



The **ACME** *Laboratories Ltd.*

MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

ISO 9001:2008 CERTIFIED COMPANY

O/c

Ref. No. ACME /CA/CS/0640/2016

16 October 2016

The Chairman

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

Kind Attention: Mr. Kamrul Anam Khan, Director

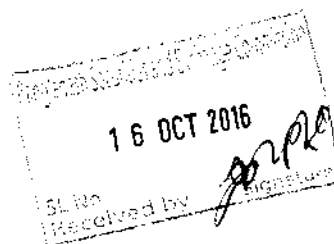
Subject: Audited Status Report on utilization of Initial Public Offering proceeds of The ACME Laboratories Ltd.

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 65th Meeting held on 9 October 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

1/4, Kallayanpur, Mirpur Road
Dhaka-1207, Bangladesh.
Phone: +88-02-9004194-6

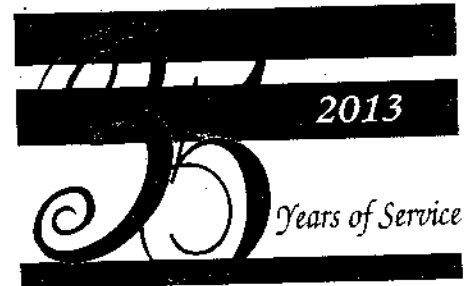
www.acmeglobal.com

Plant:

Dhamrai, Dhaka, Bangladesh
Phone: +88-02-7730881-2
88-02-7730816-7, 7730142
Fax: +88-02-7730141




Auditors' Report



Name of Client
The ACME Laboratories Ltd.
Utilization of IPO Proceeds
For the Month Ended 30 September 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 30 September 2016.

Managements' 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.

Auditors' 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 30 September 2016 and comply with the prospectus.

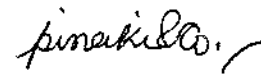
As per TOR, We draw attention to the following matter:

1. The Company has utilized cumulative amounting Tk. 69,870,776 up to 30 September 2016 out of which amounting Tk. 11,632,057 is utilized during the month of September 2016 in respect of Civil Construction of Steroid and Hormone project.
2. The Company has also utilized cumulative amounting Tk. 68,291,870 up to 30 September 2016 as IPO expenses out of which amounting Tk. 39,973,870 was spent from Company's own fund before receiving IPO fund. As such, Tk. 39,973,870 was withdrawn from IPO SND accounts in the month of September 2016 and deposited the same to Company's current account.
3. The company has made an excess amount of IPO expense Tk. 1,549,910 from SND account inadvertently. However, the said amount is subsequently credited into the SND account, though according to the information provided in Prospectus under the section break down of estimated IPO expenses (page # 147), the actual expenses may vary from the estimated figure and were allowable to make necessary adjustment accordingly.

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.

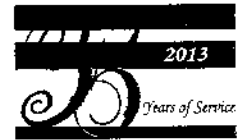
Date : 13-10-2016 .
Dhaka.


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 September 2016

For the month ended 30 September 2020											
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 September 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 receiving IPO fund	55,113,719	11,632,057	66,745,776	19.88%	269,054,224	80.12%	
		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		3,125,000	-	3,125,000	62.50%	1,875,000	37.5%	
		Contingency fee	26,300,000		-	-	-	-	26,300,000	100%	
		Contingencies	13,200,000								
		Sub Total	1,358,000,000		58,238,719	11,632,057	69,870,776	5.15%	1,288,129,224	94.85%	
2	Oncology	Civil Construction	335,800,000	Within 2.5 years of receiving 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%	
		Contingencies	11,100,000								
		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 receiving 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%	
		Contingencies	16,900,000								
		Sub Total	1,745,500,000		-	-	-	-	1,745,500,000	100%	
4	IPO Expenses		68,291,870	N/A	28,318,000	39,973,870	68,291,870	100.00%	-	0%	
	Grand Total		4,312,791,870		86,556,719	51,605,927	138,162,646	3.20%	4,174,629,224	96.80%	

On Behalf of Board

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

(Mizanur Rahman Sinha)
Managing Director

(Afzalur Rahman Sinha)
Chairman

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Chartered Accountants

The ACME Laboratories Ltd.

Reconciliation Statement of IPO Proceeds
For the Month Ended 30 September 2016

Cash at Bank as at 30 September 2016

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

Workings-1 14,236,948.68

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

Workings-2 457,406,731.77

Workings-1

Standard Chartered Bank Bangladesh, ESCREW A/C No: 02111119503

Particulars	Amount in BDT
Opening Balance as per Bank Statement as at 01 September 2016	14,236,948.68
Add: Received	-
Less: Payment	-
Closing Balance as per Bank Statement as at 30 September 2016	14,236,948.68

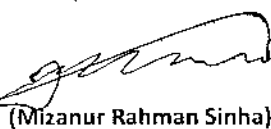
Workings-2

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

Particulars	Amount in BDT
Opening Balance as per Bank Statement as at 01 September 2016	510,562,568.77
Add: Received	-
Less: Payment for the Purpose of	53,155,837.00
IPO Expenses	39,973,870.00
Excess amount of IPO expenses with compared to the declared amount which was supposed to be paid from equity but inadvertently paid from SND accounts.	1,549,910.00
Subsequently, re-transferred the same to SND account	-
Civil Construction of Steroid and Hormone Project	11,632,057.00
Closing Balance as per Bank Statement as at 30 September 2016	457,406,731.77


(Foyzla Haque, FCA)

Independent Director &
Chairman of the Audit Committee


(Mizanur Rahman Sinha)

Managing Director


(Afzalur Rahman Sinha)
Chairman


Pinaki & Company
Chartered Accountants