



# The ACME Laboratories Ltd.

MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

ISO 9001:2008 CERTIFIED COMPANY

Ref. No. ACME /CA/CS/0563/2016

13 July 2016

**The Chairman**

Bangladesh Securities and Exchange Commission  
Jibon Bima Tower (15th, 16<sup>th</sup> & 20<sup>th</sup> Floor)  
10, Dilkusha Commercial Area  
Dhaka-1000



**Kind Attention: Mr. Kamrul Anam Khan, Director**

**Subject: Audited Status Report on utilization of Initial Public Offering proceeds of The ACME Laboratories Ltd.**

Dear Sir,

In compliance with the clause 3 & 4 of Part-C of the Letter of Consent vide no. BSEC/CI/BB-03/2014/143; dated: 15 March 2016 accorded by your esteemed organization, we are pleased to enclose herewith the Audited Status Report on utilization of Initial Public Offering proceeds of The ACME Laboratories Ltd. duly authenticated by the Board of Directors in its 61<sup>st</sup> Meeting held on 13 July 2016 for your kind perusal and record please.

Thanking you and assuring of our best attention for all the time to come.

**(Mizanur Rahman Sinha)**  
Managing Director



**Enclosure:** As stated above



Copy to:

01. The Managing Director, Dhaka Stock Exchange Limited
02. The Managing Director, Chittagong Stock Exchange Limited
03. The Chief Executive Officer, ICB Capital Management Limited



**Corporate Office:**

**Court de la ACME**

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# Auditors' Report



Name of Client

**The ACME Laboratories Ltd.**

For the month ended 30 June 2016

**পিনাকী এণ্ড কোম্পানী**  
**Pinaki & Company**

AHSANDELL, 2/A, Mymensingh Road (2nd Floor), Shahbag, Dhaka-1000, Bangladesh

Tel # 966-0944, 966-5095, Fax # 88-02-9672726

E-mail : pinaki\_co@yahoo.com

**AUDITORS' REPORT**  
*on*  
**Utilization of IPO Proceeds**

We have audited the annexed Statement of Initial Public Offering (IPO) Proceeds Utilization of **The ACME Laboratories Ltd.** for the month ended June 30, 2016.

**Management's Responsibility for the IPO proceeds Utilization**

Management is responsible for the preparation and fair presentation of these IPO proceeds utilization statement in accordance with Bangladesh Securities and Exchange Commission Rules 1987, Condition laid down in clause 3 & 4 of PART-C of consent letter # BSEC/CI/BB-03/2014/143, Dated March 15, 2016 and other applicable laws and regulations.

**Auditor's Responsibility**

Our responsibility is to express an independent opinion on these Initial Public Offering (IPO) proceeds utilization statement based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA), Bangladesh Securities and Exchange Commission Rules 1987, Condition laid down in clause 3 & 4 of PART-C of consent letter # BSEC/CI/BB-03/2014/143, Dated March 15, 2016 and other applicable laws and regulations.

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 Statement of Initial Public Offering (IPO) Proceeds Utilization, Prepared in accordance with Bangladesh Securities and Exchange Commission Rules 1987 and Condition laid down in clause 3 & 4 of PART-C of consent letter # BSEC/CI/BB-03/2014/143, Dated March 15, 2016 gives a true and fair view of the statement for the month ended June 30, 2016 and comply with the prospectus.

**As per TOR, We draw attention to the following matter:**

1. The Company has received total amounting BDT 4,095,015,601.38 (net of foreign currency conversion loss amounting BDT 984,405.42) by issuing 50,000,000 Ordinary Shares through IPO under Book Building Method.
2. The Company has utilized amounting BDT 14,775,563 in respect of Construction of Steroid and Hormone project and amounting BDT 20,650,000 as IPO Expenses from IPO proceeds fund.
3. The Company has invested total amounting BDT 3,500,000,000 from IPO proceeds fund as short term Fixed deposit with The Investment Corporation of Bangladesh and Dhaka bank Limited as approved by the Board of Directors in its meeting held on 15 June 2016.
4. The Company has made a loss of BDT 984,405.42 due to conversion of Foreign Demand Draft (FDD) to BDT on dated 15 June 2016.

**We also state that:**

- a) IPO proceeds have been utilized for the purposes as specified in the prospectus;
- b) IPO proceeds have been utilized in line with the conditions of the BSEC's consent letter for the IPO;
- c) Utilization of IPO proceeds is being under completion within the time frame as specified in the prospectus;
- d) Utilization of IPO proceeds is accurate for the purpose of the company as mentioned in the prospectus;
- e) Audit statement has been made on verification of all necessary documents/papers/vouchers in support of utilization of IPO proceeds making reconciliation with bank statements.

Date : 13 July 2016  
Dhaka.

*Pinaki & Co*  
**Pinaki & Company**  
Chartered Accountants

# পিনাকী এণ্ড কোম্পানী

## Pinaki & Company

Chartered Accountants



### The ACME Laboratories Ltd. Statement of Utilization of IPO Proceeds For the month ended 30 June 2016


Sl No.	Projects	Estimated cost for Project Implementation as per Prospectus		Estimated Time for completion as per Prospectus	Investment/Expenses so far made (up to 30 June 2016)				Investment/Expenses Yet to be made		Remarks
		Cost Breakdown	Amount		Upto previous Month	During the Month	Upto this Month	%	Amount	%	
1	Steroid and Hormone	Civil Construction	335,800,000	Within 2 years of receive IPO fund	-	14,775,563	14,775,563	4.40%	321,024,437	95.60%	
		Machinery & Equipment	598,600,000		-	-	-	-	598,600,000	100%	
		Utility	339,600,000		-	-	-	-	339,600,000	100%	
		Warehouse	39,500,000		-	-	-	-	39,500,000	100%	
		Vehicle	5,000,000		-	-	-	-	5,000,000	100%	
		Contingency fee	26,300,000		-	-	-	-	26,300,000	100%	
		Sub Total	1,358,000,000		-	14,775,563	14,775,563	1.09%	1,343,224,437	98.91%	
2	Oncology	Civil Construction	335,800,000	Within 2.5 years of receive IPO fund	-	-	-	-	335,800,000	100%	
		Machinery & Equipment	367,000,000		-	-	-	-	367,000,000	100%	
		Utility	350,000,000		-	-	-	-	350,000,000	100%	
		Warehouse	50,000,000		-	-	-	-	50,000,000	100%	
		Vehicle	5,000,000		-	-	-	-	5,000,000	100%	
		Contingency fee	22,100,000		-	-	-	-	22,100,000	100%	
		Sub Total	1,141,000,000		-	-	-	-	1,141,000,000	100%	
3	Ayurvedic, Modern Herbal and Neutraceuticals	Civil Construction	417,500,000	Within 2.5 years of receive IPO fund	-	-	-	-	417,500,000	100%	
		Machinery & Equipment	857,200,000		-	-	-	-	857,200,000	100%	
		Utility	404,000,000		-	-	-	-	404,000,000	100%	
		Warehouse	11,000,000		-	-	-	-	11,000,000	100%	
		Vehicle	5,000,000		-	-	-	-	5,000,000	100%	
		Contingency fee	33,900,000		-	-	-	-	33,900,000	100%	
		Sub Total	1,745,500,000		-	-	-	-	1,745,500,000	100%	
4	IPO Expenses		68,300,000	N/A		20,650,000	20,650,000	30.23%	47,650,000	70%	
	Grand Total		4,312,800,000			35,425,563	35,425,563	0.82%	4,277,374,437	99.18%	

Note: Total estimated project cost and IPO expenses stands to Tk. 4,312,800,000, but the company has raised amounting Tk. 4,095,015,601.38 (net of foreign currency conversion loss) from IPO and remaining amount of estimated cost of Tk. 217,784,398.62 will be arranged from its organic sources of cash.

On Behalf of Board

  
(Fozia Haque, FCA)  
Independent Director & Chairman of the Audit Committee

  
(Mizanur Rahman Sinha)  
Managing Director

  
(Afzalur Rahman Sinha)  
Chairman

  
Pinaki & Company  
Chartered Accountants

Independent Associate Member of Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, New Delhi, India.

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**The ACME Laboratories Ltd.**

Reconciliation Statement of IPO Proceeds

For the Month Ended 30 June 2016

Cash at Bank as at 30 June 2016

Standard Chartered Bank Bangladesh, ESCROW A/C No: 02-1111195-03

Workings-1 11,425,693.67

Standard Chartered Bank Bangladesh, IPO SND A/C No: 02-1111195-01

Workings-2 559,587,950.11

**Workings-1**

Standard Chartered Bank Bangladesh, ESCROW A/C No: 02-1111195-03

Particulars	Amount in BDT
Total Amount received from EIs including Mutual Fund	2,556,000,006.80
Add: Interest Income	12,695,207.63
	2,568,695,214.43
Less: Short term Investment in FDR	2,556,000,000.00
Investment Corporation of Bangladesh (ICB)	2,500,000,000.00
Dhaka Bank Limited	56,000,000.00
Less: AIT on Interest Income	1,269,520.76
Closing Balance as per Bank Statement as at 30 June 2016	11,425,693.67

**Workings-2**

Standard Chartered Bank Bangladesh, IPO SND A/C No: 02-1111195-01

Particulars	Amount in BDT
Total amount received from General Public including NRB and Affected Small Investors	1,541,056,479.58
Less: Payment for the purpose of	981,468,529.47
• Construction of Steroid and Hormone Project	14,775,563.00
• IPO Expenses	20,650,000.00
• Forefited amount transfer to BSEC	2,040,885.00
• Investment in FDR at Dhaka Bank Limited	944,000,000.00
• Bank Charge	2,081.47
Closing Balance as per Bank Statement as at 30 June 2016	559,587,950.11

On Behalf of Board

(Fouzia Haque, FCA)

Independent Director &

Chairman of the Audit Committee

(Mizanur Rahman Sinha)

Managing Director

(Afzalur Rahman Sinha)

Chairman

Pinaki & Co 13.7.16  
Pinaki & Company  
Chartered Accountants