সরবরাহসহ বিক্রি পরবর্তী উন্নত সেবার দিয়ে নিশ্চয়তা দিয়ে থাকি। কৃষকদের জন্য এসিআই মটরস রিপেয়ার, স্টোরেজ, কোকন এবং গ্রেইন ড্রায়ার এর মত সৃষ্টিশীল পণ্য বাজারজাত করেছি।

চাষাবাদ, ফসল ওঠা পরবর্তী প্রযুক্তি, মালামাল পরিবহন, ফসল ফলানো, সেচ সমাধান, এবং বীজ রোপণ- এ সমস্ত বিভাগে কৃষকদের জন্য যান্ত্রিক সুবিধা নিয়ে এসেছে এসিআই মটরস। এ সমস্ত কার্যক্রমের মাধ্যমে এই বিজনেস চাষের উৎপাদনের খরচ কমাতে কার্যকর ভূমিকা রাখে, এবং কৃষকের সাফল্য অর্জনে সহায়ক ভূমিকা পালন করে।

এনিমেল হেলথ

এসিআই এনিমেল হেলথ গত বছরের চেয়ে ৯% বিক্রয় প্রবৃদ্ধি অর্জন করেছে। বার্ডফ্লুতে মুরগীর ছানার ব্যাপক ক্ষতি সাধন হওয়ায় বছরের প্রথমার্ধে পোল্ট্রি ও ভ্যাকসিন এ নেতিবাচক প্রবৃদ্ধি ছিল উল্লেখযোগ্য।

উন্নতজাতের প্রোটিন সরবরাহ বৃদ্ধি করে গৃহপালিত পশুর সুস্থতা নিশ্চিত করা এসিআই এনিমেল হেলথ এর প্রধান লক্ষ্য। এসিআই এনিমেল হেলথ প্রিমিয়াম মানের নিউট্রিশনাল প্রিমিক্স, সংক্রামক রোগজীবানুনাশক, এনথেলমেটিক্স, এন্টিবায়োটিক ও গৃহপালিত পশুর জন্য বাজারজাত করে থাকে।

সিভা বায়োমিন ভ্যাকসিন এর ক্রমাগত বিক্রয় বৃদ্ধির মাধ্যমে এ ব্যবসায়ী কঠিন দুঃসময় থেকে ফিরে আসার শক্তি লাভ করে। ২০১২ সালে ২৬টি নতুন পণ্য চালু হয়েছে এবং ৮টির পুনঃ সংস্কারসাধন করা হয়।

বার্ডফু শুধুমাত্র বাংলাদেশ নয় সারা বিশ্বের জন্য মহামারী বলে প্রমাণিত। বাংলাদেশের পোল্ডি ইন্ডাস্ট্রিতে ২০১১-১২ সালে এ মহামারীর জন্য অনেক ক্ষতিসাধন হয়। অভিজ্ঞ ইনফুয়েঞ্জার কারণে সৃষ্ট বার্ডফু প্রতিরোধ করার জন্য এসিআই এনিমেল হেলথ প্রথম বারের মতো

বাংলাদেশে এইচডিটি-এআই ভ্যাকসিন নিয়ে এসেছে। এই ভ্যাকসিনটি মূল্য শাস্রী যেহেতু এটি সারা জীবনে একবারই ছানাকে টিকা দেয়া হয়। গণপ্রজাতন্ত্রী বাংলাদেশ সরকারের মৎস্য ও পশু সম্পদ মন্ত্রণালয় এটি অনুমোদন প্রদান করেছে।

এসিআই লজিস্টিকস্

২০১২ সালে এসিআই লজিস্টিকস্ এর জন্য একটি উল্লেখযোগ্য উন্নতির বছর। ব্যবসার বিভিন্ন কৌশলে ও উদ্যোগে উল্লেখ করার মত কিছু অর্জন হয়েছে যেমন, বাজার শীর্ষ ব্রান্ড স্বীকৃতি এবং সাপ্লাই চেইন এর উন্নয়ন ইত্যাদি। অন্যান্য উন্নয়ন পদক্ষেপের মধ্যে রয়েছে আউটলেটের পরিচালনা খরচ কমানো ও বিক্রয় কেন্দ্রের সংস্কার।

২০১২ সালে স্বপ্নের ১৩১% প্রবৃদ্ধি অর্জন ছিল বিশেষভাবে উল্লেখযোগ্য। এই বিশাল অর্জন সম্ভব হয়েছে, আমাদের আউটলেটের কর্মীদের নিরলস প্রচেষ্টায় আকৃষ্ট সমাজের নিম্ন ও মধ্যবিত্ত শ্রেণীকে সম্পৃক্ত করার মাধ্যমে। এই উল্লিখিত শ্রেণীর 'স্বপ্ন' ক্রয় করার উৎসাহ ও উদ্দীপনা এবং এর ক্রমউন্নয়ন শপিং এর পরিপ্রেক্ষিতে 'স্বপ্ন' উল্লেখযোগ্য ও স্থিতিশীল প্রবৃদ্ধি অর্জন করে।

২০১২ সালে ব্রান্ড এর গ্রহণযোগ্যতা ও জনপ্রিয়তা 'স্বপ্ন' ৩৫% ফুটফল (পদাগমন) বৃদ্ধির একটি মৌলিক কারণ। কৌশলী BTL কমিউনিকেশনের মাধ্যমে নিরবিচ্ছিন্নভাবে মিডিয়াতে দৃশ্যমান প্রচারণা ও ওয়ান টু ওয়ান যোগাযোগের ফলে ঢাকা, চট্টগ্রাম ও সিলেটে 'স্বপ্ন' বিপুলভাবে সমাদৃত হয়েছে।

এসিআই লজিস্টিকস্ এর বর্তমান ব্যবসায়িক মডেলের সামান্য পরিবর্তনের ফলে 'স্বপ্ন'র পারফরমেন্সে অভূতপূর্ব সাফল্য নিয়ে এসেছে। বাটা, নেস্লে এবং ইউনিলিভার এর মত শীর্ষস্থানীয় কোম্পানীর সাথে যৌথ ব্যবসা পরিকল্পনা এবং চুক্তির ফলে এটা নিশ্চিত হয় যে, 'স্বপ্ন' তার ক্রেতাদের জন্য ঐ সমস্ত পণ্যের দারুন সব অফার নিয়ে আসতে পারে। 'স্বপ্ন' বর্তমানে কোকাকোলা, লান্স, ম্যাগী ইত্যাদি শীর্ষস্থানীয় ব্রান্ডের সর্বোচ্চ বিক্রেতা। DSD (ডিরেক্ট স্টোর ডেলিভারি) প্রবর্তনের ফলে পণ্য সরবরাহে দক্ষতার সহিত সরাসরি আউটলেট পৌঁছানো হয়। আমরা পণ্যের মূল উৎস থেকে ক্রয়ের ফলে পণ্যের গুণগতমান অটুট রেখে হ্রাসকৃত মূল্যে ক্রেতা সাধারণ এর কাছে পৌঁছে দিতে পারি। এই সুফল 'স্বপ্ন'র ক্রেতা সাধারণের জন্য টাকার সঠিক মূল্যায়ন করতে সহায়তা করে থাকে।

আমাদের নিত্য প্রয়োজনীয় পণ্য যেমন, চাল, ডাল, চিনি ও মসলা এবং রকমারী প্রোটিন জাতীয় পণ্য 'স্বপ্ন'কে তার সঠিক পথে যেতে এবং সফলতা অর্জন করতে সাহায্য করে। 'স্বপ্ন' ইতিমধ্যে নতুন চারটি আউটলেট চালু করেছে এবং যেগুলো অনেক বড় ধরনের সম্ভাবনা নিয়ে ক্রেতাদের কাছে আকর্ষণীয় হয়ে উঠেছে।

সাবসিডিয়ারী ও সহযোগী কোম্পানী সমূহ

প্রত্যেক সাবসিডিয়ারীর পৃথক পৃথক প্রতিবেদন তাদের সকল হিসাব সহ এই প্রতিবেদনের পরবর্তী অংশে দেয়া আছে।

এসিআই ফর্মুলেশনস্ লিমিটেড - একটি পাবলিক লিস্টেড কোম্পানী তার শেয়ার মালিকদের জন্য নিজের প্রতিবেদন সরবরাহ করেছে। এই ব্যবসা বিক্রয়ে ৫.৬% ও নীট মুনাফায় ২% হারে প্রবৃদ্ধি অর্জন করেছে।

প্রিমিয়াফ্লেক্স প্লাস্টিকস্ লিমিটেড - বিক্রয়ে ২৫% প্রবৃদ্ধি অর্জন করেছে। এটি মূলত কাঁচামালের মূল্য বৃদ্ধি এবং প্রিমিয়াম কাস্টমারদের নতুন ভ্যালু এ্যাডেড প্যাকেজিং এ পরিবর্তনের জন্য হয়েছে।

প্রিমিয়াফ্লেক্স গ্রাহকদের সময়কে উপলব্ধি করে উচ্চ মানের ফ্লেক্সিবল প্যাকেজিং সামগ্রী সরবরাহ নিশ্চিত করে। প্রিমিয়াফ্লেক্স গ্রাহকদের চার ধরনের প্যাকেজিং সলিউশন এর সুবিধা দেয়, যথা- ফুড প্রোডাক্ট, এগ্রো এন্ড পেস্টিসাইডস্, কসমেটিকস্ এন্ড টয়লেট্রিজ এবং ফার্মাসিউটিক্যালস্ স্ট্রিপ ফয়েল।

বাজারে যথেষ্ট চাহিদা থাকায় প্রিমিয়াফ্লেক্স টি ট্যাগের প্রিন্টিং পেপার উৎপন্ন করে। প্রিন্টেড পেট শ্রিংক ফিল্ম এর উৎপাদনের শুরু থেকে প্রিমিয়াফ্লেক্স উল্লেখযোগ্য মার্কেট শেয়ার অর্জন করে। এটি পিভিসি এর বিকল্প পণ্য। এই ব্যবসার মার্কেট শেয়ারে নেতৃত্ব অর্জনে প্রিন্টেড ওভেন ব্যাগ এই ব্যবসার আরেকটি উল্লেখযোগ্য সাফল্য।

বহুজাতিক এবং দেশীয় নেতৃস্থানীয় ব্যবসা প্রতিষ্ঠানসহ এই B2B বিজনেস এবং বিশ্বস্ত ক্রেতাদের শক্তিশালী ভিত্তির সমন্বয়ে একটি সম্পর্কের সূচনা করা হয়। যেখানে বিশ্বাস ও অংশিদারিত্ব হচ্ছে মূল ভিত্তি। নতুন প্রযুক্তির অন্তর্ভুক্তি এবং ব্যবসায়িক অংশীদারদের নিয়ে ব্যবসার প্রবৃদ্ধি এই ব্যবসার উজ্জল ভবিষ্যতকে নির্দেশ করেছে।

এসিআই গোদরেজ এগ্রোভেট প্রাইভেট লিমিটেড - এসিআই লিমিটেড এবং গোদরেজ এগ্রোভেট প্রাইভেট লিমিটেড এর ৫০ঃ৫০ অংশীদারিত্বের যৌথ প্রযোজনার একটি কোম্পানী।

সম্প্রতি ডিসেম্বর ২০১২ সালে কোম্পানী প্রতি ঘন্টায় ১৫ মেট্রিকটন ক্ষমতাসম্পন্ন পোলট্রি খাদ্য প্ল্যান্ট সিরাজগঞ্জে স্থাপন করা হয়েছে।

টেটলি এসিআই বাংলাদেশ লিঃ - এ বছরে টেটলী মূল ব্যবসা বিক্রয়ের পরিমাণ ১৯% বৃদ্ধি পেয়েছিল যা এই শিল্পের ৫% বৃদ্ধির চেয়ে উল্লেখযোগ্যভাবে এগিয়ে আছে।

উচ্চ নিলাম মূল্যের কারণে চা এর মূল্য নজীরবিহীন বৃদ্ধি পায়, যেটির প্রভাব মোট লাভের উপর পড়ে। তবে নিকটবর্তী সময়ে মূল্যবৃদ্ধি নিয়ন্ত্রণ নিশ্চিত করার লক্ষ্যে বিক্রয় মূল্য বৃদ্ধির উদ্যোগ গ্রহণ করা হয়েছিল। এ বছরে যে পদক্ষেপ গ্রহণ করা হয়েছে তার আলোকে, টেটলী পণ্যটি উন্নতি সাধনের ভারসাম্য বজায় রেখেছে।

এশিয়ান কনজুমার কেয়ার প্রাইভেট লিমিটেড (এসিসিএল) - এসিআই এবং ডাবর-এর একটি যৌথ উদ্যোগ এশিয়ান কনজুমার কেয়ার এবং গত বছরের চেয়ে ৩৬% উন্নতির রেকর্ড গড়ে।

উন্নতির প্রধান চালিকাশক্তি ছিল হেয়ার অয়েল, ডাবর আমলা, ডাবর ভাটিকা, ডাবর মধু এবং হোম কেয়ার। নতুন শহর ও নতুন বিক্রয়কেন্দ্র অন্তর্ভুক্ত করার মাধ্যমে সরাসরি বিতরণ প্রক্রিয়া বৃদ্ধি করাই ছিল এবছরের প্রধান লক্ষ্যবিন্দু। ভবিষ্যতে উন্নতির সুযোগের কথা বিবেচনা করে ধামরাইতে ২ একর জমির উপর গ্রীন ফিল্ড প্রজেক্ট বাস্তবায়ন করার কথা পরিকল্পনা করা হচ্ছে।

আর্থিক ফলাফল - এসিআই লিমিটেড

২০১২ সালে কোম্পানীর বিক্রয়লব্ধ অর্থ দাঁড়িয়েছে ৯.৬৮ বিলিয়ন টাকা যা ২০১১ সালে ছিল ৮.৫২ বিলিয়ন টাকা, ফলশ্রুতিতে গত বছরের তুলনায় ১৩.৭০% (১.১৭ বিলিয়ন টাকা) বিক্রয় প্রবৃদ্ধি অর্জিত হয়েছে। প্রতিকূলীয় সমষ্টিিক অর্থনীতির বিভিন্ন উপাদান যেমন উচ্চ মুদ্রাস্ফীতির দরুন কাচামালের মূল্য বৃদ্ধি এবং টাকার অবমূল্যায়নের ফলে প্রতিকূল বিনিময়-হার সত্ত্বেও লাভজনক পণ্য-মিশ্রণ এবং নির্বাচিত বিশেষ কিছু পণ্যের বিক্রয় মূল্য বৃদ্ধির দরুন মোট মুনাফা ০.৩৯ বিলিয়ন টাকা (১২%) বৃদ্ধি পেয়েছে। ২০১২ সালের কর-পরবর্তী মুনাফা কমে ০.৫৫ বিলিয়ন টাকায় দাঁড়িয়েছে (২০১১ সালে ছিল ০.৬৮ বিলিয়ন টাকা) যা গত বছরের তুলনায় ০.১৩ বিলিয়ন টাকা কম, অর্থাৎ ২০% কম প্রবৃদ্ধি অর্জিত হয়েছে যার প্রধান কারণ অস্বাভাবিক সুদের হার বৃদ্ধি ও টাকার অবমূল্যায়ন জনিত কারণে আর্থিক ব্যয়ের বৃদ্ধি। ২০১২ সালে প্রতিটি শেয়ারের বেসিক শেয়ার প্রতি আয় গত বছরের তুলনায় ২০.৪১% হ্রাস পেয়ে ২২.৯৪ টাকা হয়েছে (২০১১ সালে ছিল ২৮.৮৩ টাকা), যেখানে হ্রাসকৃত (DEPS) শেয়ার প্রতি আয় ২২.৭৯ টাকা (২০১১ সালে ছিল ২৮.৫৪ টাকা)। কোম্পানীর ব্যালেন্স শীটে ভবিষ্যতে EPS হ্রাস করতে পারে এমন সম্ভাব্য শেয়ার (এসিআই'র ২০% জিরো কূপন বন্ডের কনভারশন হতে সময়ে সময়ে সৃষ্টি হতে পারে) বিদ্যমান থাকার কারণে হ্রাসকৃত (diluted) EPS —এর উৎপত্তি হয়েছে।

মুনাফা বন্টন : বিগত বছরের অর্থনৈতিক ফলাফল পর্যালোচনা, ফ্রি রিজার্ভ এবং ধারাবাহিক লভ্যাংশ নীতির আলোকে পরিচালকমন্ডলী নীট মুনাফার নিম্নলিখিত বন্টন সুপারিশ করেছেন:

	২০১২ টাকা	২০১১ টাকা
বিগত বছরের অবন্টিত মুনাফা	২,৯৩৮,৩৭০,৭৬৬	২,৪৫৪,৪৭৩,৩৬৫
যোগ: কর-পরবর্তী মুনাফা	৫৪৫,১১৫,৮৭৩	৬৮১,১২৯,০৭২
যোগ: আদায়কৃত পুনঃমূল্যায়ন সঞ্চিতি	১,০১৪,৯৯৬	৮৮৩,৬০৯
সর্বমোট বন্টনযোগ্য তহবিল	৩,৪৬৮,৪৮১,৬৩৫	৩,৯৩৬,৪৮৬,০৪৬
প্রস্তাবিত লভ্যাংশ:		
নগদ লভ্যাংশ	১৯০,৫৪৭,২১৬	১৫৮,৪৯২,২২৪
স্টক লভ্যাংশ	৪৭,৬৩৬,৮০৪	৩৯,৬২৩,০৫৬
সর্বমোট লভ্যাংশ	২৩৮,১৮৪,০২০	১৯৮,১১৫,২৮০
অবন্টিত স্থিতি	৩,২৩০,৩০৭,৬১৫	৩,৭৩৮,৩৭০,৭৬৬

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

লভ্যাংশ : পরিচালকমন্ডলী আনন্দের সাথে ২০১২ সালে ১০০% লভ্যাংশের জন্য সুপারিশ করছেন। এর মধ্যে ৮০% নগদ লভ্যাংশ, অর্থাৎ শেয়ার প্রতি ৮.০০ টাকা হারে এবং ২০% স্টক লভ্যাংশ, অর্থাৎ প্রতি ৫টি শেয়ারের বিপরীতে ১টি করে শেয়ার প্রদানের প্রস্তাব করা হয়েছে। ১২ই মে রোববার, ২০১৩ সালের বৃক ক্লোজের 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 ২০১২ সালে কর্পোরেট কর, আবগারী শুল্ক, উন্নয়ন সারচার্জ ও ভ্যাট (মূল্য সংযোজন কর) বাবদ ১.৭ বিলিয়ন টাকা জাতীয় রাজস্ব খাতে প্রদান করেছে। এটি বছরের মোট বিক্রয়লব্ধ আয়ের ১৭.৩৯%।

বিক্রিত পণ্যের খরচ এবং মুনাফার হার

২০১২ সালে টাকার অবমূল্যায়নের দরুন বিদেশ হতে বেশীরভাগ পণ্যের আমদানির কারণে পণ্যের বিক্রিত ব্যয়ের উপর গুরুতর নেতিবাচক প্রভাব পড়েছে। সেই সাথে সরবরাহকারীর দিক থেকে ইউনিট টু ইউনিট মুদ্রাস্ফীতিজনিত সমস্বয়ের ফলে এ বছরের বিক্রিত পণ্যের ব্যয় গত বছরের তুলনায় উল্লেখযোগ্যভাবে বেশি ছিল। পণ্যের সাথে সমন্বিত ও সুনির্দিষ্টভাবে মূল্য বৃদ্ধির ফলে আমরা মোট লাভের পরিমাণ ১২% এর মত বাড়তে সক্ষম হয়েছি। তথাপি সুদের উচ্চহার এবং আমদানী ব্যয়ের সংকুলানের জন্য বর্ধিত ঋণের যোগান এবং উচ্চ পরিচালন ব্যয় বৃদ্ধির কারণে কর পরবর্তী মুনাফা ২০% হ্রাস পেয়েছে।

আর্থিক ফলাফল - এসিআই গ্রুপ

২০১২ সালে কোম্পানীর বিক্রয়লব্ধ অর্থ দাঁড়িয়েছে ২১.৯৮ বিলিয়ন টাকা, যা ২০১১ সালে ছিল ১৭.৪৬ বিলিয়ন টাকা। ফলশ্রুতিতে গত বছরের তুলনায় বিক্রয়লব্ধ অর্থ ২.৯৬ বিলিয়ন টাকা বৃদ্ধি পেয়েছে, অর্থাৎ বিগত বছরের তুলনায় ২৬% প্রবৃদ্ধি অর্জিত হয়েছে। অধিক বিক্রয়ের কারণে বিক্রয়জনিত ব্যয় ৩০% বৃদ্ধি পেয়েছে। বিক্রিত পণ্যের ব্যয়বৃদ্ধি সত্ত্বেও, বিশেষভাবে পণ্য-মিশ্রণ এবং নির্বাচিত বিশেষ কিছু পণ্যের বিক্রয় মূল্য বৃদ্ধির দরুন মোট মুনাফা গত বছরের তুলনায় ১৬.৩৮% বৃদ্ধি পেয়েছে। অপারেটিং মুনাফা গত বছরের তুলনায় উল্লেখযোগ্যভাবে (১১.০০%) বৃদ্ধি পেয়েছে। মূলত অত্যধিক আর্থিক ব্যয় বাড়ার কারণে যা স্বাভাবিকের চেয়ে সুদের হার বৃদ্ধি, সার্বিক বছরজুড়ে টাকার অবমূল্যায়ন এবং লোকসান বহনকারী দু'টি ব্যবসায়ের আর্থিক ক্ষতি সহায়তা প্রদান করার দরুন, যদিও তাদের অপারেটিং পর্যায়ে দক্ষতা বৃদ্ধি পেয়েছে, কোম্পানীর সামগ্রিক কর পরবর্তী মুনাফা গত বছরের তুলনায় হ্রাস পেয়েছে। ফলশ্রুতিতে, সমন্বিত বেসিক ও হ্রাসকৃত শেয়ার প্রতি আয় ২০১২ সালে ছিল নেতিবাচক ৬.৯৮ টাকা যা বিগত বছরের ছিল ইতিবাচক ১০.০৮ টাকা, ফলশ্রুতিতে ২০১২ সালে ২০১১ সালের তুলনায় ১৬৯% কম প্রবৃদ্ধি হয়েছে।

বিবিধ তথ্য সম্বন্ধে পরিচালকমণ্ডলীর ঘোষণা

আর্থিক বিবৃতি প্রস্তুত ও উপস্থাপন সম্বন্ধে পরিচালকমণ্ডলী আরো জানাচ্ছেন যেঃ

- আর্থিক বিবৃতির নোট-৩৭ এ সেগমেন্ট রিপোর্টিং ফলাফল পর্যালোচনা করা হয়েছে।
- কোম্পানীর ব্যবসা করার সাথে যুক্ত বিভিন্ন ঝুঁকি সম্বন্ধে সচেতন এবং সেগুলোকে নিয়মানুগ পদ্ধতির মাধ্যমে মোকাবেলায় প্রস্তুত। আর্থিক বিবৃতির নোট-৩৩ এ আর্থিক ঝুঁকি ব্যবস্থাপনা বর্ণিত হয়েছে।
- Bangladesh Accounting Standards (BAS) অনুসারে কোন অস্বাভাবিক লাভ বা ক্ষতি এ বছরে বিদ্যমান নেই।
- সংশ্লিষ্ট পক্ষগুলোর সকল লেনদেন বাণিজ্যিক ভিত্তিতে করা হয়েছে যার মূল নীতি "Arms Length Transaction". সংশ্লিষ্ট পক্ষের লেনদেনের বিবরণ আর্থিক বিবৃতির নোট-৩৮(a) তে প্রকাশিত হয়েছে।
- কোন IPO বা রাইট ইস্যু এবছরে নেই।
- ত্রৈমাসিক আর্থিক ফলাফল এবং বার্ষিক আর্থিক বিবৃতির মধ্যে উল্লেখযোগ্য পার্থক্য নেই।
- এ বছরে, কোম্পানীর বোর্ড মিটিং এ উপস্থিতি ফি হিসেবে মোট ১৮,৭৫০ টাকা প্রদান করা হয়েছে। পরিচালকমণ্ডলীর সন্ধানি ভাতা আর্থিক বিবৃতির নোট-২৮ এবং ৩৮(b) তে উল্লেখ করা হয়েছে।
- কোম্পানীর ব্যবস্থাপনা পর্ষদ কতক প্রস্তুতকৃত আর্থিক বিবরণীতে কোম্পানীর স্থিতি, অপারেটিং ফলাফল অর্থ প্রবাহ এবং ইকুইটিতে পরিবর্তন একটি বাস্তব ও পরিষ্কার চিত্র তুলে ধরা হয়েছে।
- কোম্পানীর হিসাবের বই সুনির্দিষ্টভাবে রক্ষণাবেক্ষণ করা হয়েছে।
- আর্থিক বিবৃতি প্রণয়নে যথাযথ হিসাব নীতি ধারাবাহিকভাবে অনুসরণ করা হয়েছে এবং হিসাবের ভিত্তি যুক্তিসঙ্গত ও সঠিক।
- আর্থিক বিবৃতি প্রস্তুতিতে BAS এবং BFRS (Bangladesh Financial Reporting Standards) অনুসরণ করা হয়েছে।
- বিগত বছরের তুলনায় অপারেটিং ফলাফলে সকল উল্লেখযোগ্য পার্থক্য দৃষ্টিগোচর করা হয়েছে এবং তার ব্যাখ্যা প্রদান করা হয়েছে।
- বিগত ছয় বছরের গুরুত্বপূর্ণ আর্থিক ও পরিচালনাগত তথ্য ২০১২ সালে বার্ষিক প্রতিবেদনে প্রকাশ করা হয়েছে।
- কোম্পানী ২০১২ সালে লভ্যাংশ ঘোষণা করেছে।
- ২০১২ সালে বিবিধক নিয়মানুযায়ী ৫টি বোর্ড মিটিং অনুষ্ঠিত হয়েছে যা Annexure-I এ দেখানো হয়েছে।
- ৩১ ডিসেম্বর ২০১২ সালে কোম্পানীর শেয়ার হোল্ডিং প্যাটার্ন Annexure-II এ দেখানো হয়েছে।
- ২০১২ সালে আর্থিক প্রতিবেদনের Annexure-IV এ যে সমস্ত পরিচালকগণ নির্বাচন বা পুনর্নিয়োগ প্রাপ্ত হয়েছেন তাদের সংক্ষিপ্ত জীবন বৃত্তান্ত অন্তর্ভুক্ত করা হয়েছে।
- CEO এবং CFO বোর্ডকে এই মর্মে সত্যায়িত করেছে যে, তারা আর্থিক বিবৃতি মূল্যায়ন করেছে এবং তারা বিশ্বাস করে যে এই প্রতিবেদনে অসত্য কিছু নেই অথবা কোন উপাদান বাদ দেওয়া হয়নি অথবা এমন কিছু নেই যা ভুল ব্যাখ্যা দিতে পারে।
- CEO এবং CFO আরো নিশ্চয়তা প্রদান করেছে যে, এটি স্বচ্ছ এবং সঠিক উপস্থাপনা এবং প্রযোজ্য আইন মেনে আর্থিক বিবৃতি প্রস্তুত করা হয়েছে।
- CEO এবং CFO বোর্ডকে এ ব্যাপারে আরো সত্যায়িত করেছে যে তাদের জ্ঞান ও বিশ্বাস মতে এমন কোন লেনদেন হয়নি যা প্রতারনামূলক অনৈতিক অথবা কোম্পানীর স্বীকৃত অভ্যন্তরীণ আচরণ নীতির বিরোধিতা করে।

পরিচালনা পর্ষদের গঠন

প্রধান শেয়ার মালিক ও ব্যবসায়ীদেরকে নিয়ে নয় সদস্যের পরিচালনা পর্ষদ গঠিত হয়। জনাব এম আনিস উদ্ দৌলা বর্তমানে বোর্ডের চেয়ারম্যান পদে এবং জনাব ড. আরিফ দৌলা ব্যবস্থাপনা পরিচালক পদে অধিষ্ঠিত আছেন। ২০১২ সালে SEC এর নিয়ম অনুসারে দু'জন স্বতন্ত্র পরিচালককে নিয়োগদান করে স্বতন্ত্র পরিচালকের সংখ্যা ২ থেকে ৩-এ উন্নীত করা হয়। ২০১২ তে একজন স্বতন্ত্র পরিচালককে পুনর্নিয়োগ দেয়া হয়েছে।

পরিচালনা পর্ষদের ভূমিকা

যথাযথ প্রতিনিধিবর্গ, প্রতিবেদন ও নিয়ন্ত্রণের মাধ্যমে কোম্পানীর কার্যপদ্ধতি তত্ত্বাবধান করার জন্য বোর্ড সর্বোচ্চ ক্ষমতার অধিকার রাখে।

পরিচালনা পর্ষদের দায়িত্ব

কোম্পানীর দীর্ঘমেয়াদি স্বার্থের কথা বিবেচনা করে শেয়ারমালিক ও অন্যান্য স্টেকহোল্ডারদের স্বার্থে ও কোম্পানীর আইন অনুসারে পরিচালকমণ্ডলী কোম্পানীর কার্যক্রম পরিচালনা করার চূড়ান্ত ক্ষমতা রাখে।

পরিচালনা পর্ষদের কার্যক্রম

আইন অনুসারে পরিচালনা পর্ষদ প্রতি তিন মাসে একবার একত্রে মিলিত হয়। ২০১২ সালে পরিচালনা পর্ষদের পাঁচটি সভা হয়েছিল। মাসিক প্রতিবেদনের মাধ্যমে নির্বাহী পরিচালক মণ্ডলীকে প্রধান কর্মকাণ্ড ও ফলাফল সম্পর্কে অবহিত করা হয় এবং কোম্পানীর ব্যবস্থাপনা পরিচালক, সকল পরিচালকমণ্ডলীকে ত্রৈমাসিক প্রতিবেদনের মাধ্যমে অবহিত রাখে। পরিচালনা পর্ষদের আলোচ্য সূচার মধ্যে সংবিধিবদ্ধ অনুমোদন ছাড়াও আর্থিক ফলাফল, প্রধান বিনিয়োগের বিবেচনা, নতুন ব্যবসার পদক্ষেপ, ঋণ গ্রহণ, অর্থের তারলা ইত্যাদি অন্তর্ভুক্ত থাকে।

ব্যবস্থাপনা পদ্ধতি

পরিচালনা পর্ষদ কোম্পানীর গঠনতন্ত্রে সম্মতি দান করেছে যা প্রত্যেক স্ট্র্যাটেজিক বিজনেস ইউনিটের জন্য স্বচ্ছ প্রতিবেদন নিশ্চিত করে। ত্রৈমাসিক ভিত্তিতে পর্ষদকে বিজনেস ইউনিটের লক্ষ্য ও উদ্দেশ্য সম্পর্কে অবহিত রাখা হয় এবং আর্থিক কার্য সম্পাদন করা হয়।

ক্ষমতায়ন

পরিচালনা পর্ষদ ব্যবস্থাপনা পরিচালককে স্বচ্ছ দিক নির্দেশনা দিয়ে কোম্পানীর যথার্থ প্রতিনিধিত্বে কর্তৃত্ব বজায় রাখতে এবং তত্ত্বাবধানের সকল ব্যবস্থা নিয়ে ব্যবস্থাপনা কর্মীদের কোম্পানীর জবাবদিহিতার স্বচ্ছ বিবরণী ও কর্মীদের কার্যক্রম সুনির্দিষ্ট পরিমাপক লক্ষ্য দ্বারা মূল্যায়ন করা হয় ও অর্জনের নিমিত্তে বিষয়মুখী লক্ষ্য নির্ধারণ করা হয়।

প্রতিবেদন ও তথ্য বিনিময়

প্রতি তিন মাস অন্তর ব্যবস্থাপনা পরিচালক প্রত্যেক বিজনেস ইউনিটের কৌশলগত পরিকল্পনার পূর্ণবিবেচনা ও সম্মতি দান করেন। এছাড়াও কোম্পানীতে আধুনিক তথ্য প্রযুক্তির ব্যবহারের মাধ্যমে প্রতি মাসে প্রতিটি ব্যবসার আর্থিক অবস্থা, বিভিন্ন ব্যবসা প্রধানের প্রতিবেদন ইত্যাদি পর্যালোচনা করে তিনি কোম্পানীর পরিকল্পনা যথায়ুক্ত পুনঃমূল্যায়ন ও পূর্ণবিবেচনা করেন যার ফলশ্রুতিতে ব্যবসায়ের অবস্থার উন্নতি হয়।

শেয়ার মালিকদের সাথে যোগাযোগ

কোম্পানী নিয়মিতভাবে নির্ধারিত সময়ে বার্ষিক সাধারণ সভা করে থাকে। বার্ষিক সাধারণ সভায় উপস্থিত পরিচালকবৃন্দ শেয়ার মালিকগণের দৃষ্টিভঙ্গি ও পরামর্শ পর্যবেক্ষণ করে এবং বার্ষিক সাধারণ সভায় আমন্ত্রিত প্রাতিষ্ঠানিক স্টেকহোল্ডারদের আন্তরিকতার সাথে বিবেচনা করা হয়। কোম্পানীর ব্যবস্থাপনা পরিচালকও শেয়ার মালিকগণের নিকট হতে লিখিত বার্তা গ্রহণ করে পরিচালনা পর্ষদের নোটিশে তা উপস্থাপন করেন।

পরিচালকমণ্ডলীর নির্বাচন

কোম্পানীর আর্টিক্যালস অব এসোসিয়েশন এর ১২০ অনুচ্ছেদ অনুসারে জনাব ওয়ালিউর রহমান ডুইয়া, OBE, জনাব মো. ফাইকুজ্জামান পর্যায়ক্রমে অবসর গ্রহণ করেছেন এবং যোগ্যতার ভিত্তিতে তাঁদের পূর্ণনির্বাচনের প্রস্তাব রাখা হয়েছে।

স্বতন্ত্র পরিচালক

২৮ মে ২০১২, সোমবার পরিচালকমন্ডলীর সভায় জনাব আবদুল মুয়িদ চৌধুরীকে এবং BSEC এর নীতিমালা অনুযায়ী কোম্পানির স্বতন্ত্র পরিচালকের আওতায় জনাব জুনেদ আহমদ চৌধুরীকে স্বতন্ত্র পরিচালক হিসাবে নিয়োগ প্রদান করা হয়।

বিধি অনুযায়ী জনাব গোলাম মাইনুদ্দীনকে আগামী তিন বছরের জন্য স্বতন্ত্র পরিচালক হিসাবে নবায়ন করা হয়, যা ১০ অক্টোবর ২০১২ থেকে কার্যকর হয়।

উপরোল্লিখিত পরিচালকদের সংক্ষিপ্ত পরিচয় ও অন্যান্য তথ্য ৭ আগস্ট, ২০১২ এর BSEC বিজ্ঞপ্তির ধারা ১.৫(xxii) অনুসারে Annexure-IV এ বর্ণিত আছে।

অডিট কমিটি

বাংলাদেশ সিকিউরিটি এন্ড এক্সচেঞ্জ কমিশনের গাইডলাইন অনুসারে কোম্পানীর অডিট কমিটি গঠন করা হয়েছে যা প্রতিপালন প্রতিবেদনে উল্লেখ করা হয়েছে। অডিট কমিটির সদস্যগণ হচ্ছেন জনাব গোলাম মাইনুদ্দীন, যিনি স্বতন্ত্র পরিচালক এবং অডিট কমিটির চেয়ারম্যান, মিজ সুস্মিতা আনিস এবং মিজ সীমা আবেদ রহমান। অডিট কমিটি ২০১২ সালে চার বার সভা করেছেন। প্রতিষ্ঠানের সচিব অডিট কমিটির সচিব হিসেবে কাজ করেছেন। অডিট কমিটি ২০১২ সালে নিম্নে বর্ণিত প্রধান কাজগুলো করেছেন:

- অভ্যন্তরীণ নিয়ন্ত্রণ পদ্ধতির পর্যালোচনা এবং মূল্যায়ন;
- কোম্পানীর পরিচালনাগত ঝুঁকির পূর্ণবিবেচনা এবং তা সচেতনতা বৃদ্ধির মাধ্যমে মোকাবেলা করা যায়;
- বিধিবদ্ধ অডিটরের নিয়োগ এবং তাদের কাজের মূল্যায়ন;
- কোম্পানীর আর্থিক প্রতিবেদন প্রক্রিয়ার সুনিশ্চিতকরণ;
- বাংলাদেশ সিকিউরিটি এন্ড এক্সচেঞ্জ কমিশনের গাইডলাইনের আলোকে বিভিন্ন বিষয় পর্যালোচনা করা।

চলমান প্রতিষ্ঠান

পরিচালনা পর্ষদ পর্যাপ্ত অনুসন্ধান এবং বিশ্লেষণের মাধ্যমে নিশ্চিত করেছে যে সম্পদ এবং পর্যাপ্ত ব্যবসায়িক সুযোগের মাধ্যমে কোম্পানীকে চলমান প্রতিষ্ঠান হিসেবে বিবেচনা করা যায়, যা নিশ্চিতকরণের জন্য পরিচালকগণ আর্থিক হিসাবপত্র বিশ্লেষণ করেছেন এবং চলমান প্রতিষ্ঠানের আলোকে এর আর্থিক হিসাবপত্র প্রস্তুত করা হয়েছে।

অভ্যন্তরীণ নিয়ন্ত্রণ

ব্যবস্থাপনা পরিচালক বোর্ডের সম্মতিতে উদ্দেশ্যে পর্যাপ্ত অভ্যন্তরীণ নিরীক্ষা ও নিয়ন্ত্রণের লক্ষ্যে যথাযথ তথ্য প্রযুক্তি এবং নিরীক্ষা দলের পর্যবেক্ষণের মাধ্যমে যাবতীয় ব্যয় এবং কার্যপ্রক্রিয়া নিশ্চিত করে, এই প্রক্রিয়াকে আরো জোরদার করার লক্ষ্যে কোম্পানীতে ISO 9001:2008 Quality Management System গ্রহণ করা হয়েছে। এই পদ্ধতিতে সকল কার্যক্রম “আদর্শ কার্যপরিচালনা” পদ্ধতিতে পরিচালিত হয়। এই প্রণীত পদ্ধতি ISO এর সঙ্গে সঙ্গতিপূর্ণ এটি নিয়মিত ভিত্তিতে আপডেট করা হয়। এছাড়াও, ACI বাংলাদেশের প্রথম কোম্পানী হিসেবে ISO 14001:2004 Environmental Management System গ্রহণ করেছেন; এরই ফলশ্রুতিতে বার্ষিক লক্ষ্যকে অর্জনের উদ্দেশ্যে যথাযথ প্রক্রিয়া গ্রহণ করেছে এবং বোর্ডের প্রতিশ্রুতি নিশ্চিতের উদ্দেশ্যে পর্যাপ্ত ঝুঁকি ব্যবস্থাপনা এবং অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা কোম্পানী জুড়ে গৃহীত হয়েছে। এই লক্ষ্যে অভ্যন্তরীণ নিরীক্ষা বিভাগে যোগ্যতাসম্পন্ন ও অভিজ্ঞ কর্মীদের সহায়তায় নিয়ন্ত্রণ ব্যবস্থা জোরদার করা হয়েছে। তদুপরি, জাতিসংঘ মহাসচিবের উদ্যোগে গ্রহীত “গ্লোবাল কম্প্যাঙ্ক” এর দশটি নীতি কোম্পানী গ্রহণ করেছে। যা বিশ্বব্যাপী বড় এবং প্রগতিশীল কোম্পানী দ্বারা গৃহীত।

পরিচালকমন্ডলীর পক্ষে



ড. আরিফ দৌলা

ব্যবস্থাপনা পরিচালক

কর্পোরেট গভর্নেন্স প্রতিপালন প্রতিবেদন

কোম্পানীর পরিচালনা পর্ষদ কর্পোরেট গভর্নেন্সের সর্বোচ্চ মান নিয়ন্ত্রণ এবং তা প্রকাশে বদ্ধপরিকর। পরিচালনা পর্ষদ একটি দক্ষ কর্পোরেট গভর্নেন্সের আলোকে কোম্পানীর কার্যাবলীর প্রতি দেখাশুনা ও দিকনির্দেশনার দায়িত্বের ব্যাপারে সচেতন রয়েছেন। তাদের এই সমস্ত দায়িত্ব পালনের জন্য পরিচালকগণ কার্যকরী ব্যবস্থাপকদের প্রতি সঠিক দিকনির্দেশনা প্রদান করেছেন এবং কোম্পানীর কাজের উপর সুনির্দিষ্ট নজরদারি প্রতিষ্ঠিত করার জন্য নীতি প্রণয়ন করেছেন।

আমরা আপনাদের এই মর্মে নিশ্চিত করছি যে কোম্পানী বাংলাদেশ সিকিউরিটি এন্ড এক্সচেঞ্জ কমিশন এর নোটিশ নং- এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/১৩৪/প্রশাসন/৪৪ ৭ই আগস্ট ২০১২ অনুযায়ী সমস্ত প্রয়োজনীয় দিকনির্দেশনা পালন করেছে। কোম্পানীর পরিচালক প্রতিবেদন ২০১২ এর Annexure-III তে প্রয়োজনীয় মন্তব্য সহকারে প্রতিপালন, প্রতিবেদন সংযুক্ত করা হয়েছে। ছদা ভাসী চৌধুরী, চার্টার্ড একাউন্টেন্টস, কতক প্রত্যায়িত প্রতিপালন সার্টিফিকেট এই প্রতিবেদনের Annexure-III তে অন্তর্ভুক্ত করা হয়েছে।

অডিটরস্

আমাদের অডিটর মেসার্স ছদা ভাসী চৌধুরী এন্ড কোং, চার্টার্ড একাউন্টেন্টস, ২০১৩ সালের জন্য পুনর্নিয়োগ চেয়েছেন এবং পরিচালকমন্ডলী তাদের পুনর্নিয়োগ সুপারিশ করছেন।

এসিআই'র মানব সম্পদ

মানুষের উন্নয়ন এসিআইয়ের কার্যক্রমের গুরুত্বপূর্ণ অংশ। উচ্চহারের প্রবৃদ্ধির পিছনে এটাই প্রাথমিক কারণ। অনুশীলন যোগাযোগ এবং মূল্যায়নের মাধ্যমে বছরজুড়ে আমাদের মূল্যবোধ সচল রাখা হয়। চাকরী সম্পর্কিত প্রশিক্ষণ, পরামর্শদান, ট্রেনিং, অভিজ্ঞতা বিনিময় এবং উন্নয়নের অন্যান্য মাধ্যমে আমরা আমাদের মানব সম্পদের জ্ঞান এবং দক্ষতার উন্নয়ন ঘটাই। শিক্ষার মাধ্যমে সৃষ্টিশীলতাকে উৎসাহিত করা এবং কাজের পরিবেশের মাধ্যমে সৃষ্টিশীলতা সংশ্লিষ্ট করার চেষ্টা করা হয়।

স্বচ্ছতা এবং জবাবদিহিতার মাধ্যমে উৎপাদনশীলতা বাড়ানোই ছিল এ বছরের গুরুত্বপূর্ণ বিষয়। উৎপাদনশীলতার কৌশল বাস্তবায়নে বিভিন্ন পারফরমেন্স সূচক এর পরিমাপ করতে অধিক মাত্রার তথ্য প্রযুক্তির ব্যবহার গুরুত্বপূর্ণ ভূমিকা পালন করেছে। সাফল্যের তাৎক্ষণিক প্রতিক্রিয়া এবং দৃশ্যমানতা অনেকের মাঝে দারুণ উদ্দীপনার সৃষ্টি করেছে, প্রতিষ্ঠানের যাদের প্রভাব পরিমাপ করা কঠিন।

দলীয় মনোভাব, পারস্পরিক একাত্মবোধ এসিআই সংস্কৃতির অভিন্ন অংশ এবং বছরজুড়ে নানা ভাবে আমরা একে উদযাপন করি। ক্রীড়ানুষ্ঠান, স্বাস্থ্য এবং নিরাপত্তার সচেতনতামূলক অনুষ্ঠান, মাঠকর্মীর সম্মেলন এবং সাংস্কৃতিক অনুষ্ঠানের মাধ্যমে এসিআই পরিবার, সহকর্মী ও সমাজের সাথে সম্পর্কযুক্ত। সামাজিক দায়িত্ববোধ এবং উন্নয়ন সম্পর্কে সচেতনতা বৃহৎ সমাজের সাথে সুসম্পর্ক তৈরীতে এসিআইয়ের কর্মীদের জন্য সহায়ক ভূমিকা পালন করে।

যে সকল অংশীদার, শেয়ার মালিক, সরবরাহকারী, ভোক্তা, ব্যাংকার, মিডিয়া এবং যে সকল শুভাকাঙ্ক্ষীদের সহযোগিতায় আমরা আজ এ অবস্থানে পৌঁছেছি তাদেরকে জানাই আন্তরিক ধন্যবাদ। জনগণের জীবনমান উন্নয়নের লক্ষ্যে আমাদের এ মিশনকে সফল করার জন্য সকলের নিরবিচ্ছিন্ন সমর্থন কামনা করছি।

পরিশেষে সবচেয়ে গুরুত্বের সাথে আমরা এসিআইয়ের সকল ফ্যাক্টরী, ডিপো, বিক্রয়কেন্দ্র, অফিস ও সারাদেশে কর্মরত সকল কর্মকর্তা ও কর্মচারীদেরকে আন্তরিক ধন্যবাদ জানাই, তাদের নিরলস প্রচেষ্টার জন্য। উদ্ভূত অনিশ্চয়তা ও প্রতিকূলতা মোকাবেলায় তাদের কঠোর পরিশ্রম এসিআইকে আরো শক্তিশালী একটি প্রতিষ্ঠান হিসাবে গড়ে তুলেছে। যা জনগণের জীবন-মান উন্নয়নে গুরুত্বপূর্ণ ইতিবাচক প্রভাব ফেলতে পারে।



ওয়ালিউর রহমান ভূইয়া, OBE

পরিচালক



Advanced Chemical Industries Limited

Auditors' Report & Audited Financial Statements as at and for the year ended 31 December 2012

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 2012, 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 2012 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, 30 April 2013

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 2012

	Note	2012 Taka	2011 Taka
Assets			
Property, plant and equipment	4	2,975,419,918	2,545,580,924
At cost / revaluation		(402,190,536)	(214,159,844)
Accumulated depreciation		2,573,229,381	2,331,421,080
Capital work-in-progress	5	889,671,313	611,541,022
		3,462,900,694	2,942,962,102
Intangible assets		1,297,337	1,816,269
Long-term investments	7	1,407,597,771	1,197,263,603
Non-current assets		4,871,795,802	4,142,041,974
Inventories	8	2,128,984,396	1,770,481,777
Trade receivables	9	1,292,368,456	1,131,611,820
Other receivables	10	107,406,234	138,454,704
Advances, deposits and prepayments	11	460,184,564	522,847,653
Advance income tax	25.1	150,489,441	122,788,615
Inter-company receivables	12	4,033,776,402	3,045,084,692
Cash and cash equivalents	13	161,461,711	223,659,923
Current assets		8,334,671,204	6,954,929,184
Total assets		13,206,467,006	11,096,971,158
Equity			
Share capital	14	237,738,330	197,147,560
Share premium	15	321,892,801	298,788,486
Capital reserve	16.1	1,671,386	1,671,386
Revaluation surplus	16.2	894,621,959	895,636,955
Available-for-sale reserve	17	140,860,042	237,767,126
Retained earnings		3,484,501,642	3,136,486,047
Total equity		5,081,286,160	4,767,497,560
Liabilities			
Long-term liabilities	18	917,187,439	888,406,400
Deferred tax liabilities	19	106,310,663	125,011,848
Non-current liabilities		1,023,498,102	1,013,418,248
Bank overdrafts	20	1,374,097,512	905,029,397
Short-term loan from banks	21	3,856,614,632	2,487,707,979
Long-term loan - current portion	22	313,862,328	256,410,862
Trade payables		318,773,624	221,220,224
Other payables	23	856,449,976	939,541,226
Inter-company payables	24	172,929,856	289,071,143
Obligation under finance lease - current portion	18.1	761,582	652,878
Current tax liability	25	208,193,234	216,421,641
Current liabilities		7,101,682,744	5,316,055,351
Total liabilities		8,125,180,846	6,329,473,598
Total equity and liabilities		13,206,467,006	11,096,971,158

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, 30 April 2013

Advanced Chemical Industries Limited

Income Statement

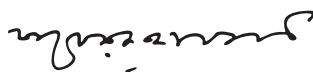
for the year ended 31 December 2012

	Note	2012 Taka	2011 Taka
Revenue	26	9,680,061,562	8,513,841,846
Cost of sales	27	(6,089,878,323)	(5,317,279,883)
Gross profit		3,590,183,239	3,196,561,963
Administrative, selling and distribution expenses	28	(2,670,135,457)	(2,193,597,248)
Operating profit		920,047,782	1,002,964,716
Other income	29	137,921,467	64,175,086
		1,057,969,249	1,067,139,802
Financing costs	30	(282,555,490)	(126,842,315)
		775,413,759	940,297,487
Provision for contribution to WPPF		(38,770,688)	(47,014,874)
Profit before income tax		736,643,071	893,282,612
Income tax expenses			
Current tax expense	25	(199,460,929)	(194,212,347)
Deferred tax expense	31	7,933,731	(17,941,192)
		(191,527,198)	(212,153,539)
Net profit after tax for the year		545,115,873	681,129,073
Earnings per share			
Basic earnings per share	32.1	22.94	28.83
Diluted earnings per share	32.2	22.79	28.54


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



Managing Director

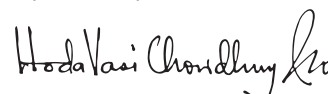


Director



Company Secretary

As per our report of same date.



Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 30 April 2013



Advanced Chemical Industries Limited

Statement of Comprehensive Income

for the year ended 31 December 2012

	<u>Note</u>	<u>2012</u> <u>Taka</u>	<u>2011</u> <u>Taka</u>
Net profit after tax for the year		545,115,873	681,129,073
Other comprehensive income:			
Change in fair value of available-for-sale financial assets	17	(107,674,537)	(207,895,345)
Income tax on other comprehensive income		10,767,454	20,789,535
Total other comprehensive income for the year, net of tax		<u>(96,907,083)</u>	<u>(187,105,811)</u>
Total comprehensive income for the year		<u>448,208,790</u>	<u>494,023,263</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, 30 April 2013

Advanced Chemical Industries Limited

Statement of Changes in Equity

for the year ended 31 December 2012

Particulars	Share capital	Share premium	Capital reserve	Available for sale reserve	Revaluation surplus	Retained earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 31 December 2010	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 :							
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)
Total comprehensive income for the year	-	-	-	(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)
Total contributions by and distributions to owners of the Company	3,107,560	48,766,012	-	-	-	(236,577,072)	(184,703,500)
Transactions recognized directly in equity:							
Realization of revaluation reserve	-	-	-	-	(883,609)	883,609	-
Transactions with owners of the Company, recognized directly in equity:							
Balance as at 31 December 2011	197,147,560	298,788,486	1,671,386	237,767,126	895,636,955	3,136,486,047	4,767,497,560
Total comprehensive income for the year :							
Net profit after tax for the year	-	-	-	-	-	545,115,873	545,115,873
Total other comprehensive income-net of tax	-	-	-	(96,907,083)	-	-	(96,907,083)
Total comprehensive income for the year	-	-	-	(96,907,083)	-	545,115,873	448,208,790
Contributions by and distributions to owners of the Company							
Conversion of bond into equity	967,720	-	-	-	-	-	967,720
Share premium	-	23,104,315	-	-	-	-	23,104,315
Issuance of bonus shares	39,623,050	-	-	-	-	(39,623,050)	-
Dividends paid during the year	-	-	-	-	-	(158,492,224)	(158,492,224)
Total contributions by and distributions to owners of the Company	40,590,770	23,104,315	-	-	-	(198,115,274)	(134,420,189)
Transactions recognized directly in equity:							
Realization of revaluation reserve	-	-	-	-	(1,014,996)	1,014,996	-
Transactions with owners of the Company, recognized directly in equity:							
Balance as at 31 December 2012	237,738,330	321,892,801	1,671,386	140,860,043	894,621,959	3,484,501,642	5,081,286,160

Advanced Chemical Industries Limited

Statement of Cash Flows

for the year ended 31 December 2012

	Note	2012 Taka	2011 Taka
A) Cash flows from operating activities			
Cash receipts from customers		9,406,319,330	8,321,769,694
Cash receipts from other income		66,673,889	99,677,040
Receipts from other receivables		30,475,883	4,740,844
		<u>9,503,469,102</u>	<u>8,426,187,578</u>
Cash paid for:			
Purchase of inventories		(6,148,162,991)	(5,226,553,519)
Operating expenses		(2,671,697,454)	(2,017,808,930)
Other payables		54,487,941	130,422,049
Advances, deposits and prepayments		45,624,976	(121,754,144)
Workers' profit participation fund		(34,297,253)	(10,368,816)
		<u>(8,754,044,781)</u>	<u>(7,246,063,360)</u>
Cash generated from operating activities		<u>749,424,321</u>	<u>1,180,124,218</u>
Financing costs		(244,377,206)	(126,842,315)
Income tax paid		(235,390,162)	(226,576,618)
		<u>(479,767,368)</u>	<u>(353,418,933)</u>
Net cash from operating activities		<u>269,656,953</u>	<u>826,705,285</u>
B) Cash flows from investing activities			
Acquisition of property, plant and equipment		(80,510,464)	(159,930,546)
Payments for capital work-in-progress		(628,293,830)	(510,291,628)
Investment		(318,008,705)	(12,883,614)
Sale proceeds from property, plant and equipment		1,418,490	1,229,827
Net cash used in investing activities		<u>(1,025,394,509)</u>	<u>(681,875,961)</u>
C) Cash flows from financing activities			
Inter-company debts paid		(1,080,260,865)	(628,827,092)
Dividend paid		(154,140,841)	(228,144,885)
Payment for finance lease		(652,877)	(573,993)
Payment for redemption of Zero Coupon Bonds		(170,726,303)	(124,391,015)
Short-term bank loan received		1,368,906,653	223,149,141
Long-term bank loan received		261,345,462	8,445,000
Net cash used in financing activities		<u>224,471,229</u>	<u>(750,342,844)</u>
D) Net decrease in cash and cash equivalents (A+B+C)		(531,266,327)	(605,513,520)
E) Cash and cash equivalents at 1 January		(681,369,474)	(75,855,954)
F) Cash and cash equivalents at 31 December (D+E)	13.1	<u>(1,212,635,801)</u>	<u>(681,369,474)</u>
Closing balance represents:			
Cash and cash equivalents	13	161,461,711	223,659,923
Bank overdraft	20	(1,374,097,512)	(905,029,397)
		<u>(1,212,635,801)</u>	<u>(681,369,474)</u>

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

Advanced Chemical Industries Limited

Consolidated Statement of Financial Position

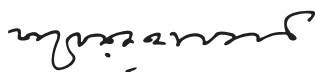
as at 31 December 2012

	Note	2012 Taka	2011 Taka
Assets			
Property, plant and equipment At cost / revaluation	4 (a)	7,825,814,738	6,322,173,701
Accumulated depreciation		(1,335,690,181)	(878,635,804)
		6,490,124,557	5,443,537,897
Capital work-in-progress	5 (a)	916,027,131	1,295,296,242
Intangible assets	6	77,836,486	81,818,843
Long-term investments	7 (a)	723,502,440	769,517,554
Non-current assets		8,207,490,614	7,590,170,536
Inventories	8 (a)	4,431,807,359	3,734,176,456
Trade receivables	9 (a)	3,434,948,414	3,162,788,969
Other receivables	10 (a)	126,331,164	150,235,143
Advances, deposits and prepayments	11 (a)	718,665,643	713,391,610
Advance income tax	25.1 (a)	431,426,787	291,909,295
Inter-company receivables	12 (a)	16,694,79	14,124,729
Cash and cash equivalents	13 (a)	767,514,218	419,074,206
Current assets		9,927,388,383	8,485,700,408
Total assets		18,134,878,997	16,075,870,944
Equity			
Share capital		237,738,330	197,147,560
Share premium		321,892,801	298,788,486
Capital reserve		1,671,386	1,671,386
Revaluation surplus	16.2 (a)	1,513,778,354	1,515,015,779
Available-for-sale reserve		140,860,043	237,767,126
Retained earnings		1,580,925,170	1,943,697,532
Total equity attributable to equity holders of the Company		3,796,866,084	4,194,087,869
Non-controlling interest		358,514,398	494,270,382
Total equity		4,155,380,482	4,688,358,251
Liabilities			
Long-term liabilities	18 (a)	1,863,440,780	1,506,974,165
Deferred tax liabilities		332,940,431	273,562,157
Non-current liabilities		2,196,381,211	1,780,536,322
Bank overdraft	20 (a)	1,603,593,173	1,116,708,457
Short-term loan from banks	21 (a)	6,446,311,725	5,556,186,018
Long-term loan-current portion	22 (a)	1,141,573,149	690,766,349
Trade payables		915,148,765	535,545,068
Other payables	23 (a)	1,260,605,563	1,348,381,804
Current portion of lease obligation		9,885,219	652,878
Current tax liability	25 (a)	405,999,710	358,735,798
Current liabilities		11,783,117,304	9,606,976,372
Liabilities		13,979,498,515	11,387,512,693
Total equity and liabilities		18,134,878,997	16,075,870,944

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



Managing Director

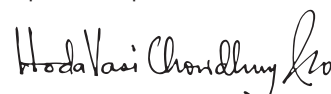


Director



Company Secretary

As per our report of same date.



Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 30 April 2013



Advanced Chemical Industries Limited

Consolidated Income Statement

for the year ended 31 December 2012

	<u>Note</u>	<u>2012</u> <u>Taka</u>	<u>2011</u> <u>Taka</u>
Revenue	26 (a)	21,976,300,877	17,460,120,785
Cost of sales	27 (a)	(16,308,219,125)	(12,589,718,631)
Gross Profit		<u>5,668,081,752</u>	<u>4,870,402,154</u>
Administrative, selling and distribution expenses	28 (a)	(4,306,094,665)	(3,583,609,676)
		<u>1,361,987,087</u>	<u>1,286,792,478</u>
Other income	29 (a)	142,891,806	68,332,524
Operating profit		<u>1,504,878,893</u>	<u>1,355,125,002</u>
Share of profit of equity accounted investees		(75,072,171)	57,750,693
		<u>1,429,806,722</u>	<u>1,412,875,695</u>
Financing costs	30 (a)	(1,263,471,933)	(752,697,387)
		<u>166,334,789</u>	<u>660,178,308</u>
Provision for contribution to WPPF		(62,600,804)	(67,253,862)
Profit before income tax		<u>103,733,985</u>	<u>592,924,446</u>
Income tax expenses			
Current tax expense		(315,403,928)	(330,868,745)
Deferred tax expense		(70,145,729)	(75,986,155)
		<u>(385,549,657)</u>	<u>(406,854,900)</u>
Profit after tax for the year		<u>(281,815,672)</u>	<u>186,069,546</u>
Profit attributable to:			
Equity holders of the Company		(165,894,513)	238,113,071
Non-controlling interest		(115,921,159)	(52,043,525)
Profit after tax for the year		<u>(281,815,672)</u>	<u>186,069,546</u>
Earnings per share			
Basic earnings per share	32.1	(6.98)	10.08
Diluted earnings per share	32.2	(6.98)	10.08

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, 30 April 2013

Advanced Chemical Industries Limited

Consolidated Statement of Comprehensive Income

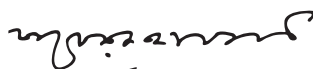
for the year ended 31 December 2012

	Note	2012 Taka	2011 Taka
Net profit after tax for the year		(281,815,672)	186,069,546
Other comprehensive income:			
Change in fair value of available-for-sale financial assets	17	(107,674,537)	(207,895,345)
Income tax on other comprehensive income		10,767,454	20,789,535
Total other comprehensive income, net of tax		(96,907,083)	(187,105,811)
Total comprehensive income		(378,722,755)	(1,036,265)
Profit attributable to:			
Equity holders of the Company		(262,801,596)	51,007,260
Non-controlling interest		(115,921,159)	(52,043,525)
Total comprehensive income		(378,722,755)	(1,036,265)

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



Managing Director

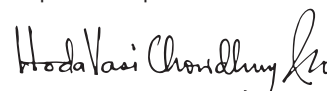


Director



Company Secretary

As per our report of same date.



Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 30 April 2013

Advanced Chemical Industries Limited

Consolidated Statement of Changes in Equity

for the year ended 31 December 2012

Particulars	Share capital	Share premium	Capital reserve	Revaluation reserve	Retained earnings	Available for sale financial assets	Total	Non-controlling interest	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance at 31 December 2010	194,040,000	250,022,474	1,671,386	1,515,899,388	1,941,277,921	424,872,936	4,327,784,105	586,663,688	4,914,447,793
Total comprehensive income for the year 2011									
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)
Total comprehensive income for the year 2011									
Contributions by and distributions to owners of the Company									
Dividends paid during the year	-	-	-	-	(236,577,069)	-	(236,577,069)	(41,849,781)	(278,426,850)
Transactions recognized directly in equity:									
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
Transactions with owners of the Company, recognized directly in equity:									
Balance at 31 December 2011	197,147,560	298,788,486	1,671,386	1,515,015,779	1,943,697,532	237,767,126	4,194,087,869	494,270,382	4,688,358,251
Total comprehensive income for the year 2012									
Net profit after tax	-	-	-	-	(165,894,513)	-	(165,894,513)	(115,921,159)	(281,815,672)
Total other comprehensive income - net of tax	-	-	-	-	-	(96,907,083)	(96,907,083)	-	(96,907,083)
Total comprehensive income for the year 2012									
Contributions by and distributions to owners of the Company									
Dividends paid during the year	-	-	-	-	(158,492,224)	-	(158,492,224)	(34,889,825)	(193,382,049)
Transactions recognized directly in equity:									
Conversion of shares into equity	967,720	-	-	-	-	-	967,720	-	967,720
Share premium	-	23,104,315	-	-	-	-	23,104,315	-	23,104,315
Issuance of bonus shares	39,623,050	-	-	-	(39,623,050)	-	-	-	-
Realization of revaluation reserve	-	-	-	(1,237,425)	1,237,425	-	-	-	-
Capital paid by minority	-	-	-	-	-	-	-	15,055,000	15,055,000
Transactions with owners of the Company, recognized directly in equity:									
Balance at 31 December 2012	40,590,770	23,104,315	-	(1,237,425)	(166,877,849)	-	(134,420,189)	(19,834,825)	(154,255,014)
2012	237,738,330	321,892,801	1,671,386	1,513,778,354	1,580,925,170	140,860,043	3,796,866,084	358,514,398	4,155,380,482

Advanced Chemical Industries Limited

Consolidated Statement of Cash Flows

for the year ended 31 December 2012

	Note	2012 Taka	2011 Taka
A) Cash flows from operating activities			
Cash receipts from customers		21,615,508,513	16,856,970,042
Cash receipts from other income		66,151,999	107,758,153
Receipts from other receivables		28,645,989	8,406,330
		<u>21,710,306,501</u>	<u>16,973,134,525</u>
Cash paid for:			
Purchase of inventories		(16,220,764,836)	(12,638,282,229)
Operating expenses		(4,254,165,399)	(3,496,505,618)
Other payables		40,692,407	133,142,808
Advances, deposits and prepayments		(32,226,848)	119,969,942
Workers' profit participation fund		(43,241,340)	(16,828,423)
		<u>(20,509,706,016)</u>	<u>(15,898,503,520)</u>
Cash generated from operations		<u>1,200,600,485</u>	<u>1,074,631,004</u>
Financing costs		(1,213,277,156)	(747,735,931)
Income tax paid		(396,677,889)	(380,601,456)
		<u>(1,609,955,045)</u>	<u>(1,128,337,387)</u>
Net cash from / (used in) operating activities		<u>(409,354,560)</u>	<u>(53,706,382)</u>
B) Cash flows from investing activities			
Acquisition of property, plant and equipment		(173,136,766)	(264,832,196)
Payments for capital work- in- progress		(913,733,741)	(1,221,760,212)
Investments		(133,973,496)	(11,282,572)
Sale proceeds from property, plant and equipment		5,703,112	1,472,114
Net cash used in investing activities		<u>(1,215,140,891)</u>	<u>(1,496,402,867)</u>
C) Cash flows from financing activities			
Payment to non-controlling interest		(34,013,883)	(39,854,584)
Inter-company debts paid		510,105	(561,021)
Dividend paid		(154,140,841)	(228,144,884)
Short-term loan received		1,123,730,486	1,486,626,677
Long-term loan (paid) / received		710,869,316	(130,639,678)
Payment for redemption of Zero Coupon Bonds		(170,726,303)	(124,391,014)
Issue of shares		15,055,000	1,500,000
Repayment of lease obligation		(5,233,133)	(573,993)
Net cash from financing activities		<u>1,486,050,747</u>	<u>963,961,503</u>
D) Net decrease in cash and cash equivalents (A+B+C)		(138,444,704)	(586,147,746)
E) Cash and cash equivalents at 1 January		(697,634,251)	(111,486,505)
F) Cash and cash equivalents at 31 December (D+E)	13 (a)	<u>(836,078,955)</u>	<u>(697,634,251)</u>
Closing balance represents:			
Cash and cash equivalents		767,514,218	419,074,206
Bank overdraft		(1,603,593,173)	(1,116,708,457)
		<u>(836,078,955)</u>	<u>(697,634,251)</u>

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

Advanced Chemical Industries Limited

Notes to the Consolidated Financial Statements

as at and for the year ended 31 December 2012

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 2012 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, animal health 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 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 authorization

The consolidated financial statements as well as separate financial statements were authorized by the Board of Directors on 30 April 2013 for publication.

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 judgments

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 2012 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 2012 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 labor 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 and maintenance expenses are charged to income statement as it is incurred.

Individual financial statements of Apex Leathercraft 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 is acquired by the Group, which has finite useful life, is 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 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.

3.7 Income tax

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

3.7.1 Current tax

Current tax expense has been recognized on the basis of the Finance Act 2012 and Income Tax Ordinance 1984.

3.7.2 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.

3.8 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 ACI 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*.

3.9 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.

3.10 Financial instruments

Non-derivative financial instruments comprise investments in shares and term deposit, trade receivables, cash and cash equivalents, trade payables, share capital, and interest-bearing borrowings.

Trade and other receivables

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

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 Term Deposit

The Company has the positive intent and ability to hold term deposit 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.

3.11 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)

3.12 Revenue recognition

3.12.1 a) Sale of goods

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

3.12.2 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.

3.12.3 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.

3.12.4 Dividend income

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

3.13 Allocation common service costs

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

3.14 Statement of cash flows

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

3.15 Employee benefits

a. Defined contribution plan (provident fund)

The Company operates a recognized 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.

3.16 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.

3.17 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.

Animal health: Involves in manufacturing and distributing of veterinary and fisheries products.

Crop Care 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.

3.18 Going concern review

"During the year under review, ACI Logistics Limited, a subsidiary of ACI Limited, incurred a net loss of Tk. 820,071,658 resulting an accumulated loss at the reporting date to Tk. 2,596,462,848. The Company's current liabilities exceeded its current assets by Tk. 2,500,051,489 at the balance sheet date. The equity of the Company at the closing date shows an adverse balance of Tk. 2,248,622,848 whereas amount due to financial institutions on the same date was Tk. 721,932,312."

Another subsidiary of the Group namely ACI Foods Limited, incurred a net loss of Tk. 160,940,130 during the year making an accumulated loss at the balance sheet date to Tk. 770,650,664. Company's current liabilities exceeded its current assets by Tk. 938,911,534. The equity of the Company at the closing date shows an adverse balance of Tk. 730,650,664 whereas amount due to banks on the same date was Tk. 288,716,272.

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. It is worth mentioning here that due to new strategic decisions along with new product mix, percentage of operating loss has reduced during the year for both the Companies. 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 projection and forecasts aided by enhanced and effective operation mechanisms. Nevertheless, major shareholders of these companies assured for further financing, in principle, 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 2012	
	As at 1 January 2012	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2012	As at 1 January 2012	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2012	As at 31 December 2012	Taka	Taka
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Land	378,580,685	-	-	-	-	378,580,685	-	-	-	-	-	-	378,580,685	-
Building	161,444,574	2,063,918	190,701,146	-	-	354,209,638	4,847,753	7,331,787	-	-	12,179,540	-	342,030,098	-
Plant and machinery	848,299,247	21,500,790	155,540,577	-	-	1,025,340,614	96,187,719	118,413,249	-	-	214,600,968	-	810,739,646	-
Furniture and fixtures	68,278,353	9,378,438	3,842,317	-	-	81,499,108	12,679,797	8,609,037	-	-	21,288,834	-	60,210,274	-
Electrical and other appliances	41,513,311	18,000,326	79,500	-	600,000	60,193,137	11,213,512	6,163,357	-	148,715	17,525,584	-	42,667,553	-
Office machinery	30,206,892	4,378,993	-	(81,700)	-	34,504,185	4,982,914	4,085,476	(8,600)	-	9,059,790	-	25,444,395	-
Vehicles	102,266,345	25,336,714	-	(97,730)	-	127,505,329	50,323,006	21,509,962	(97,724)	-	71,735,245	-	55,770,084	-
Total (i)	1,630,589,407	80,659,179	350,163,539	(179,430)	600,000	2,061,832,696	180,234,701	166,112,868	(106,324)	148,715	346,389,960	-	1,715,442,736	-

ii) Revaluation

Particulars	Revaluation						Depreciation						Written down value as at 31 December 2012	
	As at 1 January 2012	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2012	As at 1 January 2012	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2012	As at 31 December 2012	Taka	Taka
	Taka	Taka	Taka	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	-	-	1,924,182	-	36,559,472	-
Plant and machinery	56,379,485	-	-	-	-	56,379,485	8,521,883	8,520,547	-	-	17,042,430	-	39,337,055	-
Furniture and fixtures	3,814,918	-	-	-	-	3,814,918	751,952	755,813	-	-	1,507,765	-	2,307,153	-
Electrical and other appliances	3,924,343	-	-	-	-	3,924,343	778,940	760,296	-	-	1,539,236	-	2,385,107	-
Office machinery	2,231,488	-	-	(4,300)	-	2,227,188	409,891	409,666	(453)	-	819,104	-	1,408,084	-
Vehicles	49,008,418	-	-	(1,399,995)	-	47,608,423	9,801,684	9,521,685	(280,000)	-	19,043,369	-	28,565,054	-
Total (ii)	897,924,024	-	-	(1,404,295)	-	896,519,729	21,226,441	20,930,099	(280,453)	-	41,876,087	-	854,643,642	-
Total assets (i+ii)	2,528,513,431	80,659,179	350,163,539	(1,583,725)	600,000	2,958,352,425	201,461,142	187,042,967	(386,777)	148,715	388,266,047	-	2,570,086,378	-

b) Leased assets

Vehicles	17,067,493	-	-	-	-	17,067,493	12,698,702	1,225,787	-	-	13,924,489	-	3,143,004	-
Total 2012 (a+b)	2,545,580,924	80,659,179	350,163,539	(1,583,725)	600,000	2,975,419,918	214,159,844	188,268,754	(386,777)	148,715	402,190,536	-	2,573,229,381	-
Total at 31 December 2011	1,813,315,769	164,542,812	577,627,210	(1,187,218)	(8,717,649)	2,545,580,924	57,071,204	156,966,374	-	122,266	214,159,844	-	2,331,421,080	-

* The Company has capitalized the borrowing costs to the extent of Tk. 41,970,530 using the weighted average cost of borrowing on acquisition of qualifying assets during the year 2012.

Property, plant and equipment-comparative-2011

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	Written down value as at 31 December 2011	
	Taka	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	
Vehicle	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	Written down value as at 31 December 2011	
	Taka	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	
Total assets (i+ii)	1,800,738,276	160,052,812	577,627,210	(1,187,218)	(8,717,649)	2,528,513,431	45,920,200	155,418,676	-	122,266	201,461,142	2,327,052,289	

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
Total 2011 (a+b)	1,813,315,769	164,542,812	577,627,210	(1,187,218)	(8,717,649)	2,545,580,924	57,071,204	156,966,374	-	122,266	214,159,844	2,331,421,080

* The Company has capitalized 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.

4. (a) Consolidated property, plant and equipment

a) Freehold assets

i) Cost

Particulars	Cost						Depreciation						Written down value as at 31 December 2012
	As at 1 January 2012	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2012	As at 1 January 2012	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2012		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka		
Land	710,508,123	32,221,215	20,063,147	-	-	762,792,485	-	-	-	-	-	762,792,485	
Building	777,902,550	2,912,750	429,448,605	-	-	1,210,263,905	64,943,358	24,709,043	-	-	89,652,401	1,120,611,504	
Plant and machinery	2,121,760,067	27,159,330	827,020,802	(441,447)	-	2,975,498,752	475,445,088	264,829,638	(225,682)	-	740,049,044	2,235,449,708	
Furniture and fixtures	379,414,751	13,031,374	33,762,292	(1,578,609)	-	424,629,808	105,160,568	57,565,873	(628,866)	-	162,097,575	262,532,233	
Electric and other appliances	177,488,184	19,288,900	15,629,247	(13,860)	-	212,392,471	50,501,564	21,367,673	(1,386)	(25,000)	71,842,851	140,549,620	
Office machinery and equipment	190,816,998	6,712,640	5,166,522	(372,028)	-	202,324,132	62,698,573	27,284,396	(135,040)	-	89,847,929	112,476,203	
Vehicles	152,059,849	33,435,580	181,251	(2,455,023)	-	183,221,657	72,136,763	31,050,218	(480,428)	-	102,706,553	80,515,104	
Total (i)	4,509,950,522	134,761,789	1,331,271,866	(4,860,967)	-	5,971,123,210	830,885,914	426,806,841	(1,471,402)	(25,000)	1,256,196,353	4,714,926,856	

ii) Revaluation

Particulars	Revaluation						Depreciation						Written down value as at 31 December 2012
	As at 1 January 2012	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2012	As at 1 January 2012	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2012		
	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	-	-	-	-	82,265,271	2,356,085	2,423,791	-	-	4,779,876	77,485,395	
Plant and machinery	84,012,700	-	-	(487,645)	-	83,525,055	16,062,240	13,577,931	(412,810)	-	29,227,361	54,297,694	
Furniture and fixtures	7,179,622	-	-	(414)	-	7,179,208	2,096,685	1,066,829	(317)	-	3,163,197	4,016,011	
Electric and other appliances	9,817,678	-	-	(13,860)	-	9,803,818	2,431,459	1,238,833	(1,386)	-	3,668,906	6,134,912	
Office machinery and equipment	4,693,634	-	-	(75,821)	-	4,617,813	1,673,491	972,502	(25,552)	-	2,620,441	1,997,372	
Vehicles	52,156,145	-	-	(1,399,995)	-	50,756,150	10,431,228	10,151,230	(280,000)	-	20,302,458	30,453,692	
Total (ii)	1,795,155,686	-	-	(1,977,735)	-	1,793,177,951	35,051,188	29,431,116	(720,065)	-	63,762,239	1,729,415,712	
Total assets (i + ii)	6,305,106,208	134,761,789	1,331,271,866	(6,838,702)	-	7,764,301,161	865,937,102	456,237,958	(2,191,467)	(25,000)	1,319,958,593	6,444,342,568	

b) Leased assets

Office machinery	-	-	32,998,000	-	-	32,998,000	-	393,226	-	-	393,226	32,604,774
Vehicles	17,067,493	-	11,448,084	-	-	28,515,577	12,698,702	2,639,660	-	-	15,338,362	13,177,215
Total leased asset	17,067,493	-	44,446,084	-	-	61,513,577	12,698,702	3,032,886	-	-	15,731,588	45,781,989
Total 2012 (a + b)	6,322,173,701	134,761,789	1,375,717,950	(6,838,702)	-	7,825,814,738	878,635,804	459,270,844	(2,191,467)	(25,000)	1,335,690,181	6,490,124,557
Total 2011	5,254,590,967	264,906,465	814,499,242	(1,432,850)	(10,390,123)	6,332,173,701	487,128,907	391,663,702	(111,825)	(44,980)	878,635,804	5,443,537,897

Consolidated property plant and equipment-comparative-2011

a) Freehold assets

i) Cost

Particulars	Cost						Depreciation						Written down value as at 31 December 2011	
	At 1 January 2011	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2011	At 1 January 2011	Charged during the year	Disposal during the year	Adjustment during the year	As at 31 December 2011	As at 31 December 2011	Taka	Taka
	Taka	Taka	Taka	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
Total (i)	3,445,639,017	260,416,465	814,499,242	(257,244)	(10,346,958)	4,509,950,522	473,589,957	357,452,762	(111,825)	(44,980)	830,885,914	-	-	3,679,064,608

ii) Revaluation

Particulars	Revaluation						Depreciation						Written down value as at 31 December 2011	
	At 1 January 2011	Additions during the year	Transferred from CWIP	Disposal during the year	Adjustment during the year	As at 31 December 2011	At 1 January 2011	Charged during the year	Disposal during the year	Adjustment during the year	At 31 December 2011	At 31 December 2011	Taka	Taka
	Taka	Taka	Taka	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	-	-	-	-	82,265,271	(81,555)	2,437,640	-	-	2,356,085	-	-	79,909,186
Plant and machinery	84,070,146	-	-	-	(57,446)	84,012,700	(265,631)	16,327,871	-	-	16,062,240	-	-	67,950,460
Furniture and fixtures	7,180,114	-	-	-	(492)	7,179,622	982,911	1,113,774	-	-	2,096,685	-	-	5,082,937
Electric and other appliances	9,828,560	-	-	(611)	(10,271)	9,817,678	1,160,649	1,270,810	-	-	2,431,459	-	-	7,386,219
Office machinery and equipment	4,668,590	-	-	-	25,044	4,693,634	591,573	1,081,918	-	-	1,673,491	-	-	3,020,143
Vehicles	53,331,140	-	-	(1,174,995)	-	52,156,145	(1)	10,431,229	-	-	10,431,228	-	-	41,724,917
Total (ii)	1,796,374,457	-	-	(1,175,606)	(43,165)	1,795,155,686	2,387,946	32,663,242	(43,165)	-	35,051,188	-	-	1,760,104,498
Total assets (i + ii)	5,242,013,474	260,416,465	814,499,242	(1,432,850)	(10,390,123)	6,305,106,208	475,977,903	390,116,004	(111,825)	(44,980)	865,937,102	-	-	5,439,169,106

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
Total 2011 (a + b)	5,254,590,967	264,906,465	814,499,242	(1,432,850)	(10,390,123)	6,322,173,701	487,128,907	391,663,702	(111,825)	(44,980)	878,635,804	-	-	5,443,537,897

5. Capital work-in-progress- 2012

	Balance as at 1 January	Additions during the year	Transferred to fixed assets	Adjustments	Balance as at 31 December 2012
	Taka	Taka	Taka	Taka	Taka
Building	212,617,596	200,879,063	190,701,146	-	222,795,513
Plant and machinery	136,906,923	291,910,460	155,540,577	-	273,276,806
Land and land development	261,937,003	127,226,169	-	-	389,163,172
Furniture and fixtures	-	7,314,437	3,842,317	-	3,472,120
Electrical and other office appliances	79,500	963,702	79,500	-	963,702
	<u>611,541,022</u>	<u>628,293,831</u>	<u>350,163,540</u>	<u>-</u>	<u>889,671,313</u>

Capital work-in-progress-comparative -2011

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 and fixtures	467,096	-	467,096	-	-
Electrical and other office appliances	-	79,500	-	-	79,500
	<u>678,876,604</u>	<u>510,291,628</u>	<u>577,627,210</u>	<u>-</u>	<u>611,541,022</u>

5 (a) Consolidated capital work-in-progress-2012

Land	261,937,003	147,289,316	20,063,147	-	389,163,172
Building	383,450,701	269,315,851	429,448,605	-	223,317,947
Plant and machinery	644,372,157	481,906,495	827,170,802	-	299,107,850
Furniture and fixture	4,792,880	32,443,872	33,762,292	-	3,474,460
Electrical and other office appliances	743,501	15,849,450	15,629,249	-	963,702
Office machinery	-	38,014,521	38,014,521	-	-
Vehicles	-	11,629,335	11,629,335	-	-
	<u>1,295,296,242</u>	<u>996,448,840</u>	<u>1,375,717,951</u>	<u>-</u>	<u>916,027,131</u>

Consolidated capital work-in-progress-comparative-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	-	-
	<u>875,065,530</u>	<u>1,266,588,700</u>	<u>836,329,148</u>	<u>(10,028,840)</u>	<u>1,295,296,242</u>

6. Consolidated intangible assets

	Balance as at 1 January	Additions during the year	Retirement and disposal	Balance as at 31 December 2012
	Taka	Taka	Taka	Taka
Goodwill on acquisition	49,261,574	-	-	49,261,574
Software	37,228,915	-	-	37,228,915
Cost	<u>86,490,489</u>	<u>-</u>	<u>-</u>	<u>86,490,489</u>
Less: Accumulated amortization	4,671,646	3,982,357	-	8,654,003
Carrying amounts	<u>81,818,843</u>	<u>(3,982,357)</u>	<u>-</u>	<u>77,836,486</u>

7. Long term investments

i) Investment in shares

	2012					2011
	Number of shares	Face value	Called and paid up	Share-holding	Value	Value
		Taka	Taka	%	Taka	Taka
Investment in subsidiaries						
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	208,000,000	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	8,500,000
					739,383,786	563,383,786
Investment in Associates and Joint Ventures						
Asian Consumer Care (Pvt.) Limited	2,399,424	10	10	24.00	115,233,210	33,933,210
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	1,300,000	100	100	50.00	145,000,000	115,000,000
					445,453,210	334,153,210
Investment in others						
Mutual Trust Bank Limited	8,478,310	10	10	3.33	184,827,158	292,501,695
Central Depository Bangladesh Limited	913,889	10	10	0.58	3,138,890	3,138,890
					187,966,048	295,640,585
ii) Other investment						
Term deposit and others					34,794,727	4,086,022
Total investment					1,407,597,771	1,197,263,603

Other investment includes Term Deposit amounting to Taka 3,861,394 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

	2012					2011
	Number of shares	Face value	Called and paid up	Share-holding	Value	Value
		Taka	Taka	%	Taka	Taka
Investment valued at fair value:						
Mutual Trust Bank Limited	8,478,310	10	10	3.33	184,827,158	292,501,695
					292,501,695	292,501,695
Investment valued at cost:						
Central Depository Bangladesh Limited	913,889	10	10	0.58	3,138,890	3,138,890
Computer Technology Limited	200	100	100	40	20,000	20,000
Investment in term deposit					111,830,666	86,399,072
					114,989,556	382,059,657
Investment valued under equity method:						
Tetley ACI (Bangladesh) Limited	1,150,000	100	100	50	(16,610,291)	(16,826,441)
Asian Consumer Care (Pvt) Limited	3,393,321	10	10	24	118,244,159	18,848,242
ACI Godrej Agrovet (Pvt.) Limited	1,850,000	100	100	50	323,097,644	386,469,639
Stochastic Logic Limited	2,000	100	100	20	(1,045,786)	(1,033,543)
Total carrying amount of investment					723,502,440	769,517,554

8. Inventories

	<u>2012</u> <u>Taka</u>	<u>2011</u> <u>Taka</u>
Finished goods	1,411,884,326	1,176,656,093
Work-in-process	55,334,309	59,307,201
Raw materials	449,579,159	347,515,033
Packing materials	184,335,981	156,759,539
Stores and spares	32,460,196	19,673,154
Stock in transit	154,304,945	105,948,267
	<u>2,287,898,916</u>	<u>1,865,859,287</u>
Less: Provision for slow moving and damaged goods and write down to NRV	<u>158,914,520</u>	<u>95,377,510</u>
	<u><u>2,128,984,396</u></u>	<u><u>1,770,481,777</u></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	2,828,827,627	2,177,959,321
Work-in-process	95,983,354	79,663,202
Raw materials	1,152,832,118	1,184,141,728
Packing materials	209,916,578	170,097,588
Stores and spares	96,768,898	65,965,711
Stock in transit	266,357,606	208,837,289
	<u>4,650,686,181</u>	<u>3,886,664,839</u>
Less: Provision for slow moving and damaged items and write down to NRV	<u>218,878,822</u>	<u>152,488,383</u>
	<u><u>4,431,807,359</u></u>	<u><u>3,734,176,456</u></u>

9. Trade receivables

	<u>2012</u>			<u>2011</u>
	<u>Dues over 6 months Taka</u>	<u>Dues below 6 months Taka</u>	<u>Total Taka</u>	<u>Total Taka</u>
Pharmaceuticals	41,673,822	194,161,857	235,835,679	193,238,897
Animal health	50,716,375	130,061,873	180,778,248	180,263,536
Consumer brands	44,156,622	325,208,178	369,364,800	259,543,431
Seeds	17,483,862	169,243,344	186,727,206	166,128,098
Fertilizer	44,456,026	174,644,251	219,100,277	189,441,262
Cropex	112,947,271	31,684,896	144,632,167	181,601,159
	<u>311,433,978</u>	<u>1,025,004,399</u>	<u>1,336,438,377</u>	<u>1,170,216,383</u>
Less: Provision for doubtful debts			<u>44,069,921</u>	<u>38,604,563</u>
			<u><u>1,292,368,456</u></u>	<u><u>1,131,611,820</u></u>

Out of the above amount of Tk. 144,632,167 receivable on account of Cropex, an aggregate amount of Tk. 101,385,958 is under litigation. No provision has been made against this total amount as management feels that the amount is realisable.

9 (a) Consolidated trade receivables

	2012 Taka	2011 Taka
Pharmaceuticals	235,835,679	193,238,897
Agro-chemicals	654,274,699	609,402,737
Consumer brands	369,443,256	259,543,431
Animal health	180,778,248	180,263,536
Seeds	24,855,784	166,128,098
Fertilizer	186,727,206	189,441,261
Cropex	219,100,277	181,601,159
ACI Logistics	144,632,167	9,450,898
ACI Salt	11,052,003	5,305,571
ACI Foods	35,095,892	38,408,507
ACI Flour	130,013,724	101,925,030
Premiaflex Plastics	438,678,228	350,521,596
ACI Motors	914,031,409	990,780,729
Creative Communications	17,966,266	-
Edible Oils	3,155,175	7,530,698
	<u>3,565,640,013</u>	<u>3,283,542,148</u>
Provision for doubtful debts	130,691,599	120,753,179
	<u>3,434,948,414</u>	<u>3,162,788,969</u>
Debts due over six months	556,761,974	496,802,509
Debts due below six months	2,878,186,440	2,665,986,460
	<u>3,434,948,414</u>	<u>3,162,788,969</u>

10. Other receivables

	2012			2011
	Dues over 6 months	Dues below 6 months	Total	Total
	Taka	Taka	Taka	Taka
Receivable from Novartis (Bangladesh) Limited	583,270	-	583,270	583,270
Receivable from Oram Limited	2,262,050	-	2,262,050	2,262,050
Godrej consumer product adv. and promotional fund	497,650	-	497,650	497,650
Merisant advertisement and promotional fund	-	1,655,719	1,655,719	-
Electronics advertisement and promotional fund	-	322,188	322,188	-
Les Laboratories Servier	-	20,757,383	20,757,383	29,894,080
Transcom Distribution Limited	-	1,477	1,477	2,958
Bank guarantee margin	5,881,731	-	5,881,731	8,173,854
Other receivables	2,263,527	73,181,240	75,444,766	97,040,842
	<u>11,488,228</u>	<u>95,918,006</u>	<u>107,406,234</u>	<u>138,454,704</u>

10 (a) Consolidated other receivables

	2012 Taka	2011 Taka
Debts due over six months	11,488,228	21,083,019
Debts due below six months	114,842,936	129,152,124
	<u>126,331,164</u>	<u>150,235,143</u>

11. Advances, deposits and prepayments

	2012 Taka	2011 Taka
Advances:		
Loans and advances to staff	107,729,377	112,032,246
Advance to C & F agents and others	100,832,564	132,572,986
Advance for rent and others	66,732,375	66,368,854
VAT current account	42,488,904	59,527,017
Advance for Capital expenditure	88,581,516	134,689,931
	<u>406,364,736</u>	<u>505,191,034</u>
Deposits:		
Deposits for utilities	6,403,366	5,678,678
Tender deposits	26,569,216	11,065,850
	<u>32,972,582</u>	<u>16,744,528</u>
Prepayments	20,847,246	912,091
	<u>460,184,564</u>	<u>522,847,653</u>

11 (a) Consolidated advances, deposits and prepayments

Advances:		
Advance to staff	112,933,833	120,599,445
Advance to C&F agent and others	101,260,654	137,705,007
Advance for rent and others	232,191,985	206,718,174
VAT current account	124,497,606	59,596,239
Advance for Capital expenditure	45,695,829	135,318,521
	<u>616,579,907</u>	<u>659,937,386</u>
Deposits:		
Deposits for utilities	18,312,251	21,674,170
Tender deposits	37,601,831	22,002,252
L/C margin	1,256,000	1,256,000
	<u>57,170,082</u>	<u>44,932,422</u>
Prepayments	44,915,654	8,521,803
	<u>718,665,643</u>	<u>713,391,610</u>

12 Inter-company receivables

Flyban Insecticides Limited	1,007,330	999,861
Apex Leathercraft Limited	100,969,874	105,915,073
Computer Technology Limited	30,000	30,000
Tetley ACI (Bangladesh) Limited	558,756	469,249
Asian Consumer Care (Pvt.) Limited	7,997,023	7,576,425
ACI Salt Limited	275,314,945	116,151,680
ACI Godrej Agrovet (Pvt.) Limited	879,726	879,726
ACI Foods Limited	658,522,965	528,223,183
ACI Agrochemicals Limited	177,262	151,227
Stochastic Logic Limited	7,229,293	5,169,329
Premiaflex Plastics Limited	303,644,620	566,438,472
ACI Motors Limited	90,249,594	12,515,082
ACI Pure Flour Limited	50,324,940	-
ACI Logistics Limited	2,536,870,074	1,700,565,385
	<u>4,033,776,402</u>	<u>3,045,084,692</u>

12 (a) Consolidated inter-company receivables

Tetley ACI (Bangladesh) Limited	558,756	469,249
Asian Consumer Care (Pvt.) Limited	7,997,023	7,576,425
Computer Technology Limited	30,000	30,000
ACI Godrej Agrovet (Pvt.) Limited	879,726	879,726
Stochastic Logic Limited	7,229,293	5,169,329
	<u>16,694,798</u>	<u>14,124,729</u>

13. Cash and cash equivalents

	2012 Taka	2011 Taka
Cash in hand	12,980,735	12,562,750
Collection in hand	110,331,680	86,928,214
Cash at banks in current accounts	38,149,296	124,168,959
Total cash and cash equivalents	161,461,711	223,659,923

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	161,461,711	223,659,923
Bank overdrafts used for cash management purposes	(1,374,097,512)	(905,029,397)
Cash and cash equivalents in the statement of cash flows	(1,212,635,801)	(681,369,474)

Details of bank overdrafts along with terms and conditions are shown under note 20.

13 (a) Consolidated cash and cash equivalents

Cash in hand	32,121,931	23,623,370
Cash at banks in current accounts	113,567,017	216,942,742
Collection in hand	621,825,270	178,508,094
Total consolidated cash and cash equivalents	767,514,218	419,074,206

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

Total Consolidated cash and cash equivalents	767,514,218	419,074,206
Bank overdrafts used for cash management purposes (note-20.a)	(1,603,593,173)	(1,116,708,457)
Consolidated cash and cash equivalents in the consolidated statement of cash flows	(836,078,955)	(697,634,251)

14. Share capital

Authorized capital:

50,000,000 Ordinary shares of Tk. 10 each	500,000,000	500,000,000
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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
13,286,305 Bonus shares of Tk. 10 each	132,863,050	93,240,000
407,528 Conversion of bond into equity of Tk 10 each	4,075,280	3,107,560
23,773,833	237,738,330	197,147,560

The aforesaid share capital is subscribed as under :

	Number of shares	Percentage
Directors / Sponsors	8,092,443	34.04
Institutions	8,969,601	37.73
General shareholders	6,711,789	28.23
	23,773,833	100

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

<u>Number of shareholders</u>	<u>Shareholdings</u>		<u>No of shares</u>	<u>% of total shareholdings</u>
12,847	Less than 500 shares		1,411,897	5.94
1,595	501-	5,000 shares	1,962,708	8.26
87	5,001-	10,000 shares	604,886	2.54
40	10,001-	20,000 shares	577,579	2.43
27	20,001-	30,000 shares	693,026	2.92
18	30,001-	40,000 shares	627,780	2.64
8	40,001-	50,000 shares	366,830	1.54
21	50,001-	100,000 shares	1,425,026	5.99
17	100,001-	1,000,000 shares	6,236,537	26.23
5	Over	1,000,000 shares	9,867,564	41.51
<u>14,665</u>			<u>23,773,833</u>	<u>100.00</u>

15 Share premium- Tk. 321,892,801

This represents the amount received against issue of shares at premium in the years 1995, 1998, 2011 and 2012 respectively.

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 property, plant and equipment.

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:

	<u>2012</u> <u>Taka</u>	<u>2011</u> <u>Taka</u>
Opening balance as at 1 January	895,636,955	896,520,564
Realized during the year due to disposal of property, plant and equipment	(1,014,996)	(883,609)
	<u>894,621,959</u>	<u>895,636,955</u>
Opening balance as at 1 January	1,515,015,779	1,515,899,388
Realized during the year due to disposal of property, plant and equipment	(1,237,425)	(883,609)
	<u>1,513,778,354</u>	<u>1,515,015,779</u>

16.2(a) Consolidated revaluation surplus

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:

<u>Year</u>	<u>No. of shares held</u>	<u>Cost of investment</u>	<u>MV of shares</u>	<u>Movement in fair value</u>	<u>Changes in fair value of AFS financial assets</u>	<u>AFS reserve as at 31 December</u>
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
2012	8,478,310	28,316,000	184,827,158	156,511,158	(107,674,537)	140,860,042

18 Long term liabilities

	Notes	2012 Taka	2011 Taka
Staff gratuity provision		225,633,571	187,185,768
Other long-term employee benefits		52,285,407	38,381,000
Employees group insurance fund		400,000	400,000
Loan from other sources - unsecured		-	215,245
Obligation under finance lease - due more than one year	18.1	3,025,537	3,787,119
ACI 20% Convertible Zero Coupon Bonds (ZCBs)		460,500,200	658,437,268
Long-term bank loans	18.2	175,342,724	-
		917,187,439	888,406,400
18 (a) Consolidated long term liabilities			
Staff gratuity provision		234,267,994	192,352,477
Other long term employee benefits		58,148,473	43,785,320
Employees group insurance fund		400,000	400,000
Loan from other sources - unsecured		-	215,245
Obligation under finance lease		33,767,729	3,787,119
ACI 20% Convertible Zero Coupon Bonds (ZCBs)		460,500,200	658,437,268
Long term bank loans	18.2(a)	1,076,356,384	607,996,736
		1,863,440,780	1,506,974,165
18.1 Obligation under finance lease			
Payment due within one year		761,582	652,878
Payment due within 5 years but later than one year		3,025,537	3,787,119
		3,787,119	4,439,997
18.2 Long term bank loans			
IPDC Bangladesh Limited		136,255,384	-
AB Bank Limited		19,492,210	-
Eastern Bank Limited		19,595,130	-
Total long-term bank loans		175,342,724	-
18.2(a) Consolidated long term bank loans			
The Hongkong and Shanghai Banking Corporation Limited		483,414,195	66,150,540
IPDC Bangladesh Limited		136,255,384	-
Bank Al-Arafah Limited		91,091,714	-
AB Bank Limited		19,492,210	-
Eastern Bank Limited		153,512,246	53,603,521
Bank Asia Limited		25,555,576	263,309
National Bank Limited		22,418,266	69,374,998
The City Bank Limited		-	24,155,765
Dhaka Bank Limited		28,261,833	74,116,719
Prime Bank Limited		24,518,767	52,150,553
Jamuna Bank Limited		91,836,193	268,181,331
		1,076,356,384	607,996,736

19 Deferred tax liabilities

	<u>2012</u> <u>Taka</u>	<u>2011</u> <u>Taka</u>
(a) Deferred tax on temporary differences		
(i) Taxable temporary differences		
Property, plant and equipment	1,799,303,322	1,720,703,079
(ii) Deductible temporary difference		
Inventories	158,914,520	95,377,510
Trade receivables	44,069,921	38,604,563
Gratuity	225,633,571	187,185,768
Total deductible temporary difference	<u>428,618,012</u>	<u>321,167,841</u>
Net taxable temporary differences	<u>1,370,685,310</u>	<u>1,399,535,238</u>
Deferred tax liability	90,659,547	98,593,278
(b) Deferred tax liability on change in AFS Financial assets	<u>15,651,116</u>	<u>26,418,570</u>
Closing balance (a+b)	<u><u>106,310,663</u></u>	<u><u>125,011,848</u></u>

20 Bank overdrafts

Standard Chartered Bank	315,140,134	140,461,228
Commercial Bank of Ceylon Plc	51,287,878	37,095,600
The Hongkong and Shanghai Banking Corporation Limited	25,836,383	19,767,861
Citibank, N.A.	27,708,998	30,072,484
Mercantile Bank Limited	64,656,393	65,438,061
The City Bank Limited	180,126,768	185,886,539
Eastern Bank Limited	22,340,783	15,340,172
Bank Alfalah Limited	116,097,720	90,604,857
BRAC Bank Limited	59,447,839	36,385,045
AB Bank Limited	121,170,070	(36,067,143)
The Premier Bank Limited	198,619,479	190,082,219
Dutch-Bangla Bank Limited	103,094,803	79,962,474
One Bank Limited	88,570,264	50,000,000
	<u>1,374,097,512</u>	<u>905,029,397</u>

20(a) Consolidated Bank Overdrafts

Standard Chartered Bank	348,579,601	169,652,359
Commercial Bank of Ceylon Plc	71,488,238	50,444,998
The Hongkong and Shanghai Banking Corporation Limited	58,334,941	17,648,638
Citibank N.A.	27,708,998	31,032,265
The City Bank Limited	180,126,768	185,886,539
Mercantile Bank Limited	64,656,393	65,438,061
Dhaka Bank Limited	-	14,195,570
Eastern Bank Limited	42,889,324	63,234,807
Bank Alfalah Limited	116,097,720	90,604,857
BRAC Bank Limited	68,990,498	36,385,045
AB Bank Limited	121,170,070	(36,067,143)
Prime Bank Limited	30,333,716	26,147,266
National Bank Limited	67,936,785	53,400,446
Premier Bank Limited	198,619,479	190,082,219
Bank Asia Limited	14,680,943	14,442,636
Dutch Bangla Bank Limited	103,409,435	94,179,894
One Bank Limited	88,570,264	50,000,000
	<u>1,603,593,173</u>	<u>1,116,708,457</u>

21 Short term loan from banks

	2012 Taka	2011 Taka
Standard Chartered Bank	1,008,190,815	671,014,329
Commercial Bank of Ceylon Plc	240,531,000	200,000,000
The Hongkong and Shanghai Banking Corporation Limited	281,585,274	423,963,627
Citibank, N.A.	-	24,148,324
AB Bank Limited	127,369,902	205,707,078
The City Bank Limited	376,494,801	339,841,656
Eastern Bank Limited	548,409,988	397,885,742
BRAC Bank Limited	586,917,605	96,555,737
One Bank Limited	395,930,582	-
Jamuna Bank	-	16,162,100
Dutch Bangla Bank Limited	148,622,232	16,408,250
Bank Alfalah Limited	142,562,433	96,021,136
	<u>3,856,614,632</u>	<u>2,487,707,979</u>
21 (a) Consolidated short term loan from banks		
Standard Chartered Bank	1,171,536,514	942,882,538
Commercial Bank of Ceylon Plc	383,377,000	455,739,000
The Hongkong and Shanghai Banking Corporation Limited	813,784,369	1,291,372,729
Citibank N.A.	-	31,321,212
AB Bank Limited	127,369,902	205,707,078
The City Bank Limited	376,494,801	339,841,656
Eastern Bank Limited	1,133,036,113	1,098,302,160
Bank Al-Falah Limited	142,562,433	96,021,136
Bank Asia Limited	-	38,752,800
Dutch Bangla Bank Limited	148,622,232	16,408,250
National Bank Limited	151,404,489	150,000,001
Jamuna Bank Limited	-	16,162,100
Bank Al-Arafah Limited	103,919,444	-
BRAC Bank Limited	789,476,312	96,555,737
Foreign trade loan	362,694,746	401,384,632
ONE Bank Limited	594,838,486	182,900,050
Prime Bank Limited	147,194,884	192,834,939
	<u>6,446,311,725</u>	<u>5,556,186,018</u>

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

Bank overdraft (Note: 20)

Limit : BDT 1,260,000,000
Purpose : Working capital financing
Tenure : 1 year

LC/LATR (Note: 21)

Limit : BDT 3,880,000,000
Purpose : To import raw material, packing material, Finished Goods and spare parts etc.
Tenure : Range from 120 days to 180 days

Short term loan/revolving loan (Note: 21)

Limit : BDT 2,630,000,000
Purpose : Working capital financing
Tenure : Range from 90 days to 180 days

Term loan (Note: 18)

Limit : BDT 524,935,000
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 organizations to participate in tender.
Tenure : Range from 0 days to 5 years



The above facilities with Standard Chartered Bank for aggregate amount of BDT 1,710,135,000 in aggregate are subject to maximum limit of BDT 1,210,135,000.

Securities for the facilities mentioned above are as under:

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

Facility for ACI 20% Convertible 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:

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

22 Long-term loan - current portion

	2012 Taka	2011 Taka
Standard Chartered Bank	-	3,233,057
The Hongkong and Shanghai Banking Corporation Limited	-	685,357
IPDC Bangladesh Limited	50,690,333	-
AB Bank Limited	2,030,790	-
Eastern Bank Limited	5,510,027	-
ACI 20% Convertible Zero Coupon Bonds	255,631,178	252,492,448
	<u>313,862,328</u>	<u>256,410,862</u>

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

Standard Chartered Bank	-	3,233,057
The Hongkong and Shanghai Banking Corporation Limited	130,241,844	43,348,115
The City Bank Limited	24,455,231	21,669,426
Dhaka Bank Limited	41,384,692	36,914,498
National Bank Limited	46,956,732	46,956,732
Eastern Bank Ltd.	318,657,934	115,402,915
Jamuna Bank Limited	183,672,387	144,111,757
Bank Asia Limited	47,853,186	9,349,788
Prime Bank Limited	27,360,000	17,287,613
IPDC Bangladesh Limited	50,690,333	-
Al-Arafah Islami Bank Limited	12,638,841	-
AB Bank Limited	2,030,790	-
ACI 20% Convertible Zero Coupon Bonds	255,631,178	252,492,448
	<u>1,141,573,149</u>	<u>690,766,349</u>

23 Other payables

	Note	2012 Taka	2011 Taka
Creditors for expenses		314,775,633	407,912,344
Security money received from customers		155,484,855	77,970,381
Workers' profit participation fund	23.1	185,846,613	163,641,857
Unclaimed dividend		40,216,840	35,865,457
Tax deducted at source		14,431,664	53,480,795
Employees welfare fund		121,044,570	99,290,904
Rights share deposit to be refunded		563,723	563,723
Family day fund		4,143,747	4,148,057
Non-management staff provident fund		200,738	364,291
Advance against sale of land of ACI Trading Limited		-	72,639,388
Unclaimed refund warrant - Zero Coupon Bonds		3,665,042	3,738,779
Payable for redemption of Zero Coupon Bonds		13,012,184	13,105,840
Management staff provident fund		1,731,878	276,830
Laser advertisement and promotional fund		1,332,489	6,411,162
Electronics advertisement and promotional fund		-	131,418
		<u>856,449,976</u>	<u>939,541,226</u>
23.1 Workers' profit participation fund (WPPF)			
Opening balance		163,641,857	126,995,798
Interest		17,731,321	13,348,197
Addition during the year		38,770,688	47,014,874
		<u>220,143,866</u>	<u>187,358,869</u>
Paid during the year		(34,297,253)	(23,717,012)
Closing Balance		<u>185,846,613</u>	<u>163,641,857</u>
23 (a) Consolidated other payables			
Creditors for expenses		553,023,239	699,206,929
Security money received from customers		181,468,671	107,544,296
Workers' profit participation fund	23.1 (a)	234,141,220	197,050,389
Unpaid dividend		41,564,305	36,336,980
Provident fund		-	364,291
Tax deducted from suppliers and employees		23,848,715	65,047,572
Employees savings fund		121,044,570	99,290,904
Rights share deposit to be refunded		563,723	563,723
Family day fund		4,143,747	4,148,057
Non-management staff provident fund		1,932,616	276,830
Unclaimed refund warrant - Zero Coupon Bonds		3,665,042	3,738,779
Payable for redemption of Zero Coupon Bonds		13,012,184	13,105,840
Creditors for capital expenditure		80,865,042	42,525,246
Proceeds from sale of land of ACI Trading Limited		-	72,639,388
Laser advertisement and promotional fund		1,332,489	6,411,162
Electronics advertisement and promotional fund		-	131,418
		<u>1,260,605,563</u>	<u>1,348,381,804</u>
23.1 (a) Consolidated Workers' profit participation fund (WPPF)			
Opening balance		197,050,389	146,674,920
Interest		17,731,321	13,348,196
Addition during the year		62,600,804	67,253,862
		<u>277,382,514</u>	<u>227,276,978</u>
Paid during the year		(43,241,294)	(30,226,589)
Closing Balance		<u>234,141,220</u>	<u>197,050,389</u>
24 Inter-company payables			
ACI Formulations Limited		143,489,021	243,764,427
Creative Communication Limited		16,878,914	17,164,621
ACI Edible Oils Limited		12,561,921	10,497,600
ACI Pure Flour Limited		-	17,644,495
		<u>172,929,856</u>	<u>289,071,143</u>

25 Current tax liability

	2012 Taka	2011 Taka
Opening balance	216,421,641	348,971,867
Provision made during the year	199,460,929	194,212,347
	<u>415,882,570</u>	<u>543,184,214</u>
Adjustment made during the year	(207,689,336)	(326,762,573)
Closing balance	<u>208,193,234</u>	<u>216,421,641</u>
25 (a) Consolidated current tax liability		
Opening balance	358,735,798	508,197,976
Provision made during the year	315,403,928	330,868,745
	<u>674,139,726</u>	<u>839,066,721</u>
Adjustment made during the year	(268,140,016)	(480,330,923)
Closing balance	<u>405,999,710</u>	<u>358,735,798</u>
25.1 Advance income tax		
Opening Balance	122,788,615	222,974,570
Paid / withhold during the year	235,390,162	226,576,618
	<u>358,178,777</u>	<u>449,551,188</u>
Adjustment made during the year	(207,689,336)	(326,762,573)
Closing Balance	<u>150,489,441</u>	<u>122,788,615</u>
25.1 (a) Consolidated advance income tax		
Opening Balance	291,909,295	389,792,767
Paid / withhold during the year	406,853,090	416,312,605
	<u>698,762,385</u>	<u>806,105,372</u>
Adjustment made during the year	(267,335,598)	(514,196,077)
Closing Balance	<u>431,426,787</u>	<u>291,909,295</u>
26 Revenue		
Pharmaceuticals*	4,539,275,629	3,740,773,487
Animal health	820,215,207	734,828,063
Consumer brands	3,165,464,431	2,800,535,499
Seeds	387,077,737	329,446,668
Fertilizer	381,857,720	360,540,151
Cropex	386,170,838	547,717,978
	<u>9,680,061,562</u>	<u>8,513,841,846</u>

* Pharmaceuticals turnover includes sales of the following in units :

	Quantity	Quantity
Tablets (Pc)	12,800,012	13,046,403
Capsules (Pc)	3,761,519	3,763,924
Injection (Pc)	4,152,732	4,220,507
Bottled products (Pc)	21,794,873	20,429,860
Creams (Pc)	4,369,931	3,974,346
Inhaler	415,389	362,974

The rest relates to agrochemical, animal health, seeds, fertilizer, cropex and consumer goods.

26 (a) Consolidated revenue

Gross sales	23,520,277,181	18,905,526,176
Inter-company sales	(1,543,976,304)	(1,445,405,391)
Net sales	<u>21,976,300,877</u>	<u>17,460,120,785</u>

27. Cost of sales

Particulars	2012						2011	
	Pharmaceuticals	Animal Health	Consumer brands	Seeds	Fertilizer	Cropex	Total	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Raw and packing materials:								
Opening stock	336,250,907	61,200,368	47,536,132	8,623,595	50,448,770	214,800	504,274,572	618,901,610
Purchase	1,898,028,433	146,905,123	250,178,804	28,435,613	213,272,001	2,055,638	2,538,875,612	1,910,769,770
Closing stock	(463,485,301)	(75,987,128)	(44,930,571)	(10,224,677)	(39,287,463)	-	(633,915,140)	(504,274,571)
Manufacturing expenses - note-28 (d)	1,770,794,039	132,118,363	252,784,365	26,834,531	224,433,308	2,270,438	2,409,235,044	2,025,396,809
Quality control and development expenses - note-28 (e)	458,878,858	21,311,945	18,205,746	27,849,361	7,957,754	-	534,203,664	433,329,928
Cost of samples, product bonus and stock write off	73,961,008	78,375	-	-	-	-	74,039,383	58,341,457
Opening work-in-process	(32,436,618)	(11,261,637)	19,786,436	4,620,183	(102,701)	-	(19,394,337)	(68,959,597)
Closing work-in-process	42,807,069	6,888,848	-	9,611,284	-	-	59,307,201	70,926,828
Cost of goods manufactured / sold	(32,275,726)	(6,505,199)	-	(16,553,384)	-	-	(55,334,309)	(59,307,201)
	2,281,728,630	142,630,695	290,776,547	52,361,975	232,288,361	2,270,438	3,002,056,646	2,459,728,224
Finished goods:								
Opening stock	260,178,870	223,477,104	596,298,553	41,456,312	55,245,254	-	1,176,656,093	936,842,134
Purchase	71,689,716	474,011,290	2,103,114,175	256,321,378	44,898,678	373,014,673	3,323,049,910	3,097,365,618
Closing stock	(305,430,837)	(335,339,580)	(626,943,137)	(80,046,185)	(64,124,587)	-	(1,411,884,326)	(1,176,656,093)
Inter business adjustment	(236,634,834)	62,064,087	174,570,747	-	-	-	-	-
	(210,197,085)	424,212,901	2,247,040,338	217,331,505	36,019,345	373,014,673	3,087,821,677	2,857,551,659
Cost of sales	2,071,531,545	566,843,596	2,537,816,885	270,093,480	268,307,706	375,285,111	6,089,878,323	5,317,279,883

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

27 (a) Consolidated cost of sales

	2012	2011
	Taka	Taka
Opening stock	3,049,029,563	2,696,168,839
Purchase	15,518,845,979	11,926,220,777
Closing stock	(18,567,875,542)	(14,622,389,616)
Manufacturing expenses	(3,483,642,251)	(3,049,029,563)
	15,084,233,291	11,573,360,053
	1,223,985,834	1,016,358,578
	16,308,219,125	12,589,718,631

28 Allocation of expenses

Particulars	2012						2011
	Administrative expenses	Distribution expenses	Manufacturing expenses	QC and development expenses	Selling expenses	Total	Total
	Taka (a)	Taka (b)	Taka (d)	Taka (e)	Taka (c)	Taka	Taka
Salary and wages	122,187,101	93,957,564	189,303,453	46,836,984	805,031,243	1,257,316,345	1,061,217,540
Travelling and conveyance	3,385,108	64,179,356	3,254,505	472,504	271,325,642	342,617,115	250,692,952
Rent and rates	8,784,558	23,028,625	29,305,279	-	29,349,206	90,467,668	86,663,205
Repair and maintenance	4,590,664	2,933,638	42,753,070	2,694,211	7,682,271	60,653,854	50,881,487
Fuel and power	4,806,338	3,983,522	104,888,479	1,694,840	7,646,335	123,019,514	88,147,471
Postage	5,175,801	2,393,021	2,075,035	131,511	18,439,542	28,214,910	22,971,719
Printing and stationery	3,920,485	8,871,071	4,170,040	794,731	19,576,009	37,332,336	35,251,041
Promotional expenses	17,817,915	28,759	259,655	-	764,558,376	782,664,705	651,171,658
Entertainment	1,166,488	3,791,043	6,230,996	2,268	7,515,070	18,705,865	17,156,318
Vehicle maintenance	4,747,440	48,260,291	4,858,753	272,034	29,401,741	87,540,259	68,674,703
Bad debts	-	-	-	-	7,664,759	7,664,759	5,991,736
Truck and handling	-	59,732,564	4,908,700	-	62,949,957	127,591,221	100,446,819
Legal and professional charges	4,842,827	169,999	-	-	3,993,765	9,006,591	5,155,736
Audit fees	450,000	-	-	-	-	450,000	400,000
Insurance	897,147	9,472,053	7,801,206	286,243	5,151,175	23,607,824	16,017,190
Directors' fees	18,750	-	-	-	-	18,750	15,000
Bank charges	30,232	1,838,163	-	-	9,546,894	11,415,289	7,864,408
Sundry expenses	-	165,651	20,500	-	-	186,151	117,245
Product development expenses	-	-	749,435	564,856	6,980,217	8,294,508	5,327,660
Training expenses	757,921	115,471	181,264	71,280	10,102,592	11,228,528	11,032,050
Depreciation	10,504,961	15,870,726	130,837,441	10,490,336	20,565,294	188,268,758	156,966,374
Amortization	518,932	-	-	-	-	518,932	518,932
Lab chemical and apparatus	-	-	2,185,130	9,727,586	-	11,912,716	6,929,736
Meeting expenses	5,397,676	14,500	16,708	-	16,997,479	22,426,363	17,875,396
Share department expenses	965,918	-	-	-	-	965,918	785,364
Export expenses	-	-	-	-	4,483,760	4,483,760	6,119,252
ISO / TQM related expenses	441,016	-	272,002	-	-	713,018	231,188
Market research	-	-	-	-	16,882,183	16,882,183	10,211,080
Corporate Social Responsibility exp.	4,078,652	-	132,012	-	-	4,210,664	435,374
	205,485,930	338,806,017	534,203,664	74,039,383	2,125,843,510	3,278,378,504	2,685,268,632

- (a) Administrative expenses
(b) Distribution expenses
(c) Selling expenses

2012	2011
Taka	Taka
205,485,930	196,297,084
338,806,017	271,373,973
2,125,843,510	1,725,926,191
2,670,135,457	2,193,597,248

28 (a) Consolidated administrative, selling and distribution expenses

Administrative expenses	564,410,792	484,879,076
Distribution expenses	565,968,986	486,743,172
Selling expenses	3,175,714,887	2,611,987,428
	4,306,094,665	3,583,609,676

29 Other income

	<u>2012</u> <u>Taka</u>	<u>2011</u> <u>Taka</u>
Service charges	640,676	3,977,018
Dividend income	53,711,233	49,046,172
Rental income	2,388,000	2,388,000
Proceeds from sales of fixed assets	248,954	42,609
Income from ACI Trading Limited	70,998,619	-
Gain / (loss) from foreign currency translations	1,263,181	1,654,360
Proceeds from scrap sales	6,769,580	5,822,276
Miscellaneous income	1,901,224	1,244,651
	<u>137,921,467</u>	<u>64,175,086</u>

29(a) Consolidated other income

Service charges	2,880,007	14,223,754
Dividend income	13,601,058	913,962
Rental income	2,388,000	2,388,000
Sales proceeds of scrap and used bags	43,935,066	35,385,896
Gain / (loss) from foreign currency translations	1,263,181	1,654,360
Commission income	5,478,796	12,370,812
Proceeds from sale of fixed assets	445,855	151,089
Income from ACI Trading Limited	70,998,619	-
Miscellaneous income	1,901,224	1,244,651
	<u>142,891,806</u>	<u>68,332,524</u>

30 Financing costs

Interest expenses on

Bank loan *	172,094,475	11,550,880
Employees' welfare fund	13,401,285	11,647,079
Finance lease	643,111	81,122
Security deposits	9,109,161	4,501,419
Workers' profit participation fund	17,731,321	13,348,193
ACI 20% Convertible Zero Coupon Bonds	69,561,851	85,612,661
Other funds / borrowings	14,286	100,961
	<u>282,555,490</u>	<u>126,842,315</u>

* The Company has capitalized borrowing costs to the extent of Tk. 41,970,530 and 104,042,337 using the weighted average cost of borrowing on acquisition of qualifying assets during the year 2012 and 2011 respectively.

30(a) Consolidated financing costs

Interest expenses on

Bank loans	1,153,010,918	637,405,952
Employees' welfare fund	13,401,285	11,647,079
Finance lease	643,111	81,122
Security deposits	9,109,161	4,501,419
Workers' profit participation fund	17,731,321	13,348,193
ACI 20% Convertible Zero Coupon Bond (ZCBs)	69,561,851	85,612,661
Other funds / borrowings	14,286	100,961
	<u>1,263,471,933</u>	<u>752,697,387</u>

31 Deferred tax expenses

	<u>2012</u> Taka	<u>2011</u> Taka
Net taxable temporary differences	1,370,685,310	1,399,535,238
Tax rate	27.50%	27.50%
Deferred tax liability as at 31 December	<u>90,659,547</u>	<u>98,593,278</u>
Less:- Opening balance as at 1 January	<u>98,593,278</u>	<u>80,652,086</u>
	<u>(7,933,731)</u>	<u>17,941,192</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:

	<u>ACI Limited</u>		<u>ACI Group</u>	
	2012	2011	2012	2011
Profit for the year	545,115,873	681,129,073	(165,894,513)	238,113,071
Weighted average number of shares	<u>23,757,704</u>	<u>23,625,268</u>	<u>23,757,704</u>	<u>23,625,268</u>
Basic earnings per share	<u>22.94</u>	<u>28.83</u>	<u>(6.98)</u>	<u>10.08</u>

32.2 Diluted earnings per share

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

	<u>ACI Limited</u>		<u>ACI Group</u>	
	2012	2011	2012	2011
Attributable profit for basic earnings per share	545,115,873	681,129,073	(165,894,513)	238,113,071
Interest savings for conversion of bond into equity	<u>10,169,158</u>	<u>13,558,878</u>	<u>10,169,158</u>	<u>13,558,878</u>
Adjusted profit for diluted earnings per share	<u>555,285,031</u>	<u>694,687,951</u>	<u>(155,725,355)</u>	<u>251,671,949</u>
Weighted average number of shares for basic earnings per share	<u>23,757,704</u>	<u>23,625,268</u>	<u>23,757,704</u>	<u>23,625,268</u>
Incremental number of shares from conversion	<u>605,172</u>	<u>716,041</u>	<u>605,172</u>	<u>716,041</u>
Weighted average number of share outstanding for diluted earnings per share	<u>24,362,876</u>	<u>24,341,309</u>	<u>24,362,876</u>	<u>24,341,309</u>
Diluted earnings per share (Taka)	<u>22.79</u>	<u>28.54</u>	<u>(6.39)</u>	<u>10.34</u>

The Group's diluted and basic EPS is negative (Tk. 6.39) and (Tk. 6.98) 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. Negative Tk. 6.98.

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	
		2012	2011
		Taka	Taka
Trade receivables	9	1,292,368,456	1,131,611,820
Other receivables	10	107,406,234	138,454,704
Financial assets classified as available for sale	17	184,827,158	292,501,695
Inter-company receivables		3,932,806,528	2,939,169,619
Investment in term deposit		34,294,727	3,586,022
Cash at bank		148,480,976	211,097,173

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

Domestic	1,284,620,612	1,127,635,682
Sri Lanka	7,730,190	3,385,657
Myanmar	17,654	590,481
	<u>1,292,368,456</u>	<u>1,131,611,820</u>

The aging of trade receivables at the reporting date are

Due below 6 months	1,065,540,150	885,627,259
Due above 6 months	270,898,227	284,589,124
	<u>1,336,438,377</u>	<u>1,170,216,383</u>
Less: provision for doubtful debts	44,069,921	38,604,563
	<u>1,292,368,456</u>	<u>1,131,611,820</u>

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

Balance at 1st January	38,604,563	32,891,769
Impairment loss recognized	7,664,759	5,991,736
Adjustment made during the year	(2,199,402)	(278,941)
Balance at 31 December	<u>44,069,920</u>	<u>38,604,563</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 2012:

Exposure to liquidity risk	Carrying amount	Contractual cash flows	Less than 1 year	1-5 years
	Taka	Taka	Taka	Taka
Short term interest bearing loans (note - 21)	3,856,614,632	(3,856,614,632)	(3,856,614,632)	-
Long term interest bearing loans	233,573,874	(233,573,874)	(58,231,150)	(175,342,724)
ACI 20% Convertible Zero Coupon Bonds	716,131,378	(716,131,378)	(255,631,178)	(460,500,200)
Finance lease liabilities (note - 18.1)	3,787,119	(3,787,119)	(761,582)	(3,025,537)
Inter-company payables (note - 24)	172,929,856	(172,929,856)	(172,929,856)	-
Trade and other payables	1,175,223,600	(1,175,223,600)	(1,175,223,599)	-
Bank overdraft (note - 20)	1,374,097,512	(1,374,097,512)	(1,374,097,512)	-
	<u>7,532,357,972</u>	<u>(7,532,357,972)</u>	<u>(6,893,489,509)</u>	<u>(638,868,461)</u>

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

	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	1,160,761,451	(1,160,761,451)	(1,160,761,451)	-
Bank overdraft (note - 20)	905,029,397	(905,029,397)	(905,029,397)	-
	<u>5,758,070,978</u>	<u>(5,758,070,978)</u>	<u>(5,099,633,710)</u>	<u>(658,437,268)</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 2012			31 December 2011		
	GBP	Euro	USD	GBP	Euro	USD
Short term interest bearing loan	-	234,540	3,845,231	-	-	-
Trade and other payables	-	38,482	359,417	-	121,445	285,628
Trade receivables	-	-	97,913	-	-	46,988
Cash at bank	1,439	2,220	323,483	1,439	2,220	526,168
	<u>1,439</u>	<u>275,242</u>	<u>4,626,044</u>	<u>1,439</u>	<u>123,665</u>	<u>858,784</u>

The following significant exchange rates are applied:

	Reporting date spot rate	
	2012	2011
Euro	108.00	108.00
USD	80.35	83.00
GBP (Prevailing rate at 2010)	104.35	104.35

Market risk-interest rate risk

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

	Carrying amount	
	2012 Taka	2011 Taka
Fixed rate instruments		
Financial assets	34,294,727	3,586,022
Financial liabilities	(5,846,849,279)	(4,308,238,384)
	<u>(5,812,554,552)</u>	<u>(4,304,652,362)</u>
Variable rate instruments		
Financial assets	-	-
Financial liabilities	337,355,236	-
	<u>337,355,236</u>	<u>-</u>

34 Operating leases-lessee

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

	<u>2012</u> <u>Taka</u>	<u>2011</u> <u>Taka</u>
Less than one year	58,020,065	51,420,446
Between one and five years	129,186,119	128,991,524
More than five years	35,318,400	31,974,543
	<u>222,524,584</u>	<u>212,386,513</u>

The Company obtained leases of 67 agreements for 21 Depots and 5 agreements for 5 warehouses, 5 agreements for 5 office premises and 2 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 2012, Tk 58,803,051 was recognized as expense in the income statement in respect of operating leases (2011: 51,751,377).

35 Sale/adjustment of fixed assets

<u>Particulars</u>	<u>Original cost</u>	<u>Accumulated depreciation</u>	<u>Book value</u>	<u>Sale value</u>	<u>Mode of disposal/adjustment</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	
Motor vehicle	817,900	817,899	1	271,000	Sold through tender
Motor vehicle	503,000	502,999	1	306,000	Sold through tender
Motor vehicle	518,500	518,499	1	280,000	Sold through tender
Motor vehicle	956,010	956,009	1	305,990	Sold through tender
Motor vehicle	478,005	478,004	1	231,500	Sold through tender
Office machinery	43,000	6,450	36,550	24,000	Insurance claim settlement
	<u>3,316,415</u>	<u>3,279,860</u>	<u>36,555</u>	<u>1,418,490</u>	

36 Subsequent events

The Board of Directors in their meeting held on 30 April 2013 have recommended cash dividend @ 80% per share of Taka 10 each that aggregating to Taka 190,547,216 and stock dividend @ 20% (i.e. 1(one) bonus share for every 5 (five) Ordinary share) of Taka 10 each that aggregating to Taka 47,636,804 for the year ended 31 December 2012 subject to approval of the shareholders in the Annual General Meeting scheduled to be held on 11 June 2013. The financial statements for the year ended 31 December 2012 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 payment will be established.

There are no events identified after the statement of financial position date which might be material.

37. Consolidated operating segments-2012

Particulars	Reportable segment												Non-reportable segment		Unallocated / adjustment		Total							
	Pharmaceuticals		Animal Health		Consumer brands		Crop Care and Public Health		ACI Motors		ACI Pure Flour		Retail chain		ACI Salt		ACI Foods		Premiaflex					
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka			
External revenue	4,539,275,629	820,215,207	3,165,464,431	1,254,685,403	1,287,026,530	2,480,001,639	4,367,914,814	995,066,598	594,651,923	1,281,369,399	1,190,629,304	-	-	-	-	-	-	-	-	-	-	-	21,976,300,877	
Inter-segment revenue	-	-	-	-	-	15,027,038	-	-	23,243,451	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance cost	125,539,404	24,949,650	103,270,291	80,336,908	65,174,633	52,056,101	421,113,116	61,006,788	133,302,573	149,909,006	46,813,463	-	-	-	-	-	-	-	-	-	-	-	-	1,263,471,933
Operating expenses	1,624,564,450	225,583,557	620,546,848	260,525,567	194,651,106	110,858,541	735,380,242	108,651,685	154,886,079	26,641,843	253,716,750	-	-	-	-	-	-	-	-	-	-	-	-	4,306,094,668
Depreciation and amortization	137,063,030	12,590,541	31,713,644	21,915,975	1,353,438	25,280,935	82,581,421	52,222,236	18,992,986	41,169,019	8,011,940	-	-	-	-	-	-	-	-	-	-	-	-	459,270,849
Segment profit before tax	689,202,923	2,764,577	29,260,168	144,060,343	(18,471,275)	88,366,754	(798,208,702)	115,378,777	(164,481,408)	48,807,272	(35,193,890)	-	-	-	-	-	-	-	-	-	-	-	-	103,733,982
Segment assets	3,886,936,308	776,520,626	2,148,515,589	1,908,787,011	1,304,879,544	718,785,684	1,490,352,534	1,573,794,656	328,359,983	1,271,087,711	1,177,887,610	-	-	-	-	-	-	-	-	-	-	-	-	18,134,878,997
Segment external liabilities	881,704,743	258,280,744	682,550,542	395,132,666	1,167,852,460	581,044,414	3,738,975,382	1,368,088,102	1,059,010,647	953,277,285	288,949,420	-	-	-	-	-	-	-	-	-	-	-	-	13,979,498,534

Consolidated operating segments-2011

Particulars	Reportable segment												Non-reportable segment		Unallocated / adjustment		Total								
	Pharmaceuticals		Animal Health		Consumer brands		Crop Care and Public Health		ACI Motors		ACI Pure Flour		Retail chain		ACI Salt		ACI Foods		Premiaflex						
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	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	618,950,444	469,308,493	991,450,430	1,292,649,605	-	-	-	-	-	-	-	-	-	-	-	-	-	17,460,120,785
Inter-segment revenue	-	-	-	-	-	4,079,846	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance cost	53,577,540	11,641,676	49,370,832	63,768,597	2,882,293	60,905,622	251,312,560	24,051,627	101,046,466	108,651,152	25,489,021	-	-	-	-	-	-	-	-	-	-	-	-	-	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	67,210,037	182,739,360	18,222,149	229,108,929	-	-	-	-	-	-	-	-	-	-	-	-	-	3,583,609,675
Depreciation and amortization	112,400,898	7,462,838	30,840,054	19,998,886	1,270,350	24,050,527	79,645,531	27,768,026	17,587,269	36,045,083	6,570,011	-	-	-	-	-	-	-	-	-	-	-	-	-	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)	80,781,064	(198,700,678)	55,478,670	4,211,598	-	-	-	-	-	-	-	-	-	-	-	-	-	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	984,553,762	364,030,708	1,216,038,815	1,212,458,416	-	-	-	-	-	-	-	-	-	-	-	-	-	16,075,870,945
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	842,350,856	933,741,239	1,120,725,181	735,209,321	-	-	-	-	-	-	-	-	-	-	-	-	-	11,387,512,693

38 Related party transactions

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			
			2012		2011		2012		2011	
			Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
ACI Formulations Limited	Subsidiary	Purchase of products	4,313,435,437	3,495,445,040	(143,489,021)	(243,764,427)				
ACI Salt Limited	Subsidiary	Providing working capital finance	1,312,655,479	743,491,074	275,314,945	116,151,680				
Apex Leathercraft Limited	Subsidiary	Lease of corporate office	14,122,105	11,696,697	100,969,874	105,915,073				
Flyban Insecticides Limited	Subsidiary	Providing working capital finance	7,469	12,520	1,007,330	999,861				
ACI Pure Flour Limited	Subsidiary	Providing working capital finance	2,434,568,045	1,789,467,064	50,324,940	(17,644,495)				
ACI Foods Limited	Subsidiary	Providing working capital finance	571,399,549	478,385,336	658,522,965	528,223,183				
ACI Agrochemicals Limited	Subsidiary	Providing working capital finance	26,035	35,565	177,262	151,227				
Creative Communication Limited	Subsidiary	Providing working capital finance	65,231,113	86,843,812	(16,878,914)	(17,164,621)				
ACI Motors Limited	Subsidiary	Providing working capital finance	1,090,865,682	1,137,160,693	90,249,594	12,515,082				
Premiaflex Plastics Limited	Subsidiary	Providing working capital finance	1,383,082,785	1,135,471,432	303,644,620	566,438,472				
ACI Logistics Limited	Subsidiary	Providing working capital finance	2,414,376,144	2,873,979,204	2,536,870,074	1,700,565,385				
ACI Edible Oils Limited	Subsidiary	Providing working capital finance	2,074,216	24,008,035	(12,561,921)	(10,497,600)				
Tetley ACI (Bangladesh) Limited	Joint Venture	Purchase of products	2,356,077	1,881,243	558,756	469,249				
Asian Consumer Care (Pvt) Limited	Associate	Promotional expenses	2,938,645	3,125,487	7,997,023	7,576,425				
ACI Godrej Agrovet (Pvt) Limited	Joint Venture	Providing working capital finance	-	10,000	879,726	879,726				
(b) Directors' emoluments										
Salary			2012		2011		2012		2011	
Benefits			Taka		Taka		Taka		Taka	
Provident fund contribution			18,044,500		16,553,250		8,048,960		8,083,256	
			1,383,600		1,277,550		27,477,060		25,914,056	

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:

	2012 Taka	2011 Taka
Letters of credit		
Standard Chartered Bank	140,027,035	150,284,786
Commercial Bank of Ceylon Plc	12,308,189	46,492,639
The Hongkong and Shanghai Banking Corporation Limited	9,182,403	96,325,193
Citibank, N.A.	-	23,039,390
BRAC Bank Limited	5,363,626	2,918,384
Eastern Bank Limited	5,661,638	57,317,702
The City Bank Limited	31,218,666	102,553,720
Bank Alfalah Limited	31,260,000	7,022,168
Dutch Bangla Bank Limited	43,194,786	-
One Bank Limited	2,217,512	-
AB Bank Limited	46,516,000	11,753,125
	<u>326,949,855</u>	<u>497,707,107</u>

39.2 Contingent liabilities

Shipping guarantees

Eastern Bank Limited	66,908	-
Standard Chartered Bank	35,830,840	17,280,973
	<u>35,897,748</u>	<u>17,280,973</u>

39.3 Capital expenditure

i) Contracted but not approved for	Nil	Nil
ii) Approved but not contracted for	179,686,853	806,640,000

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	1,567,971,411	1,136,584,209
Finished goods	942,598,846	988,374,139
	<u>2,510,570,257</u>	<u>2,124,958,348</u>

41 Production capacity and utilization

	Capacity in units pack per 8hr / month		Utilization	
	2012	2011	2012	2011
Pharmaceuticals, Consumer Brand and Animal Health	5,050,000	4,999,402	105%	99%

42 Number of employees engaged for drawing remuneration

The number of employees drawing Tk. 3,000 or more per month was 4,560 in 2012 (2011: 4,014) 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 Agrovat (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	"	Ashrafal Haque Nabi & Co.
ACI Motors Limited	"	Ashrafal Haque Nabi & Co.
Premiaflex Plastics Limited	"	Ashrafal Haque Nabi & Co.
ACI Edible Oils Limited	"	Ashrafal Haque Nabi & Co.
Flyban Insecticides Limited	"	Shiraz Khan Bashak & Co.
ACI Agrochemical 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 2012



ACI Formulations Limited Directors' Report

Sales

The progressive farmers are gradually turning towards commercial farming by adapting new technology and modern agricultural practice for intensive use of land. As a result cropping intensity has increased from 181% to 191% which is a positive development towards our food security. Direct employment generation also increased from 22% to 25.70%. Agriculture is playing a vital role in the socio economic development both in rural & urban areas.

In 2012, we observed inadequate rainfall in Aus-Amon season and cold injury in Boro seedling, lower infestation of pests, and paddy price being below the production cost. The farmers therefore used minimal inputs for their cultivation. The crop care business had a negative growth but we achieved 7% growth in turnover over 2011.

The outlook of Crop Care business is bright for us because we have opportunities to grow in market share and penetration strategy to reach new customers. Margins will erode but volume increase will make up.

New Products Development

We added eight new products of Insecticides, Herbicides and Fungicides in our Crop Care product portfolio and launched two insecticides named Goolee 50SC & AC Mix 55EC in 2012. Our newly added products will provide a more cost effective Crop - Pest solutions.

Public Health Products

The Company has developed public Health product through a series of trials for controlling Vectors of Malaria, Kala-Azar & Dengue and are continuing to supply to the Government for Indoor Residual Spray. Multi-location community-based field trials on several products are ongoing with reputed Research Institutions as a part of future business prospects.

Manufacturing

Our factory is well equipped with modern machineries & equipment for the manufacture of Mosquito coil, Aerosol Insecticide, Sulphur fertilizer etc. We also produce granular insecticide, formulate liquid pesticides and repack wettable and the other powder pesticides.

Our QC laboratory is well equipped with advanced analytical equipment and staffed by qualified chemists and technicians.

Waste Management

We follow "Zero Discharge" Environmental rules. All liquid effluents are fully treated in our ETP unit and the clean water that finally comes out is used for gardening and housekeeping purpose. All solids are incinerated and metal drums are crushed to make them unsuitable for use.

Cost of Goods Sold and Profit Margins

In 2012, one of the key adverse factors in COGS was the unfavourable exchange rate. In fact, Taka devalued around 10 % in 2012 with an adverse financial impact on raw material of Taka 53 Mn. This was one of the main challenges in containing raw material cost. However, the Company was able to overcome this adverse effect through a number of initiatives like efficient price negotiations, productivity improvement which ultimately resulted into gross margin almost same as last the year.

On the other hand, despite increase of the cost of fund, effective control over operating expenses, net profit has rather increased by 2% over 2011.

Promotion, Training & Farmers Motivation

To spread our crop-pest solution and new technology in crop care we are maintaining communication with agriculture related educational Institutions, Research Centers, retailers and farmers. Our well-trained Field Force members are directly going to farmer's level to persuade them to adopt appropriate agronomic practices. We are also providing training to the retailers who are directly selling product to the farmers.

Corporate Social responsibility

CSR is the responsibility of ACI Group and the projects and programs under CSR are selected on basis of their relevance to the business of the Group of Companies. From next year a brochure on all the projects under CSR of the ACI Group will be published and our shareowners will receive a copy along with their Annual Accounts. We are conscious of our responsibility to manage a sustainable business organization and we are conscious of our social responsibility.

Prospects

We have obtained registration for several new patented products including a bio-chemical which will boost the yield of crops by more than 20% in case of rice and more than 30% in case of some vegetables. We are launching this product in a big way.

Our Sulphur Technical Manufacturing & Formulation Plant will be able to serve the sulphur requirements of the country as an insecticide and there will be some surplus capacity for use as a soil nutrient.

We are looking at several options for expansion and weighing out their potential. We will expand into new areas and make successful new investments. Your management is in capable hands and your investment will grow in value steadily.

Financial Results

In 2012, total turnover increased to Tk. 2,581 million from Tk. 2,444 million of 2011, an increase of Tk. 137 million, resulting into 5.6% growth over last year. The cost of sales has also increased by 5.3% mainly due to unfavorable exchange rate variance on imported goods partially offset by decreased raw materials cost resulting into increase in gross profit by 6.6% (Tk. 38 million) over last year. Profit after tax has also increased to Tk. 150 million from Tk. 147 million of 2011 which is higher by 2.1% mainly due to increased gross margin and effective control over operating expenses partially offset by increased financing cost. Earnings per Share (EPS) has also increased by 2% to Tk. 3.33 from Tk. 3.26 (2011).

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>2012</u> Taka	<u>2011</u> Taka
Un-appropriated profit from previous year	420,401,577	498,554,370
Add: Net profit after tax for the year	149,963,811	146,847,207
Add: Transferred from revaluation surplus	415,744	Nil
Total available for appropriation	<u>570,781,132</u>	<u>645,401,577</u>

Appropriation proposed:

Proposed dividend:		
Cash dividend	112,500,000	75,000,000
Stock dividend	Nil	150,000,000
Total dividend	<u>112,500,000</u>	<u>225,000,000</u>
Balance carried forward	<u>458,281,132</u>	<u>420,401,577</u>

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

Dividend

The Board of Directors is pleased to recommend cash dividend @25% per share of Taka 10 i.e. Taka 2.5 per share for the year 2012 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 Sunday, 12th May 2013.

Contribution to the National Exchequer

During 2012, the company contributed Tk. 170 million to the National Exchequer in the form of corporate tax, custom duty, VAT etc. This is equivalent to 6.60% of our net sales revenue for the year 2012.

Corporate Governance Compliance Statement

ACIFL 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.

We have the pleasure to confirm herewith that the Company has meanwhile complied with all the necessary guidelines under BSEC Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012. The compliance report along with the necessary remarks/disclosure is appended in the Directors' Report of the Company for the year 2012. Further a Certificate of Compliance required under the said Guidelines, as provided by Hoda Vasi Chowdhury & Co, Chartered Accountants, is also annexed to this report in Annexure-III at Annual Report of ACI Formulations Limited.

On behalf of the Board



Shusmita Anis
Managing Director



Juned Ahmed Choudhury
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 2012, 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.

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 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 2012 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.

Dhaka, 30 April 2013



Hoda Vasi Chowdhury & Co.
Chartered Accountants

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 2012

Assets

Non-current assets

Property, plant and equipment
At cost/revaluation
Less: Accumulated depreciation

Capital work-in-progress
Investment

Total non-current assets

Current assets

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

Total current assets

Total assets

Equity and liabilities

Shareholders' equity

Share capital
Revaluation surplus
Retained earnings

Total equity

Non-current liabilities

Long term liabilities
Deferred tax liabilities
Total non-current liabilities

Current liabilities

Bank overdrafts
Short term loan from banks
Long term loan from bank-current portion
Trade payables
Other payables
Inter-company payable
Current tax liability

Total current liabilities

Total equity and liabilities

	2012 Taka	2011 Taka
Property, plant and equipment At cost/revaluation Less: Accumulated depreciation	1,327,776,045 97,075,474	1,229,783,264 52,490,189
Capital work-in-progress Investment	1,230,700,571 25,977,950 2,600,184	1,177,293,075 33,113,538 2,396,817
Total non-current assets	1,259,278,705	1,212,803,430
Inventories Trade receivables Advances, deposits and prepayments Advance income tax Inter-company receivables Cash and cash equivalents	669,134,103 593,570,865 37,848,062 47,849,264 161,977,411 79,626,787	704,746,537 546,036,962 24,745,835 43,607,832 243,764,427 83,150,407
Total current assets	1,590,006,492	1,646,052,000
Total assets	2,849,285,197	2,858,855,430
Share capital Revaluation surplus Retained earnings	450,000,000 692,960,311 570,781,132	300,000,000 693,376,055 645,401,577
Total equity	1,713,741,443	1,638,777,632
Long term liabilities Deferred tax liabilities Total non-current liabilities	13,633,614 60,388,523 74,022,137	34,726,794 59,234,469 93,961,263
Bank overdrafts Short term loan from banks Long term loan from bank-current portion Trade payables Other payables Inter-company payable Current tax liability	72,830,194 746,553,165 24,455,231 46,943,524 95,667,820 9,246,666 65,825,017	58,082,809 762,277,352 21,669,426 97,971,753 112,959,962 - 73,155,233
Total current liabilities	1,061,521,617	1,126,116,535
Total equity and liabilities	2,849,285,197	2,858,855,430



Managing Director

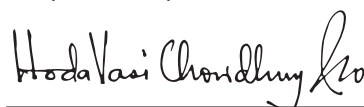


Director



Company Secretary

As per our report of same date.



Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 30 April 2013



ACI Formulations Limited

Statement of Comprehensive Income

for the year ended 31 December 2012

	<u>2012</u> Taka	<u>2011</u> Taka
Revenue	2,581,043,485	2,443,657,886
Cost of sales	(1,971,183,482)	(1,871,798,982)
Gross profit	609,860,003	571,858,904
Administrative, selling and distribution expenses	(313,474,009)	(302,740,217)
Results from operating activities	296,385,994	269,118,687
Other income	8,690,939	10,246,736
Finance costs	(94,319,665)	(71,477,257)
	210,757,268	207,888,166
Provision for contribution to WPPF	(10,537,863)	(10,394,408)
<i>Profit before taxation</i>	200,219,405	197,493,758
Income tax:		
Current tax expense	(49,101,540)	(63,707,518)
Deferred tax income/(expense)	(1,154,054)	13,060,967
	(50,255,594)	(50,646,551)
<i>Profit for the year</i>	149,963,811	146,847,207
Other comprehensive income	-	-
Total comprehensive income	149,963,811	146,847,207
Earnings per share (EPS)		
Basic earnings per share (par value Tk. 10)	3.33	3.26

Managing Director

Director

Company Secretary

As per our report of same date.

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 30 April 2013

ACI Formulations Limited

Statement of Changes in Equity

for the year ended 31 December 2012

<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>
Balance as per 31 December 2010	300,000,000	693,376,055	588,554,370	1,581,930,425
Comprehensive income for the year 2011				
Profit for the year	-	-	146,847,207	146,847,207
Total Comprehensive income for the year	-	-	146,847,207	146,847,207
Contributions by and distributions to owners of the Company				
Dividends paid during the year	-	-	(90,000,000)	(90,000,000)
Total contributions by and distributions to owners of the Company	-	-	(90,000,000)	(90,000,000)
Balance as at 31 December 2011	300,000,000	693,376,055	645,401,577	1,638,777,632
Comprehensive income for the year 2012				
Profit for the year	-	-	149,963,811	149,963,811
Total Comprehensive income for the year	-	-	149,963,811	149,963,811
Contributions by and distributions to owners of the Company				
Issue of bonus shares	150,000,000	-	(150,000,000)	-
Dividends paid during the year	-	-	(75,000,000)	(75,000,000)
Transaction recognized directly in equity				
Realization of revaluation surplus	-	(415,744)	415,744	-
Transactions with owners of the Company, recognized directly in equity	150,000,000	(415,744)	(224,584,256)	(75,000,000)
Balance as at 31 December 2012	450,000,000	692,960,311	570,781,132	1,713,741,443



ACI Formulations Limited Statement of Cash Flows

for the year ended 31 December 2012

	2012 Taka	2011 Taka
A) Cash flows from operating activities		
Cash received from customers	2,558,081,714	2,288,963,108
Cash received from other income	8,690,939	10,246,736
	2,566,772,653	2,299,209,844
Cash received/(paid) from/(for):		
Purchase of inventory	(1,943,792,760)	(1,796,964,576)
Operating expenses	(329,229,000)	(274,799,775)
Other creditors	(1,880,195)	1,812,081
Payment for WPPF	(5,509,036)	(6,459,607)
Advances, deposits and prepayments	(13,102,227)	2,802,390
	(2,293,513,218)	(2,073,609,487)
Cash generated from operating activities	273,259,435	225,600,357
Finance costs	(94,319,665)	(71,477,257)
Income tax	(60,673,188)	(48,558,099)
	(154,992,853)	(120,035,356)
<i>Net cash inflows from operating activities</i>	118,266,582	105,565,001
B) Cash flows from investing activities		
Acquisition of property, plant and equipment	(38,708,417)	(69,985,937)
Sale proceeds from property, plant and equipment	494,440	-
Investment	(203,367)	1,202,232
Payments for capital work-in-progress	(53,363,589)	(55,209,917)
<i>Net cash used in investing activities</i>	(91,780,933)	(123,993,622)
C) Cash flows from financing activities		
Inter-company debts received/(paid)	66,461,549	3,159,298
Dividend paid	(74,124,058)	(87,986,794)
Short term loan received/(paid) from/(to) banks	(15,724,185)	127,492,668
Long term loan received/(paid) from/(to) banks	(21,369,960)	(23,983,992)
<i>Net cash from/(used in) financing activities</i>	(44,756,654)	18,681,180
D) Net increase/(decrease) in cash and cash equivalents (A+B+C)	(18,271,005)	252,559
E) Cash and cash equivalents at 1 January	25,067,598	24,815,039
F) Cash and cash equivalents at 31 December (D+E)	6,796,593	25,067,598
Closing balance represents		
Cash in hand and at banks	79,626,787	83,150,407
Bank overdrafts	(72,830,194)	(58,082,809)
	6,796,593	25,067,598



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.

2012 was the fourth year of operation of ACI Logistics. The company is making all out efforts to accelerate 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. During the year, the revenue of the Company showed a significant improvement of 132% over last year. Along with revenue increase, the Company is trying to make considerable improvement in controlling operating expenses with overall operating efficiency thereby making the outlets positive. By the end of 2012, majority of the 40 outlets are already positive, however, continued pressure of financing cost both on current and accumulated loss, had increased the loss of the business from last year. In order to speed up the break-even point Company is also planning to establish more outlets at convenient location of Dhaka city. The financial result of the Company for the year ended 31 December 2012 is as follows:

Key Financial Results

	<u>Taka</u>
Revenue	4,367,914,814
Gross profit	353,608,267
Operating loss	(381,771,975)
Loss before tax	(798,208,702)
Loss after tax	(820,071,658)

On behalf of the Board

Dr. Arif Dowla

Managing Director

Dhaka, 30 April 2013



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

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Independent Auditor's Report to the Shareholders of **ACI Logistics Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of ACI Logistics Limited ("the Company"), which comprises the statement of financial position as at 31 December 2012, 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 of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRS) and the Companies Act 1994, and for such internal controls as management determines is 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 (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 auditors' judgement, 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 of financial statements that give a true and fair view 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 give a true and fair view of the financial position of the Company as at 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS).

Emphasis of matter

We draw attention to Note 3.14 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 and overall net liabilities as at the reporting date. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

- 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; and
- the balance sheet and the profit and loss account dealt with by the report are in agreement with the books of account.

Dhaka, 30 April 2013

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 2012

Assets

Non-current assets

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

Current assets

Inventory
Trade 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
Provision for gratuity
Finance lease - non-current portion

Current liabilities

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

Total equity and liabilities

	2012 <u>Taka</u>	2011 <u>Taka</u>
Non-current assets		
Property, plant and equipment	372,653,279	373,263,144
Intangible assets	27,277,574	30,740,999
Capital work-in-progress	-	664,001
Investments in FDR	66,031,762	79,956,358
	<u>465,962,615</u>	<u>484,624,502</u>
Current assets		
Inventory	813,857,008	555,681,782
Trade receivables	24,855,785	9,450,898
Advances, deposits and prepayments	145,068,289	89,122,835
Cash and cash equivalents	40,608,837	33,875,085
	<u>1,024,389,919</u>	<u>688,130,600</u>
Total assets	<u><u>1,490,352,534</u></u>	<u><u>1,172,755,102</u></u>
Equity and liabilities		
Shareholders' equity		
Share capital	347,840,000	347,840,000
Accumulated loss	(2,596,462,848)	(1,776,391,190)
	<u>(2,248,622,848)</u>	<u>(1,428,551,190)</u>
Non-current liability		
Long term bank loan	182,927,908	268,181,331
Provision for gratuity	863,875	-
Finance lease - non-current portion	30,742,191	-
Current liabilities		
Current portion of long term bank loan	196,311,228	144,111,757
Short term bank loan	302,827,348	293,404,206
Finance lease - current portion	9,123,637	-
Trade payables	330,095,761	131,181,168
Other payables	88,572,421	9,916,645
Provision for expenses	24,751,607	39,919,424
Inter-company liabilities	2,536,870,074	1,700,565,385
Provision for income tax	35,889,332	14,026,376
	<u>3,524,441,408</u>	<u>2,333,124,961</u>
Total equity and liabilities	<u><u>1,490,352,534</u></u>	<u><u>1,172,755,102</u></u>



Managing Director



Director



Company Secretary

As per our report of same date.



Rahman Rahman Huq
Chartered Accountants

Dhaka, 30 April 2013



ACI Logistics Limited

Statement of Comprehensive Income

for the year ended 31 December 2012

	<u>2012</u> Taka	<u>2011</u> Taka
Revenue	4,367,914,814	1,885,569,670
Cost of sales	(4,014,306,547)	(1,673,403,671)
Gross profit	<u>353,608,267</u>	<u>212,165,999</u>
Administrative expenses	(221,702,333)	(175,102,701)
Marketing, selling and distribution expenses	(513,677,909)	(404,728,568)
Operating loss	<u>(381,771,975)</u>	<u>(367,665,270)</u>
Finance cost	(421,113,116)	(251,312,560)
Other income	4,676,389	2,271,731
Loss before income tax	<u>(798,208,702)</u>	<u>(616,706,099)</u>
Income tax expenses:		
Current tax	(21,862,956)	(14,021,376)
Net loss for the year	<u>(820,071,658)</u>	<u>(630,727,475)</u>
Other comprehensive income	-	-
Total comprehensive loss for the year	<u>(820,071,658)</u>	<u>(630,727,475)</u>

Managing Director

Director

Company Secretary

As per our report of same date.

Rahman Rahman Huq
Chartered Accountants

Dhaka, 30 April 2013

ACI Logistics Limited Statement of Changes in Equity

for the year ended 31 December 2012

	Share capital	Accumulated loss	Total
	Taka	Taka	Taka
Balance as at 1 January 2011	347,840,000	(1,145,663,715)	(797,823,715)
Total comprehensive loss for the year 2011	-	(630,727,475)	(630,727,475)
Balance as at 31 December 2011	347,840,000	(1,776,391,190)	(1,428,551,190)
Total comprehensive loss for the year 2012	-	(820,071,658)	(820,071,658)
Balance as at 31 December 2012	347,840,000	(2,596,462,848)	(2,248,622,848)



ACI Logistics Limited

Statement of Cash Flows

for the year ended 31 December 2012

	<u>2012</u> <u>Taka</u>	<u>2011</u> <u>Taka</u>
A) Cash flows from operating activities		
Cash receipts from customers	4,352,509,927	1,880,009,886
Cash receipts from other income	4,462,718	3,771,731
	<u>4,356,972,645</u>	<u>1,883,781,617</u>
Cash paid for:		
Purchase of inventory	(4,073,567,180)	(1,819,280,021)
Operating expenses	(585,847,437)	(699,494,058)
Vendor settlement	-	10,028,840
Advances, deposits and prepayments	(55,945,454)	190,512,096
<i>Cash used in operation</i>	<u>(4,715,360,071)</u>	<u>(2,318,233,143)</u>
Finance cost	(411,332,119)	(251,312,560)
Income tax	-	-
	<u>(411,332,119)</u>	<u>(251,312,560)</u>
<i>Net cash used in operating activities</i>	<u>(769,719,545)</u>	<u>(685,764,086)</u>
B) Cash flows from investing activities		
Purchase of property, plant and equipment	(38,269,014)	(4,385,948)
Proceeds from disposal of property, plant and equipment	1,621,214	-
Investment in FDR	8,251,099	(8,101,191)
<i>Net cash used in investing activities</i>	<u>(28,396,701)</u>	<u>(12,487,139)</u>
C) Cash flows from financing activities		
Inter-company payables	836,304,689	774,638,707
Payment for finance lease	(4,580,256)	-
Net outflow for long term loans	(33,653,966)	(124,962,815)
Net inflow for short term loans	6,779,531	61,683,303
Net cash from financing activities	<u>804,849,998</u>	<u>711,359,195</u>
D) Net increase/(decrease) in cash and cash equivalents (A+B+C)	6,733,752	13,107,970
E) Opening cash and cash equivalents	33,875,085	20,767,115
F) Closing cash and cash equivalents	<u>40,608,837</u>	<u>33,875,085</u>



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 have become a daily necessity in most households. It has reached its full utilization of production capacity during the year. To capture and expand the market penetration, business is required to inject new capital or top up investment. The financial result of the Company for the year ended 31 December 2012 is as follows:

Key Financial Results

	<u>Taka</u>
Revenue	2,495,028,677
Gross profit	254,075,810
Operating profit	143,217,269
Profit before tax	88,366,754
Profit after tax	41,981,058

On behalf of the Board

Dr. Arif Dowla
Managing Director

Mr. Syed Alamgir
Director

Dhaka, 30 April 2013

এম.জে. আবেদীন এন্ড কোং
চার্টার্ড একাউন্টেন্টস
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ACI Pure Flour Limited Auditors' Report to the Shareholders

We have audited the accompanying financial statements of ACI Pure Flour Limited which comprises the statement of financial position as at 31 December 2012 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 these financial statements that are free from material misstatement, whether due to fraud and 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 financial position of the Company as at 31 December 2012 and of the 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 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 25 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 : 17 April 2013
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 2012

	<u>2012</u>	<u>2011</u>
	<u>Taka</u>	<u>Taka</u>
Assets		
Property, plant and equipment - at cost	452,502,293	446,986,306
Accumulated depreciation	(106,297,558)	(81,786,125)
	346,204,735	365,200,181
Non-current assets		
Current assets :		
Inventories	88,680,463	51,274,918
Advances, deposits and prepayments	10,812,433	10,500,748
Accounts receivables	125,766,660	99,677,966
Advance tax	69,109,651	47,932,161
Receivable from inter-companies	20,072,590	31,906,877
Other receivables	1,957,225	132,120
Cash and bank balances	56,181,927	10,796,212
Current assets	372,580,949	252,221,002
Total assets	718,785,684	617,421,183
Equity		
Share capital	40,000,000	40,000,000
Retained earnings	97,741,270	55,760,212
Total equity	137,741,270	95,760,212
Liabilities		
Long term bank loan	28,261,833	74,116,719
Deferred tax liabilities	71,409,984	37,508,714
Non-current liabilities	99,671,817	111,625,433
Bank overdrafts	20,864,083	40,937,134
Short term bank loan	248,000,000	284,400,000
Long term bank loan - current portion	41,384,692	36,914,498
Trade payables	76,480,544	17,575,126
Other payables	44,318,338	30,208,780
Inter-company payables	50,324,940	-
Current liabilities	481,372,597	410,035,538
Total liabilities	581,044,414	521,660,971
Total equity and liabilities	718,785,684	617,421,183

Sheema Akmal Rahman

Company Secretary

[Signature]

Director

[Signature]

Managing Director

As per our report of same date.

[Signature]

M. J. Abedin & CO
Chartered Accountants

Dated : 17 April 2013
Place : Dhaka



ACI Pure Flour Limited

Statement of Comprehensive Income

for the year ended 31 December 2012


	<u>2012</u> Taka	<u>2011</u> Taka
Turnover	2,495,028,677	2,190,094,300
Cost of goods sold	(2,240,952,867)	(1,976,169,316)
Gross profit	<u>254,075,810</u>	<u>213,924,984</u>
Operating expenses	(110,858,541)	(104,787,122)
Operating profit	<u>143,217,269</u>	<u>109,137,862</u>
Financial expenses	(52,056,101)	(60,905,622)
Other income	<u>1,856,468</u>	<u>5,228,042</u>
	<u>93,017,636</u>	<u>53,460,282</u>
Provision for contribution to WPPF	(4,650,882)	(2,673,014)
Net profit before tax	<u>88,366,754</u>	<u>50,787,268</u>
Income tax expenses:		
Current tax expenses(U/S 16CCC)	(12,484,426)	-
Deferred tax expenses	(33,901,270)	(20,725,546)
	<u>(46,385,696)</u>	<u>(20,725,546)</u>
Net profit after tax	<u>41,981,058</u>	<u>30,061,722</u>
Other comprehensive income	-	-
Total comprehensive income	<u><u>41,981,058</u></u>	<u><u>30,061,722</u></u>


Company Secretary


Director


Managing Director

As per our report of same date.


M. J. Abedin & CO
Chartered Accountants

Dated : 17 April 2013
Place : Dhaka

ACI Pure Flour Limited Statement of Changes in Equity

for the year ended 31 December 2012

	<u>Share capital</u> Taka	<u>Retained earnings</u> Taka	<u>Total</u> Taka
Balance as at 01 January 2011	40,000,000	25,698,490	65,698,490
Net profit after tax for the year	-	30,061,722	30,061,722
Total other comprehensive income	-	-	-
Balance as at 31 December 2011	<u>40,000,000</u>	<u>55,760,212</u>	<u>95,760,212</u>
Net profit after tax for the year	-	41,981,058	41,981,058
Total other comprehensive income	-	-	-
Total comprehensive income for the period	40,000,000	41,981,058	41,981,058
Transactions with owners of the company, recognised directly in equity	-	-	-
Balance at 31 December 2012	<u><u>40,000,000</u></u>	<u><u>97,741,270</u></u>	<u><u>137,741,270</u></u>

Sheema Akhmed Rahman

Company Secretary

[Signature]

Director

[Signature]

Managing Director

As per our report of same date.

[Signature]

M. J. Abedin & CO
Chartered Accountants

Dated : 17 April 2013
Place : Dhaka



ACI Pure Flour Limited Statement of Cash Flows

for the year ended 31 December 2012

	<u>2012</u> <u>Taka</u>	<u>2011</u> <u>Taka</u>
A) Cash flows from operating activities		
Cash received from customers	2,468,939,983	2,169,559,365
Cash received from other income	1,856,468	5,119,562
	2,470,796,451	2,174,678,927
Cash paid for :		
Purchase and production	(2,195,272,073)	(1,966,262,417)
Operating expenses	(112,784,278)	(94,270,128)
Financing cost	(52,056,101)	(60,905,622)
Other receivables	(1,825,105)	(42,779)
Advance, deposits and prepayments	(311,685)	26,143,278
Advance income tax	(21,177,490)	(21,717,600)
	(2,383,426,732)	(2,117,055,268)
Net cash flow from/(used in) operating activities	87,369,720	57,623,659
B) Cash flows from investing activities		
Acquisition of property, plant and equipment	(6,647,256)	(3,887,160)
Sale proceeds from property, plant and equipment	361,768	242,287
Net cash used in investing activities	(6,285,488)	(3,644,873)
C) Cash flows from financing activities		
Intercompany debts(paid)/received	62,159,227	(148,126,800)
Short term loan (paid)/received	(36,400,000)	124,310,436
Long term bank loan paid	(41,384,692)	(38,621,649)
Net cash flows provided by financing activities	(15,625,465)	(62,438,013)
D) Net cash flow from all activities (A+B+C)	65,458,766	(8,459,227)
E) Cash and bank balances at the beginning of the year	(30,140,922)	(21,681,695)
F) Cash and bank balances at the end of the year	35,317,844	(30,140,922)
Closing Balance represents :		
Cash in hand and at bank	56,181,927	10,796,212
Bank overdraft	(20,864,083)	(40,937,134)
	35,317,844	(30,140,922)

Sheema Akmal Rahman

Company Secretary

[Signature]

Director

[Signature]

Managing Director

As per our report of same date.

[Signature]

M. J. Abedin & CO
Chartered Accountants

Dated : 17 April 2013

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 these brands are well accepted by the consumers in a highly competitive market. The Company is making all-out efforts to reduce its operating loss which already showed sign of improvement. Operating loss of the year 2011 was Taka 97 million which was Taka 31 million in 2012 i.e. Taka 66 million lower than the last year. With bringing new products, along with strengthening the existing products line, bringing new export destination and improving supply chain efficiencies, Board of Directors are hopeful that the Company will make turnaround within very near future. The financial result of the Company for the year ended 31 December 2012 is as follows:

Key Financial Results	<u>Taka</u>
Revenue	608,439,955
Gross profit	105,690,554
Operating expenses	(154,886,079)
Operating loss	(31,178,835)
Loss after tax	(160,940,131)

On behalf of the Board

Dr. Arif Dowla
Managing Director

Mr. Syed Alamgir
Director

Dhaka, 30 April 2013

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

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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 comprises the statement of financial position as at 31 December 2012 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 these financial statements that are free from material misstatement, whether due to fraud and 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 financial position of the Company as at 31 December 2012 and of the 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 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 22 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.

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.

Dated : 17 April 2013
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 2012

Assets	<u>2012</u> Taka	<u>2011</u> Taka
Property, plant and equipments:		
At cost	286,227,625	283,717,390
Accumulated depreciation	(82,635,091)	(63,047,807)
	203,592,534	220,669,583
Capital work-in-progress	217,774	115,283
Total non-current assets	203,810,308	220,784,866
Deferred tax asset	26,868,828	19,849,687
Inventories	66,602,508	91,101,589
Trade debtors	21,926,841	27,379,608
Other receivables	7,289,401	1,071,439
Advances, deposits and prepayments	10,485,684	3,696,636
Advance income tax	2,181,481	1,448,617
Inter-company receivable	22,200	-
Cash and cash equivalents	16,041,560	18,547,952
Total current assets	124,549,675	143,245,841
Total assets	355,228,811	383,880,394
Equity and liabilities		
Equity		
Share capital	40,000,000	40,000,000
Accumulated loss	(770,650,664)	(609,710,533)
Total equity	(730,650,664)	(569,710,533)
Liability		
Long term loan	22,418,266	69,374,998
Total non-current liabilities	22,418,266	69,374,998
Bank overdraft	67,936,785	53,400,446
Short term bank loan	151,404,489	150,363,081
Long term bank loan - current portion	46,956,732	46,956,732
Trade payables	46,437,496	46,308,418
Other payables	49,619,913	52,872,694
Inter-company liabilities	701,105,794	534,314,557
Total current liabilities	1,063,461,209	884,215,928
Total liabilities	1,085,879,475	953,590,926
Total equity and liabilities	355,228,811	383,880,394



Managing Director



Director



Company Secretary

As per our report of same date.



M. J. Abedin & CO
Chartered Accountants

Dated : 17 April 2013
Place : Dhaka



ACI Foods Limited Statement of Comprehensive Income

for the year ended 31 December 2012

	<u>2012</u> Taka	<u>2011</u> Taka
Revenue	608,439,955	469,308,493
Cost of sales	(502,749,402)	(399,562,977)
Gross profit	<u>105,690,553</u>	<u>69,745,517</u>
Administration, selling and distribution expenses	(154,886,079)	(182,739,360)
	(49,195,526)	(112,993,844)
Other income	18,016,691	15,339,632
Result from operating activities	<u>(31,178,835)</u>	<u>(97,654,212)</u>
Finance cost	(133,302,573)	(101,046,466)
Loss before income tax	(164,481,408)	(198,700,678)
Income tax :		
Current tax	(3,477,864)	(3,338,473)
Deferred tax	7,019,141	2,739,267
	3,541,277	(599,206)
Net loss after tax	<u>(160,940,131)</u>	<u>(199,299,884)</u>

Managing Director

Director

Company Secretary

As per our report of same date.

M. J. Abedin & CO
Chartered Accountants

Dated : 17 April 2013
Place : Dhaka

ACI Foods Limited

Statement of Changes in Shareholders' Equity

for the year ended 31 December 2012

<u>Particulars</u>	<u>Share capital</u>	<u>Capital reserve</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Balance on 01 January 2011	40,000,000	-	(410,410,649)	(370,410,649)
Net profit/(loss) after tax for the year	-	-	(199,299,884)	(199,299,884)
Total other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(199,299,884)	(199,299,884)
Transactions with owners of the Company, recognised directly in equity	-	-	-	-
Balance as at 31 December 2011	<u>40,000,000</u>	<u>-</u>	<u>(609,710,533)</u>	<u>(569,710,533)</u>
Net profit/(loss) after tax for the year	-	-	(160,940,131)	(160,940,131)
Total other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(160,940,131)	(160,940,131)
Transactions with owners of the Company, recognised directly in equity	-	-	-	-
Balance as at 31 December 2012	<u>40,000,000</u>	<u>-</u>	<u>(770,650,664)</u>	<u>(730,650,664)</u>

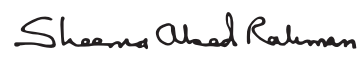
The annexed notes 1 to 22 form an integral part of the financial statements.



Managing Director



Director



Company Secretary

As per our report of same date.



M. J. Abedin & CO
Chartered Accountants

Dated : 17 April 2013
Place : Dhaka



ACI Foods Limited Statement of Cash Flows

for the year ended 31 December 2012

	2012 Taka	2011 Taka
A) Cash flows from operating activities		
Cash receipts from customers	607,674,760	484,540,822
Cash receipts from other income	18,016,691	15,339,632
	625,691,451	499,880,454
Cash paid for:		
Purchase of inventory	(461,597,805)	(402,510,615)
Operating expenses	(159,147,177)	(174,575,128)
Advances, deposits and prepayments	(6,789,048)	11,020,695
Advance income tax	(732,864)	(728,324)
Cash generated from operations	(628,266,894)	(566,793,372)
Financing cost	(133,302,573)	(101,046,466)
<i>Net cash used in operating activities</i>	(135,878,016)	(167,959,384)
B) Cash flows from investing activities		
Purchase of property, plant and equipment	(1,915,937)	(2,334,283)
Payment for capital work-in-progress	(102,491)	(26,234,183)
<i>Net cash from (used in) investing activities</i>	(2,018,428)	(28,568,466)
C) Cash flows from financing activities		
Inter-company debts (paid)/received	166,769,037	233,650,979
Short term bank loan (paid)/received	1,041,408	363,080
Long term bank loan (paid)/received	(46,956,732)	(46,956,732)
<i>Net cash flows from financing activities</i>	120,853,713	187,057,327
D) Net increase in cash and cash equivalent (A+B+C)	(17,042,731)	(9,470,523)
E) Cash and cash equivalent at 1 January	(34,852,494)	(25,381,971)
F) Cash and cash equivalent at 31 December (D+E)	(51,895,225)	(34,852,494)
Closing balance represents:		
Cash in hand and at bank	16,041,560	18,547,952
Bank overdraft	(67,936,785)	(53,400,446)
	(51,895,225)	(34,852,494)

Managing Director

Director

Company Secretary

As per our report of same date.

M. J. Abedin & CO
Chartered Accountants

Dated : 17 April 2013
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.

The Company has recently gone through a expansion plan by establishing a Swiss plant with capacity of 13,200 MT per month (more than double of old plant). The company is aiming to capture the opportunities of new market segment to have a benefit of this expanded production facilities which can be visualized by the sales growth of 62%. The financial result of the Company for the year ended 31 December 2012 is as follows:

Key Financial Results	<u>Taka</u>
Revenue	1,018,310,049
Gross profit	291,109,817
Operating profit	182,458,132
Profit before tax	115,378,777
Profit after tax	63,503,649

On behalf of the Board

Dr. Arif Dowla

Director

Mr. Syed Alamgir

Managing Director

Dhaka, 30 April 2013

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 2012, the statement of comprehensive income, statement of changes in equity, 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 Financial Reporting Standards (BFRS), 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 present fairly, in all material respects, the financial position of ACI Salt Limited as at 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Accounting Standards and Bangladesh Financial Reporting Standards.

We also report that:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- c) the company's statement of financial position and statement of comprehensive income along with the annexed notes 1 to 28 dealt with by the report are in agreement with the books of account.



Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dated : 30 April 2013

Place : Dhaka

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 2012

	<u>2012</u> Taka	<u>2011</u> Taka
Assets		
Non-current assets		
Property, plant and equipment - at cost	1,269,050,790	391,390,804
Accumulated depreciation	(221,411,594)	(169,189,357)
	1,047,639,196	222,201,447
Capital work-in-progress	160,095	649,862,399
	1,047,799,291	872,063,846
Long term investments term deposit	8,444,117	6,581,040
Total non-current assets	1,056,243,408	878,644,886
Current assets		
Inventories	174,423,457	73,430,792
Trade receivables	10,883,395	5,305,571
Other receivable	66,168	61,380
Advance income tax	4,066,333	2,199,007
Advances, deposits and prepayments	20,867,000	11,917,267
Receivables from ACI Formulations Ltd.	9,246,666	738,699
Cash and cash equivalents	297,998,228	12,256,160
Total current assets	517,551,248	105,908,876
Total assets	1,573,794,656	984,553,762
Equity and liabilities		
Shareholders' equity		
Share capital	100,000,000	100,000,000
Retained earnings	105,706,554	42,202,906
Total equity	205,706,554	142,202,906
Liabilities		
Long term bank loan	480,997,503	41,660,079
Deferred tax liability	80,557,719	36,932,591
Current liabilities		
Bank overdraft	15,912,159	1,868,265
Short term bank loan	251,969,530	499,644,611
Long term bank loan - current portion	109,270,074	15,149,119
Trade payables	62,092,260	5,132,741
Other payables	81,523,911	121,562,465
Inter-company payables	275,314,946	118,200,985
Current tax liability	10,450,000	2,200,000
Total current liabilities	806,532,879	763,758,186
Total equity and liabilities	1,573,794,656	984,553,762

Sheema Akmal Rahman

Company Secretary

[Signature]

Managing Director

[Signature]

Director

Auditors' report to the shareholders
See annexed report of date

Hoda Vasi Chowdhury

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dated : 30 April 2013

Place : Dhaka



ACI Salt Limited

Statement of Comprehensive Income

for the year ended 31 December 2012

	<u>2012</u> Taka	<u>2011</u> Taka
Revenue	1,018,310,049	630,050,331
Cost of sales	(727,200,232)	(454,256,615)
Gross profit	<u>291,109,817</u>	<u>175,793,716</u>
Administrative, selling and distribution expenses	(108,651,685)	(67,210,034)
Results from operating activities	<u>182,458,132</u>	<u>108,583,682</u>
Other income	-	500,645
	<u>182,458,132</u>	<u>109,084,327</u>
Financing cost	(61,006,788)	(24,051,627)
	<u>121,451,344</u>	<u>85,032,700</u>
Provision for contribution to WPPF	(6,072,567)	(4,251,635)
Profit before taxation	<u>115,378,777</u>	<u>80,781,065</u>
Income tax		
Current tax expenses	(8,250,000)	(2,200,000)
Deferred tax expenses	(43,625,128)	(31,702,234)
	<u>(51,875,128)</u>	<u>(33,902,234)</u>
Profit for the year	<u><u>63,503,649</u></u>	<u><u>46,878,831</u></u>

Sheema Akhmed Rahman

Company Secretary

[Signature]

Managing Director

[Signature]

Director

Auditors' report to the shareholders
See annexed report of date

Hoda Vasi Chowdhury

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dated : 30 April 2013
Place : Dhaka

ACI Salt Limited

Statement of Changes in Equity

for the year ended 31 December 2012

<u>Particulars</u>	Share capital <u>Taka</u>	Retained earnings <u>Taka</u>	Total <u>Taka</u>
Balance as per 01 January 2011 as per reported previously	100,000,000	(4,675,926)	95,324,074
Comprehensive income for the year			
Profit for the year 2011	-	46,878,831	46,878,831
Balance as at 01 January 2012	100,000,000	42,202,905	142,202,905
Comprehensive income for the year			
Profit for the year 2012	-	63,503,649	63,503,649
Balance as at 31 December 2012	<u>100,000,000</u>	<u>105,706,554</u>	<u>205,706,554</u>

Sheema Akhmed Rahman

Company Secretary

[Signature]

Managing Director

[Signature]

Director



ACI Salt Limited

Statement of Cash Flows

for the year ended 31 December 2012

	2012 Taka	2011 Taka
A Cash flow from operating activities		
Cash received from customers	1,012,732,224	627,272,682
Cash received from other income	-	500,645
	1,012,732,224	627,773,327
Cash received/(paid) from/(for):		
Purchase of inventory	(719,040,620)	(425,269,629)
Operating expenses	(151,298,277)	(33,839,962)
Other receivable	(4,788)	3,708,265
Worker's profit participation fund	(3,435,051)	-
Advance, deposits and prepayments	(10,812,810)	(5,203,446)
	(884,591,546)	(460,604,772)
Cash generated from operating activities	128,140,679	167,168,555
Financing cost	(61,006,788)	(24,051,627)
Advance income tax	(1,867,326)	(2,199,007)
	(62,874,114)	(26,250,634)
<i>Net cash inflows from operating activities</i>	65,266,564	140,917,921
B Cash flow from investing activities		
Purchase of property plant and equipments	(31,005)	(3,731,476)
Payment of capital work-in-progress	(227,926,677)	(531,276,073)
<i>Net cash used in investing activities</i>	(227,957,682)	(535,007,549)
C Cash flow from financing activities		
Proceed/(payment) of short term bank loan	(247,675,081)	449,632,589
Proceed/(payment) of long term bank loan	533,458,379	(3,787,280)
Payment/(proceed) of inter-company payable/receivable	148,605,994	(43,435,111)
<i>Net cash from in financing activities</i>	434,389,292	402,410,198
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	271,698,174	8,320,570
E Cash and cash equivalents at 1 January	10,387,895	2,067,325
F Cash and cash equivalents at 31 December (D+E)	282,086,069	10,387,895
Closing balance represents:		
Cash and cash equivalent	297,998,228	12,256,160
Bank overdraft	(15,912,159)	(1,868,265)
	282,086,069	10,387,895

Sheema Akmal Rahman

Company Secretary

[Signature]

Managing Director

[Signature]

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.

The Company has emphasized on the customers retention policy with strict monitoring on collection procedures and after sales service. It has started test marketing for high GP Power Tiller along with low HP Cultivation Tractor to augment the revenue in the coming years. During the year, the Company has suffered on account of depressed macro-economic factors most important of which are highest ever Taka devaluation in a particular year (as most of the Company's items are imported and increased interest rate. In order to tackle this problem, Company is seriously working on localization of some products, cheaper funding option from offshore sources and penetrating into new business line of spare parts manufacturing and selling. With all there new initiatives, the Board expects that business will do better in the next year and years beyond. The financial result of the Company for the year ended 31 December 2012 is as follows:

Key Financial Results	<u>Taka</u>
Revenue	1,287,026,530
Gross profit	235,875,668
Operating profit	46,703,358
Loss before tax	(18,471,275)
Loss after tax	(22,759,200)

On behalf of the Board

Dr. Arif Dowla
Managing Director

Dr. F H Ansarey
Director

Dhaka, 30 April 2013

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, 2012 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 Bangladesh Accounting Standards (BASs) 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 (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 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 Financial Reporting Standards (BFRSs) and the Bangladesh Accounting Standards (BASs), give a true and fair view of the state of the financial position of ACI Motors Limited as at 31 December, 2012 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 27 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 business.



Ashraful Haque Nabi & Co.
Chartered Accountants

Dated : 03 April, 2013
Place : Dhaka

ACI Motors Limited

Statement of Financial Position

as at 31 December 2012

	<u>2012</u> Taka	<u>2011</u> Taka
Assets:		
Non- current assets:		
Property, plant and equipment- at cost	8,972,305	10,697,045
Accumulated depreciation	(4,313,453)	(3,167,516)
	4,658,852	7,529,529
Deferred tax assets	1,825,353	-
Current assets		
Inventories	209,039,722	139,785,451
Advances, deposits and prepayments	24,771,747	31,258,250
Trade receivables	908,728,751	978,965,463
Other receivables	9,612,136	6,512,608
Advance income tax	53,652,563	12,835,945
Cash and bank balances	94,415,770	16,588,899
Total current assets	<u>1,300,220,689</u>	<u>1,185,946,616</u>
Total assets	<u>1,306,704,894</u>	<u>1,193,476,145</u>
Equity:		
Share capital	1,000,000	1,000,000
Retained earnings	136,027,081	158,786,281
Total equity	137,027,081	159,786,281
Liability:		
Long term loan	84,850,441	52,860,580
Deferred tax liability	-	349,249
Current liabilities		
Bank overdraft	(3,939,685)	24,763,413
Short term loan	537,248,248	736,251,830
Long term loan-current portion	361,001,093	124,752,703
Other payables	26,505,426	30,215,845
Inter-company liabilities	90,271,793	12,515,082
Trade payables	20,410,115	5,113,307
Provision for tax	53,330,382	46,867,855
Total current liabilities	<u>1,084,827,372</u>	<u>980,480,035</u>
Total liabilities	<u>1,169,677,813</u>	<u>1,033,689,864</u>
Total equity and liabilities	<u>1,306,704,894</u>	<u>1,193,476,145</u>

Sheema Akhmed Rahman

Company Secretary

D. H. Amin

Director

M. J. Ak

Managing Director

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

Ashraf Haque Nabi

Ashraf Haque Nabi & Co.
Chartered Accountants

Dated : 03 April, 2013
Place : Dhaka

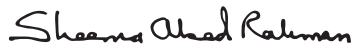


ACI Motors Limited

Statement of Comprehensive Income

for the year ended 31 December 2012

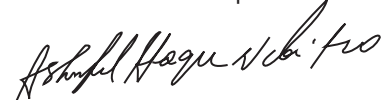
	<u>2012</u> Taka	<u>2011</u> Taka
Revenue	1,287,026,530	1,562,888,795
Cost of sales	(1,051,150,862)	(1,309,774,976)
Gross profit	235,875,668	253,113,819
Administrative, selling and distribution expenses	(194,651,106)	(142,879,660)
Operating profit	41,224,562	110,234,159
Other income	5,478,796	12,370,812
Profit before interest & tax	46,703,358	122,604,971
Financing cost	(65,174,633)	(2,882,293)
Profit/(loss) before income tax	(18,471,275)	119,722,678
Income tax expenses		
Current tax expenses	(6,462,527)	(48,989,972)
Deferred tax income/(expenses)	2,174,602	(349,249)
	(4,287,925)	(49,339,221)
Net profit/(loss) after tax	(22,759,200)	70,383,457
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	(22,759,200)	70,383,457


Company Secretary


Director


Managing Director

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



Ashraf Haque Nabi & Co.
Chartered Accountants

Dated : 03 April, 2013
Place : Dhaka

ACI Motors Limited

Statement of Changes in Shareowners' Equity

for the year ended 31 December 2012

<u>Particulars</u>	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Balance as at 1 January 2011	1,000,000	88,402,824	89,402,824
Net profit for the year	-	70,383,457	70,383,457
Total comprehensive income for the year	-	70,383,457	70,383,457
Balance as at 31 December 2011	1,000,000	158,786,281	159,786,281
Net Loss for the year	-	(22,759,200)	(22,759,200)
Total comprehensive Loss for the year	-	(22,759,200)	(22,759,200)
Balance as at 31 December 2012	1,000,000	136,027,081	137,027,081

Sheema Akhmed Rahman

 Company Secretary

D. H. Akhmed

 Director

M. J. Akhmed

 Managing Director

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

Ashraf Haque Nabi

 Ashraf Haque Nabi & Co.
 Chartered Accountants

Dated : 03 April, 2013
 Place : Dhaka



ACI Motors Limited Statement of Cash Flows

for the year ended 31 December 2012

	2012 Taka	2011 Taka
A) Cash flows from operating activities		
Cash receipts from customers	1,357,263,242	1,292,337,063
Cash receipts from other income	2,439,568	14,902,967
	<u>1,359,702,810</u>	<u>1,307,240,030</u>
Cash paid for :		
Purchase of inventories	(1,105,108,330)	(1,373,831,559)
Operating expenses	(197,008,083)	(174,672,493)
Financing cost	(65,174,633)	(2,882,293)
Advances, deposit and prepayments	6,486,503	(1,859,779)
Advance income tax	(40,816,618)	(32,174,679)
	<u>(1,401,621,161)</u>	<u>(1,585,420,803)</u>
Net cash flow used in operating activities	<u>(41,918,351)</u>	<u>(278,180,773)</u>
B) Cash flows from investing activities		
Purchases of property, plant and equipment	(350,260)	(5,268,246)
Sale proceeds from property, plant and equipment	1,807,200	-
Net cash used in investing activities	<u>1,456,940</u>	<u>(5,268,246)</u>
C) Cash flows from financing activities		
Long term loan received	31,989,861	142,246,066
Short term loan received	37,244,808	370,264,544
Receipt/(payment) from/to inter-company	77,756,711	(207,860,192)
Net cash flows provided by financing activities	<u>146,991,380</u>	<u>304,650,418</u>
D) Net cash inflows/(outflows) from total activities (A+B+C)	106,529,969	21,201,399
E) Opening balance	(8,174,514)	(29,375,913)
F) Closing balance (D+E)	<u>98,355,455</u>	<u>(8,174,514)</u>
Closing balance represents:		
Cash in hand and at bank	94,415,770	16,588,899
Bank overdraft	3,939,685	(24,763,413)
	<u>98,355,455</u>	<u>(8,174,514)</u>



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 relation 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. The financial result of the Company for the year ended 31 December 2012 is as follows:

Key Financial Results	<u>Taka</u>
Revenue	32,107,629
Expenses	(720,007)
Profit before tax	12,563,751
Profit after tax	7,989,015

On behalf of the Board

Dr. Arif Dowla
Managing Director

Bilkis Mansoor
Director

Dhaka, 30 April 2013

Auditors' Report to the Shareholders of Creative Communication Limited

We have audited the accompanying financial statements of ACI Creative Communication Limited which comprise the statement of financial position as at 31 December 2012 and the 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.

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 Bangladesh Accounting Standards (BASs), the Companies act 1994 and other applicable laws and regulations 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 relevant 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 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 the Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the Company's affairs as at 31 December 2012 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:

- 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 statement of comprehensive income along with the annexed notes 1 to 15 dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditure incurred and payments made were for the purposes of the Company's business;

Dated : 02 April, 2013

Place : Dhaka



Ashraful Haque Nabi & Co.
Chartered Accountants

Creative Communication Limited

Statement of Financial Position

as at 31 December 2012

	<u>2012</u> Taka	<u>2011</u> Taka
Assets		
Non-current assets :		
Property, plant and equipment	3,058,857	3,024,857
Accumulated depreciation	(1,377,302)	(866,268)
	<u>1,681,555</u>	<u>2,158,589</u>
Current assets :		
Advances, deposit and prepayments	428,090	10,000
Trade receivables	17,966,266	10,515,500
Advance income tax	555,997	905,070
Inter-company receivable	16,878,914	17,164,620
Cash and Bank balances	20,000	-
	<u>35,849,267</u>	<u>28,595,190</u>
Total assets	<u><u>37,530,822</u></u>	<u><u>30,753,779</u></u>
Equity and liabilities		
Shareholders' equity :		
Share capital	1,000,000	1,000,000
Retained earnings	28,281,630	20,292,615
	<u>29,281,630</u>	<u>21,292,615</u>
Non-current liabilities		
Deferred tax liabilities	43,294	327,843
	<u>43,294</u>	<u>327,843</u>
Current liabilities		
Bank overdraft	1,182,506	1,152,183
Trade payables	-	207,000
Other payables	2,147,801	3,738,908
Current tax liability	4,875,591	4,035,230
	<u>8,205,898</u>	<u>9,133,321</u>
Total liabilities	<u><u>8,249,192</u></u>	<u><u>9,461,164</u></u>
	<u><u>37,530,822</u></u>	<u><u>30,753,779</u></u>



Managing Director

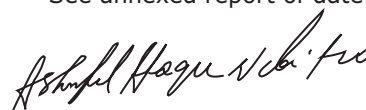


Director



Company Secretary

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



Ashraful Haque Nabi & Co.
Chartered Accountants

Dated : 02 April, 2013
Place : Dhaka



Creative Communication Limited Statement of Comprehensive Income

for the year ended 31 December 2012

	2012 Taka	2011 Taka
Revenue	32,107,629	24,526,058
Cost of service	(21,063,202)	(13,401,980)
Gross profit	11,044,427	11,124,078
Administrative & selling expenses	(720,007)	(710,916)
Operating profit	10,324,420	10,413,162
Financing income	2,239,331	-
Profit before income tax	12,563,751	10,413,162
Income tax expenses		
Current tax expense	(4,859,285)	(4,399,059)
Deferred tax income/(expense)	284,549	(155,024)
	(4,574,736)	(4,554,083)
Net profit after tax	7,989,015	5,859,079
Other comprehensive income	-	-
Total comprehensive income	7,989,015	5,859,079

Managing Director

Director

Company Secretary

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

Ashraf Haque Nabi & Co.
Chartered Accountants

Dated : 02 April, 2013
Place : Dhaka

Creative Communication Limited

Statement of Changes in Equity

for the year ended 31 December 2012

Particulars

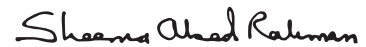
	Share capital	Retained earnings	Total
	Taka	Taka	Taka
Balance as at 1 January 2011	1,000,000	14,433,536	15,433,536
Net profit after tax for the year	-	5,859,079	5,859,079
Total comprehensive income for the year	-	5,859,079	5,859,079
Balance as at 31 December 2011	1,000,000	20,292,615	21,292,615
Net profit after tax for the year	-	7,989,015	7,989,015
Total comprehensive income for the year	-	7,989,015	7,989,015
Balance as at 31 December 2012	1,000,000	28,281,630	29,281,630



Managing Director

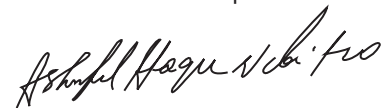


Director



Company Secretary

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



Ashraful Haque Nabi & Co.
Chartered Accountants

Dated : 02 April, 2013
Place : Dhaka

Creative Communication Limited

Statement of cash flows

for the year ended 31 December 2012

	2012 <u>Taka</u>	2011 <u>Taka</u>
A) Cash flows from operating activities		
Cash receipts from income	24,656,863	19,976,148
	24,656,863	19,976,148
Cash paid for:		
Operating expenses	(23,070,282)	(10,536,096)
Advances, deposits and prepayments	(418,090)	27,200
Cash used in operation	(23,488,372)	(10,508,896)
Financing income/(cost)	2,239,331	-
Income tax	(3,669,851)	(3,042,111)
	(1,430,520)	(3,042,111)
Net cash generated from/(used in) operating activities	(262,029)	6,425,141
B) Cash flows from investing activities		
Purchase of property, plant and equipment	(34,000)	(214,000)
Net cash used in investing activities	(34,000)	(214,000)
C) Cash flows from financing activities		
Inter-company debts received/(paid)	285,706	(4,062,828)
Net cash from financing activities	285,706	(4,062,828)
D) Net increase in cash and cash equivalent, (A+B+C)	(10,323)	2,148,313
E) Cash and cash equivalent, at 1 January 2012	(1,152,183)	(3,300,496)
F) Cash and cash equivalent, at 31 December 2012 (D+E)	(1,162,506)	(1,152,183)
Closing balance represents:		
Bank overdraft	(1,182,506)	(1,152,183)
Cash and bank balances	20,000	-
	(1,162,506)	(1,152,183)



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 Company has been assessed and certified as meeting the requirement of ISO 9001:2008 for Quality Management Systems in 2012. The Company became profitable within a short span of time of going into operation. In the year 2012, the company enjoyed significant growth in turnover (25%) which also resulted positively in its operating profit (20%). The company is planning to go for further expansion in 2013 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. The financial result of the Company for the year ended 31 December 2012 is as follows:

Key Financial Results	<u>Taka</u>
Revenue	1,430,094,851
Gross profit	223,817,775
Operating profit	201,285,082
Profit before tax	48,807,272
Profit after tax	31,441,793

On behalf of the Board

Dr. Arif Dowla
Managing Director

Dr. F H Ansarey
Director

Dhaka, 30 April 2013

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, 2012 and the related 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 statement:

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs) and Bangladesh Accounting Standards (BASs) 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 (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 Financial Reporting Standards (BFRSs) and the Bangladesh Accounting Standards (BASs), give a true and fair view of the state of the financial position of Premiaflex Plastics Limited as at 31 December, 2012 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:

- i) 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;
- ii) 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;
- iii) 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
- iv) the expenditures incurred were for the purpose of the company's businesses.



Ashraful Haque Nabi & Co.
Chartered Accountants

Dated : 28 March, 2013
Place : Dhaka

Premiaflex Plastics Limited

Statement of Financial Position

as at 31 December 2012

	2012 Taka	2011 Taka
Assets		
Property, plant and equipment-at cost	517,049,007	509,076,090
Accumulated depreciation	(130,369,742)	(89,200,722)
Non-Current assets	386,679,265	419,875,368
Inventories	294,380,135	356,248,999
Advances, deposits and prepayments	9,145,684	11,986,671
Trade receivable	435,647,765	350,327,379
Advance income tax	98,913,204	57,843,025
Receivable from inter-company	25,279,269	6,067,428
Cash and bank balances	21,042,389	13,699,945
Current assets	884,408,446	796,173,447
Total assets	<u>1,271,087,711</u>	<u>1,216,048,815</u>
Equity		
Share capital	80,000,000	40,000,000
Share money deposit	191,055,000	-
Retained earnings	46,755,426	55,313,633
Total equity	317,810,426	95,313,633
Liabilities		
Long term bank loan	101,557,710	77,647,265
Deferred tax liability	42,924,429	34,278,739
Non-current liabilities	144,482,139	111,926,004
Bank overdraft	51,647,700	31,474,809
Short term bank loan	351,694,313	342,136,959
Long term bank loan-current portion	48,331,771	44,801,252
Inter-company liabilities	322,054,555	566,438,472
Current tax payable	8,719,789	-
Trade payables	13,595,767	10,579,688
Other payables	12,751,251	13,377,997
Current liabilities	808,795,146	1,008,809,178
Liabilities	953,277,285	1,120,735,182
Total equity and liabilities	<u>1,271,087,711</u>	<u>1,216,048,815</u>

Sheema Akmal Rahman

Company Secretary

[Signature]

Director

[Signature]

Managing Director

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

[Signature]

Ashraful Haque Nabi & Co.
Chartered Accountants

Dated : 28 March, 2013
Place : Dhaka




Premiaflex Plastics Limited

Statement of Comprehensive Income

for the year ended 31 December 2012

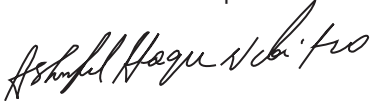
	2012 Taka	2011 Taka
Revenue	1,430,094,851	1,145,258,047
Cost of sales	(1,206,277,076)	(966,296,146)
Gross profit	223,817,775	178,961,901
Administrative, selling and distribution expenses	(26,641,843)	(18,222,149)
	197,175,932	160,739,752
Other income	4,109,150	6,310,000
Operating Profit	201,285,082	167,049,752
Financing cost	(149,909,006)	(108,651,152)
	51,376,076	58,398,600
Provision for contribution to WPPF	(2,568,804)	(2,919,930)
Profit before income tax	48,807,272	55,478,670
Income tax expenses		
Current tax expenses	(8,719,789)	-
Deferred tax expenses	(8,645,690)	(21,144,752)
	(17,365,479)	(21,144,752)
Net profit after tax for the year	31,441,793	34,333,918
Other comprehensive income	-	-
Total comprehensive income for the year	31,441,793	34,333,918


Company Secretary


Director


Managing Director

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



Ashraf Haque Nabi & Co.
Chartered Accountants

Dated : 28 March, 2013
Place : Dhaka

Premiaflex Plastics Limited

Statement of changes in Shareowners' Equity

for the year ended 31 December 2012

<u>Particulars</u>	Share Capital	Share Money Deposit	Retained earnings	Total
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Balance as at 01 January 2011	40,000,000	-	20,979,715	60,979,715
Net profit after tax for the year	-	-	34,333,918	34,333,918
Total comprehensive income for the year	-	-	34,333,918	34,333,918
Balance as at 31 December 2011	40,000,000	-	55,313,633	95,313,633
Net profit after tax for the year	-	-	31,441,793	31,441,793
Total comprehensive income for the year	-	-	31,441,793	31,441,793
Issue of bonus share	40,000,000	-	(40,000,000)	-
Share money deposit	-	191,055,000	-	191,055,000
Total contribution by owners	40,000,000	191,055,000	(40,000,000)	191,055,000
Balance as at 31 December 2012	80,000,000	191,055,000	46,755,426	317,810,426

Sheema Akhmed Rahman

Company Secretary

D. H. Armin

Director

M. J. Ak

Managing Director

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

Ashrafal Haque Nabi & Co.

Ashrafal Haque Nabi & Co.
Chartered Accountants

Dated : 28 March, 2013
Place : Dhaka

Premiaflex Plastics Limited Statement of cash flows

for the year ended 31 December 2012

	2012 Taka	2011 Taka
A) Cash flows from operating activities		
Cash receipts from customers	1,344,774,465	997,117,497
Cash receipts from other income	4,109,150	6,310,000
	<u>1,348,883,615</u>	<u>1,003,427,497</u>
Cash paid for:		
Purchase of inventory to suppliers and others	(1,100,348,405)	(1,031,063,772)
Operating expenses	(26,516,552)	(18,190,861)
Receipts from/(payments to) other payables	(11,915,339)	908,678
Payments for advances, deposits and prepayments	2,840,987	8,452,811
	<u>(1,135,939,308)</u>	<u>(1,039,893,144)</u>
Cash generated from operating activities	<u>212,944,307</u>	<u>(36,465,647)</u>
Financing costs	(149,909,006)	(108,651,152)
Income tax paid	(32,350,390)	(45,605,018)
	<u>(182,259,396)</u>	<u>(154,256,170)</u>
Net cash from operating activities	<u>30,684,911</u>	<u>(190,721,817)</u>
B) Cash flows from investing activities		
Aquisition of property, plant and equipment	(3,925,763)	(15,094,600)
Payments for capital work-in-progress	(4,047,154)	(98,748,411)
Net cash from (used in) investing activities	<u>(7,972,917)</u>	<u>(113,843,011)</u>
C) Cash flows from financing activities		
Inter-company debts (paid)/received	(263,595,758)	203,620,605
Receipts from share money deposit	191,055,000	-
Short term bank loan received	9,557,354	129,730,917
Long term bank loan received/(paid)	27,440,964	(43,018,275)
Net cash used in financing activities	<u>(35,542,440)</u>	<u>290,333,247</u>
D) Net increase in cash and cash equivalents (A+B+C)	<u>(12,830,446)</u>	<u>(14,231,581)</u>
E) Cash and cash equivalents at 1 January	<u>(17,774,864)</u>	<u>(3,543,283)</u>
F) Cash and cash equivalents at 31 December (D+E)	<u>(30,605,311)</u>	<u>(17,774,864)</u>
Closing Balance represents:		
Cash and bank balances	21,042,389	13,699,945
Bank overdraft	(51,647,700)	(31,474,809)
	<u>(30,605,311)</u>	<u>(17,774,864)</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. The financial result of the Company for the year ended 31 December 2012 is as follows:

Key Financial Results

	<u>Taka</u>
Revenue	-
Expenses	(26,785)
Loss after tax	(26,785)

On behalf of the Board

Dr. Arif Dowla
Managing Director

Dr. F H Ansarey
Director

Dhaka, 30 April 2013

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 2012 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 2012 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.

Dated : 26 March, 2013
Place : Dhaka



Shiraz Khan Basak & CO.
Chartered Accountant

ACI Agrochemicals Limited

Statement of Financial Position

As at 31 December 2012

	<u>2012</u> Taka	<u>2011</u> Taka
<u>Assets</u>		
Current assets		
Cash in hand	-	-
	-	-
<u>Equity and liabilities</u>		
Share capital	20,000	20,000
Accumulated loss	(203,012)	(176,227)
	(183,012)	(156,227)
Current liabilities		
Current Account with ACI Limited	177,262	151,227
Audit fee payable	5,750	5,000
	183,012	156,227
	-	-

Sheema Akmal Rahman

Company Secretary

M. J. Ak

Managing Director

A. H. Ak

Director

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

R. Khan

Shiraz Khan Basak & CO.
Chartered Accountants

Dated : 26 March, 2013
Place : Dhaka




ACI Agrochemicals Limited

Statement of Comprehensive Income

For the year ended 31 December 2012

	<u>2012</u> <u>Taka</u>	<u>2011</u> <u>Taka</u>
Revenue	-	-
Less expenses:		
Bank Charge	345	-
Travelling & Conv	-	6,310
Audit Fee	5,975	5,450
Govt tax & license fee	20,465	18,805
	<u>26,785</u>	<u>30,565</u>
Net loss	<u>(26,785)</u>	<u>(30,565)</u>



Company Secretary



Managing Director



Director

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



Shiraz Khan Basak & CO.
Chartered Accountants

Dated : 26 March, 2013
Place : Dhaka



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. The financial result of the Company for the year ended 31 December 2012 is as follows:

Key Financial Results

	<u>Taka</u>
Revenue	-
Expenses	(7,769)
Loss after tax	(7,769)

On behalf of the Board

Dr. F H Ansarey
Managing Director

Sheema Abed Rahman
Director

Dhaka, 30 April 2013

Flyban Insecticides Limited Auditors' Report to the Shareowners

We have audited the statement of financial position of Flyban Insecticides Limited as at 31 December 2012 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 2012 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.

Dated : 26 March, 2013
Place : Dhaka



Shiraz Khan Basak & CO.
Chartered Accountants

Flyban Insecticides Limited

Statement of Financial Position

As at 31 December 2012

	<u>2012</u> Taka	<u>2011</u> Taka
<u>Assets</u>		
Property, plant and equipment :		
At cost	6,349,299	6,349,299
Total asset :	6,349,299	6,349,299
<u>Equity and liabilities</u>		
Shareholders' equity:		
Share capital	5,000,000	5,000,000
Accumulated loss	(468,947)	(461,178)
	4,531,053	4,538,822
Current liabilities:		
Current Account with ACI Limited	1,007,331	999,862
Other liabilities	810,915	810,615
	1,818,246	1,810,477
	6,349,299	6,349,299

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

Dated : 26 March, 2013
Place : Dhaka



Flyban Insecticides Limited Statement of Comprehensive Income

for the year ended 31 December 2012

	<u>2012</u> <u>Taka</u>	<u>2011</u> <u>Taka</u>
Revenue	-	-
Less: expenses		
Rent rates and taxes	2,244	2,070
Audit fee	5,525	5,900
	<u>7,769</u>	<u>7,970</u>
Net loss	<u>(7,769)</u>	<u>(7,970)</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

Shiraz Khan Basak & CO.
Chartered Accountants

Dated : 26 March, 2013

Place : Dhaka



Apex Leather Craft Limited Directors' Report

Apex Leather Craft 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. The Company has taken a decision in its Board to amalgamate with its parent company, ACI Limited in 2013. The financial result of the Company for the year ended 31 December 2012 is as follows:

Key Financial Results

	<u>Taka</u>
Revenue	9,912,000
Profit before tax	204,872

On behalf of the Board

Dr. Arif Dowla
Managing Director

Mr. Syed Alamgir
Director

Dhaka, 30 April 2013

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

Apex Leather Craft Limited Auditors' Report to the Shareholders

We have audited the accompanying financial statements of Apex Leather Craft Limited which comprise statement of financial position as at 31 December 2012 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 2012 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

Dated : 17 April, 2013
Place : Dhaka

Apex Leather Craft Limited

Statement of Financial Position

as at 31 December 2012

	<u>2012</u> Taka	<u>2011</u> Taka
<u>Assets</u>		
Investment property	318,986,852	319,807,700
<u>Current Assets</u>		
Advance income tax	3,456,271	7,373,650
Prepaid expenses	2,844,623	2,349,023
Cash at bank	608,320	314,674
	3,328	4,709,953
Security deposit	210,000	210,000
Total assets	322,653,123	327,391,350
<u>Equity and Liabilities</u>		
<u>Shareholders Equity</u>		
Share capital	221,308,736	221,413,993
Share money deposit	37,010,000	37,010,000
Accumulated profit	25,325,000	25,325,000
	158,973,736	159,078,993
<u>Loan from ACI limited (Unsecured)</u>		
Non interest bearing	55,416,328	55,416,328
Interest bearing	45,553,546	50,498,745
<u>Current liabilities</u>		
Accrued expenses	374,513	62,284
Income tax payable	23,000	20,900
	351,513	41,384
Total liabilities	322,653,123	327,391,350



Managing Director



Director



Company Secretary

As per our separate report of even date annexed.



M. J. ABEDIN & CO.
Chartered Accountants

Dated : 17 April, 2013
Place : Dhaka



Apex Leather Craft Limited Statement of Comprehensive Income

for the year ended 31 December 2012

	<u>2012</u> <u>Taka</u>	<u>2011</u> <u>Taka</u>
Revenue from		
Investment property rentals	9,912,000	9,912,000
Less: Expenses		
Municipal and land revenue tax	667,001	1,019,058
Audit fee	23,000	20,900
Entertainment	6,320	-
Bank charge	920	1,575
Insurance premium	515,548	537,409
Other expenses	-	135,000
	(1,212,789)	(1,713,942)
Change in fair value of investment property	(3,565,498)	(3,647,948)
Profit before interest and tax	5,133,713	4,550,110
Financing cost	(4,928,841)	(4,961,456)
Profit/(loss) before tax	204,872	(411,346)
Provision for tax	(310,129)	-
Profit/(loss) after tax	(105,257)	(411,346)
Other comprehensive income	-	-
Total comprehensive income	(105,257)	(411,346)



Managing Director



Director



Company Secretary

As per our separate report of even date annexed.



M. J. ABEDIN & CO.
Chartered Accountants

Dated : 17 April, 2013
Place : Dhaka

Apex Leather Craft Limited

Statement of Changes in Equity

for the year ended 31 December 2012

Particulars

	Share capital <u>Taka</u>	Share Money deposit <u>Taka</u>	Accumulated Profit/(loss) <u>Taka</u>	Total <u>Taka</u>
Balance at 1 January 2011	37,010,000	25,325,000	159,490,339	221,825,339
Net Profit/(loss) for the year	-	-	(411,346)	(411,346)
Total other comprehensive income	-	-	-	-
Balance as at 31 December 2011	37,010,000	25,325,000	159,078,993	221,413,993
Net Profit/(loss) for the year 2012	-	-	(105,257)	(105,257)
Total other comprehensive income	-	-	-	-
Balance as at 31 December 2012	<u>37,010,000</u>	<u>25,325,000</u>	<u>158,973,736</u>	<u>221,308,736</u>



Managing Director



Director



Company Secretary

As per our separate report of even date annexed.



M. J. ABEDIN & CO.
Chartered Accountants

Dated : 17 April, 2013
Place : Dhaka



Apex Leather Craft Limited

Statement of Cash Flows

for the year ended 31 December 2012

	<u>2012</u> <u>Taka</u>	<u>2011</u> <u>Taka</u>
A. Cash flows from operating activities		
Cash received from customer	9,912,000	9,912,000
Payment of cost & expenses	(6,928,776)	(7,485,672)
Net cash provided by operating activities	<u>2,983,224</u>	<u>2,426,328</u>
B. Cash flows from investing activities		
Payments for fixed assets	(2,744,650)	-
Net cash used in investing activities	<u>(2,744,650)</u>	<u>-</u>
C. Cash flows from financing activities		
Interest bearing loan	(4,945,199)	2,280,297
Net cash flows from financing activities	<u>(4,945,199)</u>	<u>2,280,297</u>
D. Net cash flow from total activities (A+B+C)	(4,706,625)	4,706,625
Cash balance as at 01 January	4,709,953	3,328
Cash balance as at 31 December	<u><u>3,328</u></u>	<u><u>4,709,953</u></u>



Managing Director



Director



Company Secretary

As per our separate report of even date annexed.



M. J. ABEDIN & CO.
Chartered Accountants

Dated : 17 April, 2013
Place : Dhaka



ACI Edible Oils Limited Directors' Report

ACI Edible Oil 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 financial result of the Company for the year ended 31 December 2012 is as follows:

Key Financial Results	<u>Taka</u>
Revenue	10,337,629
Operating expenses	(573,144)
Profit before tax	1,932,299
Profit after tax	976,079

On behalf of the Board

Dr. Arif Dowla
Managing Director

Mr. Syed Alamgir
Director

Dhaka, 30 April 2013

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, 2012 and the 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.

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), the Companies act 1994 and other applicable laws and regulations 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 relevant 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 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 the Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the Company's affairs as at 31 December 2012 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:

- 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 statement of comprehensive income along with the annexed notes 1 to 14 dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditure incurred and payments made were for the purposes of the Company's business;

Dated : 31 March 2013
Place : Dhaka



Ashraful Haque Nabi & Co.
Chartered Accountants

ACI Edible Oils Limited

Statement of Financial Position

as at 31 December 2012

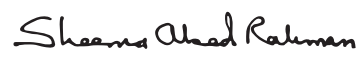
	<u>2012</u> <u>Taka</u>	<u>2011</u> <u>Taka</u>
Non-current assets :		
Tangible fixed assets - at cost less accumulated depreciation	-	-
Capital work-in-progress	-	-
	-	-
Deferred tax assets	-	231,608
Total non-current assets	-	231,608
Current assets :		
Inventories	1,832,338	2,568,550
Advances, deposits and prepayments	-	200,000
Accounts receivable	3,155,175	7,684,790
Receivable from inter-company	12,561,921	10,497,600
Cash and bank balances	117,010	1,789,670
	17,666,444	22,740,610
Total assets	17,666,444	22,972,218
Shareholders' equity:		
Share capital	10,000,000	10,000,000
Retained earnings	590,065	(386,014)
	10,590,065	9,613,986
Current liabilities:		
Bank overdraft	3,061,919	-
Trade payables	319,689	255,664
Other payables	201,129	174,739
Current tax liability	724,612	-
Inter-company liability	2,769,030	12,927,829
	7,076,379	13,358,232
Total equity and liabilities	17,666,444	22,972,218



Managing Director

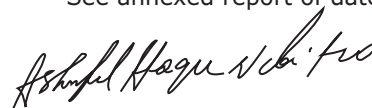


Director



Company Secretary

Auditors' report to the shareholders
See annexed report of date



Ashraf Haque Nabi & Co.
Chartered Accountants

Dated : 31 March 2013
Place : Dhaka



ACI Edible Oils Limited Statement of Comprehensive Income

for the year ended 31 December 2012

	<u>2012</u> Taka	<u>2011</u> Taka
Revenue	10,337,629	30,418,750
Cost of goods sold	(8,739,215)	(29,726,620)
Gross profit	1,598,414	692,130
Operating expenses	(573,144)	(765,163)
Operating profit	1,025,270	(73,033)
Financing cost	894,279	(566,639)
Other income	12,750	22,050
Net profit before tax	1,932,299	(617,622)
Income tax expenses:		
Current tax expenses	(724,612)	-
Deferred tax income	(231,608)	231,608
	(956,220)	231,608
Net profit after tax	976,079	(386,014)
Total other comprehensive income	-	-
Total comprehensive income	976,079	(386,014)

Managing Director

Director

Company Secretary

Auditors' report to the shareholders
See annexed report of date

Ashraful Haque Nabi & Co.
Chartered Accountants

Dated : 31 March 2013
Place : Dhaka

ACI Edible Oils Limited

Statement of Changes in Equity

for the year ended 31 December 2012

Particulars	Share capital	Retained earnings	Total Taka
Balance at 1 January 2011	10,000,000	-	10,000,000
Net profit after tax for the year	-	(386,014)	(386,014)
Total other comprehensive income	-	-	-
Total comprehensive income for the year	-	(386,014)	(386,014)
Transactions with owners of the company, recognised directly in equity	-	-	-
Balance at 31 December 2011	10,000,000	(386,014)	9,613,986
Net profit after tax for the year	-	976,079	976,079
Total other comprehensive income	-	-	-
Total comprehensive income for the year	-	976,079	976,079
Transactions with owners of the company, recognised directly in equity	-	-	-
Balance at 31 December 2012	<u>10,000,000</u>	<u>590,065</u>	<u>10,590,065</u>



Managing Director

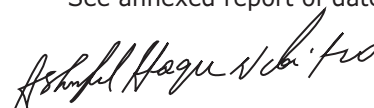


Director



Company Secretary

Auditors' report to the shareholders
See annexed report of date



Ashraful Haque Nabi & Co.
Chartered Accountants



ACI Edible Oils Limited Statement of Cash Flows

for the year ended 31 December 2012

	<u>2012</u> <u>Taka</u>	<u>2011</u> <u>Taka</u>
A Cash flows from operating activities		
Cash received from customer	14,867,244	22,733,960
Cash received from other income	12,750	22,050
	<u>14,879,994</u>	<u>22,756,010</u>
Cash paid for :		
Supplies of materials and others	(7,938,978)	(32,039,506)
Operating expenses	(546,754)	(590,424)
Financing cost	894,279	(566,639)
Advance, deposits and prepayments	200,000	(200,000)
	<u>(7,391,453)</u>	<u>(33,396,569)</u>
Net cash flow from/(used in) operating activities	<u>7,488,541</u>	<u>(10,640,559)</u>
B Cash flows from financing activities		
Inter-company debts(paid) / (received)	(12,223,120)	2,430,229
Share capital	-	10,000,000
Net cash flows provided by financing activities	<u>(12,223,120)</u>	<u>12,430,229</u>
C Net cash flow from all activities (A+B)	(4,734,579)	1,789,670
D Cash and bank balances at the beginning of the year	1,789,670	-
E Cash and bank balances at the end of the year	<u>(2,944,909)</u>	<u>1,789,670</u>
Closing balance represents :		
Cash in hand and at bank	117,010	1,789,670
Bank overdraft	(3,061,919)	-
	<u>(2,944,909)</u>	<u>1,789,670</u>



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, Rupganj
Narayanganj
Phone : (8802) 7650017
Fax : (8802) 7650028

4. ACI Foods Limited

Kutirchar, Bhadrghat
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

8. Electrical Products Factory

208-209, Block-D, BSCIC
Industrial Estate, Tongi,
Gazipur-1700
Phone : 0172-6301218



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 40th Annual General Meeting of the Company to be held on Tuesday, 11 June 2013 at 10:30 a.m. and/or at any adjournment thereof.

As witness my hands this _____ day of _____ 2013.

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.

Please complete the attendance slip and hand it over at the venue of the Meeting.



ADVANCED CHEMICAL INDUSTRIES LIMITED

Registered Office

ACI Centre, 245 Tejgaon Industrial Area, Dhaka 1208

ATTENDANCE SLIP

I hereby record my attendance at the 40th Annual General Meeting being held on Tuesday, 11 June 2013 at 10:30 a.m. at Officers Club, 26 Baily Road, Dhaka.

Name of member/proxy _____

Registered Folio/ BO ID No. _____

Signature



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.

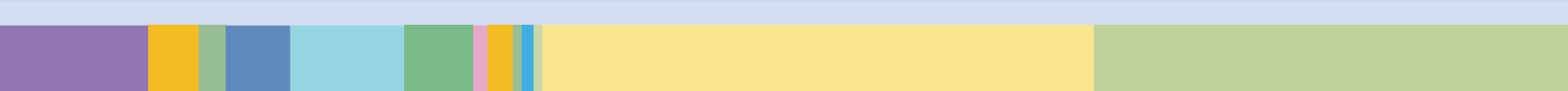


Safety, Health and Environment (SHE) Policy

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



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