



# The ACME Laboratories Ltd.

MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

ISO 9001: 2015 CERTIFIED COMPANY

Ref. No. ACME/CA/CS/0028/2018

14 February 2018

**The Chairman**

Bangladesh Securities and Exchange Commission  
Securities Commission Bhaban  
E-6/C, 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 84<sup>th</sup> Meeting held on 13 February 2018 for your kind perusal and record please.

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

  
**Mizanur Rahman Sinha**  
Managing Director

**Enclosed :** 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



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# Auditors' Report



Name of Client

**The ACME Laboratories Ltd.**  
**Utilization of IPO Proceeds**  
**for the month ended 31 January 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 31 January 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 31 January 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.716,529,591 up to 31 January 2018 out of which amounting Tk. 6,150,000 is utilized during the month of January 2018 in respect of Steroid and Hormone Project.



2. The Company has utilized cumulative amounting Tk.163,360,624 up to 31 January 2018 out of which amounting Tk. 3,195,229 is utilized during the month of January 2018 in respect of Penicillin Project.
3. The Company has also utilized cumulative amounting Tk.102,818,652 up to 31 January 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.

*Pinaki & Co.*

Date:14 February 2018  
Dhaka.

**Pinaki & Company**  
Chartered Accountants

Name of the Company: The ACE Laboratories Ltd.  
Amount (BDT) of capital raised through IPO: BDT 4,000,000,000 (Revised amount BDT 4,000,000,000 less net of foreign currency conversion loss)  
Date of Close of Subscription: 21 April 2018  
Proceeds Received Date: 11 April 2016 to 21 April 2016  
Last Date of Full Utilization of IPO Fund as per prospectus/40th AGM: (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			Remarks		
									Total Utilized Amount	Utilized %	Total unutilized amount		Un 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 Contengencies 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	305,752,530 163,355,284 235,799,876 1,146,901 3,125,000 1,200,000 -	6,150,000 -	311,902,530 163,355,284 235,799,876 1,146,901 3,125,000 1,200,000 -	92.88% 27.29% 69.43% 2.90% 62.50% 4.56% 0.00%	23,897,470 435,244,716 103,800,124 38,353,099 1,875,000 25,100,000 -	7.12% 71.71% 30.57% 97.10% 37.50% 95.44% -		
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 Contengencies 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	116,000,000 132,299,520 117,154,000 20,582,700 3,000,000 5,963,780 5,000,000 400,000,000	86,964,344 764,848 70,959,591 56,362 -	3,195,229 -	90,159,573 764,848 70,959,591 56,362 -	77.72% 0.58% 60.57% 0.27% 0.00%	25,840,427 131,534,672 46,194,409 20,526,338 3,000,000	22.28% 99.42% 39.43% 99.73% 100.00%	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 Neurochemicals 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	Civil Construction Machinery & Equipment Utility Warehouse Vehicle Consultancy fee Contengencies Sub Total	417,500,000 857,200,000 404,000,000 11,000,000 5,000,000 33,900,000 15,900,000 1,745,500,000	493,000,000 409,400,000 38,500,000 3,000,000 23,635,200 12,917,600 26,915,492 1,355,228,292	- -	3,195,229 -	102,818,652 -	29.56% 0.00%	245,041,348 493,000,000 409,400,000 3,000,000 23,635,200 12,917,600 26,915,492 1,252,409,640	70.44% 100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 92.41%		
4	Repayment of Bank Borrowing (Revised)	N/A	N/A		N/A	1,360,000,000	1,360,000,000	-	-	1,360,000,000	100.00%	-	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%	
<b>Total</b>					<b>4,312,791,870</b>	<b>4,541,520,162</b>	<b>2,401,655,508</b>	<b>9,345,229</b>	<b>2,411,000,737</b>	<b>53.09%</b>	<b>2,130,519,425</b>	<b>46.91%</b>		

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

134,271,442  
1,818,286,306

pinaki & Co  
14.02.18

(Mizanur Rahman Sinha)  
Managing Director

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

Pinaki & Company  
Chartered Accountants