



**The ACME Laboratories Ltd.**

MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

ISO 9001:2008 CERTIFIED COMPANY

o/c

Ref. No. ACME /CA/CS/0054/2018

10 May 2018

**The Chairman**

Bangladesh Securities and Exchange Commission  
Securities Commission Bhaban  
E-C/6, Agargaon,  
Sher-e-Bangla Nagar Administrative Area,  
Dhaka-1207

**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 (as per revised format) on utilization of Initial Public Offering proceeds of The ACME Laboratories Ltd. duly authenticated by the Board of Directors in its 88<sup>th</sup> Meeting held on 09 May 2018 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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Dhaka-1207, Bangladesh.  
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**Plant:**

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# Auditors' Report



Name of Client

**The ACME Laboratories Ltd.**  
**Utilization of IPO Proceeds**  
**for the month ended 30 April 2018**

**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 April 2018.

**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 30 April 2018 and comply with the resolution of 40<sup>th</sup> AGM of the company.

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

1. The Company has utilized cumulative amounting to Tk. 940,420,302 up to 30 April 2018 out of which amounting to Tk. 72,251,888 is utilized during the month of April 2018 in respect of Steroid and Hormone Project.





2. The Company has utilized cumulative amount of Tk. 246,711,345 up to 30 April 2018 in respect of Penicillin Project. During the month no amount has been spent regarding the project. In spite of company's earnest initiative for Penicillin Project, the completion of the same could not achieve the targeted date of 31<sup>st</sup> March 2018. We would suggest for approval of the general members specifying the unforeseen delay arising out of the way for the project.
3. The Company has also utilized cumulative amounting to Tk. 102,818,652 up to 30 April 2018 in respect of Active Pharmaceuticals Ingredients (API) Project.

**We also state that:**

- a) IPO proceeds have been utilized for the purposes as specified in the resolution of 40<sup>th</sup> AGM of the company;
- 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 resolution of 40<sup>th</sup> AGM of the company whereas Penicillin Project is awaiting completion.
- d) Utilization of IPO proceeds is accurate for the purpose of the company as mentioned in the resolution of 40<sup>th</sup> AGM of the company;
- 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: 10 May 2018  
Dhaka.

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

Report on Utilization of IPO Proceeds  
For the Month of April 2018

Name of the Company:

Amount (BDT) of capital raised through IPO:

Date of Close of Subscription:

Proceeds Receiving Date:

Last Date of Full Utilization of IPO Fund as per prospectus/40th AGM

The ACME Laboratories Ltd.

BDT 4,096,000,000 (Received amount BDT 4,095,015,601.38 net of foreign currency conversion loss)

21 April 2016

11 April 2016 to 21 April 2016

As stated in time line as per prospectus and revised time line columns

S/L	Purpose mentioned in the Prospectus/40th AGM	Time line as per Prospectus	Revised Time line	Cost Breakdown	Amount as per Prospectus	Amount as per revised utilization Plan	Opening	During the Month	Status of Utilization		Total un utilized amount	Un utilized %	Remarks
									Total Utilized Amount	Utilized %			
1	Steroid and Hormone Project	Within 2 years of receiving IPO fund, i.e., 2018	N/A	Civil Construction Machinery & Equipment Utility Warehouse Vehicle Consultancy fee Contingencies Sub Total	335,800,000 598,600,000 339,600,000 39,500,000 5,000,000 26,300,000 13,200,000 1,358,000,000	335,800,000 598,600,000 339,600,000 39,500,000 5,000,000 26,300,000 13,200,000 1,358,000,000	321,625,458 191,445,492 339,600,000 1,302,156 3,125,000 1,200,000 9,870,308 868,168,414	3,874,388 68,378,500 - - - - - 72,251,888	325,498,846 259,823,992 339,600,000 1,302,156 3,125,000 1,200,000 9,870,308 940,420,302	96.93% 43.41% 100.00% 3.30% 62.50% 4.56% 74.78% 69.25%	10,301,154 338,776,008 - 38,197,844 1,875,000 25,100,000 3,329,692 417,579,698	3.07% 56.59% 0.00% 96.70% 37.50% 95.44% 25.72% 30.75%	
2	Oncology project converted into Penicillin Project (Revised)	Within 2.5 years of receiving IPO fund	Within the month of March 2018	Civil Construction Machinery & Equipment Utility Warehouse Vehicle Consultancy fee Contingencies Sub Total	335,800,000 367,000,000 350,000,000 50,000,000 5,000,000 22,100,000 11,100,000 1,141,000,000	335,800,000 367,000,000 350,000,000 50,000,000 5,000,000 22,100,000 11,100,000 1,141,000,000	117,154,000 3,406,448 2,901,503 1,420,250 5,963,780 5,000,000 246,711,345	- - - - - - -	117,154,000 3,406,448 2,901,503 1,420,250 5,963,780 5,000,000 246,711,345	100.00% 16.55% 96.72% 23.81% 100.00% 100.00% 61.68%	- 17,176,252 98,497 4,543,530 - - 153,288,655	0.00% 83.45% 3.28% 76.19% 0.00% 0.00% 38.32%	Revised Utilization Plan has been approved in 40th AGM as on 7 November 2016 and IPO Utilization Proceeds certified by M/s. Pinaki and Company, Chartered Accountants
3	Ayurvedic, Modern Herbal and Nutraceuticals converted into Active Pharmaceutical Ingredients (API) (Revised)	Within 2.5 years of receiving IPO fund	Within 2-3 years after getting permission from the Ministry of Industries	Civil Construction Machinery & Equipment Utility Warehouse Vehicle Consultancy fee Contingencies Sub Total	857,200,000 404,000,000 11,000,000 5,000,000 39,900,000 16,900,000 1,745,500,000	857,200,000 404,000,000 11,000,000 5,000,000 39,900,000 16,900,000 1,745,500,000	- - - - - - 102,818,652	- - - - - - -	- - - - - - 102,818,652	0.00% 0.00% 0.00% 0.00% 0.00% 0.00% 7.59%	493,000,000 409,400,000 38,500,000 3,000,000 23,635,200 12,917,600 1,252,409,640	100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 92.41%	
4	Repayment of Bank Borrowing (Revised)	N/A	N/A	Initial Working Capital Sub Total	26,915,492 1,355,228,292	26,915,492 1,355,228,292	102,818,652 1,360,000,000	- -	102,818,652 1,360,000,000	7.59% 100.00%	- -	0.00% 0.00%	
5	IPO Expenses	N/A	N/A		68,291,870	68,291,870	68,291,870	-	68,291,870	100.00%	-	0.00%	
Total					4,312,791,870	4,541,520,162	2,645,990,281	72,251,888	2,718,242,169	59.85%	1,823,277,993	40.15%	

Percentage (Interest on FDR to be matured on 27 June 2018)

Interest on IPO Proceeds in BDT (from FDR & SND)

Un-Utilized IPO Proceeds with interest income in BDT

On Behalf of Board

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

(Dr. Jabbar Rahman Sinha)  
Deputy Managing Director

(Mizanur Rahman Sinha)  
Managing Director

152,200,468  
1,528,973,900

Pinaki & Company  
Chartered Accountants  
10.5.18