



**The ACME Laboratories Ltd.**  
MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

ISO 9001: 2015 CERTIFIED COMPANY

Ref. No. ACME /CA/CS/0034/2018

11 March 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 85<sup>th</sup> Meeting held on 08 March 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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# Auditors' Report



Name of Client  
**The ACME Laboratories Ltd.**  
Utilization of IPO Proceeds  
for the month ended 28 February 2018

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

AHSANDELL, 2/A, Mymensingh Road (2nd Floor), Shahbag, Dhaka-1000, Bangladesh  
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**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 28 February 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 15 March 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 15 March 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 28 February 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 Tk. 822,245,002 up to 28 February 2018 out of which amounting Tk. 105,715,411 is utilized during the month of February 2018 in respect of Steroid and Hormone Project.

2. The Company has utilized cumulative amounting Tk. 163,565,477 up to 28 February 2018 out of which amounting Tk. 204,853 is utilized during the month of February 2018 in respect of Penicillin Project.
3. The Company has also utilized cumulative amounting Tk. 102,818,652 up to 28 February 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;
- 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: 11 March 2018  
Dhaka.

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



For the Month of February 2018

The ACME Laboratories Ltd.

Name of the Company:  
Amount (BDT) of capital raised through IPO:  
Date of Close of Subscription:  
Proceeds Received Date:  
Last Date of Full Utilization of IPO Fund as per prospectus and revised time line column:

(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 column)

| 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 | Status of Utilization |                  |                       |            | Remarks       |                          |
|-------|---|---|---|-------------------------|--------------------------|--|-----------------------|------------------|-----------------------|------------|---------------|--------------------------|
|       |   |   |   |                         |                          |  | Opening               | During the Month | Total Utilized Amount | Utilized % |               | Total un utilized amount |
| 1     | Steroid and Hormone Project   | Within 2 years of receiving IPO fund, i.e, 2018 | N/A   | Civil Construction      | 335,800,000              | 335,800,000                            | 311,902,530           | 1,915,287        | 313,817,817           | 93.45%     | 21,982,183    | 6.55%                    |
|       |   |   |   | Machinery & Equipment   | 598,600,000              | 598,600,000                            | 163,355,284           | -                | 163,355,284           | 27.29%     | 435,244,716   | 72.71%                   |
|       |   |   |   | Utility                 | 339,600,000              | 339,600,000                            | 235,799,876           | 103,800,124      | 339,600,000           | 100.00%    | -             | 0.00%                    |
|       |   |   |   | Warehouse               | 39,500,000               | 39,500,000                             | 1,146,901             | -                | 1,146,901             | 2.90%      | 38,353,099    | 97.10%                   |
|       |   |   |   | Vehicle                 | 5,000,000                | 5,000,000                              | 3,125,000             | -                | 3,125,000             | 62.50%     | 1,875,000     | 37.50%                   |
|       |   |   |   | Consultancy fee         | 26,300,000               | 26,300,000                             | 1,200,000             | -                | 1,200,000             | 4.56%      | 25,100,000    | 95.44%                   |
| 2     | Oncology project converted into Penicillin Project (Revised)  | Within 2.5 years of receiving IPO fund          | Within the month of March 2018  | Contingencies           | 13,200,000               | 13,200,000                             | -                     | -                | -                     | 0.00%      | 13,200,000    | 100.00%                  |
|       |   |   |   | Sub Total               | 1,358,000,000            | 1,358,000,000                          | 716,529,591           | 105,715,411      | 822,245,002           | 60.55%     | 535,754,998   | 39.45%                   |
|       |   |   |   | Civil Construction      | 335,800,000              | 116,000,000                            | 90,159,573            | 204,853          | 90,364,426            | 77.50%     | 25,635,574    | 22.10%                   |
|       |   |   |   | Machinery & Equipment   | 367,000,000              | 132,299,520                            | 764,848               | -                | 764,848               | 0.58%      | 131,534,672   | 99.42%                   |
|       |   |   |   | Utility                 | 350,000,000              | 117,154,000                            | 70,959,591            | -                | 70,959,591            | 60.57%     | 46,194,409    | 39.43%                   |
|       |   |   |   | Warehouse               | 50,000,000               | 20,582,700                             | 56,362                | -                | 56,362                | 0.27%      | 20,526,338    | 99.73%                   |
| 3     | Ayurvedic, Modern Herbal and Nutraceuticals converted into Active Pharmaceuticals Ingredients (API) (Revised) | Within 2.5 years of receiving IPO fund          | Within 2-3 years after getting permission from the Ministry of Industries | Vehicle                 | 5,000,000                | 3,000,000                              | -                     | -                | -                     | 0.00%      | 3,000,000     | 100.00%                  |
|       |   |   |   | Consultancy fee         | 22,100,000               | 5,963,780                              | 1,420,250             | -                | 1,420,250             | 23.81%     | 4,543,530     | 76.19%                   |
|       |   |   |   | Contingencies           | 11,100,000               | 5,000,000                              | -                     | -                | -                     | 0.00%      | 5,000,000     | 100.00%                  |
|       |   |   |   | Sub Total               | 1,141,000,000            | 400,000,000                            | 163,360,624           | 204,853          | 163,565,477           | 40.89%     | 236,434,523   | 59.11%                   |
|       |   |   |   | Civil Construction      | 417,500,000              | 347,860,000                            | 102,818,652           | -                | 102,818,652           | 29.56%     | 245,041,348   | 70.44%                   |
|       |   |   |   | Machinery & Equipment   | 857,200,000              | 493,000,000                            | -                     | -                | -                     | 0.00%      | 493,000,000   | 100.00%                  |
| 4     | Repayment of Bank Borrowing (Revised)   | N/A   | N/A   | Utility                 | 404,000,000              | 409,400,000                            | -                     | -                | -                     | 0.00%      | 409,400,000   | 100.00%                  |
|       |   |   |   | Warehouse               | 11,000,000               | 38,500,000                             | -                     | -                | -                     | 0.00%      | 38,500,000    | 100.00%                  |
|       |   |   |   | Vehicle                 | 5,000,000                | 3,000,000                              | -                     | -                | -                     | 0.00%      | 3,000,000     | 100.00%                  |
|       |   |   |   | Consultancy fee         | 33,900,000               | 23,635,200                             | -                     | -                | -                     | 0.00%      | 23,635,200    | 100.00%                  |
|       |   |   |   | Contingencies           | 16,900,000               | 12,917,600                             | -                     | -                | -                     | 0.00%      | 12,917,600    | 100.00%                  |
|       |   |   |   | Initial Working Capital | -                        | 26,915,492                             | -                     | -                | -                     | 0.00%      | 26,915,492    | 100.00%                  |
| 5     | IPO Expenses  | N/A   | N/A   | Sub Total               | 1,745,500,000            | 1,355,228,292                          | 102,818,652           | -                | 102,818,652           | 7.59%      | 1,252,409,640 | 92.41%                   |
|       |   |   |   |                         | N/A                      | 1,360,000,000                          | 1,360,000,000         | -                | 1,360,000,000         | 100.00%    | -             | 0.00%                    |
| Total |   |   |   |                         | 4,312,791,870            | 4,541,520,162                          | 2,411,000,737         | 105,920,264      | 2,516,921,001         | 55.42%     | 2,024,599,161 | 44.58%                   |

Percentage (Interest on FDR to be matured on 27 March 2018)  
Interest on IPO Proceeds in BDT (from FDR & SND)  
Un-Utilized IPO Proceeds with Interest Income in BDT

On Behalf of Board

(Md. H. Haque, FCA)

Independent Director & Chairman of the Audit Committee

(Mizanur Rahman Sinha)  
Managing Director

(Atfalur Rahman Sinha)  
Chairman

134,271,442  
1,712,366,042

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

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