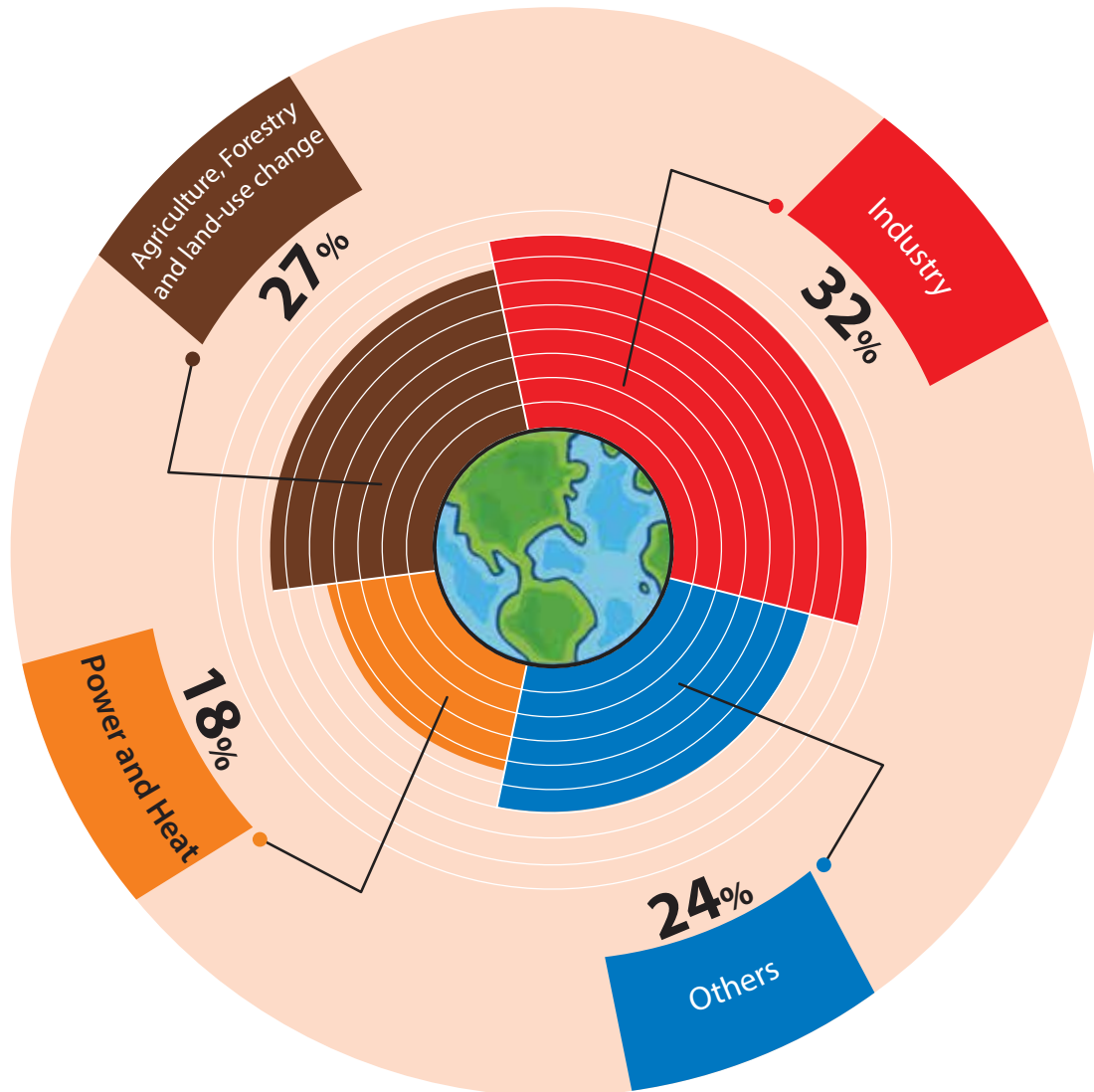


ANNUAL REPORT

2020-2021

Greenhouse Gas (GHG) emissions by sector



Note : Numbers do not sum to 100 due to rounding



ACME



COVID-19

Let's all get **Vaccinated !**



ACME



Annual Report 2020-2021



Since 1954



Scan the QR code for accessing the digital version of
Annual Report 2020-2021
www.acmeglobal.com



Our Visionary Leaders



Hamidur Rahman Sinha



Noor Jahan Sinha

**You were there
from the START
You are always
in our HEART**



Our Former Chairmen

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**AGM
INVITATION**
for our Shareholders

45TH
**ANNUAL
GENERAL MEETING**
of
The **ACME** Laboratories Ltd.

AGM
will be held on
Sunday, 26 December
2021 at 11:30 a.m.
through Digital Platform
(in pursuant to the Bangladesh
Securities and Exchange
Commission's order no. SEC/
SRMIC/94-231/91;
dated: 31 March 2021)



AGM HELPLINE

virtual AGM through the link:
<https://acmeglobal.digitalagmbd.net>

Md. Habibul Karim Sarker

e-mail: hkarim.share@acmeglobal.com

Web: www.acmeglobal.com

Tel: 88 02 8091051-3,

Ext.: 236

Transmittal Letter

02 December 2021

The Members
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies and Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Subject: Annual Report for the year ended 30 June 2021.

Dear Sir(s),

We are pleased to enclose a copy of the Annual Report together with the Audited Financial Statements which includes the Statement of Financial Position as at 30 June 2021, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended 30 June 2021 along with notes thereon of The ACME Laboratories Ltd. and all related Statements for your record and necessary measures.

Yours sincerely,



Md. Arshadul Kabir, FCA
Company Secretary (Acting)

Notice



02 December 2021

NOTICE OF THE 45TH ANNUAL GENERAL MEETING

Notice is hereby given to all respected **Members of The ACME Laboratories Ltd.** that the **45th Annual General Meeting (AGM)** of the Shareholders of the Company will be held on **Sunday, 26 December 2021 at 11:30 a.m. through Digital Platform** (in pursuant to the Bangladesh Securities and Exchange Commission's order no. SEC/SRMIC/94-231/91; dated: 31 March 2021) to transact the following businesses:

AGENDA

A 2021-45- 01 :	To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30 June 2021 and the Reports of the Directors' and the Auditors' thereon.
A 2021-45- 02 :	To approve the proposed dividend for the year ended 30 June 2021.
A 2021-45- 03 :	To elect/re-elect Directors of the Company in accordance with the provision of Articles of Association of the Company.
A 2021-45- 04 :	To appoint Statutory Auditors for the Financial Year 2021-2022 and to fix their remuneration.
A 2021-45- 05 :	To appoint Compliance Auditors for the Financial Year 2021-2022 and to fix their remuneration.

By order of the Board

Md. Arshadul Kabir, FCA
Company Secretary (Acting)

Notes:

- The record date was fixed on '18 November 2021'. The Shareholders, whose names were appeared in the Share Register/Depository Register of the Company at the close of business on the 'Record Date' i.e. Thursday, on 18 November 2021 will be eligible to join the 45th Annual General Meeting and receive the Dividend.
- A member eligible to join and vote in the AGM through Digital Platform may appoint a proxy to join and vote in his/her on behalf. The Proxy Form duly completed and affixed a revenue stamp of Tk. 20 must be deposited at the registered office of the Company not later than 48 hours before the time fixed for the Annual General Meeting.
- The link for joining in AGM through Digital Platform is <https://acmeglobal.digitalagmbd.net> Members can join the Virtual Annual General Meeting using their Laptop, Personal Computer (PC), Mobile or Tap providing their respective Names, 16-digit Beneficial Owner (BO) Accounts and Number of shares. Full login/participation process of AGM through Digital Platform will be available in the Company's website: www.acmeglobal.com.
- In compliance with BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81; dated: 20 June 2018:
 - Annual Report, Attendance Slip and Proxy Form along with the notice are being sent in Soft Form to the members' e-mail address available in their Beneficial Owner (BO) Accounts with the depository as on Record Date.
 - The Annual Report 2020-2021 is also available on the Company's website linked with the websites of both Dhaka and Chittagong Stock Exchange Ltd.
- The shareholders will join the virtual AGM through the link: <https://acmeglobal.digitalagmbd.net>. The shareholders will be able to submit their questions, comments electronically before 24 (Twenty-Four) hours of commencement of the AGM through the link and also during the Annual General Meeting in order to log-in for the virtual AGM. The shareholders need to click on the link and provide their Names, 16-digit Beneficial Owner (BO) Accounts and Number of shares.
- The Concerned Merchant Banks and all Depository Participants (DP) are requested to provide us with statement with details (shareholders' names, Beneficial Owner (BO) Accounts, Client-wise shareholding position, Gross Dividend Receivables, applicable tax rate and Net Dividend Receivables) of their margin account holders (if any) who hold the shares of The ACME Laboratories Ltd. as on the 'Record Date' along with the name of the contact person in this connection to the Company's Registered Office on or before 22 December 2021. The Merchant Banks and Depository Participants (DP) are also requested to provide us with their Bank Names, Account Numbers and Routing Numbers etc.
- As per notification of BSEC No. SEC/SRMIC/2000-953/1950; dated: 24 October 2000, no gift or any other kind of benefit will be given to the shareholders attending the AGM.

CORPORATE OFFICE
Court de la **ACME**



Award & Achievement

Received Gold award for Corporate Governance Excellence in Pharmaceuticals and Chemicals category under 5th ICSB National Award.

Awarded first position in 4th International Exhibition Organized by AHCAB.



Award & Achievement



Corporate Profile

VISION

To ensure Health, Vigour and Happiness for all.

MISSION STATEMENT

Our holistic approach is to ensure Health, Vigour and Happiness for all by manufacturing ethical drugs and medicines of the highest quality at affordable price and expanding in the local and global market.

We view ourselves as partners with the doctors, healthcare professionals, all other customers, our employees and harmonize with environmental issues



Purpose

Business is the heritage of Sinha family and in fact, they were one of the renowned jute shippers in the then Indo-Pak subcontinent. But founder of the Company Late Hamidur Rahman Sinha thought about doing something for the well being of his fellow countrymen. He planned to establish a Pharmaceuticals Company with the support of his better half. Eventually, in the year 1954 our founders established a Partnership concern a private limited Company: namely The ACME Laboratories Ltd. and set its purpose in mission statements as to ensure Health, Vigour and Happiness for all by manufacturing ethical drugs and medicine of the highest quality at affordable price and expanding in the domestic and global market. We view ourselves as partners with the doctors, healthcare professionals, all other customers, our employees and harmonize with environmental issues.

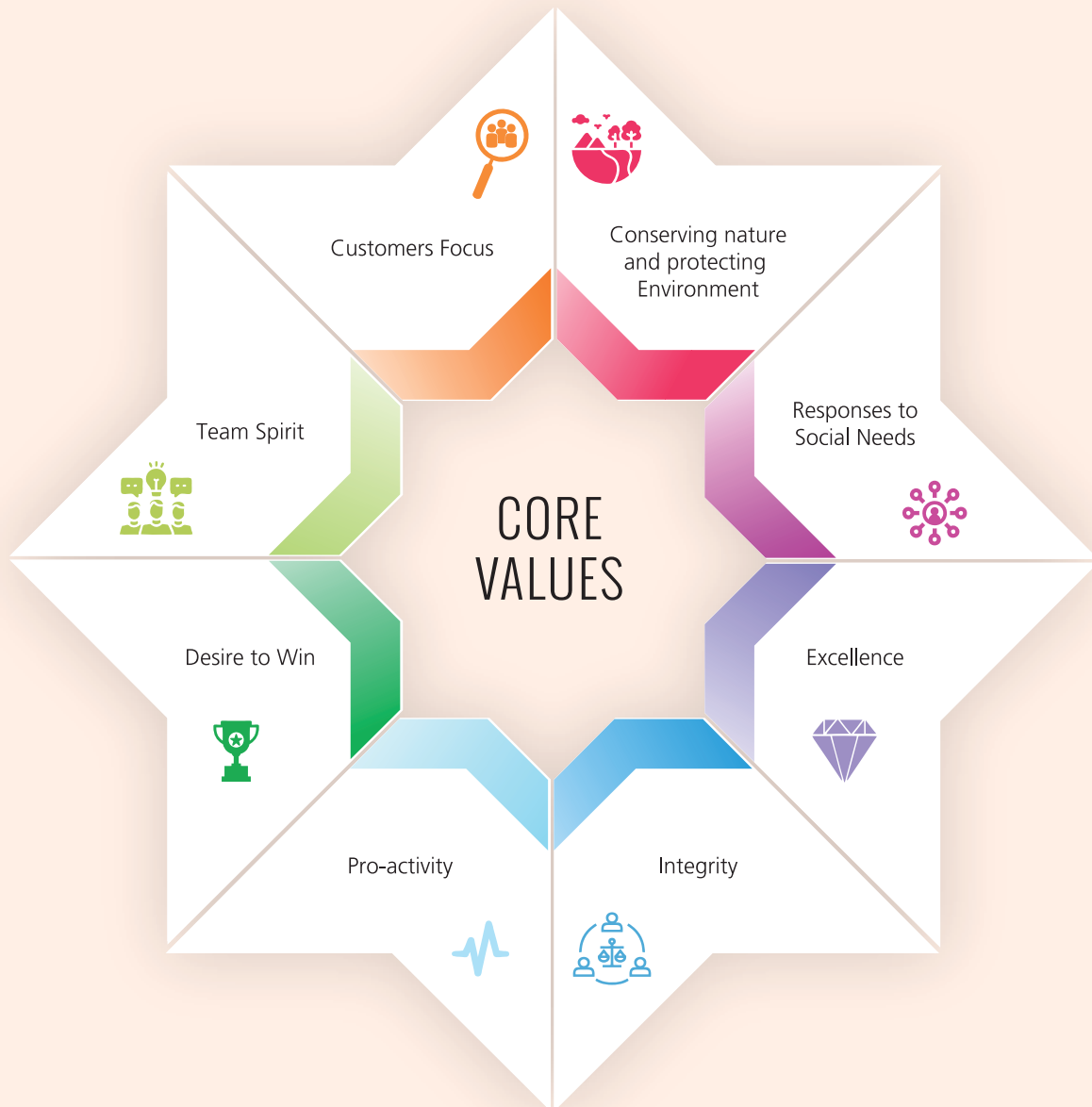


Company Goals













Core Values

Our Company values are the measure for our thinking and actions. They are the core of what ties us together in the past, present and future. We do business on the basis of common values. Our success is based on customer focus, team spirit, desire to win, pro-activity, integrity and excellence. These values determine our actions in our daily dealing with customers and business partners as well as in our teamwork and our collaboration with each other.



67 Years of Dynamic Journey

*Serving the
nations since 1954...*

Year of foundation of ACME as proprietorship firm.	◀ 1954	
	1976 ▶	The firm converted into a Private Limited Company.
Commercial operation in modern facilities after BMRE project at Dhamrai.	◀ 1983	
	1995 ▶	ACME started its first journey to International Operation by exporting medicines to Bhutan
ISO 9001:1994 certification for its Quality Management System & in the same year launched Veterinary Division	◀ 1999	
	2004 ▶	Celebration of 50 years' anniversary.
18-storied new corporate office commissioned	◀ 2006	
	2007 ▶	Inclusion veterinary section under QMS scope of ISO 9001:2000
Up-gradation of QMS as per latest version of ISO 9001:2008	◀ 2009	
	2011 ▶	Established Modern state of the ART facilities Solid Dosages Units (SDU). ACME converted into a Public limited company.

Achieved certification of ISO 9001-2008 for the new state-of-the art solid dosages.

◀ 2012



2013 ▶

Company raised paid up capital amounting BDT 2,060 million by issuing 39.63 million Ordinary Shares, ASPL amalgamated with The ACME Laboratories Ltd.

Commencement of Commercial operation of Cephalosporin facilities.
Commencement of Commercial operation of Liquid in hard gelatin facilities.
Commencement of Commercial operation of BFS facilities.

◀ 2014



2016 ▶

Listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. Commencement of construction work of Steroid & Hormone and Penicillin project.

Up-gradation of ISO standard from 9001:2008 to 9001:2015 version.
Received the Letter of Allotment for API Plots.

◀ 2017

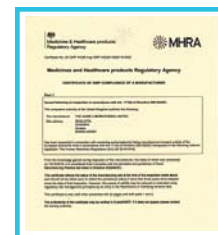


2018 ▶

Received certificate on outstanding contribution to the mitigation of Climate Change from Global Climate Partnership Fund and The City Bank Ltd. jointly.
Awarded first position in 4th International Exhibition on Dairy, Aqua & Pet (IEDAP) organized by AHCAB.
Awarded First Position in the fair of Livestock Service Week 2018 organized by the Department of Livestock Services (DLS).

Received the Certification of GMP Compliance from UK-MHRA (Medicines and Healthcare Products Regulatory Agency of UK)
Commencement of commercial operations of Steroid & Hormone and Penicillin Facilities.
Successfully registered and exported medicines in Peru and Yemen.
The company is awarded as Best Client of the Year by TQCSI ISO Certification body

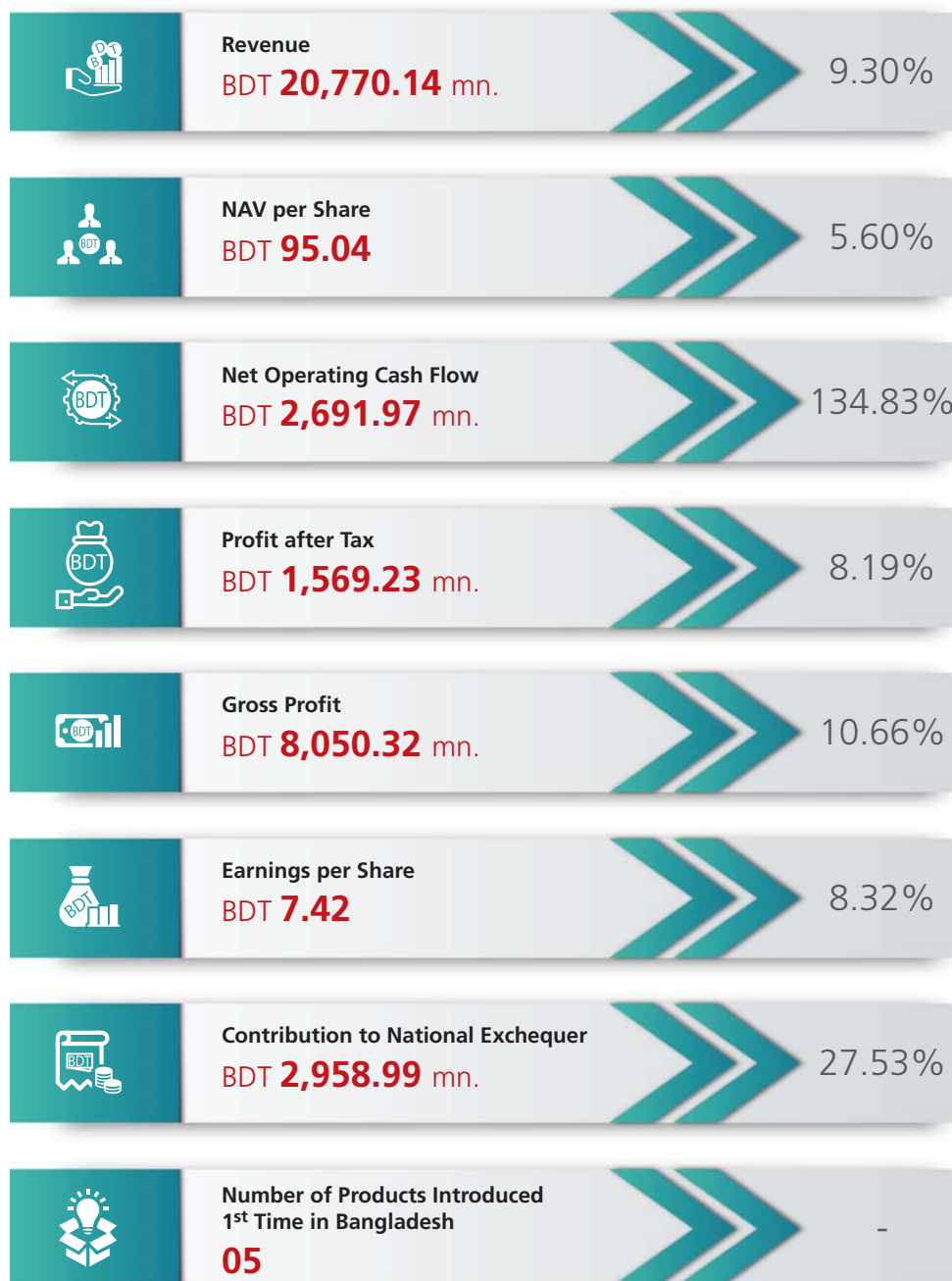
◀ 2019



2020 ▶

Launching of Zolpidem IR Tablet in US Market.
Successfully shipped the first consignment to UK.

Key Financial Highlights for the Year 2020-2021



Triple Bottom Line (TBL) at a Glance

In The ACME Laboratories Limited, we believe that there is more to business than just making a profit. Long-term business success and sustainability rely on economic value, environmental health i.e one health and social progress. Our values are rooted in the concept of the 'Triple Bottom Line' (TBL) and we assume ourselves accountable in relationship to Profit, Planet and People.



PEOPLE

BDT 113,748,300

has been spent for company's contribution to recognized provident fund.

BDT 87,900,366

was disbursed under the scheme of WPPF and WWF.

BDT 58,848,124

has been spent for the purpose of employee's group insurance.



PLANET

5 Lac 69 thousand

liters' water in a day through Effluent Treatment Plant (ETP).

22,000 Liters

liters RO (Reverse Osmosis) reject water, cooling water and steam condensed water for gardening in a day.

8,922 kg

HFA gas through reducing the equivalent amount of CFC uses which is vital evils for global warming and ozone layer depletion.

PROFIT



Achieved 9.30%

Sales growth during the year 2020-2021

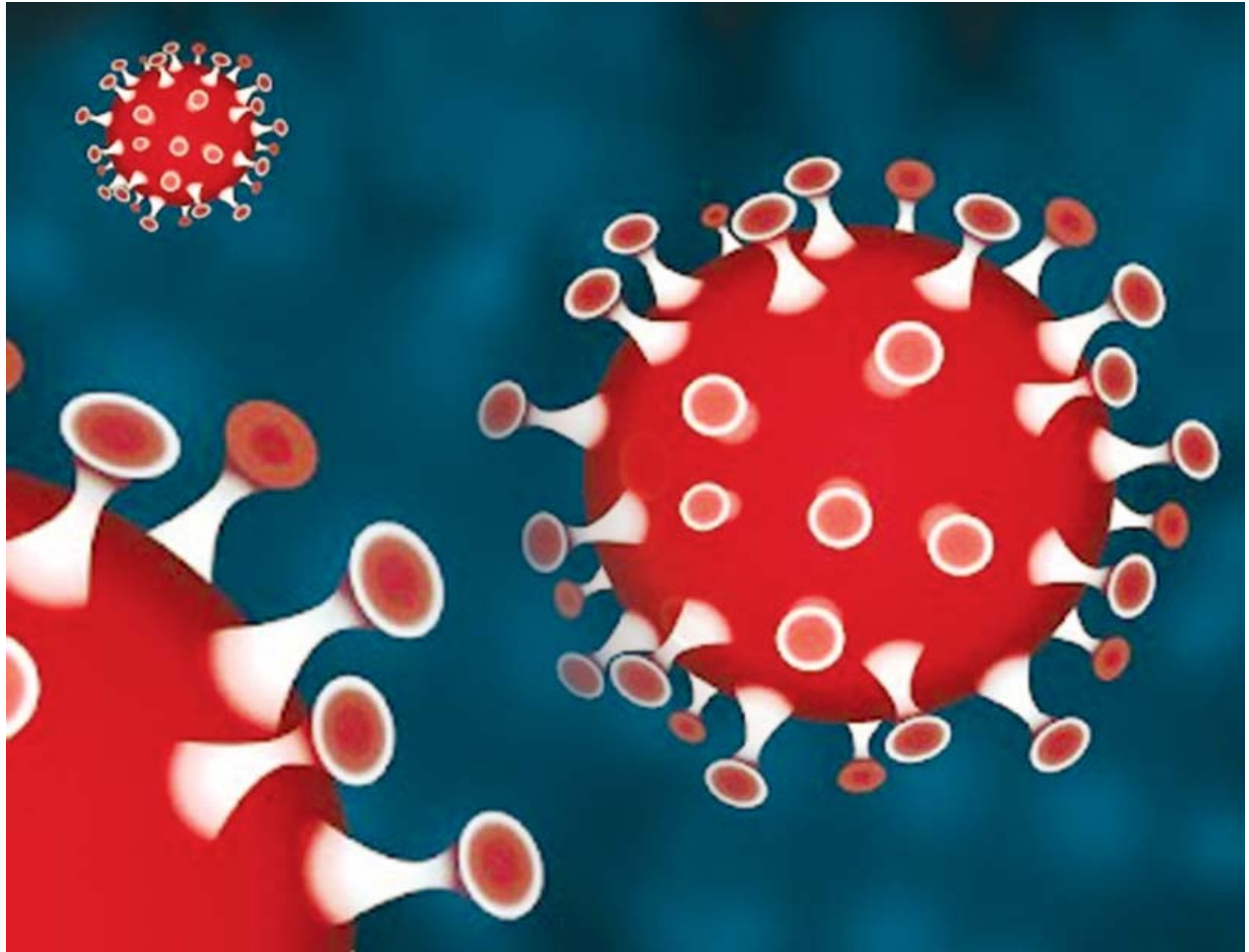
**Net Profit ratio
7.56**

Percentage of Net Profit

BDT 95.04

net Assets Value per share is as at 30 June 2021

Responding to the COVID-19 Crisis in Bangladesh



Ensured Employees' Work from Home, Rotation Attendance and Social Distancing

During the pandemic in Bangladesh, we prioritized colleagues and their families safety and wellbeing above everything else. We have been mindful of the fact, that when we are in the office or the field we are on the same plane, however, working from home poses different challenges for different colleagues. At office-based facilities, employees were encouraged to work remotely where possible, with the minimum number of people attending the office. Subsequently, after the withdrawal of the lockdown, to keep our workplace less crowded, we encouraged our employees to attend office on a rotation basis. Everyone working for us got their wages on time. We made full payments to every employee for the leave beyond their entitlements who were sick, quarantined, or in isolation because of COVID-19. Moreover, we also provided additional allowances to our employees in different units of the company.

Supporting the community during COVID times

ACME has always been committed to deploying resources in times of crisis. And COVID-19 pandemic is a crisis like never before. Since the outbreak of the pandemic, ACME has supported the Directorate General of Drug Administration (DGDA) initiatives by supplying necessary medicines and personal protective material to healthcare workers across the country.

Contributing Hand When Needed



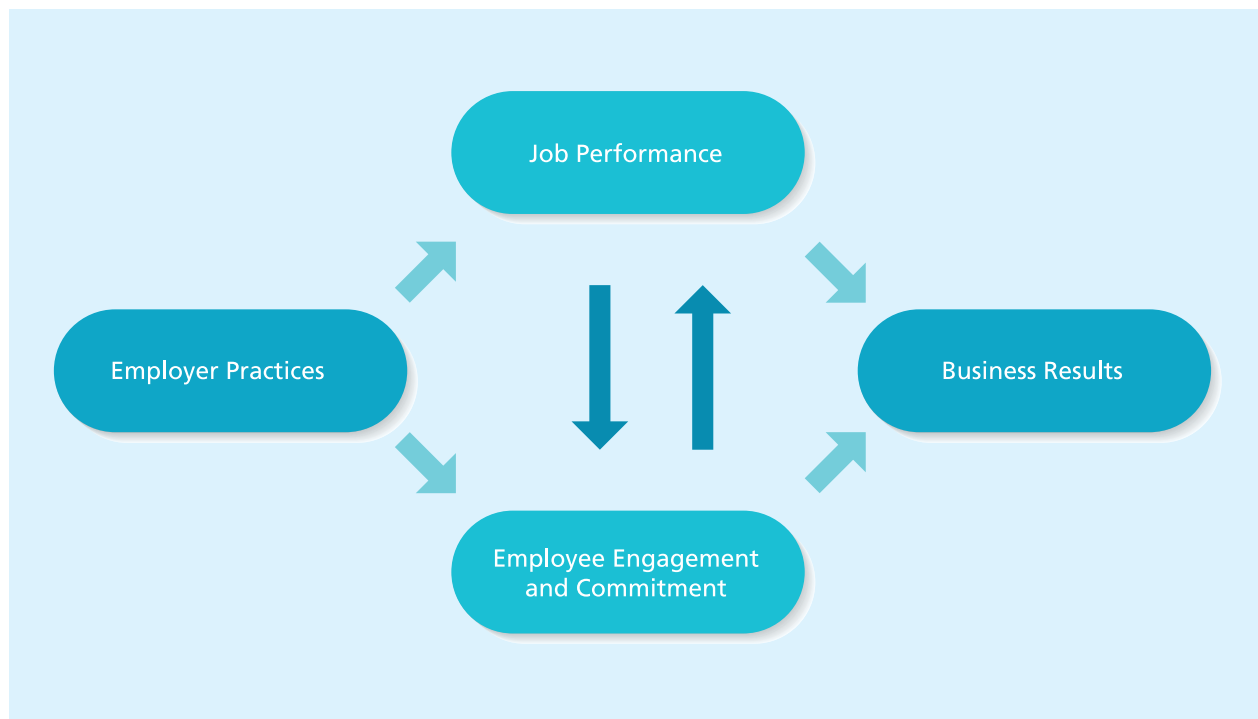
Palestine was facing a dangerous escalation in violence where more than 100 Palestinians being hurt and hospitalized in clashes everyday. The ACME Laboratories Ltd. stood beside them to contribute a little in this devastating war situation by handing over emergency medicine to Mr. Yousef SY Ramadan, Palestine Ambassador at the Embassy of the State of Palestine, Dhaka, in order to help the wounded people.

Employee Engagement and Commitment

The ACME Laboratories Limited has sound human resource policy to ensure the congenial working environment and better career path. We do believe its success immensely depends on performance of its human resources.

The Company is committed towards its Employee, Society and Other Stakeholder not just to making medicines but also to making a difference. Our utmost importance on the continuous development of human resources to enhance their competencies through continuous in-house and external training programs. The Company is always thankful to its employees for their tireless efforts.

Employer Practices Ultimately Influence Business Results



EMPLOYEE WELFARE FUND

With continuous commitment to the employees, the Company is maintaining an employee welfare (EWF) fund for the betterment of the employees. Employee welfare fund is made up by the joint contribution of the Company, Board of Directors (BOD) and the Employees. The Fund have been formed and utilized for unparallel objectives of its employee in case of Death, total Disability, Medical Treatment, Marriage, Caesarean/Birth Assistance and Educational Assistance.



THE AWAY DAY
OFF-SITE STRATEGY
SESSION



THE AWAY DAY
OFF-SITE
STRATEGY
SESSION



Diabetes Campaign





Lead Auditor Training



Six Sigma Green Belt Training



Training on Teambuilding & Leadership for Success

Diabetes, which account for more deaths worldwide than everything else combined, is completely preventable by making comprehensive lifestyle changes. To raise awareness about Diabetes among ourselves, Marketing Division of ACME has arranged a Risk Assessment Test of Diabetes at both Corporate Headquarters & Factory personnel on 14th November, 2020. The goal of this program was to help identify risks so that we can act on them immediately and defeat Diabetes!



28

Taking Pledge to Serve the Community




Build up awareness about Heart disease on World Heart Day'21

ACME's Marketing Division arranged an awareness program named "Heart & Vascular disease & it's prevention" on World Heart Day (29th Sep'21) at corporate head office, powered by ACME's Cardiac Care. The program was led by chief guest Dr. Saklayen Russel (Vascular Surgeon & Broadcast journalist) who put his informative speech, shared appropriate information about heart disease along with do's & don'ts for early detection as well as prevention of this disease.



The ACME Laboratories Ltd. arranged an Awareness Program on Breast Cancer on October 31st, 2021, to observe the month of October as the Breast Cancer Awareness Month with a view to raise awareness among the employees working at its Corporate Office premises and Plant Operation to better fight this non-transmissible disease. The program was graced by chief guest and key note speaker Dr. Lutfa Begum Lipi, MBBS, MCPS, FCPS (Obs. & Gynae.), Asst. Professor, Dhaka Medical College Hospital who put her informative speech and shared pertinent information about the disease and do's & don'ts for early detection and prevention of this disease.

A portrait of Nagina Afzal Sinha, a woman with dark hair pulled back, wearing a black saree with a gold border and a floral pattern. She is wearing a gold necklace, a gold watch, and a ring. The background is white.

In spite of Pandemic situation
we continued the business
growth converting the Pandemic
challenges to opportunities
through our dynamic Strategy.

Nagina Afzal Sinha
Chairman

Message From The Chairman

**Respected Shareholders, Media Personnel, Dear Colleagues,
Ladies and Gentlemen,**

Assalamu-alaikum.

I Nagina Afzal Sinha, Chairman of The ACME Laboratories Ltd. hereby welcome you all to the 45th Annual General Meeting of ACME through the Digital Platform.

On this auspicious occasion, I would like to share before you the Annual Report of the Financial Year 2020-2021 presenting the financial position, various achievements and significant progression of our company. Also, I would like to express my earnest gratitude towards all the shareholders and investors who demonstrated their endless confidence, support and faith on ACME and for being a part of this wonderful journey towards affluence.

Undoubtedly the year 2020-21, was another challenging year for all of us. We have lost many of our family members, near and dear ones, beloved colleagues including some of our brave front-line field personnel who had an enormous contribution amid these unprecedented time towards achieving sustainable growth for ACME. My deepest condolence for their family members and prayers for their departed souls. I salute them from the deepest core of my heart for the enormous sacrifice, tireless effort, hard work, dedication, sincerity and ownership for the company. In addition, I would also like to acknowledge the contributions, detriments and heartfelt efforts made by the front-line Doctors, Medical and Healthcare Professionals for their significant contribution towards tackling the crisis together and serving thousands of lives who got affected and suffered badly due to COVID-19 illness.

Since the commencement of global COVID-19 Pandemic, our company is playing a pivotal role in enabling the supply of key medicines across the country and different parts of the globe. In such periods of uncertainty, our plant operation continued to remain functional almost with its full capacity despite all the obstacles and threats amid the challenging times in order to ensure a smooth supply and distribution of medicines to the doorstep of our customers. We ensured job security and on time disbursement of salaries and benefits to our employees so that they can remain stress-free and mentally strong. Such initiatives reflect our commitment towards the organization, overall business performance and superior ability for catering needs in any challenging

situations. Undoubtedly, this has helped ACME paving the way of growth through meeting the needs and interests of our healthcare partners, stakeholders and shareholders.

Thereby, we are delighted to report that in the financial year under review, our sales, as well as operating profit has been substantially increased in 2020-2021 compared to the previous financial year. Therefore, we have managed a healthy advancement in terms of Earnings Per Share (EPS), Net Asset Value (NAV) per share and net Operating Cash Flow (OCF) per share. As part of an unstoppable journey towards excellence, ACME has already obtained global accreditations from stringent Regularity Authorities like UK MHRA, TGA Australia and UNICEF. A long and proven track record, sophisticated state-of-the-art manufacturing facilities, highly professional & committed workforce made ACME an attractive and reliable contract manufacturing organization (CMO) to many global generic players. Thus, we are optimistic about our future business prospects and constant growth.

On behalf of the Board of Directors, once again I am thanking our valued Customers, Suppliers, Healthcare Professionals, Financial Partners including Banks, National Board of Revenue (NBR), Directorate General of Drug Administration (DGDA), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE), Central Depository Bangladesh Ltd. (CDBL), Registrar of Joint Stock Companies and Firms (RJSC), Government Agencies and all concerned for their continual support and co-operation. We are determined to play strategically across the domestic and global markets with a view to achieving sustainable growth in an incremental manner in the coming years.

Lastly, I wish you all a very healthy and sound life.

Nagina Afzal Sinha

Nagina Afzal Sinha
Chairman

A professional headshot of Mizanur Rahman Sinha, an older man with grey hair, wearing a dark pinstripe suit, white shirt, and a red tie with white polka dots. He is looking directly at the camera with a slight smile.

Though we faced
unprecedented challenges
due to Covid 19, we continue
to ensure high quality
pharmaceutical products on
time to our all stakeholders.

Mizanur Rahman Sinha
Managing Director

Message From The Managing Director

Dear Shareholders,

On behalf of the management, I would like to thank all of our shareholders, investors, management team and other stakeholders of the Company. I also take the privilege to thank you all on behalf of myself and members of the board for attending the 45th Annual General Meeting of The ACME Laboratories Ltd.

During the year 2020-21, the coronavirus pandemic dominated world affairs like no other event in recent history. It has been nothing short of a roller coaster ride for each of us. We could not measure the intensity and magnitude of COVID-19 on humanity. Nevertheless, Over the past year through our resilience to never back down in the face of adversity, we have beat the pandemic. For this reason, we at ACME are grateful to be part of the front-line effort to overcome the pandemic. My heartfelt gratitude to our employees for their remarkable dedication, beyond the call of duty, for working round the clock to help combat the ongoing challenges of manufacturing and supply of vital medicines. I would also like to urge you all to join me in congratulating my peer Industry, Government officials, healthcare practitioners, trade partners, Municipal authorities and frontline warriors for their unparalleled commitment to saving lives and gearing our country towards a healthier and happier future.

Our company is playing a vital role by enabling the supply of key medicines across the country and the globe as well, this makes it one of the safest and most resilient industries in such periods of uncertainty. We accelerated launches of life-saving emergent products, initiated our digital transformation journey, and contributed to the country's COVID-19 relief efforts. However, as has been our belief since day one 67 years ago, our journey to impact patients' lives has only just begun and there's much more that we wish to achieve to make a difference in the lives of patients and communities alike.

During the year, the company achieved sustainable growth and its total revenue stood at BDT 20,770.14 million. Domestic sales continue to remain as the key driver with 96.28% of the total revenue. Our flagship brands, such as Monas, Maxima, PPI, Ecosporin, FIX-A, Coralex, TPC, Rostab and Leno, showed strong performance throughout the year. To further accelerate our growth, we have proactively taken several steps towards our product portfolio, resource allocation and go-to-market strategies that are expected to yield positive results in the coming years.

Going forward, we will continue to monitor and manage the uncertain trajectory of the pandemic with speed, agility and innovation; accelerating digital transformation and capitalizing on growth opportunities across markets. We will continue to operate with the highest level of compliance and control and track our productivity metrics and the

progress of our product pipeline.

To grab immense opportunities, we have proudly launched five (5) new products for the first time in Bangladesh, introduced several product lines along with our existing product lines. Moreover, the API project is also upcoming within the stipulated time hopefully. After having a glimpse of its latest facilities, plenty of foreign countries are now truly interested in contract manufacturing at our facilities. As part of an unstoppable journey for excellence, ACME has already obtained global accreditation from Stringent Regularity Authorities like UK MHRA, TGA Australia and UNICEF. A long and proven track record, sophisticated state-of-the-art manufacturing facilities, highly professional & committed workforce made ACME an attractive and reliable contract manufacturing organization (CMO) to many global generic players. As a result, we are very much optimistic about our future business prospects and growth because the capacities and strengths of the company will be much stronger than at any previous time. I would like to assure all the shareholders that their investments in ACME are safe, secure and full of possibilities.

ACME has earned a very good record of accomplishment of goodwill and reputation for its business ethics, uncompromised quality, integrity, and commitment to the society during its last more than sixty-six years of the dynamic journey since 1954. Our organization is built on the foundation of purpose, a compassionate approach, to healthcare that goes beyond the pursuit of profit and growth. So even in the darkest days, our foremost priority was to serve our patients.

On behalf of the company, I would like to thank all our employees for their exceptional commitment in these challenging times, our partners for their greatly valued cooperation, and you, dear shareholders, for your confidence in and loyalty to our company.

Finally, I appreciate the leadership provided by the Board of Directors and Management of the Company and express my gratitude to all our stakeholders, including Investors, Customers, Bankers, Medical Professionals and other participants for their whole-hearted support. We aim to passionately continue building value for our consumers and shareholders now and into the future.

Thanking you,

With warm regards,



Mizanur Rahman Sinha
Managing Director

Board Of Directors



Nagina Afzal Sinha
Chairman



Mizanur Rahman Sinha
Managing Director



Jabilur Rahman Sinha
Deputy Managing Director



Jahanara Mizan Sinha
Deputy Managing Director



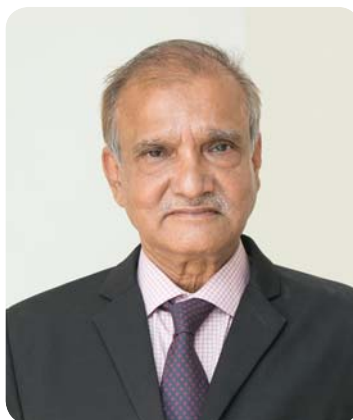
Mr. Md. Abul Hossain
Nominee Director



Md. Hasibur Rahman
Additional Deputy Managing Director



Mr. Das Deba Prashad
Independent Director



Mr. Ehsan Ul Fattah
Independent Director



Mrs. Evana Hoque, FCA
Independent Director



Tasneem Sinha
Director



Tanveer Sinha
Director



Sabrina Juned
Director



Fahim Sinha
Director



K. M. Badruddin, FCA, FCMA
ED & CFO



Md. Arshadul Kabir, FCA
Company Secretary (Acting)

Brief Profile Of The Directors



Nagina Afzal Sinha

Chairman

Mrs. Nagina Afzal Sinha is the beloved wife of former Chairman, Mr. Afzalur Rahman Sinha. She has been a Non-Executive Director in The ACME Laboratories Ltd. since 1981. Mrs. Sinha was elected as the Chairman of the Company on September 5, 2018 and since then she has been working tirelessly to make the dreams of her beloved husband come true and to lead ACME into greater heights.

She provides leadership and governance to the Board and directs its overall activities and ensures that all key issues are being discussed by the Board members in a timely manner. She also ensures that the Board as a whole, plays a constructive part in the development and determination of the Company's strategies and policies and that the decisions taken by the Board are in the Company's best interests and fairly reflect Board's consensus. With her true leadership, the Company has experienced speedy and sustainable growth in terms of business and development.

Mrs. Nagina Afzal Sinha is also a director of the ACME Consumer Products Ltd. as well as a shareholder of The ACME Agrovet and Beverages Ltd. and Sinha Printers Ltd. She is involved in many societal and humanitarian activities and committed towards bringing up positive changes in the society. At a personal level, she is relentlessly supporting the welfare of senior citizens living in old age homes as well as children living in orphanage.



Mizanur Rahman Sinha

Managing Director

Mr. Mizanur Rahman Sinha, Managing Director of The ACME Laboratories Ltd. did his graduation in Commerce from the University of Dhaka. After completing his graduation, he joined in Habib Bank Ltd. back in 1964 where he used to serve in different key positions. In 1975, he joined ACME to fulfill the desire of his father, late Hamidur Rahman Sinha, founder of The ACME Laboratories Ltd. His wholehearted efforts and visionary leadership have fueled ACME to become one of the leading pharmaceutical companies in Bangladesh.

Additionally, Mr. Mizanur Rahman Sinha serves as the Chairman of Sinha Knit Industries Ltd., Sinha Knit and Denims Ltd., Sinha Fabrics Ltd., Kalyar Packaging Ltd., Kalyar Replica Ltd., ACME Overseas Trading Ltd. and serves as a director of Sinha Printers Limited, The ACME Agrovet and Beverages Ltd., and ACME Consumer Products Ltd. Under his guidance, all of these organizations have flourished and enjoyed greater success in the competitive market within a very short period of time.

He is also very popular among his fellow countrymen as a devoted social worker and patron for his many contributions towards the wellbeing of the common masses through the development of infrastructure, the establishment of schools, construction of structures and roads. For this reputation, he was elected as a Member of Parliament for two consecutive terms starting from 1996 and during the period of 2001-2006 at the constituency of Louhajang, Sherajdekhan and Munshigonj areas. He also served as the State Minister of Health and Family Welfare Ministry of the Government of the People's Republic of Bangladesh.



Dr. Jabilur Rahman Sinha

Deputy Managing Director

Dr. Jabilur Rahman Sinha has a B.Sc. in Chemistry from University of Dhaka, a M.Sc. in Pharmaceutical Chemistry from North Dakota State University, Fargo, North Dakota and a Ph.D. from University of Georgia, Athens, Georgia.

Since receiving his Ph.D., Dr. J. R. Sinha has done 2 years of post-doctoral work, one year in Medical College of Virginia, Virginia Commonwealth University, Richmond, Virginia and one year in University of Missouri, Columbia, Missouri, both in synthetic and analytical chemistry. Following his post-doctoral experience, Dr. Sinha was involved in research and teaching for 29 years in several academic institutions in the United States. His expertise includes teaching General, Organic and Analytical Chemistry. His outstanding evaluation by his superiors, peers and students year after year testifies to his success as an academician. Dr. Sinha has been an active member of American Chemical Society, Rho Chi Honor Society, and Sigma Xi Honor Society.

Dr. Sinha took 2 years of sabbatical leave from his University in the U. S. A. and worked full time at ACME from 1995 to 1997 and finally joined ACME permanently in 2003. He was closely involved in ACME activities during the period 1997 to 2003 including working in ACME during those summers. Given his limitations during his tenure in ACME, Dr. Sinha has provided active leadership, training, planning and supervising personnel to exceed their performance goals, sharing the fiscal, manufacturing and marketing responsibilities.



Jahanara Mizan Sinha

Deputy Managing Director

Mrs. Jahanara Mizan Sinha, is the Deputy Managing Director of The ACME Laboratories Ltd. She has been contributing aimlessly with her constructive ideas and inspirational guidance towards enabling ACME for pursuing highest peak of excellence and countless success.

Mrs. Jahanara Mizan Sinha is also the Chairman of J M Sinha Agriculture Food Processing Industries Ltd., and Sanjar Aviation Ltd., as well as Director of The ACME Agrovet & Beverages Ltd., Sinha Printers Limited, ACME Consumer Products Ltd. and Kalyar Replica Ltd. She is also the member of Nomination and Remuneration Committee (NRC) of ACME. She is a social entrepreneur which has given her an opportunity to make a difference in the society with an impact on the country. She is also the Cabinet Member and regional Chairperson HQ, Lions Clubs International. In addition, is also the founder Director of Lions Club of Dhaka Shapla and former Vice President of Women's Voluntary Association (WVA).



Mr. Md. Abul Hossain

Nominee Director

Md. Abul Hossain has been serving as the Managing Director of Investment Corporation of Bangladesh since 21 August 2019, the core public sector investment bank of the country. Mr. Hossain has more than 31 years of diversified experience in investment banking, specialized and commercial banking, Islamic banking, Asset management and ICT works. He started his career as a System Analyst/ Senior Principal Officer of ICB in 1998 and served in different positions in the same organization. Prior to his joining in ICB, he acted as the Managing Director of Karmasangsthan Bank. He also served as the Managing Director (Additional Charge) and Deputy Managing Director of Bangladesh Krishi Bank.

Currently, he is contributing his professional expertise as a Board member of British American Tobacco Bangladesh Co. Ltd. (BATBC), Unilever Consumer Care Limited (UNILEVERCL), Standard Bank Limited, National Tea Company Limited (NTC), Apex Tannery Limited, United Power Generation & Distribution Company Limited (UPGDCL), Apex Footwear Limited, Heidelberg Cement Bangladesh Limited and Padma Bank Limited. In addition, to perform his professional duties, Mr. Hossain is actively involved in different philanthropic activities of various national, social, cultural, religious and volunteer organizations. Being the Managing Director of the Investment Corporation of Bangladesh (ICB), he joined as nominee Director of The ACME Laboratories Ltd. on 9 September 2019. He is also the member of Audit Committee and Nomination and Remuneration Committee (NRC) of the Company



Mr. Das Deba Prashad

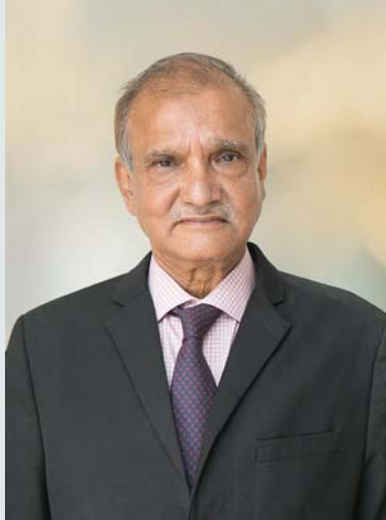
Independent Director

Mr. Das Deba Prashad, Independent Director of The ACME Laboratories Ltd., obtained Master of Commerce in Accounting from Dhaka University in 1968. After completion of his education, he served as a lecturer of Commerce in Tejgaon College, Farmgate, Dhaka, Bangladesh from October 1968 to June 1970. He joined as an executive officer in the then Eastern Federal Union Insurance Co. Ltd. (EFU) and took extensive and intensive training for about a year in the Life & non-Life insurance business in its Central Office at Karachi, Pakistan from July 1970 to 1971

In Bangladesh, he started his career as Deputy Manager and rose to the position of an Assistant General Manager in the Jibon Bima Corporation before joining the Delta Life Ins. Co. Ltd, in early 1987 as an Executive Vice President. He eventually became Managing Director of DLICL in 2000 and served as such till his retirement in 2012. Thereafter, he sometime served as the Chief Consultant/Consultant in several life Insurance companies,

Moreover, he has been acting as an Independent Director and Chairman of the Audit Committee for a couple of years in a reputed Life Insurance Co.

Mr. Prashad joined in The ACME Laboratories Ltd. on 10 December 2020. He is also Chairman of the Nomination and Remuneration Committee (NRC) of the Company.



Mr. Ehsan Ul Fattah

Independent Director

After obtaining Masters in History, Mr Ehsan ul Fattah joined civil service in 1979 as an Assistant Commissioner. He served under the government in various capacities in many districts. He became secretary in 2006 and served in National Parliament, Ministry of Food and Disaster Management, Ministry of Health and Family Welfare, Planning Commission, Ministry of Youth and Sports and Ministry of Land. He gathered experiences in local government institutions, national health policy, population policy, relief, rehabilitation, Preparation of ADB, Poverty Reduction Strategic Plan etc. Presently he participates in the viva board of Public Service Commission as an external examiner.

At present, he is contributing as an Independent Director at ACMEs Board from 10 December 2020 and is a member of the Audit Committee of the Board of Directors of The ACME Laboratories Ltd.



Mrs. Evana Hoque, FCA

Independent Director

Mrs. Evana Hoque, FCA is a fellow member of the Institute of Chartered Accountant of Bangladesh (ICAB). She obtained degree of Masters in English Literature in 2008. After completion of her education, she then proceeded in building her career as “Manager, Audit & Consultancy” and subsequently promoted to Director Audit & Consultancy (July 2008 to December 31, 2015) in Zaman Hoque & Co. Chartered Accountant firm. At present, she is serving as the Head of Accounts Payables, Finance & Accounts Division (January 2016 to till date) in BRAC.

She has joined as an Independent Director of The ACME Laboratories Ltd. on 10th December 2020. She is also the Chairman of the Audit Committee of the Board of Directors of The ACME Laboratories Ltd.



Ms. Tasneem Sinha

Director

Ms. Tasneem Sinha is the daughter of Mr. Mizanur Rahaman Sinha, Managing Director and Mrs. Jahanara Mizan Sinha, Deputy Managing Director of the Company. She completed her education from Home Economics College under the University of Dhaka and after completion of her education, immediately got involved with the family business. Since her joining in the Board of The ACME Laboratories Ltd. as a Director, on 10 September 2020, she is playing a vital role in the board as well as in the operational activities of the Company.

At present, she is also acting as the Chairman of AMBE Clearing Ltd. and Marine Coast Resort and Spa Ltd. Besides, her professional/business life, she provides a significant contribution being the Managing Director of Kalyar Packaging Ltd./ Kalyar Replica Ltd., Skye Rotogravure Printing Industries Ltd., Director of the ACME Agrovvet and Beverages Ltd., and ACME Consumer Products Ltd., J.M. Sinha and Agriculture Food Processing Industries Ltd., Sinha Knit and Denims Ltd. and Sanjar Aviation Ltd.

An entrepreneur on her own right, Ms. Tasneem Sinha also started her own business, Kalyar Replica Ltd. and Kalyar Packaging Ltd., a leading Packaging Company in the country since 2008. Since its inception, within a short span of time, Kalyar has been widely entrusted as one of the leading Flexible Packaging and Corrugated Packaging Company in Bangladesh having working experience with local corporations and multinational companies.

Being one of the successful women entrepreneurs in the country, she constantly likes to accept challenges and undertakes projects that are transformative and forward-looking in nature. Ms. Sinha is a seasoned professional who is able to lead cross-functional departments with high efficiency in order to achieve targeted results. As such, she is closely involved with the overall day-to-day business activities of The ACME Laboratories Ltd. and carries out her assigned responsibilities with utmost sincerity and full dedication. Under her supervision, Acme's Supply Chain division has been streamlined into a lean and effective Business Unit that is readily able to meet any internal demand at any time.

In recognition to her remarkable contribution as a Managing Director of Kalyar Replica Ltd. and Kalyar Packaging Ltd. Ms. Tasneem Sinha received the most prestigious award, 'An Icon Women Entrepreneur of the year – 2012' awarded by Business Asia under the title - "Business Asia Most Respected Company Award -2012.'

Ms. Tasneem Sinha is actively involved with many social and community development works. Personally, she cares deeply about women empowerment, gender equality in our country and has been working relentlessly to convey awareness to this issue.



Mr. Tanveer Sinha

Director

Mr. Tanveer Sinha, son of Mr. Mizanur Rahman Sinha and Mrs. Jahanara Mizan Sinha, Managing Director and Deputy Managing Director of the Company completed his graduation from Edinburgh Napier University, Scotland in the year 1997. After completing his education, he decided to participate actively in pharma industry and significant contribution for the mass people through ACME as well as wanted to create a positive impact in the healthcare sector. Since then, he holds several top management positions within ACME and provided his guidance for corporate strategies and policies over the last decade.

Mr. Tanveer Sinha was officially joined in the Board of The ACME Laboratories Ltd. as a Director, on September 10, 2020, and he is playing a vital role in the board since then. Currently, he oversees the overall financial strategies and projects of the company which is not limited to the construction and implementation of ACME's own API (Active Pharmaceutical Ingredient) manufacturing plant known as API Project.

In addition, he is the Chairman of The ACME Agroviet and Beverages Ltd., Sinha Poultry Ltd., Sinha Logistics and Transport Ltd., Sinha Sourcing Ltd., ACME Consumer Products Ltd. International Institute of Health Sciences (IIHS) and Medical Assistant Training School (MATs). Besides, he is also the Managing Director of Sinha Knit Industries Ltd., Sinha Knit and Denims Ltd., Sinha Fabrics Ltd., Coco Fashion Ltd., J.M. Sinha and Agriculture Food Processing Industries Ltd., Birgonj Fish Hatchery and Aquaculture Ltd. He is also Director of ACME Overseas Trading Ltd., Kalyar Packaging Ltd./ Kalyar Replica Ltd., Sanjar Aviation Ltd. and Marine Coast Resort and Spa Ltd.

With more than 21 (twenty-one) years of experience in the Pharmaceuticals, Textiles, Readymade Garments, IT, Food & Consumer Products, Mr. Tanveer Sinha is a highly skilled leader with a proven track record in formulating strategies, planning, building corporate relationships, quickly sizing up & restructuring of business opportunities, customer interaction & communications, and ability to deal with policymakers and key stakeholders at the highest level. He possesses strong creative knowledge, a forward-looking corporate vision and skill for achieving organizational goals meticulously.

Presently, Mr. Sinha is a member of the Bangladesh Garments Manufacturers and Exporters Associations (BGMEA) and Bangladesh Computer Society (BCS) as well as member of the Dhaka Club Ltd., Uttara Club Ltd., and Narayanganj Club Ltd.



Mrs. Sabrina Juned

Director

Mrs. Sabrina Juned is the daughter of Mr. Afzalur Rahman Sinha and Mrs. Nagina Afzal Sinha, Chairman of the Company. After completing her education from Rutgers University in USA, she returned to Bangladesh and joined ACME in 2002.

She started working under the guidance of her father Mr. Afzalur Rahman Sinha. She was involved in the overall business activities until 2014. After that she took a break for a while due to some personal affairs. After the demise of her beloved father, she decided to join again in the business in September, 2018 as director. After that she started looking after the Supply Chain Management and Information Technology Divisions and over time she started taking care of various day to day operational activities of the business.

In September 10, 2020, she was officially appointed as a member of the board of Directors. Being a director, she has ensured ACME possesses a strategic road map for the short, medium & long-term sustainable business development. She has played a dynamic and energetic role in the transition, transformation and implementation of the organization's corporate culture, corporate governance and management systems. During her tenure, ACME has become an organization where new and creative ideas are encouraged, talents are nurtured and organizational developments are prioritized.

She also serves as the Director of The ACME Agroviet and Beverages Ltd., and ACME Consumer Products Ltd. Being a young woman entrepreneur, she understands the importance of women empowerment, fostering equal opportunity in the workplace and breaking the invisible glass ceiling. To those ends, she has been working closely with key stakeholders both internally and externally to raise awareness about these issues and bringing up positive changes accordingly. At a personal level, she is relentlessly supporting a number of socially deprived and underprivileged children & women in remote areas of Bangladesh for improving their socio-economic state, self-dependency and financial solvency. She is also working along with the welfare of senior citizens living in old age homes as well as children living in orphanage by providing medicines and so on.



Mr. Fahim Sinha

Director

Mr. Fahim Sinha is the son of Mr. Afzalur Rahman Sinha and Mrs. Nagina Afzal Sinha, Chairman of the Company joined ACME in 2005 and got officially enrolled in the Board of The ACME Laboratories Ltd. as a Director, on September 10, 2020. Since then, he has played a vital role in the board as well as market operation of the Company.

To ensure organizational effectiveness, Mr. Fahim Sinha has regularly lead projects within ACME that sought to increase operational efficiency, increase productivity and boost employee morale. These projects have brought about a transformational change in ACME within the last few years in terms of culture and brand image. Additionally, he regularly formulates and implements new policies and strategies with HR & Administration, Marketing, Sales & Distribution Divisions to ensure greater sustainability and profitability of the company.

He is also the Managing Director of The ACME Agrovet & Beverages Ltd., Sinha Printers Limited, ACME Consumer Products Ltd., ACME Overseas Trading Ltd. & ACME IT Ltd. Besides, he is also acting as Director of Sinha Fabrics Ltd. and Sinha Knit Industries Ltd.

An avid lover of sports, Mr. Fahim Sinha is a key organizer of sports in the country. He regularly organizes and sponsors many sporting events around the nation and has represented Bangladesh in multiple local, national and international sporting events. His interest ranges from cricket, snooker, pool and billiards. He currently holds several key leadership positions in some of the country's most prominent sports clubs like- Abahani Ltd. Hockey Committee as Vice Chairman. Recently, he has been elected as the Director of the Bangladesh Cricket Board (BCB).



Rising High

Corporate Integrated Strategic Planning & Implementation Committee (CISPIC)

Background

Pharmaceutical industries in global arena are well equipped with technological advancement and knowledge. Currently, local pharmaceutical companies manufacture 97 percent of the medicines and the rest 3% are supplied by overseas companies. Nonetheless, the domestic market has been registering at a rate of double-digit growth and pre COVID-19 market prediction was 500 billion by the year 2022-23. In this hypercompetitive knowledge-driven industry, success will be for those who can make smart strategic planning and translate the same into action forthwith; manage processes intelligently and efficiently; maximize employees' planning skills, knowledge, innovativeness, contribution and commitment; and create the conditions for seamless change. Consider a company in which Human Resource defines the organization, architecture in terms of its foolproof planning, good governance, culture, competencies, rewards, work processes and leadership.

Furthermore, the recent COVID-19 pandemic has undergone a seismic shift in the whole world and has a critical impact on the pharmaceutical sectors like other sectors. As a result of which, the practice patterns of physicians & doctors have been changed, the modality of physical visits to the doctors' front has become limited and seminars, symposiums, events & social gatherings could not be arranged and the purchasing capability of consumers have been drastically reduced. In order to overcome these challenges, corporate governance (top-down) should be rationalized and improved more fully, together with upholding the corporate culture (bottom-up).

Structure

Considering the aforesaid circumstances, our Managing Director & CEO, Mr. Mizanur Rahman Sinha, who is a seasoned strategic leader and able to foresee the future business challenges urged for formulating and implementing the integrated strategic business plan in order to transformation from traditional corporate business practice to integrated business practice.

Accordingly, the Managing Director & CEO of the company issued an administrative circular no. 113/2020, dated: 22nd September 2020 to form and implement Corporate Integrated Strategic Planning & Implementation Committee (CISPIC), which is comprising of two tiers committees namely 'Management Sub-Committee' and 'Working Committee' in order to fulfill the following objectives and meet the COVID-19 pandemic challenges for both local and overseas market.

All the members of the ACME Family including members of CISPIC and line Directors combinely attributed their best effort for achieving the objectives of the company and protecting the interest of stakeholders by increasing yield, reducing cost and mitigating risk which eventually increase the bottom line despite of different impediment of business due to COVID-19 pandemic. Needless to mention that for the whole crystal of Journey during the Financial 2020-2021 the support, co-operation and guidance of our Board of Directors inspired the whole team in a very dynamic way.



CISPIC Management Committee



Md. Hasibur Rahman
Chairman



Tasneem Sinha
Co-Chairman



Tanveer Sinha
Member



Sabrina Juned
Member



Fahim Sinha
Member



Motiur Rahman Sinha
Member



Dr. Syed A.M. Mustafij Billah
Member



K. M. Badruddin
Member



Md. Ferdous Khan
Member



Sheikh Maksudur Rahman
Member



Asad Quader Shamsuddin
Member



A.K.M. Mushiur Rahman Khan
Member



Md. Humayun Kabir
Member



Tushar Kanti Kundu
Member Secretary



Md. Arshadul Kabir
Member Secretary



Md. Abu Zafor Mohiuddin
Member



Gobinda Goshwami
Member



Dr. Mohammad Zahurul Hossain
Member



Brahmmapan Pikaso
Member



Mohammad Ziauddin
Member



Md. Zakir Hossain
Member

CISPIC Objectives:

Transformation from traditional practice to modern practice using integrated business plan (IBP)

Strengthen good corporate governance system and uphold corporate culture.

Set short-range, mid-range & Long-range strategic business plans maintaining alignment with the company's goals and objectives.

Strengthen internal control and internal audit system.

Ensure integration of digital technology by automation of the business process.

Accelerate top-line growth and initiate appropriate cost/expense reduction strategy for bottom-line improvement.

Practice ONE HEALTH concept for healthy people, Healthy animal & healthy Environment.

Implementation of Environmental Management System (ISO 14001:2015) from concept to practice.

Conduct Investment appraisal and feasibility analysis of upcoming projects for exploring new business opportunities.

In order to avoid duplication of work, all existing committees have been dissolved under the umbrella of the CISPIC Committee which is organized as nine (09) management sub-committee and twelve (12) working committees.

CISPIC Management Sub-Committee

Accounts, Finance & Budgetary Control Sub-Committee



Md. Hasibur Rahman
Chairman



Tasneem Sinha
Co-Chairman



Tanveer Sinha
Co-Chairman



Fahim Sinha
Co-Chairman



K. M. Badruddin, FCMA, FCA
Member Secretary



Md. Arshadul Kabir, FCA
Joint Member Secretary



Md. Abdul Hye
Member



Md. Shofikul Islam Shohug, ACA
Member

CISPIC Management Sub-Committee

Material Planning & Inventory Management Sub-Committee



Tasneem Sinha
Chairman



Sabrina Juned
Co-Chairman



Dr. Syed A.M. Mustafij Billah
Co-Chairman



K. M. Badruddin, FCMA, FCA
Co-Chairman



Md. Ferdous Khan
Co-Chairman



Brahmarpan Pikaso
Member Secretary



Mohammad Ziauddin
Member



Md. Zahidul Islam
Member



Md. Zakirul Islam
Member



Foyez Ahmed
Member



Md. Shofikul Islam Shohug, ACA
Member

CISPIC Management Sub-Committee

Cost/Expense Reduction and Profit Optimization Sub-Committee



Tanveer Sinha
Chairman



Motiur Rahman Sinha
Co-Chairman



Fahim Sinha
Co-Chairman



K. M. Badruddin, FCMA, FCA
Co-Chairman



Md. Arshadul Kabir, FCA
Member Secretary



Dr. Syed A.M. Mustafij Billah
Member



Md. Ferdous Khan
Member



Asad Quader Shamsuddin
Member



A.K.M. Mushiur Rahman Khan
Member



Dr. Mohammad Zahurul Hossain
Member



Brahmmarpan Pikaso
Member



Mohammad Ziauddin
Member



Md. Shofikul Islam Shohug, ACA
Member



Md. A.N.M. Shakil
Member

CISPIC Management Sub-Committee

QMS, EMS and Risk Management Sub-Committee



Md. Hasibur Rahman
Chairman



Tasneem Sinha
Co-Chairman



Motiur Rahman Sinha
Co-Chairman



Fahim Sinha
Co-Chairman



Tushar Kanti Kundu
Member Secretary



Dr. Syed A.M. Mustafij Billah
Member



Md. Ferdous Khan
Member



Md. Humayun Kabir
Member



Asad Quader Shamsuddin
Member



A. K. M. Mushiur Rahman Khan
Member



Dr. Mohammad Zahurul Hossain
Member



Brahmmarpan Pikaso
Member



Mohammad Ziauddin
Member



Md. Zakirul Islam
Member



S.M. Rezaul Ahsan
Member

CISPIC Management Sub-Committee

Corporate Culture Sub-Committee



Sabrina Juned
Chairman



Motiur Rahman Sinha
Co-Chairman



Fahim Sinha
Co-Chairman



A.K.M. Mushiur Rahman Khan
Member Secretary



Dr. Syed A.M. Mustafij Billah
Member



K. M. Badruddin, FCMA, FCA
Member



Md. Ferdous Khan
Member



Md. Humayun Kabir
Member



Tushar Kanti Kundu
Member



Md. Arshadul Kabir, FCA
Member



Mohammad Ziauddin
Member

CISPIC Management Sub-Committee

Corporate Good Governance Sub-Committee



Tanveer Sinha
Chairman



Tasneem Sinha
Co-Chairman



Sabrina Juned
Co-Chairman



Md. Arshadul Kabir, FCA
Member Secretary



Dr. Syed A.M. Mustafij Billah
Member



K. M. Badruddin, FCMA, FCA
Member



Md. Ferdous Khan
Member



Md. Humayun Kabir
Member



A.K.M. Mushiur Rahman Khan
Member



Tushar Kanti Kundu
Member



Mohammad Ziauddin
Member

CISPIC Management Sub-Committee

Internal Control & Internal Audit Sub-Committee



Md. Hasibur Rahman
Chairman



Tasneem Sinha
Co-Chairman



Fahim Sinha
Co-Chairman



K. M. Badruddin, FCMA, FCA
Co-Chairman



Md. Arshadul Kabir, FCA
Member Secretary



Md. Shofikul Islam Shohug, ACA
Member



Quazi Shahtab Hossain
Member



Parimal Kumar Kundu
Member



Mohammad Aktar Hossain
Member

CISPIC Management Sub-Committee

One Health Implementation Sub-Committee



Md. Hasibur Rahman
Chairman



Fahim Sinha
Co-Chairman



Mohammad Ziauddin
Member Secretary



Dr. Syed A.M. Mustafij Billah
Member



Md. Ferdous Khan
Member



A. K. M. Mushiur Rahman Khan
Member



Md. Abu Zafor Mohiuddin
Member



Gobinda Goshwami
Member



Jiban Chandra Das
Member



Abu Sayed Muhammad Shameem
Member



S.M. Rezaul Ahsan
Member



Stamina Halder
Member

CISPIC Management Sub-Committee

API Project Management Sub-Committee



Tanveer Sinha
Chairman



Tasneem Sinha
Co-Chairman



Sabrina Juned
Co-Chairman



Fahim Sinha
Co-Chairman



Sheikh Maksudur Rahman
Member Secretary



Dr. Syed A.M. Mustafij Billah
Member



K. M. Badruddin, FCMA, FCA
Member



Md. Ferdous Khan
Member



Md. Humayun Kabir
Member



Md. Arshadul Kabir, FCA
Member



Brahmmarpan Pikaso
Member

CISPIC Working Committee

Marketing Working Committee

1. Chairman : Fahim Sinha, Director
2. Co-Chairman : Md. Ferdous Khan, ED, Sales & Distribution
3. Member Secretary : Mohammad Ziauddin, GM, Marketing
4. Member : Md. Zakir Hossain, DGM, Regulatory Affairs
5. Member : Ms. Afroza Akhter, Senior Manager II
6. Member : Kazi Sharmin Sultana, Senior Manager II
7. Member : Abu Sayed Muhammad Shameem, Senior Manager II
8. Member : Md. Abdullah-Al-Farooque, Manager
9. Member : Md. Abul Kalam Azad, Manager
10. Member : Mohammad Masiur Rhaman, Manager
11. Member : Mohammad Rajib Al Masud Bhuiyan, Manager
12. Member : Md. Mahbubur Rahman, Deputy Manager
13. Member : Mohammed Rezaur Rahman, Deputy Manager

Sales & Distribution Working Committee

1. Chairman : Fahim Sinha, Director
2. Co-Chairman : Md. Ferdous Khan, ED, Sales & Distribution
3. Member Secretary : Md. Abu Zafor Mohiuddin, Sr. GM, Sales
4. Member : Gobinda Goshwami, Sr. GM, Sales
5. Member : Zakirul Islam, AGM, Distribution
6. Member : Bidyuth Bhuson Roy, Sr. SM, Sales
7. Member : Syed Nazrul Islam, Sr. SM, Sales
8. Member : Md. Aminul Islam, Sr. SM, Sales
9. Member : Shanta Kumar Ghosh, Sr. SM, Sales
10. Member : Md. Aftab Ali, SM, Sales-Vet
11. Member : S.M.M. Saydul Arefin, DSM, Institutional Sales
1. Member : A.F.M. Fakrul Islam, Sr. Manager, Sales Support
12. Member : Mohammed Solaiman, Sr. Manager, Distribution
13. Member : Leton Kumar Kundu, Manager, Distribution

International Business Working Committee

1. Chairman : Fahim Sinha, Director
2. Co-Chairman : K. M. Badruddin, Executive Director, Finance & Accounts
Md. Humayun Kabir, Director
3. Member Secretary : Mohammad Jasim Uddin, AGM
4. Member : Md. Talat Mahmud, AGM
5. Member : Md. Faruk Hossen, Deputy Manager
6. Member : Md. Ali Akbar Hossain, Deputy Manager

Supply Chain Working Committee

1. Chairman : Tasneem Sinha, Director
2. Co-Chairman : Sabrina Juned, Director & Motiur Rahman Sinha, Director
3. Member Secretary : Brahmmapan Pikaso, GM
4. Member : Md. Zakir Hossain, DGM, Regulatory Affairs
5. Member : Bikash Kumar Kundu, Senior Manager-II
6. Member : Md. Asiful Alam Asif, Manager
7. Member : Ziaul Alam, Deputy Manager
8. Member : Md. Zahid Hasan Tarafdar, Deputy Manager, F & A
9. Member : Pial Ahamed, Assistant Manager
10. Member : Pradip Kumar Sen Gupta, Assistant Manager
11. Member : Rezanur Rahman, Assistant Manager
12. Member : Azhar ul Islam, Assistant Manager

HR & Admin Working Committee

1. Chairman : Tasneem Sinha, Director
2. Co-Chairman : Fahim Sinha, Director
3. Member Secretary : A. K. M. Mushiur Rahman Khan, Director, HR & Admin
4. Member : Md. Mahbub Harun, Senior Manager
5. Member : Syed Tamur Hasan, Senior Manager
6. Member : Mohammed Mostafa Sarker, Deputy Manager
7. Member : Ashik Hasan, Assistant Manager
8. Member : Jihan Ahmed, Assistant Manager
9. Member : Sanjoy Kumar Roy, Assistant Manager

Information Technology (IT) Working Committee

1. Chairman : Tasneem Sinha, Director
2. Co-Chairman : Sabrina Juned, Director
: Motiur Rahman Sinha, Director
: K. M. Badruddin, Executive Director, Finance & Accounts
3. Member Secretary : Amalesh Sen Gupta, AGM
4. Member : Syed Nazmul Huda, AGM
5. Member : Bishnu Pada Sen, Sr. Manager-I
6. Member : Syed Wahid-Uz-Zaman, Manager
7. Member : Md. Ashrafur Rahman, Deputy Manager
8. Member : Md. Habibul Bashar, Assistant Manager

Finance & Accounts Working Committee

1. Chairman : Tasneem Sinha, Director
2. Co-Chairman : Tanveer Sinha, Director
: K. M. Badruddin, Executive Director, Finance & Accounts
3. Member Secretary : Md. Arshadul Kabir, GM
4. Member : Md. Abdul Hye, DGM
5. Member : Nirupam Karmaker, Sr. Manager-I
6. Member : Md. Shofikul Islam Shohug, Sr. Manager-II
7. Member : Mohammad Selim Haider, Manager
8. Member : Md. Abidur Rahman, Manager
9. Member : Md. Humayun Kabir, Manager
10. Member : Md. A.N.M. Shakil, Manager
11. Member : Abdullah Al Mamun, Manager
12. Member : Mohammad Aktar Hossain, Assistant Manager

Quality Operation Working Committee

1. Chairman : Tasneem Sinha, Director
2. Co-Chairman : Sabrina Juned, Director
: Dr. Syed A.M. Mustafij Billah, Executive Director
3. Member Secretary : Dr. Mohammad Zahurul Hossain, General Manager
4. Member : Shamim Ahmed, Assistant General Manager
5. Member : Mohammad Rongin, Senior Manager
6. Member : Md. Mahbubul Alam, Senior Manager
7. Member : Shah Sharfin, Senior Manager
8. Member : Md. Maidul Hasan Rani, Senior Manager
9. Member : Muhammad Aminul Islam, Senior Manager
10. Member : Md. Nahiduzzaman, Manager
11. Member : Sanzida Chowdhury, Manager
12. Member : Shahriar Nowshad, Manager
13. Member : Mohabbat Ullah, Manager
14. Member : Abul Basar Mohammad Yeahea, Manager

Production Operation Working Committee

1. Chairman : Tasneem Sinha, Director
2. Co-Chairman : Tanveer Sinha, Director
: Motiur Rahman Sinha, Director
: Fahim Sinha, Director
: Dr. Syed A.M. Mustafij Billah, Executive Director
3. Member Secretary : Md. Zahidul Islam, Sr. Assistant General Manager
4. Member : Utpal Kumar Saha, Assistant General Manager
5. Member : Md. Asaduzzaman, Sr. Manager
6. Member : Foyez Ahmed, Sr. Manager
7. Member : Md. Kamrul Islam, Senior Manager
8. Member : H. M. Jahid Murad, Senior Manager
9. Member : Shorab Hosen Chowdhury, Manager
10. Member : Razib Humaun, Deputy Manager
11. Member : MD. Razu Ahmed, Deputy Manager
12. Member : Nahid Newaz, Deputy Manager
13. Member : Ronet Poddar, Assistant Manager

Engineering Operation Working Committee

1. Chairman : Tanveer Sinha, Director
2. Co-Chairman : Dr. Syed A.M. Mustafij Billah, Executive Director
: Asad Quader Shamsuddin, Director
3. Member Secretary : Md. Mizanur Rahman Chowdhury, DGM
4. Member : Mohammad Shafawat Ullah, Senior Manager-I
5. Member : Md. Rashedul Islam Senior Manager-II
6. Member : Md. Ziaul Huq, Senior Manager-II
7. Member : Md. Minhajul Islam, Manager
8. Member : Mohammed Kafil Uddin, Manager
9. Member : Monayem Ahmed, Manager
10. Member : Md. Liton Khan, Deputy Manager

Technical Operation Working Committee

1. Chairman : Tasneem Sinha, Director
2. Co-Chairman : Sabrina Juned, Director
: Motiur Rahman Sinha, Director
: Dr. Syed A.M. Mustafij Billah, Executive Director
3. Member Secretary : Jiban Chandra Das, AGM
4. Member : Rajib Kumar Baishnab, Senior Manager-II
5. Member : Md. Tayfuzzaman, Senior Manager-II
6. Member : Md. Quamrul Hasan, Senior Manager-II
7. Member : Jibon Krishna Mondal, Deputy Manager
8. Member : Md. Saiful Islam, Deputy Manager
9. Member : Md. Mizanur Rahman Miajee, Assistant Manager

Inventory Status Assessment Working Committee

1. Chairman : Sabrina Juned, Director
2. Co-Chairman : K. M. Badruddin, Executive Director, Finance & Accounts
3. Member Secretary : Md. Shofikul Islam Shohug, Sr. Manager, Finance & Accounts
4. Member : Brahmmapan Pikaso, GM, SCM
5. Member : Md. Zahidul Islam, Sr. AGM, Production
6. Member : Foyez Ahmed, Sr. Manager, PPIC
7. Member : Bikash Kumar Kundu, Senior Manager, SCM
8. Member : Mohammed Solaiman, Senior Manager, Distribution
9. Member : Md. A.N.M. Shakil, Manager, F & A
10. Member : Nahid Newaz, Deputy Manager, PPIC

Major Achievement of CISPIC

Successful Implementation of Zero-Based Budgeting (ZBB) which resulted in key financial parameters such as decreasing the financial expenses, loans and overdraft, improvement of Current Ratio, Earnings Per Share (EPS), Net Assets Value per share (NAV) and other financial indicators for which bottom line has been improved to a satisfactory state.

Implemented Integrated Business Plan (IBP) process to transform business practices from traditional approach to modern approach that results increasing the top-line growth.

Maintain sufficient level of Inventory to avoid product shortage in the market during COVID-19 pandemic.

Improvement of machine-wise productivity, which is eventually, reduced the cost of production.

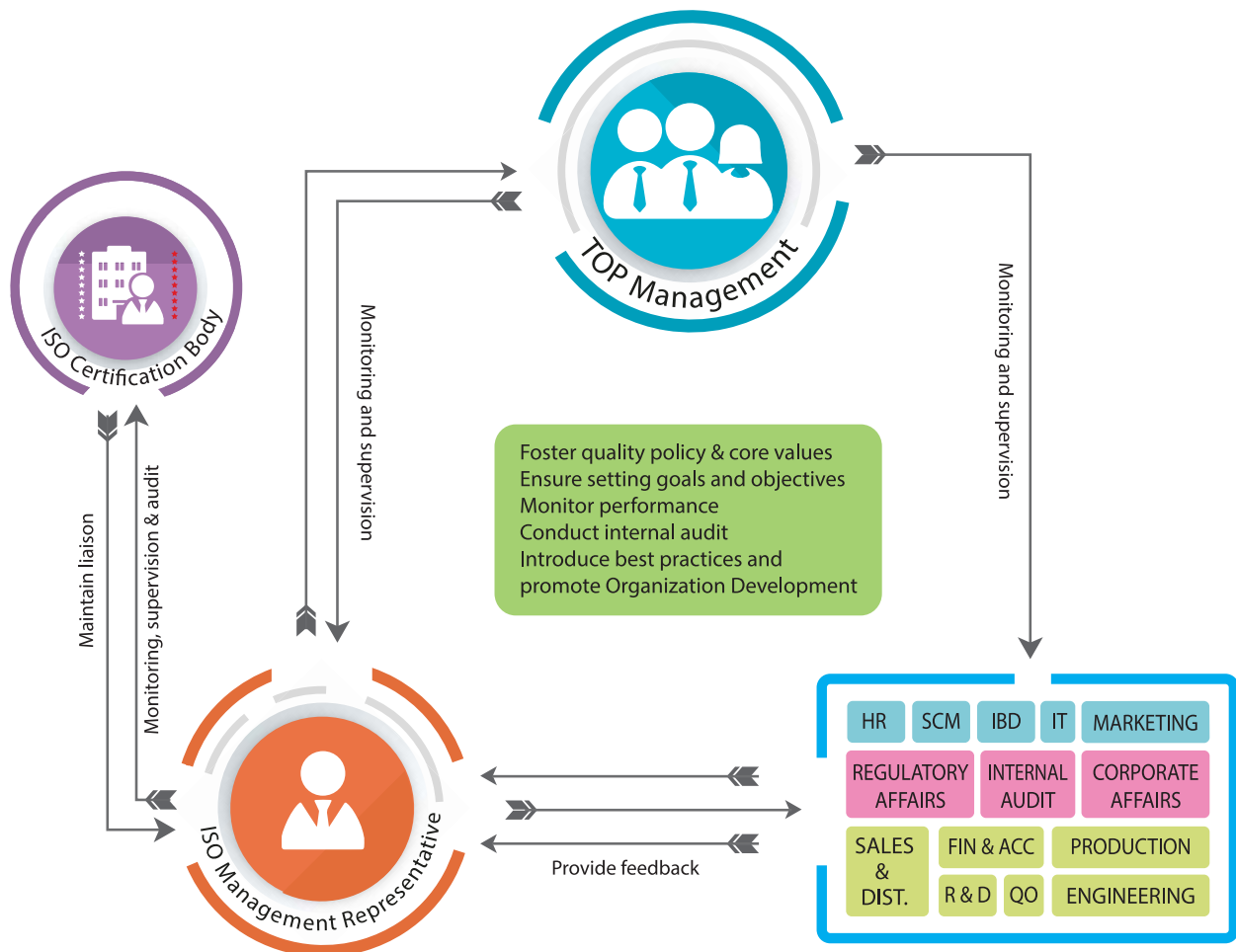
Strengthen embedding corporate culture and upholding ONE HEALTH from concept to practice.

Training on ISO 14001:2015 Environment Management System (EMS) and establishing around 40-panel auditors as certified lead auditors.

Training on Six Sigma and developed around 30 certified six sigma green belt trainers.

QMS Operations

Our Board of Directors is highly influenced by Quality Management Operations that is monitored and supervised by US ISO certification body



QMS department under corporate operations wing provides a variety of professional and management support across the organization in maintaining suitable system by the means of strategic integration of ISO, TQM, business excellence criteria and other best practices that are proven effective. This department incessantly contributes to the implementation of business metrics & performance management; organization development & change management and system assessment & compliance that result the improvement of organization's health and effectiveness. At ACME, QMS facilitates the development and communication of the organization's core values, vision, mission, goals & objectives under a single platform.

Penicillin Unit



Court de la ACME



CORPORATE OFFICE

Court de la **ACME**

Board's Structure and its Role

Composition of the Board

The Board of ACME is comprised of twelve Directors, including one Nominee Director from Investment Corporation of Bangladesh (ICB) and three Independent Directors. Chairperson has been elected from amongst the Non-Executive Directors. All the members of the Board of Directors of the Company are highly seasoned professionals, skilled, well experienced, extremely devoted, responsible, committed and reputed in their respective arena and they have a prerequisite technical understanding about the Company's business affairs, which combined with its diversity of culture, environment and background of viewpoints necessary to oversee the Company's business accordingly.

Role of the Board

The Board of Directors is appointed by the Shareholders at the Annual General Meeting (AGM) and accountable to the Shareholders. The Board is responsible for formulating strategy, policy and ensuring that the business activities are soundly administered and effectively controlled. The Directors keep themselves informed about the Company's financial position and ensure that its activities, accounts and asset management are subject to adequate control. The Board also ensures that ACME's Policies, Procedures and Codes of Conduct are implemented and maintained and the Company adheres to generally accepted principles for good governance and effective control of Company activities.

Board Meetings

As per the Articles of Association of the Company, the Board is required to meet at least four times in a year. Dates for Board Meetings in a year are decided earlier and notice of each Board Meeting is communicated in writing well in advance. Such notice contains detailed statements of the business to be transacted at each meeting. The Board meets for both scheduled meetings and on other occasions to deal with urgent and important matters that require its attention.

Role of Chairman

As per the Articles of Association of the Company, the Members of the Board elect the Chairman from the non-executive directors of the Company who is responsible to lead the Board and ensuring the effectiveness of the functions of the Board. It is the responsibility of the Chairman to see that the Annual General Meeting, Board Meetings, and other Meetings are duly convened and constituted in accordance with the Companies Act, 1994 or any other applicable guidelines, rules and regulations before its proceeds to transact business.

The Chairman should then conduct the proceedings of the meetings and ensure that only those items of business as been set out in the agenda are transacted and generally in the order in which the items appear on the agenda. The Chairman should encourage deliberations, debate, and asses the sense of the meetings. The Chairman should ensure that the proceedings of the meeting are correctly recorded and in doing so, they may include or exclude as they deems fit.

Role of Managing Director

The roles of the Managing Director is eminent and the description of respective roles and responsibilities are clearly established and executed the Company's operating plans that is necessary to achieve the Company's objectives. He has overall control over the Company's day-to-day affairs and is accountable to the Board for the financial and operational performance of the Company. He acts for the best interest of the Company and ensures that ACME operates its business as per the Articles of Association; decisions of the Board and Shareholders, as well as according to the Company's Policies, Procedures and applicable regulatory legislations.

Directors' Report

For the year ended 30 June 2021

DEAR SHAREHOLDERS,

The Board of Directors of The ACME Laboratories Ltd. takes the pleasure to welcome you to the 45th Annual General Meeting of the Company. On behalf of the Board of Directors and Management, I hereby present the Directors' Report and Audited Financial Statements for the year ended on 30 June 2021, together with the Auditors' report thereon.

The Directors' report has been prepared in compliance with the Section 184 of the Companies Act, 1994; Rule 12 (and the schedule there under) of the Bangladesh Securities and Exchange Rules, 1987; Bangladesh Securities and Exchange Commission Notification no. BSEC/CMRRCD/2006-158/207/ Admin/80; dated: 03 June 2018, Financial Reporting Act 2015 and International Financial Reporting Standard (IFRS). It is the pleasure of the Board of Directors to submit its Report to the Shareholders for the year ended 30 June 2021.

PROFIT AND ITS APPROPRIATION

Particulars	(BDT in million)	
	2020-2021	2019-2020
Net Profit after Tax	1,569.227	1,450.498
Adjustment for depreciation on revaluation surplus	70.532	80.877
Profit brought forward from previous year	6,384.509	5,593.734
Total Profit Available for appropriation	8,024.268	7,125.109
Appropriation		
Final Cash Dividend for the year 2018-19 (Comparative year 2017-18)	(529.004)	(740.606)
Closing Retained Earnings at the year- end (before proposed Dividend)	7,495.264	6,384.509
Proposed cash dividend for the year 2019-2020 @ 25%	(529.004)	(529.004)
Retained earnings after Proposed Dividend	6,966.260	5,855.499

DIVIDEND

During the year ended 30 June 2021, the Company has earned net profit before tax amounting to BDT 2,073.496 million which after provision of Income Tax stood at BDT 1,569.227 million. Considering the performance of the Company the Board of Directors has recommended 25% cash dividend i.e. BDT 2.50 per share, which comes to, BDT 529.004 Million subject to the approval of the Shareholders in the 45th Annual General Meeting. During the year 2020-2021, the Company has not declared any bonus or Stock as an interim dividend.

INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENT

Pharmaceuticals Industry is one of the success stories of Bangladesh in the last four decades. The sector is one of the most developed, knowledge-based and technology-driven industries, which is contributing to the country's economy. According to the Bangladesh Bureau of Statistics, the industry has contributed 1.83% to the GDP in 2019-2020. Currently, local Companies meet almost 98 % of domestic demand with market size of BDT 255,000 million. According to the Bangladesh Association of Pharmaceutical Industries (BAPI) and Directorate General of Drug Administration (DGDA), approximately 257 licensed pharmaceutical manufacturers are operating in Bangladesh and about 143 are functional. These manufacturing companies meet around 98% of local demand and export to more than 147 countries.

Over the last five years, the pharmaceutical industry in Bangladesh has been growing with a CAGR of 15.60%. The industry is on its way towards maintaining this growth momentum and according to the industry experts, the sector will grow 10 percent year on year to reach \$6 billion by 2025 and the contribution of the Pharmaceutical sector to Bangladesh's economy will be the highest revenue earning sector by 2027.

The growth in the pharmaceutical sector has largely been driven by local players, particularly due to government policies favoring domestic players, Economic Growth of the country, Population Growth rate, Growing Income level of people, Increase in modern healthcare facilities, Lower cost of labor, Health awareness of mass people, Changing Life Style & High Life Expectancy. All these factors will make the pharma industry more sustainable, which logically attracts the scope for further growth in investment for expansion and development in this industry. Major generic hubs- India

and China are losing cost advantages. Cost of labor in Bangladesh is 3 to 4 times lower than that of China and India. That is why, we are ensuring the best quality medicine with an affordable price.

The WTO-TRIPS Council, on 6 November 2015 granted the Least Developed Countries (LDCs) exemptions from Pharmaceutical patent until 2033. Due to the benefits of TRIPS agreement applicable for manufacturers in LDC, local players end up producing medicines at much cheaper rates, compared to their international counterparts. As a result, medicine prices have remained within reach of the mass population.

The sector is emerging as a developing export destination as a number of top local Pharmaceutical companies have received American & European regulatory approvals for exporting to developed markets. Alongside, pharmaceutical players are targeting to capture a significant market share in price sensitive African markets.

Bangladesh Pharma Industry is the only sector that has been comparatively less affected by the COVID-19 pandemic situation though it was difficult to make available the APIs since we have to import 98% of APIs. International drug prices have increased and if COVID-19 persists, the limited supply of APIs and formulations in the international market will drive up prices of raw materials further.

In order to address the issue, the government has already handed over 42 plots of environment friendly Active Pharmaceutical Ingredient (API) Industrial park at Gazaria, Munshiganj to 28 Drug Manufacturers. Most of the top-ranking pharma companies got plots at the API Park and most of them are going to start the construction works over there at the earliest possible time.

Once the API Park is completed, Bangladeshi companies would be able to produce a substantial portion of their raw materials from the units of the said API Park which will reduce the reliance on imports and lead time related to the import of Raw Materials. Apart from this, we understand that from the said API Park, Bangladesh will be able to export a substantial quantity of Raw Materials to different countries. API Park will also create job opportunities for about 25,000 unskilled and semi-skilled laborers.

The construction work of the API project is going on and we are hopeful that the project will be completed duly.

COVID-19 AND ITS IMPACT IN PHARMA INDUSTRY IN BANGLADESH:

The Contribution of the Pharma sector even more critical in the times of health emergencies. Pharma is playing an extremely important role by enabling the supply of key medicines across the country and globe as well, this makes

it one of the safest and most resilient industries in such periods of uncertainty. The Company's Plant continues to remain operational at almost its usual capacity and the company has successfully supplied its medicine to its customers.

The Company has strictly followed the protocols on social distancing and provided safe working environment at its Corporate Office, Plant and depots as well. The company revised visitor guidelines, regular updates on health and travel advisory to all employees.

The Company also made various contributions to Government, health department, public healthcare workers, etc., as part of its COVID-19 CSR initiatives. There has been no significant adverse operational impact on the Company's supply chain due to the nationwide lockdown.

The Company has monitored the impact of COVID-19 on all aspects of its business. The management has exercised due care, in concluding on significant accounting judgments and estimates, recoverability of receivables, inventory based on the information available as on date, while preparing the financial statements as of and for the year ended 30th June 2021. The Company will continue to ensure supply of essential medicines and take steps to mitigate any risks associated with COVID-19 pandemic. The detail financial disclosures are given in our Audited Financial Statements in note number 5.25.

PROUD CONTRIBUTOR DURING VIOLENCE IN PALESTINE

Palestine was facing a dangerous escalation in violence where more than 100 Palestinians have been hurt and hospitalized in clashes every day. The ACME Laboratories Ltd. is standing beside them to contribute a little to this devastating war situation by handing over emergency medicines to Mr. Yousef SY Ramadan, Palestine Ambassador at the Embassy of the State of Palestine, Dhaka, in order to help the wounded people.

COST OF GOODS SOLD, GROSS PROFIT MARGIN AND NET PROFIT MARGIN

During the year the company generated better top line revenue growth comparing to the previous year despite of Covid-19 outbreak issues all over the world. The amount of Cost of Goods Sold for the Financial Year 2020-2021 is BDT 12,719.82 million which is 61.24% of the revenue of the Company. In the previous year the same was BDT 11,728.937 million which was 61.72% of the revenue. On the other hand, Gross Profit margin and Net Profit margin for the financial years 2020-2021 are 38.76% and 7.56%, with compare to the previous year the same was 38.28% and 7.63% respectively. Due to Covid-19 outbreak, the scarcity of materials in international markets has been

increased. Moreover, moderate domestic inflation and unfavorable fluctuation of BDT against foreign currencies also adversely impact the Material Cost. The Management is trying their best to reduce the cost by using different effective cost cutting tools.

EXTRAORDINARY ACTIVITIES:

The company is relentlessly working to establish strong footing in the domestic market, which also facilitated to expand its presence in the global market. To boost the export sales and to encourage domestic pharmaceuticals the company has brought out total 5 new products in its bucket which is first time in Bangladesh. Moreover, the Government has declared 10% cash incentive on Net Free on Board (FOB) value of Pharmaceutical finished products. Any incentive received from Government is reported under the head of Other Income in the Audited Financial Statements for the year ended 30 June 2021.

RELATED PARTY DISCLOSURES

The Company carried out a number of transactions with related parties in the normal course of business and on arm's length basis. The Directorship of the company is mostly in common. Details of the transactions are provided in the note 41 of Financial Statements for the year ended 30 June 2021.

PRESENT STATUS OF UTILIZATION OF IPO PROCEEDS

Details regarding status of utilization of IPO proceeds has been given in page no. 77.

SUBSEQUENT RESULTS AFTER INITIAL PUBLIC OFFERING (IPO)

In the year 2016, the Company listed its securities with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. by issuing 50,000,000 Ordinary Shares of BDT 10.00 each. The Company commenced its trade with both the Exchanges from 07 June 2016 under the trade name of ACME LAB. After completion of Initial Public Offering (IPO) successfully, the financial results of the Company have been increased consistently which has been more fully explained in the Page no. 71 under the head of Financial Highlights for last 5 years.

REMUNERATION PAID TO THE DIRECTORS INCLUDING INDEPENDENT DIRECTORS

During the year 2020-2021, a remuneration of BDT 45,600,000 has been paid to the whole time Directors of the Company. The Company did not pay any remuneration to its

Independent Directors except sitting fees for attending at the meetings of the Board of Directors and respective committees to whom they are members. A Statements regarding payment of remuneration to its Directors is as under:

(Amount in BDT)

Particulars	2020-2021	2019-2020
Director	45,600,000	19,200,000
Independent Director	-	-

FAIRNESS OF THE FINANCIAL STATEMENTS

The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 1994 and Securities & Exchange Rules, 1987. These statements fairly present the company's state of affairs, the results of its operations, cash flow and changes in equity.

In compliance with the requirement of the Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code; dated: June 3, 2018, Chief Executive Officer and Chief Financial Officer have given the declaration about the fairness of the financial statements which is shown on page 124-125 of the report.

BOOKS OF ACCOUNTS

Proper books of accounts have been maintained by the Company as per Section 181 of Companies Act, 1994.

CONSISTENCY OF APPROPRIATE ACCOUNTING POLICIES

Accounting policies adopted by the Company have been consistently applied in preparation of the Financial Statements and that the accounting estimates are based on reasonable and prudent judgement. The accounting policies adopted and applied by the Company are appropriate in view of the nature of its business operations of the Company.

APPLICATION OF INTERNATIONAL ACCOUNTING STANDARDS (IAS) OR INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), Bangladesh Securities and Exchange Rules, 1987, Stock Exchanges (Listing) Regulations, 2015 and as applicable any other laws in Bangladesh, have been duly followed by the Company in preparation of the financial statements and any departure there from has been adequately disclosed.

INTERNAL CONTROL

The system of internal control is sound in design and has been effectively implemented and monitored by the Company and duly examined by the Internal and external auditors. The Company continuously give due emphasis for further improvement of internal control system, if any, can be done.

INTEREST OF MINORITY SHAREHOLDERS

As a constant policy of the Company, the management has protected Interest of Minority shareholders meticulously. The management protects interest of Minority Shareholders from abusive actions by or in the interest of, controlling shareholders acting either directly or indirectly and has system of effective means of redress in place.

GOING CONCERN

There is no doubt upon the Company's ability to continue as a going concern; accordingly, the financial statements of the Company have been prepared on going concern basis.

SIGNIFICANT DEVIATIONS FROM THE LAST YEAR'S OPERATING RESULTS OF THE COMPANY

There is no deviation during the current financial year from the last year's operating results of the Company.

Due to increase of Sales and reduction of Financial Interest Operating Cash Flows Per share has been increased

KEY OPERATING AND FINANCIAL DATA OF LAST PRECEDING 5 (FIVE) YEARS

A statement of key operating and financial data of last preceding 5 (five) years are as under:

Financial Highlights

For Last 5 Years

Amount in BDT (in million)

Particulars	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Shareholders' Equity					
Share Capital	2,116.02	2,116.02	2,116.02	2,116.02	2,116.02
Share Premium	5,127.60	5,127.60	5,127.60	5,127.60	5,127.60
Revaluation Surplus	5183.84	5,238.75	5,319.64	5,402.71	5,487.67
Gain/(Loss) on Marketable Securities (Unrealized)	8.41	(2.16)	6.94	8.72	6.23
Tax Holiday Reserve	179.46	179.46	179.46	179.46	179.46
Retained Earnings	7,495.26	6,384.51	5,593.73	4,810.52	4,039.29
Total Shareholders' Equity :	20,110.59	19,044.18	18,343.39	17,645.03	16,956.28
Non Current Liabilities	6,878.7	6,392.29	4,578.02	4,615.51	3,675.91
Total	26,989.29	25,436.47	22,921.41	22,260.55	20,632.19
Application of Fund					
Property, Plant and Equipment	25,021.30	24,602.56	23,751.66	21,105.68	18,220.23
Right of Use Assets	79.08	86.37	-		
Intangible Assets	0.02	0.04	0.08	0.12	0.16
Investment in Shares	35.51	23.77	33.88	34.89	32.41
Investment Property	0	-	-	21.34	23.10
Current Assets	15,340.51	14,705.52	12,135.98	11,462.21	11,671.33
Current Liabilities	(13,487.13)	(13,981.79)	(13,000.19)	(10,363.70)	(9,315.04)
Total	26,989.29	25,436.47	22,921.41	22,260.55	20,632.19
Financial Result					
Revenue	20,770.14	19,003.66	16,308.63	14,813.91	13,576.32
Cost of Goods Sold	12,719.82	11,728.94	9,882.88	8,942.40	8,039.83
Gross Profit	8,050.32	7,274.72	6,425.75	5,871.52	5,536.49
Profit before Taxation	2,073.50	1,979.43	1,953.34	1,954.84	2,035.55
Profit after Taxation	1,569.27	1,450.50	1,440.38	1,426.57	1,397.85
Change in Turnover (%)	9.30%	16.53%	10.09%	9.12%	7.37%
Change in Cost of goods sold (%)	8.45%	18.68%	10.52%	11.23%	3.46%
Change in Profit After Tax (%)	8.19%	0.70%	0.97%	2.05%	26.93%
Financial Performance					
Number of shares	211.6017	211.60	211.60	211.60	211.60
Earning per share (Taka)	7.42	6.85	6.81	6.74	6.61
Current Ratio - (Times)	1.14	1.05	0.93	1.11	1.25
Net operating cash flow per share (Taka)	12.72	5.42	7.81	7.46	6.70
Net Asset Value Per Share (Taka)	95.04	90.00	86.69	83.38	80.13

AN EXPLANATION ON THE REASONS IF THE ISSUER COMPANY HAS NOT DECLARED DIVIDEND (CASH OR STOCK) FOR THE YEAR

The Company always maintains Consistent Dividend Policy and has been paying Dividend constantly. During the year the Company proposed 25% Cash Dividend to its Shareholders.

BONUS OR STOCK DIVIDEND DECLARED AS INTERIM DIVIDEND

No Bonus share or stock dividend has been declared by the Board as interim dividend during the financial year 2020-2021.

BOARD MEETINGS AND ATTENDANCE BY EACH DIRECTOR

Fifteen Board Meetings were held during the year under review. The attendance records of the Directors are mentioned below:

Name of Directors	Position	No. of Meetings attended
Mrs. Nagina Afzal Sinha	Chairman	14
Mr. Mizanur Rahman Sinha	Managing Director	15
Dr. Jabilur Rahman Sinha	Deputy Managing Director	-
Mrs. Jahanara Mizan Sinha	Deputy Managing Director	15
Mr. Md. Abul Hossain	Nominee Director of ICB	15
*Syed Shahed Reza	Independent Director	7
*Ms. Fouzia Haque, FCA	Independent Director	7
Ms. Tasneem Sinha	Director	12
Mr. Tanveer Sinha	Director	11
Mrs. Sabrina Juned	Director	11
Mr. Fahim Sinha	Director	11
*Mr. Das Deba Prashad	Independent Director	8
*Mr. Ehsan Ul Fattah	Independent Director	8
*Mrs. Evana Haque, FCA	Independent Director	8

*As per requirement of the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC), two Independent Directors namely Mr. Syed Shahed Reza and Ms. Fouzia Haque, FCA, have completed their two consecutive tenures as Independent Directors and retired from the board as per approval of the shareholders in its 44th AGM of the company, therefore, the Board in its 121st meeting held on 3 December 2020 recommended to appoint three new Independent Directors namely: Mr. Das Deba Prashad, Mr. Ehsan Ul Fattah and Mrs. Evana Haque, FCA which was approved by the Shareholders of its 44th Annual General Meeting (AGM).

A REPORT ON THE PATTERN OF SHAREHOLDING AS ON 30 JUNE 2021

A report on the pattern of shareholding as on 30 June 2021 disclosing the aggregate numbers of shares (along with name-wise details) are stated below:

a. Parent or Subsidiary or Associated Companies and other related parties:

The ACME Laboratories Ltd. does not have any Parent, Subsidiary, or Associated Companies as on 30 June 2021. However, other related parties do not hold any shares of the Company.

**b. Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children:
as on 30 June 2021**

Sl.	Name and Particulars	Designation	Number of holding
01.	Mrs. Nagina Afzal Sinha	Chairman	11,888,433
02.	Mrs. Sabrina Juned, D/O Late Mr. Afzalur Rahman Sinha	Director	9,102,613
03.	Mr. Fahim Sinha, S/O Late Mr. Afzalur Rahman Sinha	Director	9,375,961
04.	Mr. Mizanur Rahman Sinha	Managing Director	17,376,119
05.	Mrs. Jahanara Mizan Sinha	Deputy Managing Director	7,114,572
06.	Ms. Tasneem Sinha, D/O Mr. Mizanur Rahman Sinha	Director	4,393,034
07.	Mr. Tanveer Sinha, S/O Mr. Mizanur Rahman Sinha	Director	4,232,234
08.	Dr. Jabilur Rahman Sinha	Deputy Managing Director	4,860,696
09.	Mrs. Hasina Jabil Sinha, W/O. Dr. Jabilur Rahman Sinha	Shareholder	4,859,245
10.	Mr. Md. Abul Hossain	Nominee Director of ICB	8,419,940
11.	Mr. Das Deba Prashad	Independent Director	N/A
12.	Mr. Ehsan Ul Fattah	Independent Director	N/A
13.	Mrs. Evana Hoque, FCA	Independent Director	N/A
14.	Mr. Md. Hasibur Rahman	Additional Deputy Managing Director and Chief Internal Audit Executive (CIAE)	60,180
15.	Mr. Kazi Mohammed Badruddin, FCA, FCMA and his spouse including minor child	Executive Director and Chief Financial Officer	N/A
16.	Mr. Md. Arshadul Kabir, FCA and his spouse including minor child	Company Secretary (Acting)	N/A

Executives: as on 30 June 2021

Sl.	Name and Particulars	Designation	Number of holding
01.	Mr. Md. Hasibur Rahman	Additional Deputy Managing Director and Chief Internal Audit Executive (CIAE)	60,180
02.	Mr. Kazi Mohammed Badruddin, FCA, FCMA	Executive Director and Chief Financial Officer	N/A
03.	Dr. Syed A.M. Mustafij Billah	Executive Director-Plant	N/A
04.	Mr. Md. Ferdous Khan	Executive Director- Sales & Distribution	N/A
05.	Mr. Asad Quader Shamsuddin	Director-Engineering Division	N/A

Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)

There is no shareholder who holds 10% or more shares of The ACME Laboratories Ltd.

COMPOSITION OF SHAREHOLDING POSITION

Shareholding Position as on 30 June 2021 of the Company is given below:

Name of the Shareholders	Designation	No. of Shares	% of holding
Mrs. Nagina Afzal Sinha	Chairman	11,888,433	5.62%
Mr. Mizanur Rahman Sinha	Managing Director	17,376,119	8.21%
Dr. Jabilur Rahman Sinha	Deputy Managing Director	4,860,696	2.30%
Mrs. Jahanara Mizan Sinha	Deputy Managing Director	7,114,572	3.36%
Mrs. Parveen Akhter Nasir	Sponsor Shareholder	11,561,922	5.46%
Mrs. Khurshid Jahan Dabir (Mrs. Laizu Dabir)	Sponsor Shareholder	725	0.000%
Ms. Tasneem Sinha	Director	4,393,034	2.08%
Mr. Tanveer Sinha	Director	4,232,234	2.00%
Mrs. Sabrina Juned	Director	9,102,613	4.30%
Mr. Fahim Sinha	Director	9,375,961	4.43%
Investment Corporation of Bangladesh (ICB)	Shareholder	8,419,940	3.98%
Institute	Shareholder	65,242,999	30.84%
Foreign	Shareholder	283,900	0.13%
General Public	Shareholder	57,748,552	27.29%
Total		211,601,700	100.00%

IN CASE OF THE APPOINTMENT OR RE-APPOINTMENT OF A DIRECTOR, A DISCLOSURE ON THE FOLLOWING INFORMATION TO THE SHAREHOLDERS

- A brief resume of the Directors;
- Nature of his/her expertise in specific functional areas;
- Name of Companies in which the person also holds the Directorship and the Membership of Committees of the Board;

APPOINTMENT/RE-APPOINTMENT OF DIRECTORS

Dr. Jabilur Rahman Sinha, Mrs. Jahanara Mizan Sinha, and Mr. Md. Abul Hossain members of the Board of Directors of the Company shall retire from the Board in the forthcoming 45th Annual General Meeting as per clause no 148 & 149 of Articles of Association of the company, because of the longest duration in office since their last election.

As per clause no 150 of Articles of Association of the Company, being eligible, all the above-mentioned directors shall be re-elected as directors by the approval of the shareholders of the company in its forthcoming 45th Annual General Meeting. Brief resume of the Directors including their expertise and Directorship/Membership with other companies/Committees are provided in the Directors' profile section of this Annual Report at page no. 37-38.

STATEMENT SIGNED BY CEO OR MD FOCUSING ON COMPANY'S POSITION AND OPERATIONS

A management's discussion and analysis signed by the CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the Financial Statements has been presented in the Page no. 79-81.

DECLARATION OR CERTIFICATION BY THE CEO AND THE CFO TO THE BOARD AS REQUIRED UNDER CONDITION NO. 3(3) SHALL BE DISCLOSED AS PER ANNEXURE-A

Declaration or certification by the CEO and the CFO to the Board is appended in this Annual Report under Annexure A, Page no. 124-125.

THE REPORT AS WELL AS CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF THIS CODE AS REQUIRED UNDER CONDITION NO. 9.

The report as well as certificate regarding compliance of conditions of this code as required under condition No. 9 has been presented under Annexure -B and Annexure -C in the page no. 126 and 127 respectively.

APPOINTMENT OF AUDITORS

The existing Auditor of the Company M/s. Shiraz Khan Bashak & Co., Chartered Accountants (An Associate firm of D.N. Gupta & Associates, Chartered Accountants) has conducted their Audit from the year 30 June 2019 to 30 June 2021 i.e. for a period of three years. As per notification no. BSEC/CMRRCD/2006-158/208/Admin/81; dated: 20 June 2018, clause no 2(3) the existing Auditor/Audit firm M/s. Shiraz Khan Bashak & Co., Chartered Accountants (An Associate firm of D.N. Gupta & Associates, Chartered Accountants) shall not be eligible for performing the statutory audit of Financial Statements of the Company for a consecutive period exceeding three years.

Currently, ICAB and some other regulatory bodies oftenly put restrictions on Statutory Audit works of some audit firms due to various reasons. In such cases, it becomes difficult to get the Audited Financial report of any company without resolving the matter in EGM, which is a cumbersome process.

Accordingly, considering the above facts, the Board recommended one statutory Auditor on a priority basis from the panel of the following three audit firms who are eligible for auditing the financial reports of listed companies for the financial year 2021-2022. with a remuneration of BDT 550,000 only (Five Lac fifty thousand) including Income Tax subject to the approval of the shareholders in the 45th Annual General Meeting.

Sl.	Name of the Statutory Audit Firms
01.	M/s. Fames & R, Chartered Accountants (PrimeGlobal, An Association of Independent Accounting Firms)
02.	M/s. Pinaki & Company (A Correspondent firm of Reanda International Network Ltd., Hong Kong)
03.	M/s. Ashraf Uddin & Co. (ANTEA, Alliance of Independent Firms, Mallorca, 260 Attic 08008, Barcelona, Spain)

APPOINTMENT OF COMPLIANCE AUDITOR

The existing Auditors of the Company M/s. M. Z. Islam & Co., Chartered Accountants, retires at this Annual General Meeting and being eligible have offered themselves for re-appointment as Compliance Auditors of the Company for the year 2021-2022 with a remuneration of BDT 40,000 (Taka Forty Thousand) only including Income Tax, subject to the approval of the Shareholders in its forthcoming 45th Annual General Meeting.

BUY BACK OF COMPANY'S SECURITIES

During the Financial year 2020-2021, the Capital Market of the Country was moving toward a positive trend; the General Investors of the Company including Affected Small Investors incurred capital gain compared to the previous year on their investment. To protect the interest of the investors including Non-Resident Bangladeshi (NRB), Affected Small Investors of the Capital Market, the Managing Director of the Company requested the Sponsors/Director/Promoters and their family members to invest 25% of their Dividend income 2020-2021 in the Capital Market for procuring of the securities of The ACME Laboratories Ltd.

In response, the following Sponsors/Director/Promoters and their family members bought the securities of the Company from Secondary Market during July 2020 to June 2021, detail of which is as follows:

Sl.	Name	Quantity
01.	Mr. Mizanur Rahman Sinha	1,31,000
02.	Ms. Tasneem Sinha	1,60,800
03.	Mrs. Jahanara Mizan Sinha	1,11,500
Total		4,03,300

CONTRIBUTION TO NATIONAL EXCHEQUER

During the year 2020-2021, your Company paid BDT 2,958.99 million to the National Exchequer in the form of Corporate Income Tax and Value Added Tax (VAT) and Import Duties.

CORPORATE GOVERNANCE

Corporate Governance is a system of rules, policies and practices that dictate how a company's Board of Directors manages and oversees the operations of a Company. Corporate governance includes principles of transparency, accountability and fairness. A company's corporate governance is important to investors since it shows a Company's direction and business integrity. Good Corporate Governance helps Companies build trust with investors and the community. As a result, Corporate Governance helps promote financial viability by creating a long-term investment opportunity for market participants.

In order to enhance Corporate Governance Practice for the interest of investors and the Capital Market; Bangladesh Securities and Exchange Commission (BSEC) has imposed some further conditions and issued a revised notification vide No. BSEC/CMRRCD/2006-158/207/Admin/80; Dated: 3 June 2018. The compliance status of the above-mentioned Code by The ACME Laboratories Ltd. has been depicted on Page no. 127-140 of this Annual Report as Annexure: C.

CORPORATE SOCIALIZATION

In order to play a model role for Good Governance characteristics in the corporate sector, the company has become members of country's leading chamber and market regulators:

- A. Bangladesh Chamber Industries (BCI)
- B. Bangladesh Association of Pharmaceutical Industries (BAPI)
- C. Dhaka Stock Exchange Ltd. (DSE)
- D. Chittagong Stock Exchange Ltd. (CSE)
- E. Central Depository Bangladesh Limited (CDBL).
- F. Bangladesh Association of Publicly Listed Companies (BAPLC)

These memberships have provided scope to the company for improvement of Corporate Governance Practices for the benefit of the shareholders and other stakeholders.

BOARD OF DIRECTORS

The Board of Directors is the highest governance body of the Company and represents the interests of all shareholders and stakeholders, irrespective of who elected its Directors. The Board of the Company comprises with 12 (twelve) Directors, of whom 8 (Eight) Directors are Shareholder Directors, 1 (one) nominee Director and 3 (three) Independent Directors. Independent Directors are appointed as per provision of the Corporate Governance Codes of Bangladesh Securities and Exchange Commission (BSEC). The Board's essential role is to approve the Company's strategy and oversee compliance.

AUDIT COMMITTEE

In compliance with the condition # 5 of Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) vide reference no. BSEC/CMRRCD/2006-158/207/ Admin/80; dated: 3 June 2018, the audit committee of the Company is functioning as a sub Committee of the Board. The main aim of the Audit Committee is to assist the Board in ensuring that the Financial Statements reflect true and fair view of the states of the affairs of the Company. The committee also assists the Board with regard to the strategies adopted to manage the business-related risks and continuously oversee the internal control environment of operations. Presently, the Committee comprises with the following members:

Sl.	Name	Position in Audit Committee	Position in Board
01.	Mrs. Evana Haque, FCA	Chairman	Independent Director
02.	Mr. Md. Abul Hossain	Member	Nominee Director of ICB
03.	Mr. Ehsan Ul Fattah	Member	Independent Director
04.	Mr. Md. Arshadul Kabir, FCA	Member Secretary	Company Secretary (Acting)

NOMINATION AND REMUNERATION COMMITTEE (NRC)

In compliance with the condition, # 6 of Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) vide reference no. BSEC/CMRRCD/2006-158/207/ Admin/80; dated: 3 June 2018 the Nomination and Remuneration Committee (NRC) of the Company is functioning. The Nomination and Remuneration Committee is a sub-Committee of the Board, NRC assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors as well as a policy for formal process of considering remuneration of directors and top level executives. Presently, the Committee comprises with the following members:

Sl.	Name	Position in NRC	Position in Board
01.	Mr. Das Deba Prashad	Chairman	Independent Director
02.	Mr. Md. Abul Hossain	Member	Nominee Director of ICB
03.	Mrs. Jahanara Mizan Sinha	Member	Deputy Managing Director
04.	Mr. Md. Arshadul Kabir, FCA	Member Secretary	Company Secretary (Acting)

APPRECIATION

The Board of Directors take this opportunity to appreciate Shareholders, Doctors, Customers, Bankers, Suppliers, Vendors, Insurance Companies, Employees, Regulatory Bodies including Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE), Central Depository of Bangladesh Ltd. (CDBL), National Board of Revenue (NBR), Directorate General of Drug Administration & Licensing Authority (DGDA), Registrar of Joint Stock Companies and Firms (RJSC) and Insurance Development and Regulatory Authority (IDRA) for their continued support and co-operation extended to us and sincerely look forward the same in future as well.

On behalf of the Board,

Nagina Afzal Sinha

Nagina Afzal Sinha
Chairman

Present Status of Utilization of IPO Proceeds

The ACME Laboratories Ltd. accorded the consent from Bangladesh Securities and Exchange Commission (BSEC) on 15 March 2016 for raising its capital through Initial Public Offering (IPO) by issuing 5.00 Crore Ordinary Shares and collected BDT 409.60 Crore for the purpose of 3 (three) projects namely (1) Steroid and Hormone , (2) Oncology and (3) Ayurvedic, Modern Herbal and Nutraceuticals.

Considering the greater interest of the Shareholders, the Board of Directors of the Company in its 93rd Meeting hold on 2 October 2018 recommended the re-arrangement of use of IPO proceeds which was approved by the shareholders in its 42nd Annual General Meeting held on 6 December 2018.

Re-arrangement of IPO proceeds approved by the shareholders in its 44th Annual General Meeting is as follows:

Sl.	Name of the Projects	Estimated Project Costs (In BDT crore)
a)	Steroid and Hormone	166.05
b)	Penicillin	40.00
c)	Repayment of bank borrowing	136.00
d)	Active Pharmaceuticals Ingredients (API) Project	60.61
e)	IPO Expenses	6.83

The decision of the Shareholders has been duly intimated to Bangladesh Securities and Exchange Commission and other regulators as per condition of the Letter of Consent of the BSEC.

The Status of IPO proceeds as on 30 June 2021 are mentioned below:

(BDT in Crore)

Name of the Projects & Others	As per resolution of 44th AGM	Amount used up to 30 June 2021	Un-Utilized Balance Amount	Status of Implementation
Steroid and Hormone	166.05	1,66.05	Nil	Commercially Launched
Penicillin	40.00	40.00	Nil	Commercially Launched
Active Pharmaceuticals Ingredients (API)	60.61	46.37	14.24	To be completed within June 2022
Repayment of Bank Borrowing	1,36.00	136.00	Nil	Completed
IPO Expenses	6.83	6.83	Nil	Completed

API Project



Present Panorama view of API Project



Architectural design of API Project

STATEMENT SIGNED BY CEO OR MD FOCUSING ON COMPANY'S POSITION AND OPERATIONS

(a) Accounting policies and estimation for preparation of financial statements:

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that affect the reported value of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Estimates arise because of uncertainties inherent within them but this does not undermine reliability. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the year in which the estimates are revised.

(b) Changes in accounting policies and estimation, if any

The company selects accounting policies based on principles enunciated in the IAS or IFRS and followed them consistently year after year. Changes in the accounting policy are incorporated with the amendments, if any, in the IAS or IFRS by the IASB to keep the accounting policies in line with the principles stated in the IAS or IFRS or to comply with the requirement of the statute.

During the financial year 2019-2020, The Company adopted IFRS 16 in its Financial Statements.

(c) Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for immediate preceding five years

Amid a cut throat competition among the pharmaceutical companies in Bangladesh, in line with the growth of the pharmaceutical market in the country, the financial performance or results and financial position of the company is also growing. The related financial data for immediate preceding five years are as under:

Particulars	2020-2021		2019-2020		2018-2019		2017-2018		2016-2017	
	Amount in BDT	Growth (%)	Amount in BDT	Growth (%)	Amount in BDT	Growth (%)	Amount in BDT	Growth (%)	Amount in BDT	Growth (%)
Revenue (in million)	20,770.14	9.30%	19,003.66	16.53%	16,308.63	10.09%	14,813.91	9.12%	13,576.32	7.37%
Net Profit After Tax (in million)	1,569.23	8.19%	1,450.50	0.70%	1,440.38	0.97%	1,426.57	2.05%	1,397.85	26.93%
Net Asset Value Per Share	95.04	5.60%	90.00	3.82%	86.69	3.97%	83.39	4.06%	80.13	3.62%
EPS	7.42	8.32%	6.85	0.63%	6.81	1.04%	6.74	2.03%	6.61	0.80%
Operating Cash Flows Per Share	12.72	134.69%	5.42	-30.62%	7.81	4.74%	7.46	13.03%	6.70	5.56%

Overall business performance of the company has been found to be sustainable over the years. The reported revenue of the company stood at BDT 20,770.14 million in Financial Year 2020-2021 against BDT 13,576.32 million in Financial Year 2016-2017 indicating a Compound Annual Growth Rate (CAGR) is 11.22% in last five years.

The net profit growth, Net assets value per share (NAVPS), Earnings per Share (EPS) and other financial performance of the company is found remarkable over the last five years. Moreover, it has been revealed that the company has generated sufficient operating cash flows from its own source, which helped to meet its internal as well as external demand.

(d) Comparison of financial performance or results and financial position as well as cash flows with the peer industry scenario

As the most of the top leading Pharmaceutical Companies are Private Limited Company or Proprietorship Concern, therefore, they are not disclosing their financial data to the Public. Besides, current year financial data of the companies which are listed with Stock Exchanges are yet to publish. For this reason, it is difficult to make a comparison of financial performance or results and financial position as well as cash flows with the peer industries.

However, considering the overall Industry scenario it has been observed that financial results along with Financial Performance and Cash Flows of The ACME Laboratories Ltd. are consistently growing and sustainable.

(e) Financial and Economic Scenario of the Country and the Globe

The Economic Growth in South Asian Region is projected to contract as a result of the COVID-19 pandemic, damaging consumption, tourism, and other services activities. Despite aggressive monetary policy, inadequate health systems and weak infrastructure mean that a large-scale domestic outbreak of COVID-19 could have humanitarian consequences. High debt could further compound global financial market stress and may hinder monetary policy effectiveness. While low oil prices may provide some support, they will weaken remittance flows, especially from the Gulf Cooperation Council.

The Honorable finance minister of the government of the people's republic of Bangladesh rolled out the budget for the next financial year with projected GDP growth of 8.2 per cent. The Global Economic Prospects, a flagship report of the World Bank Group, said in Bangladesh, growth is expected to slow to 1.6 percent, as the recovery in industrial production is reversed by COVID-19-related disruptions such as mitigation measures and global exports plunge, and as remittances fall. The same report also predicts that in the 2020-2021 the growth will be slower to 1.00 percent.

The full impact of the COVID-19 pandemic to the overall world including in Bangladesh is still not clear. However, to overcome the possible impact on the economy in Bangladesh, the government has declared stimulus Package to provide working capital support to the affected industries

and service sectors with low interest rate in April 2020.

Considering the above circumstances, we are hopeful that the Pharmaceutical Market will get new dimension for its further growth and the Compound Annual Growth Rate (CAGR) will exceed 25% by the year 2025.

(f) Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company

Currently Bangladesh along with other parts of the globe is passing through a tunnel of crisis in terms of health management, social as well as financial for the pandemic of COVID-19. The company has been monitoring the impact of COVID-19 on all aspects of its business. The management has exercised due care, in concluding on significant accounting judgments, policies and estimates while preparing the Financial Statements for the year ended 30 June 2021.

Besides, organizations are not free from risks that might arise both from internal and external fronts. Like any other business or industry, ACME Pharma operating in a dynamic and competitive market is exposed to risks that may affect its business. The senior management of the Company oversees risk management processes on a continual basis. Management of risks involves identification and assessment of risks; setting standard on Company's risk appetite; and designing, implementing and monitoring policies to appropriately address various financial and non-financial risks. The identified risks, which could potentially affect the achievement of strategic, operational, financial and/or compliance objectives, are reported to the Board. Based on the nature and extent of the risk, the senior management of the Company takes appropriate mitigating measures to avoid, eliminate or reduce risks at functional, business and corporate level on a regular basis to safeguard the Company's assets and to protect shareholders' interests.

However, details description on Risks is described in our Annual Audited Financial Statements in the Note Number 5.26

(g) Future plan or projection or forecast for Company's Operation, Performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM

Pharmaceutical sector is technologically the most developed manufacturing industries in Bangladesh and the second largest industry in terms of contribution to government's exchequer. The industry contributes more than 1% of the total GDP. Pharmaceutical Industry of Bangladesh has come a long way in the past four decades and has already established itself in domestic as well as in global market.



Considering industry outlook and bright prospects, the company has started construction work of Central utility, Raw material warehouse and renovation work of General unit for the purpose of ensuring one stop utility service, strengthening backward linkage and enhancing the production capacity of general unit respectively.

The Company is expecting that current year top line growth will be sustained in future as well and as part of strategic capacity plan, the company is expanding its existing capacity in a normal course of business to make room for future growth.

In addition to that, the Company is also going to complete the API Project soon. Once the API Park is completed, Bangladeshi companies would be able to produce substantial portion of their raw materials from the units of the said API park which will reduce the reliance of imports and lead time related to import of Raw Materials. Apart from this, we understand that from the said API Park, Bangladesh will be able to export substantial quantity of Raw Materials to different countries. API Park will also create job opportunity for about 25,000 unskilled and semi-skilled labourers.

Mizanur Rahman Sinha
Managing Director

Dividend Distribution Policy

1.00 Introduction

In compliance with the provisions of Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021 of the Bangladesh Securities and Exchange Commission (BSEC), the draft dividend policy is hereunder.

As per legal and regulatory provisions, the Board of Directors (the Board) will consider the directive while declaring/recommending dividends on behalf of the Company. The Policy is not an alternative to the decision of the Board for declaring/recommending dividends, which will be taken into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided by the Board.

2.00 Concept of Dividend

Decisions about when and how much of earnings should be paid as dividends are part of the firm's dividend policy. The profits earned by the Company can either be retained in the business or can be distributed among the shareholders as a dividend.

Under no circumstances dividend shall be paid out of dividend as per Companies Act, 1994

3.00 Interim and Final Dividend

The Act deals with two types of dividends - Interim and Final.

- Interim dividend declared by the Board between two AGMs as and when considered appropriate. The Act authorizes the Board to declare interim dividend during any financial year out of the profits for the financial year in which the dividend is sought to be declared and/or out of the surplus in the profit and loss account.
- Final dividend is recommended for the financial year at the time of approval of the annual financial statements as well as the appropriation of profit. The Board shall have the power to recommend final dividend to the shareholders for their approval at the AGM of the Company. Dividend recommended by the Board of Directors cannot be changed before holding of the AGM.

4.00 Common Types of Dividend

- Cash Dividend: A cash dividend is a payment made by a company out of its earnings to investors in the form of cash.
- Bonus/Stock Dividend: A stock dividend, on the other hand, is an increase in the number of shares of a company with the new shares being given to shareholders. Companies may decide to distribute this type of dividend to shareholders of record if the company's availability of liquid cash is in short supply and EPS appears to be very much satisfactory and/or consistent with the policy of the relevant regulators.

5.00 Declaration of Dividend Decision

The company shall endeavor to maintain a consistent dividend over the year with appropriate consideration of factors relevant to such decisions. It is the Company's practice to declare dividends on an annual financial performance basis. However, the Board may also declare an interim dividend based on periodic financial results between 02 (two) Annual General Meeting (AGM). The company intends to pursue the same policy in the future depending on the operating and financial context prevailing at that time.

6.00 Factors Governing Dividend policy

The dividend shall be declared on a per-share basis on the Ordinary shares of the Company. The circumstances for dividend pay-out decision depends on various internal and external factors which the Board of Directors shall consider while recommending/ declaring the dividend including the following:

6.1 Internal Factors

- Ensure satisfactory salary, wages and other compensation packages at par top-level pharmaceutical company of Bangladesh.
- Consolidated net operating profit after tax;
- Working capital requirements;
- Capital Expenditure needs for the existing businesses
- Expansion/Modernization of the business
- Cash flow required to meet contingencies;

- Commitment of Outstanding borrowings including repayment of short-term and long-term borrowings.
- Any other factor as deemed appropriate by the Board.

6.2 External Factors

- Compliance with relevant regularity requirements in respect of dividend distribution policy.
- To meet with the claim and/or demand which may be raised by Income Tax, VAT, Customs, and/or any other Government Authority.

7.00 Financial Parameters for Declaring Dividend

The Company is committed to deliver sustainable value to its stakeholders. The Company shall strive to distribute an optimal and appropriate level of the profits among the shareholders in the form of dividend.

To keep investment attractive and to ensure capital appreciation for the shareholders, the Company shall also endeavor to provide consistent return over a period of time. While deciding on the dividend, micro and macroeconomic parameters for the country in general and the Company, in particular, shall also be considered. Taking into consideration the aforementioned factors, the Board shall endeavor to maintain a dividend pay-out.

8.00 Unpaid or Unclaimed Dividend

The company shall comply with the directives issued by Bangladesh Securities and Exchange Commission regarding unpaid or unclaimed dividends from time to time.

Referring to the BSEC Directive no. BSEC/CMRRCD/2021-386/03 dated 14th January, 2021 Unclaimed dividend of more than 03 years is as under:

Financial Year	Cash / Bonus	% of Dividend	No. of BO	Date of AGM	Unclaimed Dividend (Tk.)
2015-2016	Cash	35%	4,557	07.11.2016	2,416,940
2016-2017	Cash	35%	1,888	04.12.2017	1,238,514
Total					3,655,454

The above mentioned unclaimed dividend amount has duly been transferred to Capital Market Stabilization Fund (CMSF) on dated 31 August 2021 by the Company.

9.00 Disclosure of Dividend Information

The Company maintains a record of unpaid or unclaimed Dividends. Summary of such record shall be available in the Annual Report and the Quarterly Financial Statements. The Company shall also publish such record on its website in accordance with Directives BSEC.

10.00 Eligibility of shareholders for dividend

The dividend shall be declared on the face value of each Equity Share. Unless otherwise stated, all holders of Equity Share, whose names were appeared in the Share Register/ Depository Register of the Company at the close of business on the 'Record Date' declared by the Company for entitlement of dividend, shall be eligible to get the dividend.

11.00 Policy Review and Amendment

Apart from mandatory revision, modification, or amendment as necessitated by the legal and regulatory requirements, the company shall review this policy periodically and make necessary revisions or amendments to keep the policy-relevant and up to date. The Board of Directors of the company shall approve the revision and/or amendment as it deems fit.

12.00 Disclaimer

The above Policy Statement neither gives a guarantee of dividend to be declared by the Company nor does it constitute a commitment for any future dividend and thus be read as general guidance on different dividend-related issues. The policy upholds the Board's absolute/complete liberty to recommend any dividend as may think justified subject to the final approval of Shareholders in the AGM.

13.00 Disclosure

This Dividend Policy shall be disclosed in the Annual Report of the Company and on the Company's website www.acmeglobal.com.

Triple Bottom Line (TBL) Reporting

In ACME, we believe that there is more to business than just making profit. Long term business success and sustainability relies on economic value, environmental health, and social progress. Our values are rooted in the concept of the 'Triple Bottom Line' (TBL) and we assume ourselves accountable in relationship to Profit, Planet and People. We strongly believe that earning profit cannot be the only goal of any organization, well-being of the people and environments are also equally important. Moreover, it is our constitutional obligation as well to protect and improve the environment, bio-diversity etc. for the present and future citizen of Bangladesh. Hence, ACME has adopted Triple Bottom Line concept as its business philosophy.

The TBL dimensions synergistically include three Ps;

- PEOPLE – in the context of Society
- PLANET – in the context of Environment and/or Ecology
- PROFIT – in the context of Finance

PEOPLE

- Ensured zero discrimination in performance appraisal, career development process and hiring process to establish Equal Opportunity Employment (EOE) culture in workplace.
- Initiated Periodic Health Monitoring and Diagnosis Programs to ensure healthy workplace.
- Ensured appropriate PPE in Risky & Hazardous operational areas where almost zero non-compliance has been found by HSE monitoring team.
- In order to develop human resources and uphold the knowledge and skills of the medicinal plant Local Service Providers, the Company produced a comprehensive training manual titled, “প্রশিক্ষণ নির্দেশিকা নির্বাচিত ঔষধি উদ্ভিদের পরিচিতি ও চাষাবাদ” in line with relevant WHO guideline. Another training manual has been developed namely, “ঔষধি উদ্ভিদ চাষীদের জন্য ব্যবহারিক শিক্ষা” targeting the illiterate and semi-illiterate farmers. The manual focused on Bengali alphabet learning, identification & cultivation technique of medicinal plants and other topics useful for the farmers (e.g. basic mathematics, weight & measures, primary health care, sanitation etc.).
- In order to meet the consistent practice of maintaining the quality standard of herbal raw materials the Company contributed for establishing Primary Collection

& Multipurpose Centers and Sub Centers in the new areas of medicinal plant cultivation.

- Due to well understanding, good coordination and unique relationship between ACME and the medicinal plant growers despite of several constraints and natural disasters thousands of small and marginal farmers predominantly women have been producing huge quantity of selective herbs. They are regularly supplying medicinal plant materials to ACME and other medicine manufacturing companies of the country which provides additional income and also helping them to become self-reliant.
- Approximately BDT 113,748,300 has been spent for company's contribution to recognized provident fund.
- Introduced following employees' well-being programs:
 - BDT 89,074,449 was disbursed under the scheme of WPPF and WWF.
 - In addition to company's contribution, BDT 20,739,570 was spent, contributed by both Officers' and Directors' of the Company, to support deceased employee's family.
 - BDT 8,146,272 has been spent for the purpose of employee's group insurance.
- In addition to above, the company Introduced the following programs/activities in broader way:
 - The scope of Best Employee Award and innovative Idea Man Award.
 - Support Employment for the special and/or incapacitate people

PLANET

- Recycled approximately 5 Lac 69 thousand liters' water in a day through Effluent Treatment Plant.
- Reused approximately 22,000 liters RO (Reverse Osmosis) reject water, cooling water and steam condensed water for gardening in a day.
- Recycled all residues of herbs extraction and kitchen garbage and reduced the same by composting for re-using in the garden.
- As a consequence of conversion of inhaler facility from CFC based to HFA based, during the year 2020-2021 the company used 8,922 kg HFA gas through reducing the equivalent amount of CFC uses which is vital evils for global warming and ozone layer depletion.

- Saved energy consumption significantly through using energy saving electronic equipment (i.e. light, fan, computers, etc.)
- Minimized the risk of air pollution by using/installing HVAC systems in each and every manufacturing facility.
- The company is upgrading its Effluent Treatment Plant (ETP) facility to make it more environments friendly. For this purpose, in the coming year we are going to implement zero discharge ETP water from our plants.
- The Company signed agreement with two international NGOs namely, United Purpose and HEVETAS Swiss Inter-cooperation, in order to ignite cultivation of different medicinal plants including those are facing extinction crisis throughout the country for improving health of Human, animal, environment and biodiversity.

PROFIT

- Achieved 9.30% Sales growth during the year 2020-2021;
- During the year 2020-2021, Percentage of Net Profit to Net Sales ratio is 7.56;
- During the year 2020-2021, Earnings Per Share is BDT 7.42 on one Equity Share of BDT 10.00 each;
- Net Assets Value per share is BDT 95.04 as at 30 June 2021;
- During the year The Board of Directors recommend 25% Cash Dividend.

HUMAN RESOURCES

2020-2021 was a very challenging year for everyone in the world due to epidemic situation regarding COVID-19. Our more than 7900 strong workforce worked relentlessly to ensure medicines continue to reach patients who rely on us. As lockdowns hit across the world, our teams being part of essential services, ensured our manufacturing plant, nationwide 26 (twenty-six) distribution hub, R&D centers and sales offices countrywide continue to operate. We are grateful to our employees who made this happen with a safety-first mind set. The top priority for the Human Resource function was providing a safe work environment to employees nationally.

Our performance

Business Journey

The ACME Laboratories Ltd., one of the oldest and top-ranking Pharmaceutical Companies of the Country, has been engaged in manufacturing, marketing and distribution of Pharmaceuticals formulation products. Initially, in the year 1954, the Company was a proprietorship concern engaged manufacturing in few oral liquid products. Later on, the enterprise converted into a private limited Company on 17 March 1976 and it was converted into a public limited Company on 30 November 2011.

ACME has an outstanding record of all-around excellence and growth in the relevant business activities. It is one of the largest manufacturer, distributor and exporter of Human, Herbal and Animal Health Pharmaceutical Products in Bangladesh and abroad. Since inception in 1954, it has been working relentlessly with a vision to ensure Health, Vigor and Happiness for all. The quality slogan of the Company is "Perpetual Quest for Excellence". The ACME Laboratories Ltd. is committed to maintain state-of-the-art manufacturing facilities for ensuring best quality products to the customers. ACME is committed to achieve excellence by proper execution of ISO 9001:2015 standard, WHO cGMP standard and best practices that are proven effective.

In the year 1999, the Company awarded ISO: 9001 certifications. In this year, the Company launched its veterinary division. The Company added Dry Powder Inhaler (DPI) and Suppository to its product line in the year 2003 and Metered Dose Inhaler (MDI) added its product line in the year 2004. The ACME Laboratories Ltd. was awarded 'Enterprise of the Year – 2006' organized by DHL and the Daily Star. In the year 2006, the Company started marketing Baby Zinc which was a R&D of ACME and ICDDR. The Company added IV Infusion products in its products line in the year 2007.

In the way of success, in 2008, ACME family built another milestone in its core business activities by establishing The ACME Specialized Pharmaceuticals Limited (ASPL), a subsidiary of The ACME Laboratories Ltd., in order to cater upcoming national and global demand of various types of products and also to meet the challenges of 21st century. However, The honorable Supreme Court of Bangladesh, High Court Division, vide its judgment dated 20.11.2013 approved the scheme of amalgamation of the "The ACME Specialized Pharmaceuticals Ltd. (ASPL)" (the transferor Company) with "The ACME Laboratories Ltd." (the Transferee Company)" whereby the entire undertaking of the Transferor Company as a going concern together with all the assets and liabilities relating there to be transferred to and vest in the Transferee Company. In this regard, the Board of Directors of the Transferee Company and the Transferor Company in its respective meetings held on 27.12.2013

resolved that the books of accounts of the Transferor Company to be closed through transferring all balances to the books of the Transferee Company by/as of 31.01.2014. The amalgamation paved the way for availing International Accreditation benefit for the products being produced in the ASPL unit with International GMP compliance as earlier enjoyed by the Company.

As a part of continuous improvement policy, the Company renewed and upgraded its ISO Certification to ISO 9001:2008 in the year 2009. The Company started functioning of its own distribution hub at Bogura, Braahmanbaria, Narayngonj, Rangpur, Barishal, Mymensingh, Dhaka City North, Savar and Central sales center.

In the year 2011, the company upgraded its MDI facility to HFA based from CFC based in order to make the project more environments friendly. On 4 November 2013, the Company has successfully completed and launched separate Cephalosporin facility. The facility of Blue Fill Seal (BFS) -LVP & SVP products already has been commissioned and commercially launched its productions in October 2014.

In the year 2016, the Company listed with Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE). Besides, the Company started the construction works of Steroid & Hormone and Penicillin projects during the period.

In the year of 2017, The ACME Laboratories Ltd. endorsed with immense pleasure the certificate of up gradation of ISO standard from 9001:2008 to 9001:2015 version after a thorough audit of all relevant departments of Plant, Head Office and Depots by Orion Registrar, Inc., USA, "The Quality Management System is applicable to Marketing Human Resources and Supply chain etc. of Human and Veterinary Pharmaceutical products" of the Company.

In the year of 2018, the Company received Certificate on Outstanding Contribution to the Mitigation of Climate Change from Global Climate Partnership Fund and The City Bank Limited Jointly.

In the year of 2019, The Company successfully commenced the commercial Operation of Steroid & Hormone and Penicillin Project. The Company also achieved UK MHRA Certification during the year.

In the year 2020, the company launches its products to US Market and in the same year, the company exports its first consignment to UK market.

Performance 2020-2021

During the financial year 2020-2021, revenue has been increased by 9.30% and reached to BDT 20,771.14 million, compared to BDT 19,003.66 million in 2019-2020. Gross profit margin is 38.76% and the net income ratio is 7.56%. The fixed assets are increased by 1.70% implying higher capacity to generate future long-term economic benefits.

Net Assets Value per share has reached at BDT 95.04 and the Earnings per share (EPS) reached at BDT 7.42 as well.

In summary, during 2020-2021, the Company has met the target revenue and earning goals which was driven by an increasingly diversified portfolio of generic pharmaceuticals formulation products which include human, veterinary, herbal & ayurvedic and hormonal drugs

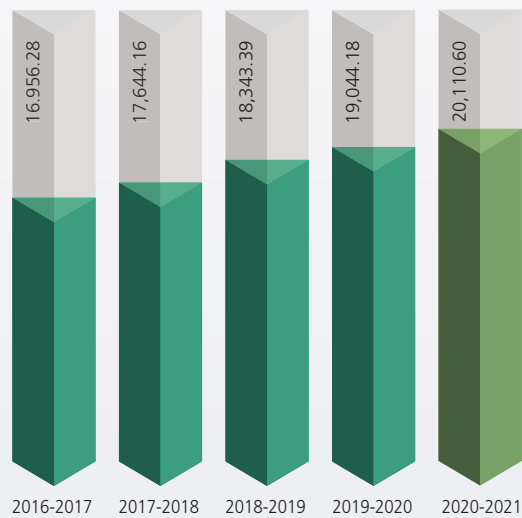
Solid Dosages Unit



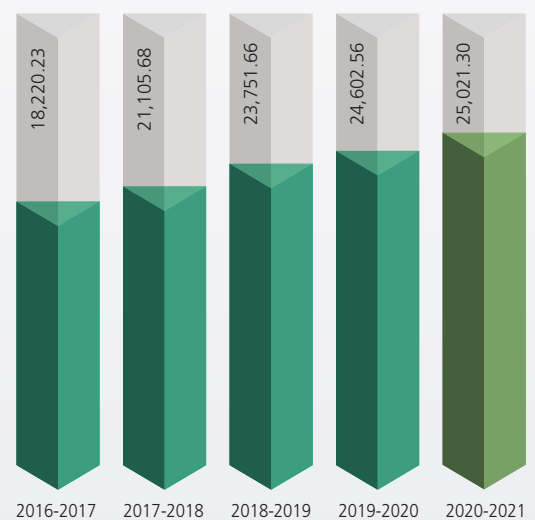
Selected Growth Indicators

BDT in million

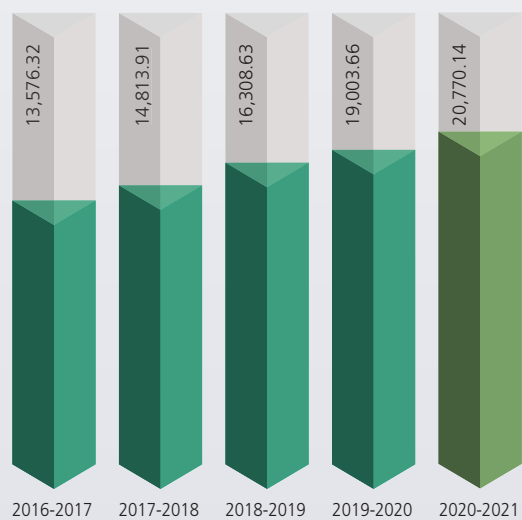
Shareholders Equity



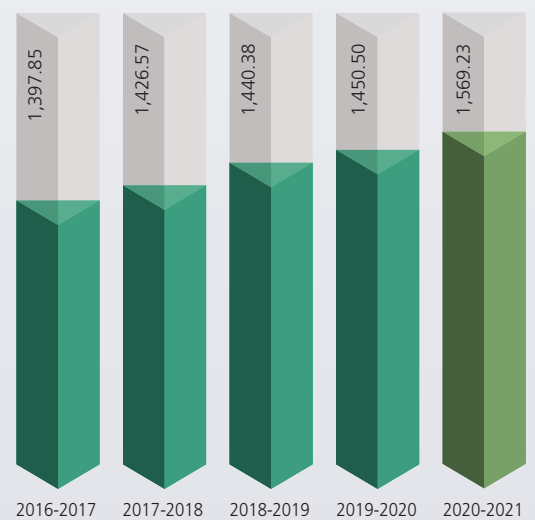
Property, Plant and Equipment



Revenue

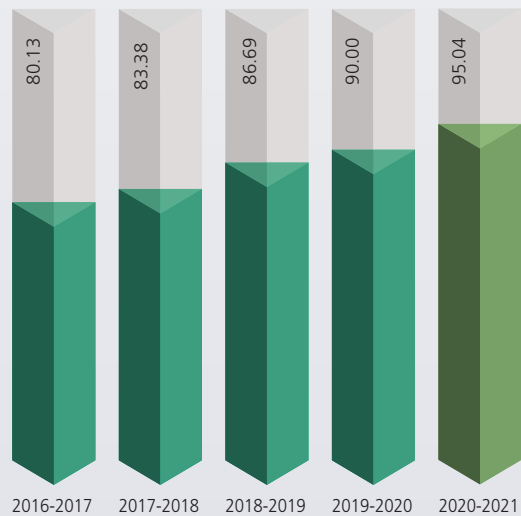


Profit after Tax

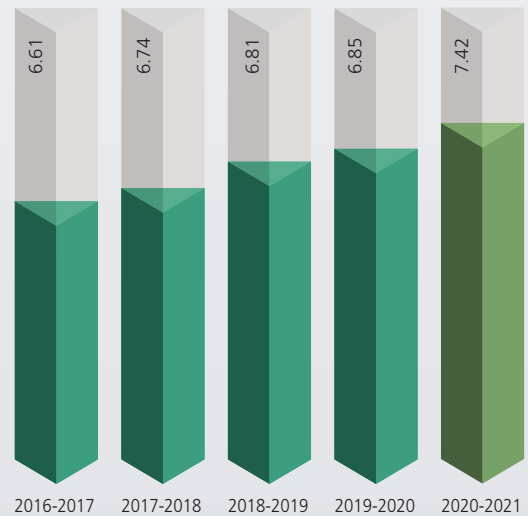




Net Asset Value Per Share (NAVPS)



Earnings Per Share (EPS)



Our Role in Bangladesh



From 2010 phase-wise, The ACME Laboratories Ltd. has been introducing "Integrated Pharmaceutical Marketing - Ideas for New Vision" as its main business philosophy. Integrated Marketing serves the whole business. The operating policies, values, decision-making and practices of promotion, medical education, public relations, the sales force, personnel of other divisions of the company and CRM technology should be aligned around a service based ideal marketing."

ACME's Marketing & Distribution Strengths

- Novel Mission, Vision and commitments
- More than 66 years' company brand image
- Consistent Quality Policies
- Fool-proof scientific integrated marketing strategy
- Time-tested high quality products

- Excellent relationship with doctors, chemists and other concerned persons.
- Mega sales force comprising of more than three thousand experienced, skilled and devoted persons.
- Diverse range of products
- World class manufacturing facilities
- Comprehensive marketing and distribution network (Both in domestic and international markets)

In order to best use of the aforesaid strengths, we are establishing our strong distribution network by commissioning own sales centers all over the country. This will ensure smooth operations of distribution channel thereby reaching at the doorstep our customers.

Expanding the Horizon



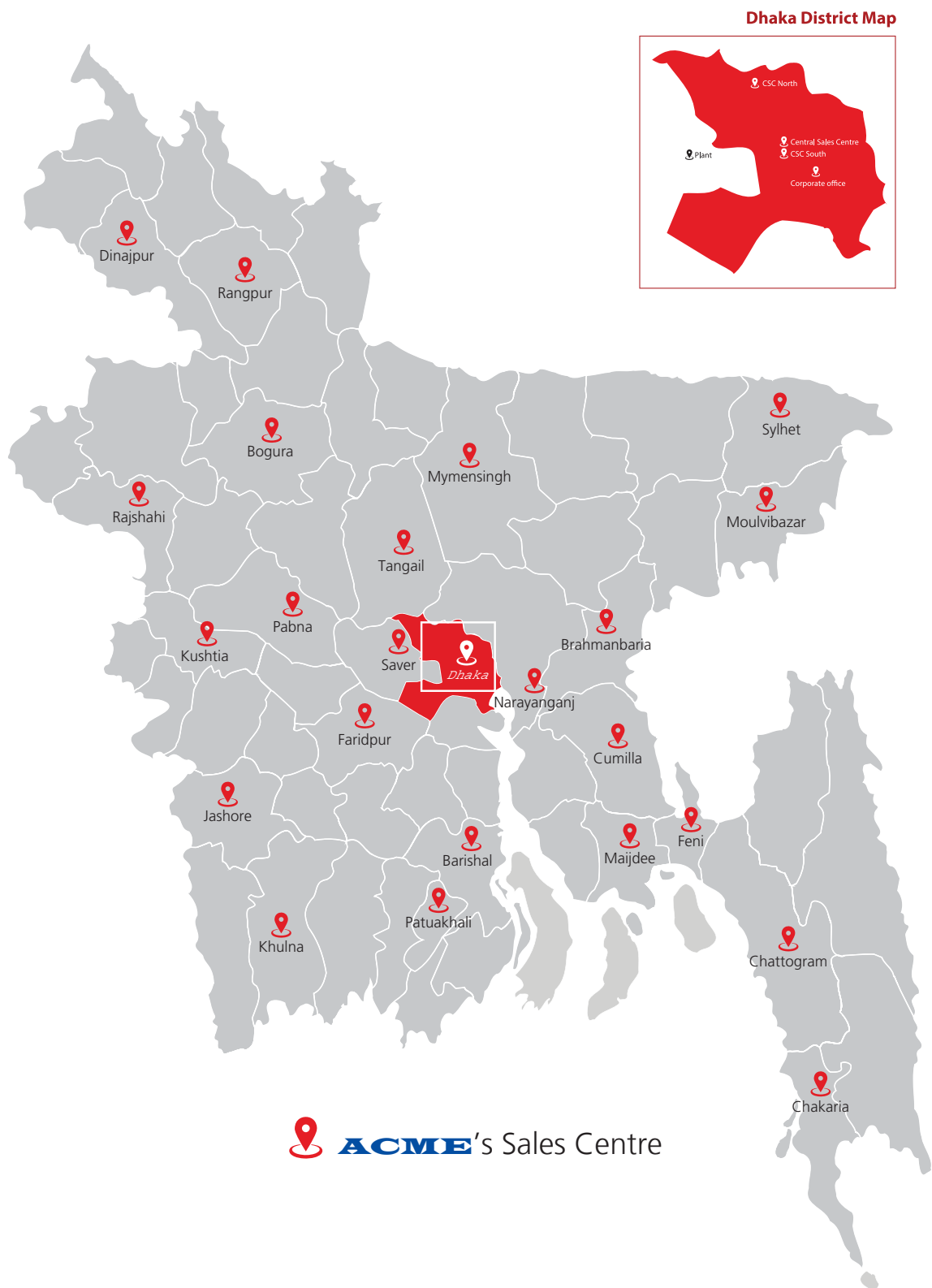
In continuation with the relentless efforts, the success in the domestic market prompted the Company to establish its strong footing in the global market. In the year 1995, the Company exported its first consignment to Bhutan. By this time, it has strong footprint in more than 22 countries across the continents. Being, one of the leading Pharmaceutical Companies of the Country, ACME is continuously trying to strengthen its competencies and enhancing its capacity horizontally as well as vertically. With the use of its sophisticated cutting edge technologies and quality management system, ACME achieved UK-MHRA certificate in 2018 and successfully shipped its first consignment to UK. As a part of successful step, the Company has also launched in US Market Zolpidem IR Tablet which is used to treat sleep problems (Insomnia) in adults and Cinacalcet used to treat the symptoms of Primary Hyperparathyroidism (PTH), Secondary Hyperparathyroidism, and Parathyroid Carcinoma.

As part of unstoppable journey for excellence, in 2020 ACME achieved TGA Australia accreditation.

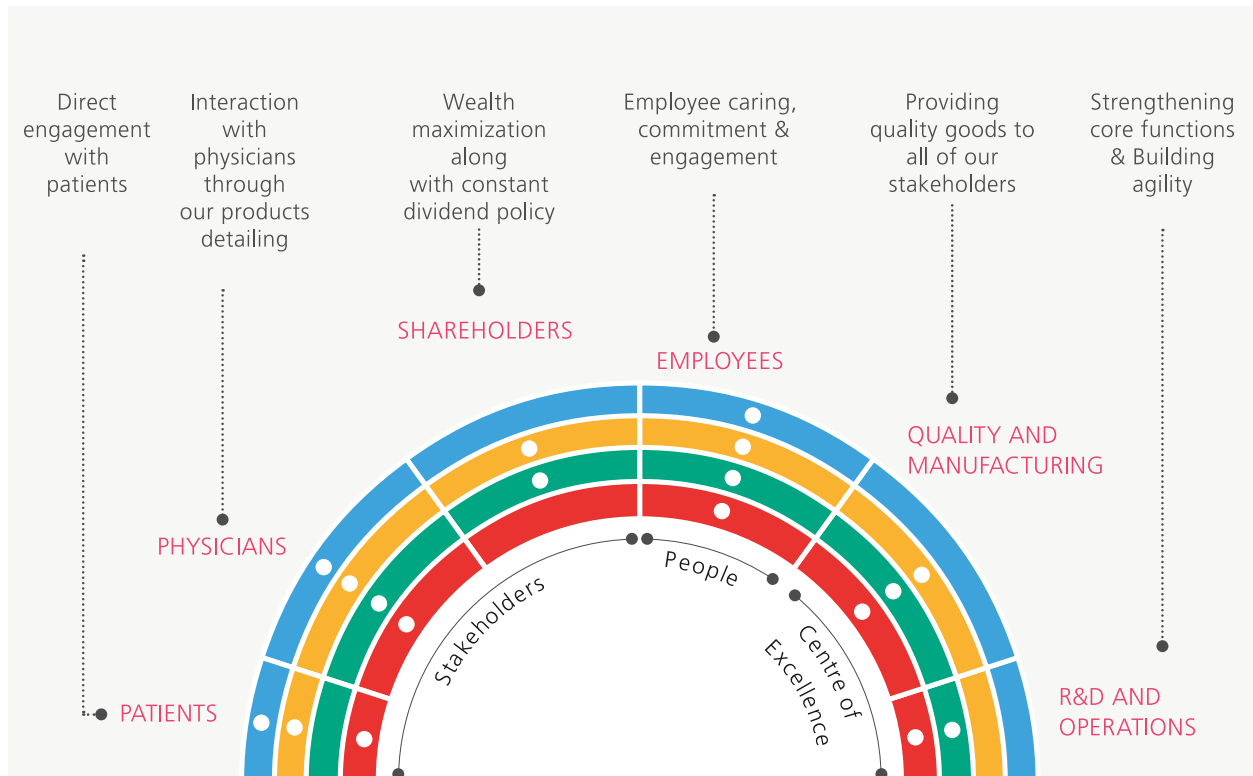
Long and proven track record, sophisticated state-of-the-art manufacturing facilities, highly professional & committed workforce made ACME an attractive and reliable contract manufacturing organization (CMO) to many global generic players and as part, this year ACME has signed contract manufacturing agreements for UK & EU with its strategic business partners.

For enhancing the capacity of the Company more, the Company has planned and accordingly in some cases necessary steps has already been taken to add some other products by implementing number of new projects.

We hope that the projects will not only strengthen the footing of ACME but also advance the Pharmaceutical industry of the country as a whole. With the implementation of these projects, ACME will not only fulfill the domestic demands but also will be able to serve the global markets



Strategy And Outlook For Sustainable Tomorrow



ACME was established in 1954 with a vision to ensure Health, Vigour and Happiness for all. Today, we have grown to become one of the largest pharmaceutical companies in Bangladesh that aims to augment the affordability and access of global health care. We view our business development activity as an enabler of our strategies, and we seek to generate profitability revenue growth and enhance shareholders value by pursuing a disciplined, strategic and financial approach to evaluating business development opportunities.

The global pharmaceutical industry operates in a dynamic environment. It is subjected to multiple forces: government scrutiny, pricing pressures, increased competition, sector consolidation and geo-political volatility, among others, 2020 also brought the COVID-19 pandemic, amplifying global economic vulnerability and considerable disruption. Given the multiple shades of this healthcare and financial crisis, we have identified global challenges to build reinforcements and shock-proof our business. We have also identified opportunities to create new growth levers and pivot our business models towards future readiness.

Guidance for 2021-2022

- Strategy to faces global challenges like COVID-19
- Ensure maximization of shareholders' wealth through increasing operational performance;
- Effective application of Corporate Governance Code;
- Compliance of Financial Reporting and Disclosure;
- Establishment of Strong brand and company image through quality products;
- Strengthening our existing market share, cope with the changing scenario in the pharmaceuticals industry to ensure higher business growth, transparency and launching of new products and services for our existing and potential customers;
- Seek new ways of working to improve efficiency and ensure sustainability;
- Provide utmost efforts, by all available means, for stabilization and development of our position in both local and global pharma market;
- Ensure commercial operation and best utilization of newly developed facilities like Steroid & Hormone, Penicillin and Extension unit of Solid Dosages projects.
- Continue to grow the net asset value of the Company and increase earnings per share by:
 - maximizing free cash flow from existing operations;
 - enhancing export by penetrating new markets and exploiting contract manufacturing opportunities;
 - advancing our pipeline of compliance and capacity building projects;
 - Continue trend of strong earnings and cash flow generation;
- Providing Priority to facilitate efficient distribution network.

The ACME Laboratories Limited, as a responsible enterprise is committed to the conservation of nature and the growth of society. The company is involved in a series of activities including plantation of medicinal and Herbal plants, training, poverty alleviation, women empowerment and education.

Report on the Activities of the Audit Committee

2020-2021

Audit Committee of the Board:

In compliance with the 5th condition of Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission (BSEC), the report on the activities of the Audit Committee (AC) presented which provides independent oversight of the Company's Financial Reporting, Internal Control Systems and compliance to governing rules and regulation during the period 2020 -2021.

The Committee was comprised of Mrs. Evana Haque, FCA (Independent Director & Chairman of the Audit Committee), Mr. Md. Abul Hossain (Nominee Director of ICB & Member of the Audit Committee) and Mr. Ehsan Ul Fattah, Independent Director. All members of the Committee are non-executive Directors and the Chairman of the Audit Committee is an Independent Director. As required, all members of the Audit Committee are 'Technically sound, financially literate' who can read and understand the financial statements, as the statement of financial position, statement of comprehensive income, statement of changes in equity and cash flows statement and they skillfully and effectively discharge their roles and responsibilities.

Purpose of Audit Committee:

The role of the Audit Committee is to oversee the financial reporting, monitor, review the integrity of the financial statements of the Company, and make recommendations to the Board through holding adequate committee meeting(s) on business performance, risks, internal controls and compliances. The Committee satisfies itself, by means of suitable steps and by properly collecting appropriate information and they have also found that satisfactory internal control systems are in place to identify and contain business risks. Finally, the Committee members are satisfied that the Company's Business is being conducted systematically and soundly. The Audit Committee assists the Board of Directors to ensure that the financial statements reflect a true and fair view of the state of affairs of the Company and ensure a good monitoring system within the business. The Audit Committee is responsible to the Board of Directors. The duties of the Audit Committee are clearly defined in its Terms of Reference (ToR).

Responsibilities and Duties:

The responsibilities and duties of the Audit Committee are:

Financial Reporting:

- To review the quarterly and annual financial statements of the Company, focusing particularly on:
 - o Any significant changes to accounting policies and practices;
 - o Significant adjustments arising from the audits;
 - o Compliance with applicable Financial Reporting Standards and other legal and regulatory requirements; and
 - o The going concern assumption.

Related Party Transactions:

- To review the statement of significantly related party transactions submitted by the management and conflict of interest situations that may arise within the Company, including any transaction, procedure, or code of conduct that may raise questions of management integrity.

Audit Reports:

- To prepare the annual Audit Committee report and submit it to the Board which includes the composition of the Audit Committee, its terms of reference, number of meetings held, a summary of its activities and the existence of internal audit services and a summary of the activities for inclusion in the Annual Report; and
- To review the Board's statements regarding compliance with the BSEC Codes of Corporate Governance for inclusion in the Annual Report.

Internal Control:

- To consider annually the Risk Management Framework adopted within the Company and to be satisfied that the methodology deployed allows the identification, analysis, assessment, monitoring and communication of risks in a regular and timely manner that will allow the Company to minimize losses and maximize opportunities;

- To ensure that the system of internal control is soundly conceived and in place, effectively administered and regularly monitored;
- To review the extent of compliance with established internal policies, standards, plans and procedures;
- To obtain assurance that proper plans for controlling have been developed before the commencement of major areas of change within the Company; and
- To recommend to the Board steps to improve the system of internal control derived from the findings of the internal and external auditors and from the consultations of the Audit Committee itself.
- To review and evaluate factors related to the independence of the external auditors and assist them in preserving their independence;
- To be advised of and decide to or not to make significant use of the external auditor in performing non-audit services within the Company, considering both the types of services rendered and the fees, so that its position as auditors are not deemed to be compromised; and
- To review the external auditors' findings arising from audits, particularly any comments and responses in management letters as well as the assistance given by the employees of the Company in order to be satisfied that appropriate action is being taken.

Internal Audit:

- To be satisfied that the strategies, plans, operating and organization for internal auditing are communicated down through the Company. Specifically:
 - o To review the internal audit plans and to be satisfied as to their consistency with the Risk Management Framework used and adequacy of coverage;
 - o To be satisfied that the Internal Audit has the competency and qualifications to complete its mandates and approved audit plans.
 - o To review status reports from the Internal Audit and ensure that appropriate actions have been taken to implement the audit recommendations;
 - o To recommend any broader reviews deemed necessary as a consequence of the issues or concerns identified;
 - o To ensure that Internal Audit has free access to all activities, records, property and personnel necessary to perform its duties; and
 - o To request and review any special audit which it deems necessary.

External Audit:

- To review the external auditors' nature and scope of the audit plan, audit report as well. The Audit Committee will consider a consolidated opinion on the quality of external auditing at one of its meetings;
- To review the Statement on Risk Management and Internal Control of the Company for inclusion in the Annual Report;
- To review any matters concerning the appointment and re-appointment, audit fee and resignation or dismissal of the external auditors;

Other Matters:

To act on any other matters as may be directed by the Board.

REPORTING OF THE AUDIT COMMITTEE:

Reporting to the Board of Directors:

- The Audit Committee reports on its activities to the Board of Directors. The Audit Committee immediately reports to the Board of Directors on the following findings, if any:
 - o Report on conflicts of interests;
 - o Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or the financial statements;
 - o Suspected infringement of laws, regulatory compliances including securities-related laws, rules, and regulations;
 - o Any other matter, which the audit committee deems necessary, shall be disclosed to the Board immediately.

Reporting to the Authorities:

The Audit Committee reports to the Board of Directors about anything which has a material impact on the financial condition and results of operation and has discussed with the Board and the Management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Committee shall reports such findings to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.

Reporting to the Shareholders and General Investors:

Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 5(6)(a)(ii) of the BSEC Corporate Governance Notification during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the Annual Report of the Issuer Company.

Authority:

The Audit Committee is authorized by the Board to review any activity within the business as per its terms of reference. It is authorized to seek any information or attendance it requires from any director or member of management at any of its meetings. All employees are expected to cooperate with any request made by the Committee. The Committee is also authorized to have information and advice from the Company's Legal Advisor, Tax Consultant and Statutory Auditor if required. The terms of reference of the Audit Committee may be amended from time to time as required for the business in line with BSEC notifications subject to approval by the Board.

Meeting Attendance:

The Audit Committee met with the internal auditors on an annual basis without any Member of the Management being present. The Company Secretary is the Member Secretary of the Audit Committee, who facilitates the Chairman and other members for effective functioning of the Committee as per its terms of reference as well as Corporate Governance notification of BSEC. The details of attendance of each member at the Audit Committee meetings during 2020-2021 are given below:

Name of Directors	Position	No. of Meetings held	No. of Meetings attended
* Mrs. Evana Haque, FCA	Chairman	02	02
*Ms. Fouzia Haque, FCA	Ex-Chairman	03	03
Mr. Md. Abul Hossain	Member	05	05
*Syed Shahed Reza	Member	03	03
*Mr. Ehsan Ul Fattah	Member	02	02

* The Board of Directors of The ACME Laboratories Ltd. in its 123rd Meeting, Mrs. Evana Haque, FCA and Mr. Ehsan Ul Fattah were appointed as a member of the Committee on 12 January 2021 in place of Ms. Fouzia Haque, FCA and Syed Shahed Reza.

Summary of Activities during the Year:

In 2020-2021, the Audit Committee reviewed its terms of reference in line with requirements of BSEC notification on Corporate Governance. The Audit Committee carried out its responsibilities and duties in accordance with the terms of reference and carried out the following activities in the year 2020-2021.

Financial Reporting:

Reviewed the 1st, 2nd, and 3rd Quarter Un-audited Financial Statements and Annual Financial Statements of the Company focusing on particularly significant changes to accounting policies and practices, adjustments arising from the audit compliance with accounting standards and comply with other legal applicable provision before recommending them to the Board of Directors for approval and concluded that the financial statements are presented a true and fair view of the Company's financial performance.

Internal Control:

- Reviewed the Company's Risk Management Programme, including deep drive into the key functional risks for the Company and work plan for Risk Management Programme.
- Reviewed and recommended to the Board regarding steps to improve the Company's changes on accounting policies and practices, adjustments arising from the audits.
- Received updates on breaches of the Standards of Business Conduct and whistle-blowing incidents.

Internal Audit:

- Reviewed internal audit plans as to their consistency with the Risk Management Framework used and adequacy of coverage.
- Reviewed status reports from internal audit to ensure that appropriate actions had been taken to implement the audit recommendations.
- Reviewed and enhanced the internal control processes. Where appropriate, the Audit Committee instructs to rectify and improve the internal control processes based on internal audit.

External Audit:

- Reviewed the Company's quarterly and annual financial statements focusing on findings arising from audits, particularly comments and responses in the management letter as well as assistance given by the employees of the Company before recommending them to the Board of Directors for approval.

- Reviewed the external auditors' audit plan, nature and scope of the audit plan, audit report, evaluation of internal controls and coordination of the external auditors.
- Reviewed the external auditors' findings arising from audits, particularly comments and responses in management letters as well as the assistance given by the employees in order to be satisfied that appropriate action is being taken.
- Exercised its right to hold meetings with the external auditor (private audience with statutory auditor) without the presence of the Executive Directors or management. These private sessions help to reinforce the independence of the external audit function of the Company.
- Reviewed the overall performance of the external auditors for the year 2020-2021.

Related Party Transactions:

- Reviewed reports of related party (where the Directors of different concerned are mostly common) transactions and possible conflict of interest transactions to ensure that all related party transactions are undertaken on an arm's length basis and normal commercial terms, consistent with the Company's usual business practices and policies, which are generally not more favorable than those generally available to the public and other suppliers and are not detrimental to the minority shareholders.
- Reviewed the estimated recurrent related party transactions mandate for the running year and recommended to the Board to seek shareholders' mandate at the upcoming Annual General Meeting of the Company.

Ethical and Integrity Areas:

- Deliberated on reports on Whistle Blowing and Standards of Business Conduct Breach incidents.
- Deliberated on the security and safety matters and loss reports.
- Deliberated on the Environmental Health and Safety review reports.

Annual Reporting:

- Reviewed disclosures required by the Statement on Corporate Governance, Audit Committee Report, Standards of Business Conduct, Statement on Risk Management and Internal Control for the financial year ended 30 June 2021 for inclusion in the Annual

Report for the year 2020-2021 and recommended their adoption by the Board.

Focus Internal Audit:

The role of Internal Audit for the Company is designed in line with the laws of the land. This approach ensures a high level of independence and gives access to more skilled and specialized resources than would otherwise be available within the Company. The Audit Committee formally approves the internal audit plan and reviews the plan quarterly. The audit committee approves any subsequent changes to the internal audit plan. The scope of Internal Audit covers the audits of all divisions and operations. Internal Audit adopts a risk-based approach towards the planning and conduct of audits, which is consistent with the Company's established framework in designing, implementing and monitoring its control systems. Other main activities performed by the Internal Audit are as follows:

- Undertake special reviews requested by the Audit Committee and/or management.
- Review the findings and action plans resulting from internal audits.
- During the financial year, the audits conducted by Internal Audit are as follows:
 - o Field Force Management;
 - o Health & Safety;
 - o Requisition to Pay;
 - o Record to Report.

This Audit Committee Report is made in accordance with the guideline of the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC).



Mrs. Evana Haque, FCA
Chairman of Audit Committee

Report on the Activities of the Nomination and Remuneration Committee 2020-2021

Nomination and Remuneration Committee of the Board:

In compliance with condition #6 of the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) the Board of Directors of The ACME Laboratories Ltd. in its 123rd Meeting held on 12 January, 2021 re-constituted the Nomination and Remuneration Committee (NRC) to assist the Board broadly in the formulation of policy with regard to determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for a formal process of considering remuneration of Directors and Top Level Executives.

A brief of the NRC and its role, responsibilities and functions are appended below:

Composition and Meetings:

The NRC of The ACME Laboratories Ltd. comprises three (3) members who are Non-Executive Directors, including one (1) Independent Director. The Board re-constituted the Nomination and Remuneration Committee (NRC) with the following members:

01. Mr. Das Deba Prashad, Chairman
02. Mrs. Jahanara Mizan Sinha, Member
03. Mr. Md. Abul Hossain, Member

The Independent Director, Mr. Das Deba Prashad acts as Chairman of the Committee. As per regulatory guidelines, the Company Secretary (acting), Mr. Md. Arshadul Kabir, FCA acts as Secretary to the Committee. The NRC, accordingly, performs in coherence and ensures compliance with the Corporate Governance Code promulgated by the Bangladesh Securities and Exchange Commission (BSEC). The Nomination and Remuneration Committee (NRC) to assist the Board in the formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences, and independence of directors and top-level executive as well as a policy for the formal process of considering remuneration of directors, top-level executives.

Former Chairman of the NRC committee and Independent Director of the Company Mr. Syed Shahed Reza have completed his consecutive two tenures of the total of 6 (six) years and retired from the Board of Directors and NRC committee on dated 10 December 2020.

No member of the NRC receives, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than director's fees or honorarium from The ACME Laboratories Ltd.

Permanent invitees to the meetings are the Head of Finance & Accounts and the Head of Human Resources. Relevant Heads of Divisions and other members of the Management team will also attend the meetings on occasions, as required.

Major Responsibilities of NRC:

The purpose, authority, composition, duties, and responsibilities of the Nomination and Remuneration Committee (NRC) have been delineated in its Charter. Some of the major responsibilities of the NRC are as follows:

- Recommend a policy on Board's diversity taking into consideration age, gender, experience, education and nationality;
- Formulate the criteria for determining qualification and independence of Directors;
- Identify persons who are qualified to become Directors and top-level executives and recommend their appointment and removal;
- Formulate the criteria for evaluation of the performance of Independent Directors and the Board;
- Recommend a policy to the Board relating to the remuneration of the Directors, and top-level executives;
- Assess that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the Company successfully;
- Evaluate that remuneration to Directors and top-level executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- Identify the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
- Recommend and review annually the Company's human resources and training policies;
- Recommend the remuneration policy of the Company, particularly in relation to the yearly increment principle;
- Recommend the Code of Conduct for the Chair of the Board, other Board Members and Chief Executive Officer of the Company.

Nomination, Election and Selection of Directors:

The NRC is responsible to ensure that the procedures for appointing new Directors are transparent and judicious. The Board places great emphasis on ensuring its membership reflects diversity in a broader sense. A combination of age, gender, experience, ethnicity, educational background, nationality and other relevant personal attributes in the Board is important in providing a range of perspectives, insights and challenges needed to support the right decision making. Recruitment and selection processes for Board members identify candidates with the most suitable skills, knowledge, experiences and personal values. Qualifications stated explicitly in ACME's corporate governance promote equitable and unbiased selection.

Evaluation of the Board:

The NRC is responsible for ensuring the effectiveness of the Board. The Board shall carry out an evaluation once a year of its work, functions, performance as well as monitoring of internal control over financial reporting for the preparation of external financial statements and the safeguarding of assets. The evaluation includes a review of the administration of the Board and its committees covering their operations, agenda, reports, and information produced for consideration, and relationship with Management.

Top Level Executive Selection and Remuneration Policy:

The performance of the Company depends upon the quality of its Directors and Top-Level Executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and Executives. The recruitment process for Top Level Executives shall be transparent, non-discriminatory, diversified and in alignment with the Code of Conduct. Recruitment standards shall support ACME's reputation as an attractive employer. The objective of ACME's remuneration policy is to secure that reward for Top Level Executives shall contribute to attracting, engaging and retaining the right employees to deliver sustainable value for shareholders in accordance with the ACME's culture and practice.

Remuneration for Board of Directors:

Each Executive/ Non-Executive Director has received reasonable remuneration and/or sitting allowance from the Company for every meeting attended.

Meeting Attendance:

The details of attendance of each member at the NRC meetings during 2020-2021 are given below:

Name of Directors	Position	No. of Meetings held	No. of Meetings attended
Syed Shahed Reza	Chairman	01	01
Mrs. Jahanara Mizan Sinha	Member	01	01
Mr. Md. Abul Hossain	Member	01	01

Activities of the NRC during the reporting period:

In the year 2020-2021, the Committee met once. The re-constituted NRC noted the nomination and remuneration initiatives ensuring the standards and compliance accordingly. The major activities of the NRC during the year were as follows:

- Formulate a policy relating to the remuneration of the Directors and top-level executives of the Company;
- Formulate the criteria for determining qualifications, positive attributes and independence of the Directors;
- Formulate the criteria for evaluation of the performance of Independent Directors;
- Adopt a Code of Conduct for the Chairman, Directors and Top-level Executives of the Company.

This Nomination and Remuneration Committee Report is made in accordance with the guideline of the Corporate Governance Code of the Bangladesh Securities and Exchange Commission (BSEC).



Das Deba Prashad

Chairman,
Nomination and Remuneration Committee

Blow-Fill-Seal (BFS) LVP & SVP & Liquid & Semi-Solid Units



ACME



HUMAN & HERBAL Products

Total Products

570

Human

539

Herbal

31

Products
Launched

37





ACME

VETERINARY Products

Total Products

249

Products
Launched

11



Cephalosporin Unit





ACME



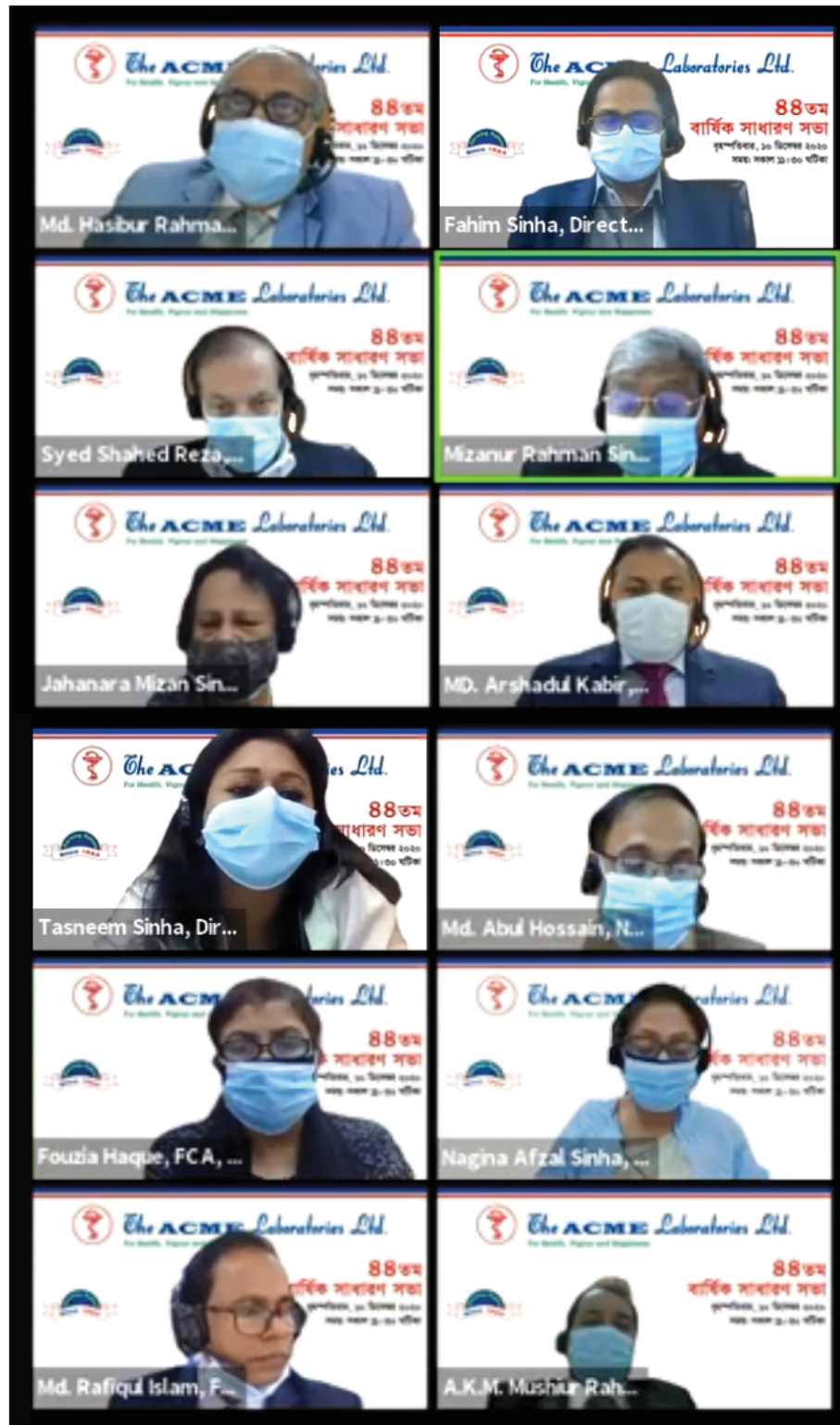
World Class Indoor Facilities



Canteen At Plant



44th AGM



Steroid & Hormone Unit





ACME

PROUDLY LAUNCHED
5 Brands 1st time in
Bangladesh
in 2021



Clioquin

Fluocinolone Acetonide USP 0.025%
& Clioquinol USP 3%

Cream
30 g



Anti-Fungal,
Anti-Bacterial
& Anti-Inflammatory
Cream

sematid

Semaglutide

Tablet
3 mg & 7 mg



Type 2 Diabetes
Mellitus

Balovir 40

Baloxavir Marboxil

Tablet
40 mg



Flu

Amisure

Amisulpride

Injection
5mg/2ml



Post Operative
Nausea & Vomiting

Cetisoft

Cetirizine Hydrochloride Soft Gel

Capsule
10 mg



Allergic Rhinitis
& Urticaria

World Hunger, Climate Change and Transformation of Agriculture

World Hunger

Human actions have created a world in which it is becoming ever more difficult to adequately and sustainably feed and nourish the human population. The world produces enough food to feed everyone on the planet, yet 16.6% of the world's population is undernourished. Undernourishment is defined as a state of inability to acquire enough food for at least one year. Enough food is defined as a level of food intake insufficient to meet dietary energy requirements. Unfortunately, the UN World Food Programme's live Hunger Map aggregates 957 million people worldwide do not have enough to eat on a regular basis. That accounts for 93 hungry countries total.



- Out of the eight billion people on the planet, a striking one billion are living in extreme poverty.
- Small farmers, herders, and fishermen produce about 70 percent of the global food supply, yet they are especially vulnerable to food insecurity.
- Conflict is a cause and consequence of hunger. In 2020, conflict was the primary driver of hunger for 99.1 million people in 23 countries.
- Undernourishment causes 45% of all children's deaths.
- More than 99 million children under age five are undernourished and underweight due to hunger.
- Rising global food prices will cause 1.5 million more children to be undernourished, making them one of the chief factors contributing to the rise in world hunger.

What Causes Hunger

Many factors contribute to the state of world hunger, the reasons are complex and varied, and often interconnected. Some of the reasons are as under:

- Food Shortages and Waste
- Poverty
- Job Instability
- Poor Infrastructure
- Unstable Markets
- War and Conflict
- Nutritional Quality
- Soil Erosion and Degradation
- Discrimination



Food Shortages and Waste



Soil Erosion and Degradation

Climate Change

For the world's hungry and undernourished people, climate change is an increasingly relevant threat multiplier. Almost 822 million people remain undernourished, and 149 million children are stunted because of undernutrition (FAO et al. 2019). In addition, more than 2 billion people suffer from deficiencies of one or more micronutrients (von Grebmer et al. 2014). Previously on the decline, the number of hungry people has been rising since 2015, a shift that the Food and Agriculture Organization has attributed to persistent instability in conflict-ridden regions, economic slowdowns in more peaceful regions, and adverse climate events (FAO 2018b). These disasters have had a disproportionate negative impact on people living in poverty and their access to food.



Human-caused factors, including the global food system, are raising average global temperatures by 0.2°C per decade (IPCC 2018a). Extreme weather events, such as storms, fires, floods, and droughts, have increased in frequency and intensity. Globally, the average sea level has risen by 16–21 centimeters since 1900 (IPCC 2014). All of these manifestations of climate change have direct and indirect negative impacts on food security and hunger through changes in food production and availability, access, quality, utilization, and stability of food systems.

A changing climate may worsen food losses in a global food system in which massive amounts of food are already lost or wasted. In low- and middle-income countries, about one-third of the food that farmers

produce is lost between the field and the market, and in high-income countries a similar percentage of food is wasted at various points from the market to the table (FAO 2011). Given that the current food system contributes 21–37 percent of total net anthropogenic emissions (IPCC 2019), these losses exacerbate climate change without contributing to improve food security or nutrition (IPCC 2018b). In fact, besides being a huge burden on scarce environmental resources, food losses of this magnitude are a factor in the persistence of food insecurity.

Climate change and weather extremes can exacerbate this situation in low- and middle-income countries: crops that endure drought in the field and high humidity during storage—an increasingly common pattern owing to changing rainfall patterns—are more vulnerable to pests and fungal infections, leading to losses in both food quantity and quality.

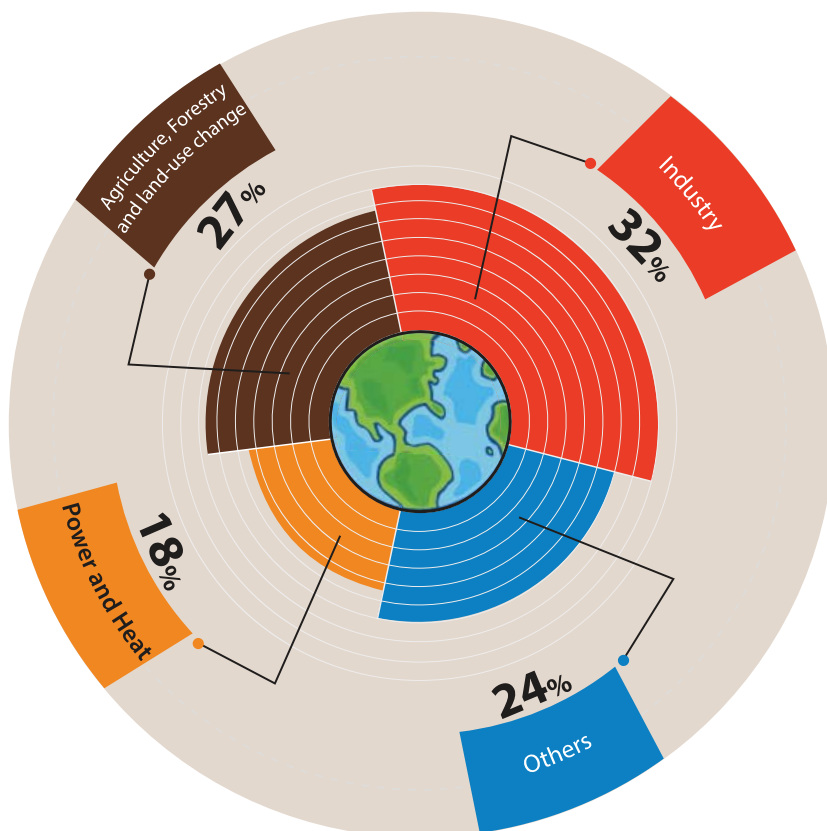
The environmental impact of agriculture involves impacts on a variety of different factors: the soil and water, the air, animal and soil variety, people, plants, and the food itself. Agriculture contributes to a number of larger environmental issues that cause environmental degradation including: climate change, deforestation, biodiversity loss, dead zones, genetic engineering, irrigation problems, pollutants, soil degradation, and waste. Because of agriculture's importance to global social and environmental systems, the international community has committed to increasing the sustainability of food production as part of Sustainable Development Goal 2: "End hunger, achieve food security and improved nutrition and promote sustainable agriculture". The United Nations Environment Programme's 2021 "Making Peace with Nature" report highlighted agriculture as both a driver and an industry under threat from environmental degradation (Environmental Impact of Agriculture).

The agriculture sector's role in greenhouse gas (GHG) emissions is widely known but not well understood. In truth, more than one-quarter of the world's GHG emissions come from agriculture, forestry, and land-use change. And unless actively addressed, these emissions are likely to increase as more people populate the Earth and the need for food continues to grow.

Global Warming of 1.5°C, the 2018 report by the intergovernmental Panel on Climate Change (IPCC), makes clear that a "rapid and far-reaching" transformation is required to limit the impact of climate change to 1.5 degrees Celsius. Doing so would require staying within the cumulative carbon budget of 570 gigatonnes of carbon dioxide (GtCO₂), reaching net-zero

carbon dioxide emissions globally around 2050, and significantly reducing the emissions of other gases—including methane and nitrous oxide. Limiting the impact of climate change to 1.5 degrees Celsius would mean major changes for agriculture- from how we farm, to how we eat and waste food, to how we manage our forests and natural carbon sinks.

Greenhouse Gas (GHG) emissions by sector



Note : Numbers do not sum to 100 due to rounding

Agriculture emissions contribute a large portion of total global emissions. When we look at this over a 20-year time frame, agriculture accounts for approximately 20 percent of global GHG emissions, while forestry and land-use change account for around 7 percent. This means that agriculture is almost as big as industry as a source of emissions. (Agriculture and climate change/ April 2020)

The global average atmospheric carbon dioxide in 2020 is estimated to be 412.5 ± 0.1 parts per million (ppm). This is an increase of 2.7 ± 0.1 ppm from 409.8 ± 0.1 ppm recorded in 2019. Carbon dioxide levels today are higher than at any point in at least the past 800,000 years. The increase in atmospheric carbon dioxide to today's levels is virtually instantaneous.

Carbon dioxide is the most important and abundant greenhouse gas. It absorbs less heat per molecule than the other greenhouse gases like methane, nitrous oxide, chlorofluorocarbons 11, and chlorofluorocarbons 12, but it stays in the atmosphere much longer. Increases in atmospheric carbon dioxide are responsible for about two-thirds of the total energy imbalance while the remaining one-third is because of increases in atmospheric methane, nitrous oxide, chlorofluorocarbons 11, chlorofluorocarbons 12, and a group of 15 other minor contributors. The energy imbalance is what is causing Earth's temperature to rise.

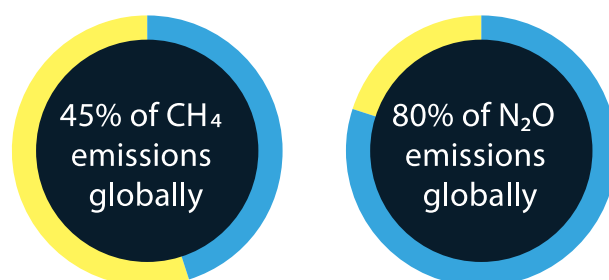
Agriculture carries a high carbon footprint, as well: according to the report, the sector is responsible for 27 percent of worldwide anthropogenic greenhouse gas emissions. Soil carbon sequestration is the process of storing atmospheric carbon in soil through regenerative land-use and agricultural practices. This accomplishes the dual aims of reducing levels of atmospheric carbon dioxide—which is directly linked to the rising of global temperatures—and improving soil health, leading to higher yields, nutrient density, and other agroecological benefits.

Conventional agriculture is responsible for highly impactful emissions

Conventional agriculture already plays a particularly critical role in climate change due to the composition of emissions in the sector, which is heavily skewed to methane and nitrous oxide.

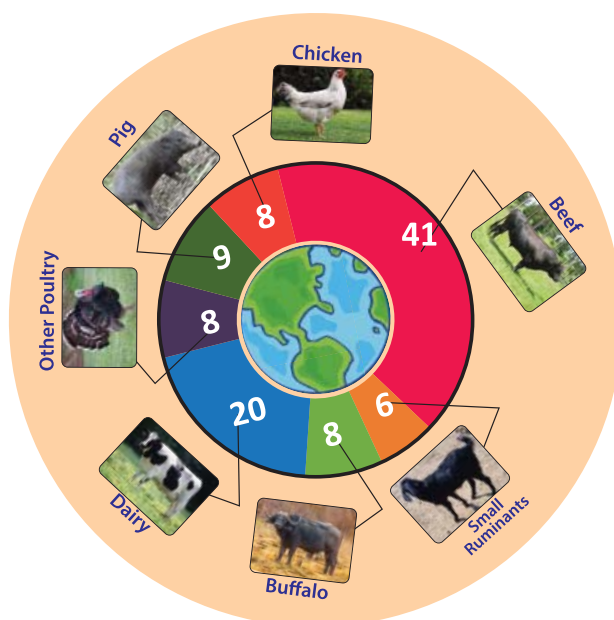
Conventional agriculture accounts for an estimated 45 percent of total methane (CH₄) emissions.

About 80 percent of the agricultural nitrous oxide (N₂O) emissions, mainly from the application of fertilizers—both synthetic nitrogen and manure added to soils or left on pastures.



Several species contribute to livestock methane emissions, but cattle (beef and dairy) represent the largest share, at 60%, followed by pigs, chickens, buffalo, small ruminants, and other poultry:

However, methane has a much shorter lifetime in the atmosphere, lasting just 12 years. This short lifetime means that reducing methane emissions can help to limit temperature increases in the short term.



Future Challenges of the Conventional Agriculture Industry

- *By 2050, global food production will need to increase by 49% in order to support the projected worldwide population.*

- *Conventional agricultural methane (CH₄) and nitrous oxide (N₂O) emissions could increase as much as 60% by 2030 if no action is taken to mitigate climate change.*

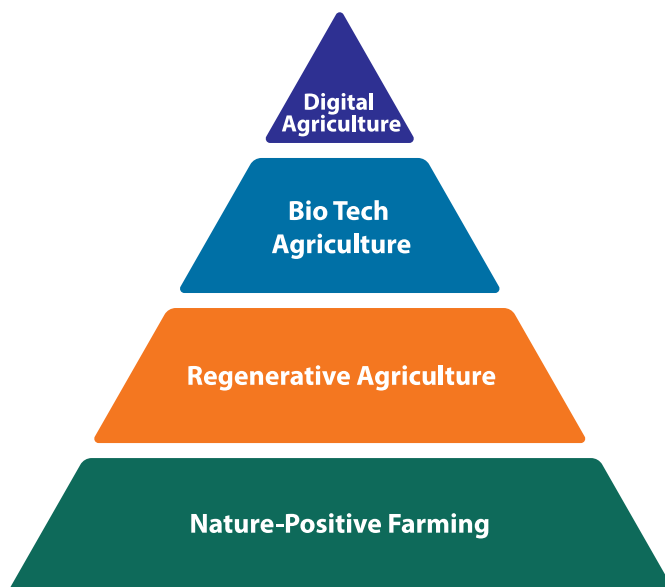
Above challenges are crucial among the other key challenges of the conventional agriculture industry which demand immediate actions and transformation from the conventional practices of food production, forests and other natural resources management. Hence, transformation of conventional agriculture is inevitable.

Transformation of Agriculture

Agriculture and food systems face multi-level ecological, economic and socio-cultural sustainability challenges. Ecological sustainability challenges include, for example, climate change, biodiversity loss and severe changes in nitrogen and phosphorus cycles. Economic and socio-cultural challenges include low economic viability of agriculture, food security, unethical behaviour towards producers, workers and farm animals, demographic changes and associated food demands, and the challenges of human nutrition.

Despite of the fact that, about 1 billion people have been suffering from hunger and about more than one-third of all food produced is wasted. It is thus important to break the vicious circle of produce, waste, degrade, pollute, and produce more.

Therefore, the goal of transformation of agriculture is to apply the *concept of more from less (McAfee 2019) to agriculture and produce more from less (Lal 2013): less land area, less input of chemicals, less use of water, less emission of greenhouse gases, less risk of soil degradation, and less use of energy-based inputs. The strategy is to spare land and resources for nature. Wasting food and polluting the environment are crimes against nature.* From this perspective Nature Positive Farming together with regenerative agriculture, Bio tech agriculture and Data driven digital agriculture (Agriculture for co-existence and co-prosperity) may be suitable for “*Inclusive Green Revolution of the 21st Century*”.



Pyramid of agriculture and/or farming in 21st century for co-existence and co-prosperity

Nature-Positive Farming (NPF)

As the conventional agriculture is fully “Nature-Negative”, hence in order to revert the negative impacts of conventional agriculture, a nature positive farming (NPF) should be the basis of transformation of agriculture.

Nature Positive Farming (NPF) is a participatory, flexible, rapid response solution for helping small farmers halt ecosystem conversion and maintain high conservation values.

NPF is most applicable to producers who are on conversion frontiers and can be adapted to any agricultural commodity and in various regions. NPF is designed to be straight forward, and engagement-based, combining simplified monitoring ecosystem maintenance over specific time frames. Training smallholders to identify which natural ecosystems they should protect is central to NPF. The programme guides farmers to act with precaution regarding habitats, species, and ecosystem services. It equips them to identify new land for cultivation without loss of habitats, identify species that are threatened by agricultural encroachment and valuable ecosystem services that habitats such as peatlands or wetlands provide. Farmers under the NPF programme have ownership, understand the local impact of their crops and how they can mitigate them, make conservation commitments, and support to maintain and monitor the valuable habitats, species, and ecosystem services.



Nature Positive medicinal plant cultivation project of ACME in Bangladesh.

Nature-Positive Farming Technology

Nature-Positive Farming (NPF) Technology is a holistic approach to ensure increased high quality of diverse productivity, more profit to the farmers and clean environment for all.

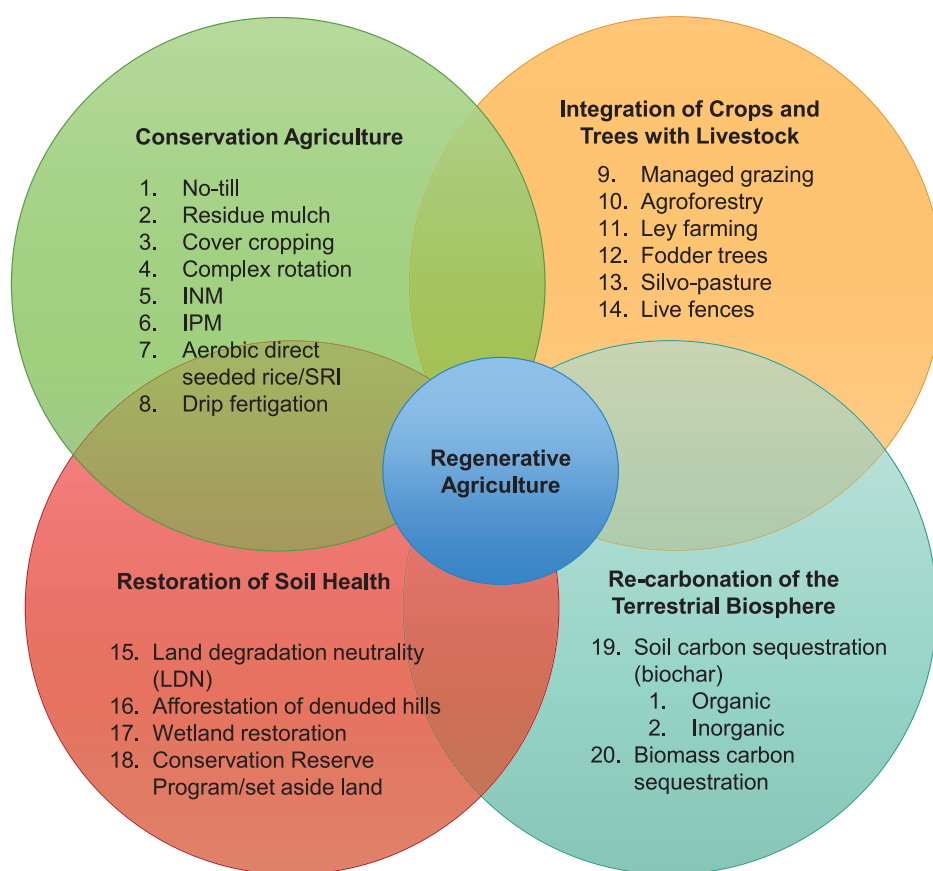
- Produces very high yields
- Produces good quality food to fulfill the need for human and animals
- Do not use agro-chemical, which pollutes the ecosystem
- Improve and protect the environment



Regenerative Agriculture

Regenerative agriculture is an alternative means of producing food that, may have lower—or even net positive—environmental and/or social impacts. Regenerative agriculture has recently received significant attention from producers, retailers, researchers, and consumers, as well as politicians and the mainstream media.

The loss of the world's fertile soil and biodiversity, along with the loss of indigenous seeds and knowledge, pose a mortal threat to our future survival. According to soil scientists, at current rates of soil destruction (i.e. decarbonization, erosion, desertification, chemical pollution), within 50 years we will not only suffer serious damage to public health due to a qualitatively degraded food supply characterized by diminished nutrition and loss of important trace minerals, but we will literally no longer have enough arable topsoil to feed ourselves. Without protecting and regenerating the soil on our 4 billion acres of cultivated farmland, 8 billion acres of pastureland, and 10 billion acres of forest land, it will be impossible to feed the world, keep global warming below 2 degrees Celsius, or halt the loss of biodiversity.



Basic tenets of regenerative agriculture designed to draw carbon dioxide from the atmosphere. Specific packages of practices depend on site-specific biophysical environments and the human dimensions.

Ref: Journal of soil and water conservation

Regenerative Agriculture Practices

Some of the regenerative agriculture practices are briefly discussed below:

No-Tilling or Minimal-Tilling

No-till or minimal-till practices protect the microorganisms and bacteria that live in the soil. Tilling disrupts the life cycles of many beneficial organisms.

Healthy soil contains millions of soil organisms. In fact, according to the USDA, there are more soil microorganisms in one small teaspoon of healthy soil than the number of people on the earth!



Plant Cover Crops

Cover crops help by keeping the soil planted at all times – not just when you are growing food crops. When the soil is covered, it absorbs moisture and prevents erosion. Erosion is the enemy of soil building because it leaches nutrients. The constant cover also helps protect the microorganisms that live in the soil.



Plant Borders and Fringe Areas

Planting in the borders (or just allowing “weeds” to grow) can improve habitat for bees and other beneficial insects.

Push-Pull System

Push-pull is a strategy to manage pests. The push refers to plants that repel pests. Some plants emit odors, oils or toxins that make them unpleasant to certain insects and animals. The pull refers to plants that act as trap crops for pests. For example, corn is often attacked by stem borers. Several grass species of plants such as sudangrass, attract stem borers and keep them from bothering the corn crop.

Incorporate Agroforestry

Agroforestry is a combination of forestry and agriculture with the goal of sustainability.

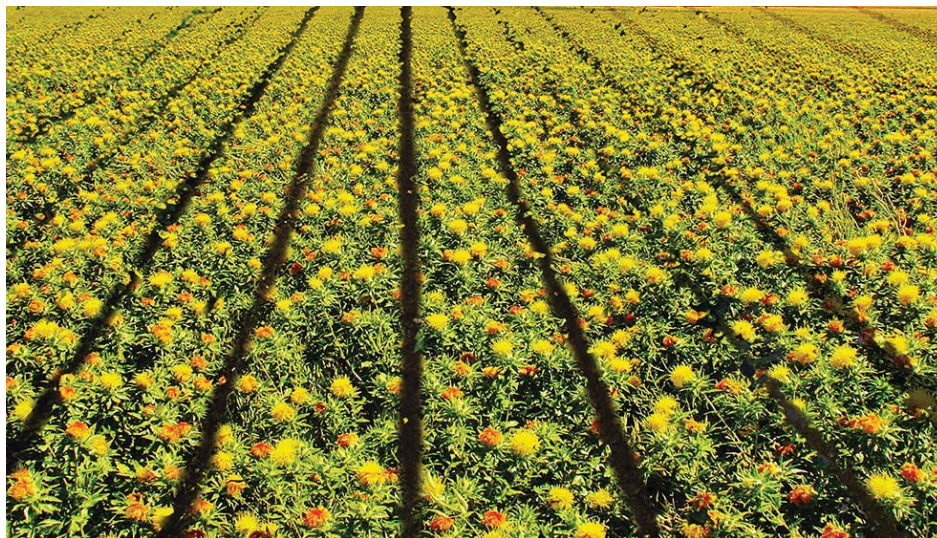
In a good management system, livestock is rotated through the fields. As they graze, the livestock eats plants and brush, which serves several vital functions.



Forests Food Product

Forest farming is gaining in popularity. Herbs such as ginseng, goldenseal, and black cohosh are in high demand and command a high price. Other in-demand shade crops are shiitake mushrooms, elderberry, and currants.

Incorporate Carbon Farming to Fight Climate Change



Safflower field for carbon sequestration.

The temperatures on the earth are changing and scientists have linked these changes to the use of fossil fuels. One of the negative climate affects is caused by the disruption of the natural carbon balance. We now have an abundance of carbon in the atmosphere.

Carbon farming happens when growers intentionally encourage the soil to absorb carbon from the air. The soil can absorb carbon and small amounts of carbon are good for plants.

Organic farming practices such as composting, rotating livestock, and cover cropping all help to sequester carbon in the soil. In fact, regenerative farming can balance out the methane produced by cattle.

Agriculture Biotechnology

Biotechnology contributes to solving problems like food, health and other fundamental needs that hinder development in the developing world. The lack of facilities and professional skills in biotechnology limits R & D initiatives in the developing and the least developed countries (LDCs). The practice of biotechnology in many developing countries is nevertheless impressive.

The Hungarian Károly Ereky coined the word “biotechnology” in 1919 to describe a technology based on converting raw materials into a more useful product. In a book entitled *Biotechnologie*, Ereky further developed a theme that would be reiterated through the 20th century: biotechnology could provide solutions to societal crises, such as food and energy shortages. The ability of microorganisms to produce acids and gasses as a result of normal cell metabolism has been taken advantage of to make new and exciting foods for generations. Examples include production of beer, cheese, bread yogurt etc.

Recent development in molecular biology has given Biotechnology a new meaning, horizon and potential through the application of recombinant DNA technology. New biotechnology to modify the genetic material of living cells to produce new substances or perform new functions. Gene technology or genetic engineering allows the biologist to take a gene from one cell and insert it into another cell which may be plant, animal or microbes or to produce new combinations of genes.

Different kinds of Agriculture Biotechnology

Green Biotechnology focuses on technologies that have a positive impact on agriculture. This includes creation of new crops using genetic or traditional approaches as well as creation of new biofertilizers or biopesticides.

White Biotechnology, also known as industrial biotechnology, involves employment of microorganisms in the production process. An example is the budding yeast in production of wine, bread or beer.

Red Biotechnology specializes in medicine and human health. This includes production of new antibiotics, vaccines, antibodies, medicaments, as well as genetic engineering for disease treatment.

Blue Biotechnology focuses on marine organisms. Basically, it involves the use of marine organisms or their products for creation of new medicaments, cosmetics, food or supplements.

Yellow Biotechnology encompasses creation of new ways to improve certain food products or to obtain more nutrition-rich products. It also tries to eliminate allergens and other components from food that have intolerances. It is also closely related to green biotechnology.

Besides, Grey Biotechnology, Gold Biotechnology, Brown Biotechnology, Violet Biotechnology, Dark Biotechnology are also worth mentioning.

Agriculture biotechnology may again be divided into: a) Plant Biotechnology, b) Animal Biotechnology, c) Fisheries Biotechnology, d) Other agro based food and feed products biotechnology etc.

Since Agriculture biotechnology is an emerging, effective and nature friendly proven technology, hence it can play a vital role in the *Inclusive Green Revolution of the 21st Century*.

Digital Agriculture



Digital agriculture refers to agricultural practices that digitally collect, store, analyze, and share electronic data and information along the agricultural value chain. The Food and Agriculture Organization of the United Nations has described the digitalization process of agriculture as a revolution, namely, a digital agricultural revolution (DAR). In a bibliometric study on the DAR from the Polytechnic University of Milan, digital agriculture has been defined as applying digital technologies to achieve Climate-smart agriculture objectives, that is, climate-change resilience, GHG emissions reduction, and sustainable intensification.

Digital agriculture encompasses a wide range of technologies, most of which have multiple applications along the agricultural value chain. These technologies include, but are not limited to:

- Cloud computing/big data analysis tools
- Artificial intelligence (AI)
- Machine learning
- Distributed ledger technologies, including blockchain and smart contracts
- The Internet of Things, a principle developed by Kevin Ashton that explains how simple mechanical objects can be combined into a network to broaden understanding of that object.
- Digital communications technologies, like mobile phones
- Digital platforms, such as e-commerce platforms, agro-advisory apps, or e-extension websites
- Precision agriculture technologies, including
 - Sensors, including food sensors and soil sensors
 - Guidance and tracking systems (often enabled by GPS, GNSS, RFID, IoT)
 - Variable-rate input technologies
 - Automatic section control
 - Advanced imaging technologies, including satellite and drone imagery, to look at temperature gradients, fertility gradients, moisture gradients, and anomalies in a field
 - Automated machinery and agricultural robots

The FAO estimates the world will need to produce 56% more food (as compared to 2010, under “business as usual” growth) to feed over 9 billion in 2050. Furthermore, the world faces intersecting challenges like malnutrition, climate change, food waste, and changing diets. To produce a “sustainable food future,” the world must increase food production while cutting GHG emissions and maintaining (or reducing) the land used in agriculture. Digital agriculture could address these challenges by making the agricultural value chain more efficient, equitable, and environmentally sustainable.

Digital technology changes economic activity by lowering the costs of replicating, transporting, tracking, verifying, and searching for data. Due to these falling costs, digital technology will improve efficiency throughout the agricultural value chain.

Digital agriculture improves labor productivity through improved farmer knowledge. E-extension (electronic provision of traditional agricultural extension services) allows for farming knowledge and skills to diffuse at low cost.

E-extension services can also improve farm productivity via decision-support services on mobile apps or other digital platforms. Using many sources of information — weather data, GIS spatial mapping, soil sensor data, satellite/drone pictures, etc. — e-extension platforms can provide real-time recommendations to farmers. For example, the machine-learning-enabled mobile app Plantix diagnoses crops’ diseases, pests, and nutrient deficiencies based on a smartphone photo.








Digital agriculture improves labor productivity through decreased labor requirements. Automation inherent in precision agriculture — from “milking robots on dairy farms to greenhouses with automated climate control” can make crop and livestock management more efficient by reducing required labor.

Besides streamlining farm production, digital agriculture technologies can make agricultural markets more efficient. Mobile phones, online ICTs, e-commerce platforms, digital payment systems, and other digital agriculture technologies can mitigate market failures and reduce transaction costs throughout the value chain.

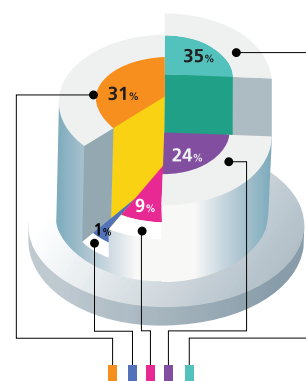
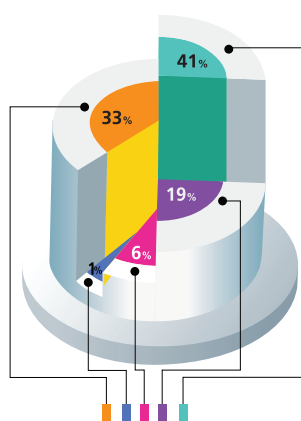
From the perspective of COVID-19 pandemic and its after effects, war and conflict in many countries, global concerns of climate change, malnutrition and food waste it is quite unpredictable when the UN Sustainable Development Goal targeting ‘Zero Hunger’ could be achieved. In fact, meeting the challenges associated with food security for an increasing world population while cutting GHG emissions and maintaining (or reducing) the land used in agriculture is very much critical but it is not impossible. Throughout the course of human history, agriculture has responded to humanity’s greatest challenges. The sector has increased food production to a level that many believed impossible. The sector now has an opportunity to make yet another major contribution to humanity’s success during this crucial window for action. As such, transformation of conventional agriculture is inevitable and possibly the only way forward to meet the above challenges. At this moment our beloved planet is sick, very sick and its inhabitants are in threat to be extinct. However, it is now largely depends on how promptly and effectively the world leaders, policy makers respond to the ‘SOS’ call of the global scientists, environmentalists, researchers and others for addressing the current crucial challenges of our planet and its inhabitants.

Value Added Statement

(BDT in Thousand)

	2020-2021		2019-2020	
	Amount	%	Amount	%
 Gross turnover & Other income	23,964,217	61.4%	22,090,032	60.8%
 Less: Brought in material & Services	15,070,455	38.6%	14,229,467	39.2%
Total value added	8,893,762	100%	7,860,565	100%
Application:				
 Duties and Taxes to Govt. Exchequer	2,958,990	33%	2,408,325	31%
 Salaries and Benefits	3,659,496	41%	2,770,775	35%
 Dividend	529,004	6%	740,606	9%
 Workers Profit Participation Fund	103,675	1%	98,972	1%
 Retained earnings	1,642,597	19%	1,841,887	24%
	8,893,762	100%	7,860,565	100%

- Duties and Taxes to Govt. Exchequer
- Salaries and Benefits
- Dividend
- Workers Profit Participation Fund
- Retained earnings





The ACME Laboratories Ltd.
MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

ISO 9001: 2015 Certified Company

Annexure-A
[As per condition No. 1(5) (xxvi)]

11 October 2021

The Board of Directors

The ACME Laboratories Ltd.
1/4, Kallyanpur, Mirpur Road
Dhaka-1207, Bangladesh

Subject: **Declaration on Financial Statements for the year ended on 30 June 2021**

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRC/2006-158/207/Admin/80; Dated: 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of The ACME Laboratories Ltd. for the year ended on 30 June 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgements related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

Corporate Office:
Court de la ACME
1/4, Kallyanpur, Mirpur Road
Dhaka-1207, Bangladesh.
Phone : +88 02 9004194-6
Fax : +88 02 9016872
E-mail : headoffice@acmeglobal.com

www.acmeglobal.com

Plant:
Dhamrai, Dhaka, Bangladesh.
Phone : +88 02 7730881-2
+88 02 7730816-7, 7730142
Fax : +88 02 7730141
E-mail : plant@acmeglobal.com



The ACME Laboratories Ltd.

MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

ISO 9001: 2015 Certified Company

In this regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on 30 June 2021 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements collectively present true and fair view of the Company's affairs and comply with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal, or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Kazi Mohammed Badruddin, FCA and FCMA
Executive Director and CFO



Mizanur Rahman Sinha
Managing Director



এম, জেড, ইসলাম এন্ড কোং
M. Z. ISLAM & CO.
chartered accountants

10 (4-10) Eastern View (10th Floor)
50 D.I.T. Extension Road, Nayapaltan
Dhaka-1000, Tel : 880-2-9350992, 9330365
E-mail : mzislam.ca@gmail.com, afakrul@yahoo.com

Annexure-B

[Certificate as per condition No. 1(5) (xxvii)]

**REPORT TO THE SHAREHOLDERS
OF
THE ACME LABORATORIES LTD. ON COMPLIANCE ON
THE CORPORATE GOVERNANCE CODE**

We have examined the compliance status to the Corporate Governance Code by The ACME Laboratories Ltd. for the year ended on 30 June 2021. This Code relates to the Notification No. BSEC/CMMRRCD/2006-158/207/Admin/80; dated: 3 June 2018 of the Bangladesh Securities and Exchange Commission.


Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a security and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretariats of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required and after due scrutiny and verification thereof, we report that in our opinion:

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission;
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the Company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- The governance of the company is highly satisfactory.

Date: 1 November 2021
Place: Dhaka


Mohammad Fakhru Alam Patwary, FCA
Managing Partner
M. Z Islam & Co.
Chartered Accountant



Annexure -C

[As per condition No.1 (5) (xxvii)]

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/207/ Admin/80; dated: 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.	BOARD OF DIRECTORS:			
1(1)	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	√		
1(2)	Independent Directors: All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following:-			
1(2)(a)	At least 1/5 th of the total number of Directors in the Company's Board shall be Independent Directors;	√		
1(2)(b) (i)	Independent Director does not hold any share or holds less than one percent (1%) shares of the total paid-up Shares of the Company;	√		
1(2)(b) (ii)	Independent Director is not a Sponsor of the Company or is not connected with the Company's any Sponsor or Director or Nominated Director or Shareholder of the Company or any of its associates, sister concern, subsidiaries and parents or holding entities who holds 1% or more shares of the total paid-up share of the Company on the basis of family relationship and his/her family members all shall not hold above mentioned shares in the company.	√		
1(2)(b)(iii)	Independent Director should not be an executive of the Company in immediately preceding 2 (two) financial years;	√		
1(2)(b)(iv)	Independent Directors does not have any other relationship, whether pecuniary or otherwise, with the Company or its Subsidiary or Associated Companies;	√		
1(2)(b)(v)	Independent Director is not a member or TREC (Trading Right Entitlement Certificate) holder, Director or Officer of any Stock Exchange;	√		
1(2)(b)(vi)	Independent Director is not a shareholder, Director excepting independent director or officer of any member or TREC holder of Stock Exchange or an intermediary of the Capital Market;	√		
1(2)(b)(vii)	Independent Director is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned Company's Statutory Audit Firm or Audit Firm engaged in Internal Audit Services or Audit Firm conducting Special Audit or Professional certifying compliance of this Code;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(2)(b)(viii)	Independent Director is not Independent Director in more than 5 (five) Listed Companies;	√		
1(2)(b)(ix)	Independent Director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a Bank or a Non-Bank Financial Institution (NBFI);	√		
1(2)(b)(x)	Independent Director has not been convicted for a criminal offence involving moral turpitude;	√		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	√		
1(2)(d)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days;	√		
1(2)(e)	The tenure of office of an Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only;	√		
1(3)	Qualification of Independent Director: -			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		
1(3)(b)	Independent Director shall have following qualifications:			
1(3)(b)(i)	Business Leader who is or was a Promoter or Director of an unlisted Company having minimum paid-up capital of Tk. 100.00 million or any listed Company or a member of any National or International Chamber of Commerce or Business Association;	√		
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted Company having minimum paid up capital of Tk. 100.00 million or of a Listed Company;	√		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law;	√		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	√		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(3)(c)	The Independent Director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			N/A
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:-			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and / or Chief Executive Officer (CEO) are filled by different individuals.	√		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed Company shall not hold the same position in another listed Company;	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the Company;	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive Directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
1(5)	The Directors' Report to Shareholders			
1(5)(i)	An Industry outlook and possible future developments in the industry;	√		
1(5)(ii)	Segment-wise or product-wise performance;	√		Company operates in a single product segment
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1(5)(iv)	A discussion on Cost of Goods sold, Gross profit Margin and Net Profit Margin, where applicable;	√		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	√		
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.			N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	√		
1(5)(x)	A statement of remuneration paid to the directors including Independent Directors;	√		
1(5)(xi)	A statement that the financial statements prepared by the management of the Issuer Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1(5)(xii)	A statement that proper books of account of the Issuer Company have been maintained;	√		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgement;	√		
1(5)(xiv)	A Statement that International Accounting Standards (IAS) or International Financial Reporting Standard (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed;	√		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1(5)(xvii)	A statement that there is no significant doubts upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons thereof shall be disclosed;	√		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the Issuer Company shall be highlighted and the reasons there of shall be explained;			N/A
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (Five) years shall be summarized;	√		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			N/A
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√		
1(5)(xxii)	The total number of Board Meetings held during the year and attendance by each Director shall be disclosed;	√		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name wise details where stated below) held by: -	✓		
1(5)(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name-wise details);	✓		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1(5)(xxiii)(c)	Executives;	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the Company (name-wise details);			N/A
1(5)(xxiv)	In case of the appointment or re-appointment of a Director, a disclosure on the following information to the Shareholders: -	✓		
1(5)(xxiv)(a)	A brief resume of the Director;	✓		
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas;	✓		
1(5)(xxiv)(c)	Names of Companies in which the person also holds the Directorship and the Membership of Committees of the Board;	✓		
1(5)(xxv)	A Management's discussion and analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the Financial Statements, among others, focusing on:	✓		
1(5)(xxv)(a)	Accounting policies and estimation for preparation of Financial Statements;	✓		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;			N/A
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediately preceding five years explaining reasons thereof;	✓		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risks and concerns mitigation plan of the Company;	✓		
1(5)(xxv)(g)	Future plan or projection or forecast for Company's operation, Performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A;	√		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√		
1(6)	Meetings of the Board of Directors			
	The Company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the Company;	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent conduct and behavior; confidentiality, conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		
2.	GOVERNANCE OF BOARD OF DIRECTORS OF SUBSIDIARY COMPANY:-			
2(a)	Provisions relating to the composition of the Board of the holding Company shall be made applicable to the composition of the Board of the subsidiary Company;			N/A
2(b)	At least 1 (one) Independent Director on the Board of the holding Company shall be a Director on the Board of the Subsidiary Company;			N/A
2(c)	The minutes of the Board Meeting of the Subsidiary Company shall be placed for review at the following Board meeting of the Holding Company;			N/A
2(d)	The minutes of the respective Board meeting of the holding Company shall state that they have reviewed the affairs of the Subsidiary Company also;			N/A
2(e)	The Audit Committee of the Holding Company shall also review the Financial Statements in particular the investments made by the Subsidiary Company.			N/A

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3.	MANAGING DIRECTOR (MD) OR CHIEF EXECUTIVE OFFICER (CEO), CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPLIANCE (HIAC) AND COMPANY SECRETARY (CS):-			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), Chief Financial Officer (CFO), and Head of Internal Audit and Compliance (HIAC);	√		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		
3(1)(c)	The MD or CEO, CS, CFO, and HIAC of a listed company shall not hold any executive position in any other Company at the same time;	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and Stock Exchange(s).	√		
3(2)	Requirement to attend Board of Directors’ Meetings			
	The MD or CEO, CS, CFO and HIAC of the Company shall attend the meetings of the Board:	√		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed Financial Statements for the year and that to the best of their knowledge and belief:	√		
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√		
3(3)(a)(ii)	These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards and applicable laws;	√		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company’s Board or its members;	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
4.	BOARD OF DIRECTORS' COMMITTEE:-			
4(i)	Audit Committee	√		
4(ii)	Nomination and Remuneration Committee	√		
5.	AUDIT COMMITTEE:-			
5(1)	Responsibility to the Board of Directors.			
5(1)(a)	The Company shall have an Audit Committee as a sub-committee of the Board;	√		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business;	√		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
5(2)	Constitution of the Audit committee:			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the Company excepting Chairperson of the Board and shall include at least 1 (one) Independent Director;	√		
5(2)(c)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		
5(2)(e)	The Company Secretary shall act as the Secretary of the Audit Committee;	√		
5(2)(f)	The quorum of Audit Committee meeting shall not constitute without at least 1 (One) Independent Director.	√		
5(3)	Chairperson of the Audit Committee:			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent Director;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	√		
5(4)	Meeting of the Audit Committee:			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year;	√		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an Independent Director is a must.	√		
5(5)	Role of Audit Committee The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	√		
5(5)(b)	Monitor choice of accounting policies and principles;	√		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5(5)(d)	Oversee hiring and performance of external auditors;	√		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the Annual Financial Statements before submission to the Board for approval or adoption;	√		
5(5)(f)	Review along with the management, the Annual Financial Statements before submission to the Board for approval;	√		
5(5)(g)	Review along with the management, the quarterly and half yearly Financial Statements before submission to the Board for approval;	√		
5(5)(h)	Review the adequacy of internal audit function;	√		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5(5)(j)	Review statement of all related party transactions submitted by the management;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	√		
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	√		
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors:			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any: -			
5(6)(a)(ii)(a)	Report on conflicts of interests;	√		
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the Financial Statements;	√		
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliance including securities related laws, rules and regulations;	√		
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	√		
5(6)(b)	Reporting to the Authorities:			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	√		
5(7)	Reporting to the Shareholders and General Investors:			
5(7)	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the Annual Report of the issuer Company.	√		
6.	NOMINATION AND REMUNERATION COMMITTEE (NRC).			
6(1)	Responsibility to the Board of Directors:			

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(1)(a)	The Company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	√		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	√		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an Independent Director;	√		
6(2)(b)	All members of the Committee shall be non-executive directors;	√		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6(2)(d)	The Board shall have authority to remove and appoint any member of the committee;	√		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	√		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	√		
6(2)(g)	The Company Secretary shall act as the Secretary of the Committee;	√		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company.	√		
6(3)	Chairperson of the NRC:			
6(3)(a)	The Board shall select 1 (One) member of the NRC to be Chairperson of the Committee, who shall be an Independent Director;	√		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(3)(c)	The Chairperson of the NRC shall attend the Annual General Meeting (AGM) to answer the queries of the shareholders.	√		
6(4)	Meeting of the NRC:			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	√		
6(4)(b)	The Chairperson of the NRC, may convene any emergency meeting upon request by any member of the NRC;	√		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an Independent Director is must as required under condition No. 6(2) (h);	√		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√		
6(5)	Role of the NRC:			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	√		
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend a policy to the Board, relating to the remuneration of the Directors, top level executives considering the following:			
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the Company successfully;	√		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	√		
6(5)(b)(i)(c)	The remuneration to Directors, top level executive involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals;	√		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	√		
6(5)(b)(iii)	Identifying persons who are qualified to become Directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of Independent Directors and the Board;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(5)(b)(v)	Identifying Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	√		
6(5)(b)(vi)	Developing, recommending and reviewing annually the Company's human resources and training policies;	√		
6(5)(c)	The Company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its Annual Report;	√		
7.	EXTERNAL OR STATUTORY AUDITORS:			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely: -			
7(1)(i)	Appraisal or valuation services or fairness opinions;	√		
7(1)(ii)	Financial information systems design and implementation;	√		
7(1)(iii)	Book-keeping or other services related to the accounting records or Financial Statements;	√		
7(1)(iv)	Broker-dealer services;	√		
7(1)(v)	Actuarial services;	√		
7(1)(vi)	Internal audit services or special audit services;	√		
7(1)(vii)	Any service that the Audit Committee determines;	√		
7(1)(viii)	Audit or certification services on compliance of Corporate Governance as required under condition No. 9(1);	√		
7(1)(ix)	Any other service that may create conflict of interest	√		
7(2)	No partner or employees of the External or Statutory Auditors audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company; his or her family members also shall not hold any share in the said Company;	√		
7(3)	Representative of External or Statutory Auditors shall remain present in the Shareholders Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		
8.	MAINTAINING A WEBSITE BY THE COMPANY:			
8(1)	The Company shall have an official website linked with the website of the Stock Exchange.	√		
8(2)	The Company shall keep the website functional from the date of listing;	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned Stock Exchanges(s);	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
9.	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:			
9(1)	The Company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.;	√		
9(2)	The professional who will provide the certificate on compliance of Corporate Governance Code shall be appointed by the Shareholders in the Annual General Meeting;	√		
9(3)	The directors of the Company shall state, in accordance with the Annexure-C attached, in the Directors’ Report whether the Company has complied with these conditions or not.	√		



Audited Financial Statement 2020-2021



**ACME**

Shiraz Khan Basak & Co.
Chartered Accountants

Independent Auditor's Report

To the Shareholders of The ACME Laboratories Limited Report on the Audit of the Financial Statements.

Opinion

We have audited the financial statements of **The ACME Laboratories Limited** (the Company), which comprise the Statement of Financial Position as at 30 June 2021, and Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the company as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), The Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the 'International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

An associate firm of D.N Gupta & Associates

Risk	Our response to the risk
Revenue Recognition	
<p>During the year ended 30 June 2021, total reported revenue is of Tk. 20,770,140,096. The company generates revenue from sale of goods to local market, Government & Non-Government Institutions and export as well.</p> <p>The timing of the revenue recognized and realized increases the risk of exposure of revenue to foreign exchange fluctuations.</p> <p>There is a risk that invoices may be issued to local customers or Government & Non-Government Institutional customers erroneously. There may be duplication of invoice placed to customers as there are huge number of customers.</p> <p>The revenue recognition has been considered as key audit matter, since it is one of the key performance indicators of the company and also the key financial element which would eventually increase the inherent risk of the company.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure that revenue is recognized in the appropriate accounting period. • Segregation of duties in invoice creation and modification (if any) and timing of revenue recognition. • Assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards. • We physically visited depots and checked the procedures to recognize revenue from local customers. • Obtaining supporting documents for sale transaction along with checking the recording period of revenue recognition. • Comparing a sample of revenue transactions recognized during the year with the sale invoices and other relevant underlying documentation. • Critically assessing manual journals posted to revenue to identify unusual or irregular items, and finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.
Please see note no. 30 to the statement of profit or loss & other comprehensive income.	

Risk	Our response to the risk
Valuation of Inventory	
<p>As at 30 June 2021, the reported amount of inventory is Tk. 3,872,009,643 held in plants, warehouses and twenty-six depots situated at different locations across the country.</p> <p>Most of the inventories are of specialized in nature and required to be maintained in controlled environment. Regular monitoring is required as the inventories are material by its value, quantity and its nature.</p> <p>On reporting date, inventories are carried at the lower of cost and net realizable value. As such, the company apply judgment in determining the appropriate values of Inventory in accordance with International Accounting Standards.</p> <p>Considering the risk as stated above and the sensitivity of the products as well, the valuation of Inventory is a key audit matter to the financial Statements.</p>	<p>We verified the appropriateness of management's assumptions applied in calculating the value of the inventory as per International Accounting Standard (IAS) by:</p> <ul style="list-style-type: none"> • Evaluating the design and implementation of key inventory controls operating across the factory, Depot and warehouse. • Attending inventory counts and reconciling the count results to the inventory listing to test the accuracy of data • Along with inventory count we checked whether the inventories were maintained in good condition and maintaining all compliances. • We have reconciled the inventory with purchase production and sales to ensure the physically shown stock at the depots as on date was accurate. • Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year • Obtaining a detailed review with the subsequent sales to compare with the net realizable value
Please see note no. 10 to the financial statements	



Risk	Our response to the risk
Valuation of Property, Plant and Equipment	
<p>The carrying value of the PPE is Tk. 25,135,909,392 as at 30 June, 2021. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements.</p> <p>The expenditures are classified as an asset, if it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.</p> <p>The company revalued its Property, Plant and Equipment (PPE) as at 30th June 2021 by M M Rahman & Co. The net revaluation surplus at the year end was total tk. 5,183,844,849 after increase in value of assets and adjustments of depreciation/disposal.</p> <p>The useful lives of PPE items are based on management's estimates regarding the period over which an asset is expected to be available for use. The estimates of useful life of the assets is a matter of judgment based on the experience of the entity with similar assets and also take into consideration the physical condition of the assets.</p>	<p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> • We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent. • We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured during the year. • We checked and verified the relevant documents of IPO proceeds, which was used for the purpose of implementation of new projects. • We verified the invoices and L/C documents on sample basis to segregate the capital and operating expenditure and found that the transactions are appropriately classified. • We verified the independent valuation report issued by the independent valuer, checked and verified the basis of valuation whether the inclusion and treatment was done in accordance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) & International Valuation Standards (IVS) and Others applicable laws & regulations. • We evaluated whether the useful lives determined and applied by the management were in line with the nature of assets, physical condition of the assets and its uses. • We checked whether the depreciation of PPE items was commenced from the date of ready to use and found the depreciation had been started accordingly.
Please see note no. 6 & 6. A to the financial statements	

Risk	Our response to the risk
Long Term Loan and Loan & Overdrafts	
<p>As at 30 June 2021, the reported amount of total long-term loan and Short-term loan & overdraft is Tk. 8,043,310,265 (Current & Non-current portion) & Tk. 7,141,067,455 respectively. The company borrowed fund from various Bank & Non-banking financial institutions for the purpose of acquisition of non-current assets and working capital as well.</p> <p>The company may face difficulties due to unfavorable movement in interest rate, monetary policy and adverse variance between import & export that may result in short-term cash flow crisis.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure that the proper use of loan. • We verified sanction letter, loan schedule and bank statements to confirm the loan outstanding and found that the balance had been reported in the financial statements accurately. We also submit the balance confirmation to the respective banks and financial institutions. • We also checked the financial expenses and classification of loan and repayment schedule as well. • We had checked the recording date of transactions and found the recording date is in line with the loan disbursement date. We also confirmed that the company had paid its installments within due time.
Please see note no. 21, 24 & 25 to the financial statements	

Risk	Our response to the risk
Recoverability Assessment of Trade Receivable	
<p>The total amount of trade receivable is Tk. 2,215,620,762 at 30 June, 2021. There are significant large number of individual small customers. Customers in different business segments and jurisdictions are subject to their independent business risk.</p> <p>The increasing challenges over the economy and operating environment in the manufacturing industry during the year have increased the risks of default on receivables from the customers. In particular, in the event of insolvency of customers, the company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.</p> <p>Accordingly, we identified the recoverability of trade receivables as a key audit matter because of the significance of trade receivables to Company's Financial Position and because of the significant degree of management judgment involved in evaluating the adequacy of the allowance for doubtful debts.</p>	<p>Our audit procedures of assess the recoverability of trade receivables including the following:</p> <ul style="list-style-type: none"> • Tested the accuracy of aging of Trade receivable at year end on a sample basis; • Evaluating the Company's policy for making allowance for doubtful debts with reference to the requirements of the prevailing accounting standards; • Assessing the classification of trade receivables in the trade receivable ageing report by comparison with sales invoice and other underlying documentation on a test basis; • We physically visited depots and selected sample of customers from the outstanding lists to confirm the balances directly from the customers as on the date. • Assessed the recoverability of the receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers; and • Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to trade receivable balances at 30 June 2021;
Please see note no.11 to the financial statements	

Other Information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, The Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management functions of the company.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going



concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and event in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements we are responsible for the direction, supervision and performance of the company audit. We solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with The Companies Act 1994, The Securities and Exchange Rules 1987, relevant notifications issued by Bangladesh Securities and Exchange Commission and Financial Reporting Council Bangladesh guideline, we also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the company so far as it appeared from our examinations of those books;
- c) The Statement of Financial Position, Statement of Profit or Loss & Other Comprehensive Income and Statement of Changes in Equity and Statement of Cash Flows of the Company dealt with by the report are in agreement with the books of accounts and returns; and
- d) The expenditure incurred was for the purpose of the Company's business.



Chaity Basak, FCA (Enrol #1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2110311772AS685000
As associate firm of D.N Gupta & Associates

Dhaka
Dated: 26 October 2021

**ACME**Shiraz Khan Basak & Co.
Chartered Accountants

The ACME Laboratories Ltd.

Statement of Financial Position

As at 30 June 2021

Particulars	Notes	Amount in Taka	
		30 June, 2021	30 June, 2020
ASSETS			
Non-Current Assets :		25,135,909,392	24,712,740,493
Property, Plant and Equipment	6	25,021,302,535	24,602,564,373
Right-of-Use Assets	7.A	79,079,936	86,369,645
Intangible Assets	8	15,500	37,125
Investment in Securities	9	35,511,421	23,769,350
Current Assets:		15,340,513,013	14,705,522,689
Inventories	10	3,872,009,643	3,917,967,826
Trade Receivable	11	2,215,620,762	1,910,829,633
Other Receivable	12	19,933,211	19,729,469
Advance, Deposits & Pre-Payments	13	3,051,719,911	2,683,622,048
Advance Income Tax	14	3,154,867,216	2,762,563,924
Material In Transit	15	1,252,395,519	1,312,625,960
Term Deposit	16	180,116,317	274,367,312
Cash and Cash Equivalents	17	1,593,850,434	1,823,816,517
TOTAL ASSETS		40,476,422,405	39,418,263,182
EQUITY AND LIABILITIES			
Shareholders' Equity :		20,110,595,026	19,044,180,165
Share Capital	18	2,116,017,000	2,116,017,000
Share Premium	19	5,127,599,728	5,127,599,728
Revaluation Surplus	6.A	5,183,844,849	5,238,752,312
Gain/(Loss) on Marketable Securities (Unrealized)	9.A	8,405,607	(2,162,257)
Tax Holiday Reserve	Ref- SOCE	179,464,241	179,464,241
Retained Earnings	20	7,495,263,601	6,384,509,141
Non Current Liabilities:		6,878,700,145	6,392,286,374
Long Term Loan- Net off Current Maturity	21	5,441,816,500	5,106,567,547
Long Term Lease Liability	7.B	62,884,633	66,780,466
Provision For Gratuity	22	500,455,725	361,679,351
Deferred Tax Liability	23	873,543,287	857,259,010
Current Liabilities:		13,487,127,234	13,981,796,643
Loans & Overdrafts	24	7,141,067,455	8,315,320,639
Current Maturity of Long Term Loans	25	2,601,493,765	2,459,340,207
Trade Payable	26	350,249,816	398,967,527
Provision for Income Tax	27	2,855,903,656	2,366,744,574
Current Lease Liability	7.B	14,265,147	11,643,390
Liability for Expenses and Others	28	516,914,537	423,044,663
Dividend Payable	29.A	3,577,404	6,735,643
Unclaimed Dividend Account	29.B	3,655,454	-
TOTAL EQUITY AND LIABILITIES		40,476,422,405	39,418,263,182
Net Asset Value Per Share (NAVPS)	18.4	95.04	90.00

The annexed notes 1 to 50 form an integral part of Financial Statements


 Md. Arshadul Kabir FCA
 Company Secretary (Acting)


 Kazi Mohammed Badruddin FCA
 ED & CFO


 Mizanur Rahman Sinha
 Managing Director


 Nagina Afzal Sinha
 Chairman



 Chaity Basak, FCA (Enrol #1772)
 Partner
 Shiraz Khan Basak & Co.
 Chartered Accountants
 DVC: 2110311772AS685000
 As associate firm of D.N Gupta & Associates

Dhaka:Dated, 26 October 2021

Shiraz Khan Basak & Co.
Chartered Accountants

The ACME Laboratories Ltd.
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2021

Particulars	Notes	Amount in Taka	
		July 2020 to June 2021	July 2019 to June 2020
Revenue	30	20,770,140,096	19,003,659,657
Less: Cost of Goods Sold	31	12,719,818,570	11,728,937,307
Gross Profit/(Loss)		8,050,321,526	7,274,722,350
Add: Other Income	32	136,981,358	74,986,576
		8,187,302,884	7,349,708,926
Less: Selling, Marketing and Distribution Expenses	33	3,403,323,211	2,679,085,139
		4,783,979,673	4,670,623,787
Less: Administrative Expenses	34	998,435,133	807,968,326
		3,785,544,540	3,862,655,461
Less: Financial Expenses	35	1,608,373,867	1,784,251,649
Profit Before Contribution to WPPF and WWF		2,177,170,673	2,078,403,812
Less: Contribution to WPPF and WWF	36	103,674,794	98,971,610
Net Profit Before Tax		2,073,495,879	1,979,432,202
Less: Current Tax Expenses	37A	489,159,082	355,149,917
Less: Deferred Tax (Income)/Expenses	37B	15,110,070	173,784,555
Net Profit After Tax		1,569,226,727	1,450,497,730
Other Comprehensive Income			
Gain/(Loss) on Marketable Securities (Unrealized)		11,742,071	(10,114,957)
Total Comprehensive Income for the year		1,580,968,798	1,440,382,773
Earnings Per Share (on the Equity share of Tk. 10 each)	38	7.42	6.85

The annexed notes 1 to 50 form an integral part of Financial Statements


Md. Arshadul Kabir FCA
Company Secretary (Acting)


Kazi Mohammed Badruddin FCA
ED & CFO


Mizanur Rahman Sinha
Managing Director


Nagina Afzal Sinha
Chairman

Dhaka: Dated, 26 October 2021


Chaity Basak, FCA (Enrol #1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2110311772AS685000
As associate firm of D.N Gupta & Associates

**ACME**

The ACME Laboratories Ltd.

Statement of Changes in Equity

For the year ended 30 June 2021

Shiraz Khan Basak & Co.
Chartered Accountants

Amount in Taka

Particulars	Share Capital	Share Premium	Revaluation Surplus	Gain/(loss) on Marketable Securities (Unrealized)	Tax Holiday Reserve	Retained Earnings	Total
Balance as at July 01, 2020	2,116,017,000	5,127,599,728	5,238,752,312	(2,162,257)	179,464,241	6,384,509,141	19,044,180,165
Net Profit after Tax for the year ended 30 June 2021	-	-	-	-	-	1,569,226,727	1,569,226,727
Revaluation during the year	-	-	15,137,594	-	-	-	15,137,594
Final Dividend for the year 2019-2020	-	-	-	-	-	(529,004,250)	(529,004,250)
Gain/(loss) on Marketable Securities (Unrealized)	-	-	-	11,742,071	-	-	11,742,071
Adjustment for Depreciation on Revaluation Surplus & Others	-	-	(70,471,047)	-	-	70,957,973	486,926
Adjustment for disposal of Motor Vehicle	-	-	425,990	-	-	(425,990)	-
Deferred Tax on Unrealized Gain/Losses on Investment in Securities	-	-	-	(1,174,207)	-	-	(1,174,207)
Balance as at 30 June 2021	2,116,017,000	5,127,599,728	5,183,844,849	8,405,607	179,464,241	7,495,263,601	20,110,595,026

Statement of Changes in Equity

For the year ended 30 June 2020

Particulars	Share Capital	Share Premium	Revaluation Surplus	Gain/(loss) on Marketable Securities (Unrealized)	Tax Holiday Reserve	Retained Earnings	Amount in Taka Total
Balance as at July 01, 2019	2,116,017,000	5,127,599,728	5,319,635,386	6,941,204	179,464,241	5,593,734,287	18,343,391,846
Net Profit after Tax for the year ended 30 June 2020	-	-	-	-	-	1,450,497,730	1,450,497,730
Final Dividend for the year 2018-2019	-	-	-	-	-	(740,605,950)	(740,605,950)
Gain/(loss) on Marketable Securities (Unrealized)	-	-	-	(10,114,957)	-	-	(10,114,957)
Adjustment for Depreciation on Revaluation Surplus	-	-	(80,876,878)	-	-	80,876,878	-
Adjustment for disposal of Motor Vehicle	-	-	(6,196)	-	-	6,196	-
Deferred Tax on Unrealized Gain/Losses on Investment in Securities	-	-	-	1,011,496	-	-	1,011,496
Balance as at 30 June 2020	2,116,017,000	5,127,599,728	5,238,752,312	(2,162,257)	179,464,241	6,384,509,141	19,044,180,165

The annexed notes 1 to 50 form an integral part of Financial Statements


Md. Arshadul Kabir FCA
Company Secretary (Acting)


Kazi Mohammed Badruddin FCA
ED & CFO


Mizanur Rahman Sinha
Managing Director


Nagina Afzal Sinha
Chairman

Dhaka: Dated, 26 October 2021


Chaity Basak, FCA (Enrol #1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2110311772AS685000
As associate firm of D.N Gupta & Associates

The ACME Laboratories Ltd.

Statement of Cash Flows

For the year ended 30 June 2021

Shiraz Khan Basak & Co.
Chartered Accountants

Particulars	Notes	Amount in Taka	
		July 2020 to June 2021	July 2019 to June 2020
Cash Flows From Operating Activities:			
Collection from Sales and others		20,600,884,433	18,764,510,739
Payment to Suppliers & Others		(15,822,598,936)	(15,360,249,230)
Payment to WPPF and WWF		(89,074,449)	(87,900,366)
Cash generated from operation		4,689,211,048	3,316,361,143
Financial Expenses		(1,604,937,637)	(1,773,085,133)
Income Tax Paid		(392,303,292)	(396,939,119)
A. Net Cash Generated From Operating Activities		2,691,970,119	1,146,336,891
Cash Flows From Investing Activities:			
Acquisition of Property, Plant & Equipments		(1,776,710,868)	(2,104,536,549)
Term Deposit		94,250,995	246,136,293
Sale of Property, Plant and Equipment (Motor Vehicles)		4,220,000	4,237,000
Dividend received from Investment in Marketable Securities		1,062,916	682,261
B. Net Cash Used in Investing Activities		(1,677,176,957)	(1,853,480,995)
Cash Flows From Financing Activities:			
Dividend Paid		(528,507,035)	(751,194,196)
Principal Portion payment of Lease Liability		(19,401,537)	(9,390,408)
Net Increase / (Decrease) in Loans and Overdrafts		(1,174,253,184)	27,576,989
Net Increase / (Decrease) in Long Term Borrowings		477,402,511	1,886,206,517
C. Net Cash Generated/(Used) From Financing Activities		(1,244,759,245)	1,153,198,902
Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(229,966,083)	446,054,798
Cash and Cash Equivalents at the Opening		1,823,816,517	1,377,761,719
Cash and Cash Equivalents at the Closing		1,593,850,434	1,823,816,517
Net Operating Cash Flow Per Equity Share (NOCFPS)	15	12.72	5.42

The annexed notes 1 to 50 form an integral part of Financial Statements



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Company Secretary (Acting)


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ED & CFO


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Managing Director


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Chairman

Dhaka: Dated, 26 October 2021


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The ACME Laboratories Ltd.

Property, Plant & Equipment

As at 30 June 2021

Schedule-A
(Amount in Taka)

Particulars of Assets	COST/ REVALUATIONS					DEPRECIATION				
	Historical Cost as at 01.07.20	Revaluation Surplus as at 01.07.20	Additions during the year (Cost)	Additions during the year Revaluation Surplus	Disposal		Depreciation on Revaluation Surplus during the year	Disposal		Written Down Value as at 30.06.21
					Cost	Revaluation Surplus		Cost	Revaluation Surplus	
Land and land development	888,987,171	4,065,335,080	-	12,983,349	-	-	-	-	-	4,967,305,600
Building	4,746,564,065	1,871,772,126	149,457,574	2,154,245	-	-	67,120,182	-	-	4,601,984,368
Machinery & Equipment	9,193,663,036	36,624,041	457,919,227	-	-	-	2,908,771	-	-	6,486,183,611
Furniture & Fixture	486,863,710	-	38,608,433	-	-	-	-	-	-	259,763,324
Motor Vehicle	998,100,881	26,129,869	111,465,125	-	(15,695,957)	(660,000)	406,729	(11,716,126)	(599,064)	597,682,040
Utilities, Electrical	2,570,402,380	57,205,328	76,972,542	-	-	-	224,947,381	-	(486,926)	1,230,821,314
Installation & Eng.	-	-	-	-	-	-	-	-	-	-
Office Equipment	250,297,389	1,503,819	31,608,059	-	-	-	35,365	-	-	116,991,445
Books and Periodicals	6,343,045	-	-	-	-	-	156,141	-	-	1,057,779
Sub Total	19,141,221,677	6,058,570,263	866,030,959	15,137,594	(15,695,957)	(660,000)	70,471,047	(11,716,126)	(1,085,990)	18,261,789,480
Machinery in Transit	974,127,532	-	833,829,340	-	-	-	-	-	-	1,317,179,127
Construction Work in progress	4,912,471,283	-	679,320,219	-	-	-	-	-	-	5,442,333,928
Sub Total	5,886,598,815	-	1,513,149,559	-	-	-	-	-	-	6,759,513,055
Total Taka (As at 30.06.2021)	25,027,820,492	6,058,570,263	2,379,180,518	15,137,594	(15,695,957)	(660,000)	70,471,047	(11,716,126)	(1,085,990)	25,021,302,535
Total Taka (As at 30.06.2020)	23,001,127,749	6,060,634,266	4,726,722,000	-	(10,548,390)	(2,064,003)	80,876,878	(9,570,929)	(2,057,807)	24,602,564,373



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ALLOCATION OF DEPRECIATION:		
	On Cost	On Revaluation
Factory Overhead	1,059,508,584	59,195,679
Selling & Distribution Expenses	104,058,879	5,813,861
Administrative Expenses	97,752,280	5,461,507
	1,261,319,743	70,471,047
	1,331,790,790	

The ACME Laboratories Ltd.
Notes to the Financial Statements
As at & for the year ended 30 June, 2021

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1.00 Corporate Information

The ACME Laboratories Limited was founded in the year 1954 as a Proprietorship Firm and it was converted into a Private Limited Company on 17th March 1976 vide registration no. C-4745/163 of 1975-76 under the Companies Act-1913. Thereafter, it was converted into a public limited company on 30th November 2011.

In the Year 2016, the Company achieved one of the major milestones of public offering and listing of its 50,000,000 Ordinary Shares of Tk. 10 each at Dhaka Stock Exchange Ltd (DSE) & Chittagong Stock Exchange (CSE) Ltd with effect from 31 May 2016. Trading of the shares of the ACME Laboratories Limited commenced from 07 June 2016 at both the stock exchanges under the trade name ACME LAB and trading codes -18491 and 13031 respectively.

1.01 Address of Registered Office and Factory

The Registered Office of the Company is situated at 1/4, Kallayanpur, Mirpur Road, Dhaka-1207, Bangladesh, and the Factory is situated at Dhulivita, Dhamrai, Dhaka, Bangladesh.

2.00 Nature of business of the Company

The Company is engaged in manufacturing, marketing, and distribution of generic pharmaceuticals formulation products which includes human drugs comprising dosages form like a tablet, capsule, dry syrup, cream, ointment, powder, injection, dry powder inhaler, metered dosage inhaler, suppository, eye and nasal drop, liquid, liquid in hard gelatine, Blow Fill Seal (BFS) products, sachet products; veterinary drugs comprising dosages form like bolus, liquid, injection, water-soluble powder, premix and herbal drugs comprising dosages form like liquid, capsule, tablet, cream & ointment. The products of the company are sold in domestic and international markets respectively.

3.00 Share Capital

Details of Authorized, Issued, Subscribed, and Fully Paid-up Capital as at 30 June 2021 and 30 June 2020 are as under:

Particulars	30 June 2021 (Tk.)	30 June 2020 (Tk.)
Authorized Capital:		
500,000,000 Ordinary Shares @ Tk. 10 each	5,000,000,000	5,000,000,000
Total	5,000,000,000	5,000,000,000
Issued, Subscribed and Fully Paid up Capital:		
211,601,700 Ordinary Shares @ Tk.10 each.	2,116,017,000	2,116,017,000
Total	2,116,017,000	2,116,017,000

4.00 Basis of Preparation of Financial Statements

4.01 Directors' Responsibility Statement

The Board of Directors of the Company take the responsibility for the preparation and presentation of these Financial Statements.

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The ACME Laboratories Ltd.

Notes to the Financial Statements

As at & for the year ended 30 June, 2021

4.02 Basis of measurement

The Financial Statements have been prepared on the historical cost basis except;

"Land and Land Development; Buildings; Machinery & Equipment; Motor Vehicle; Utilities, Electrical Installations & Engineering; Office Equipment," which has been revalued by an independent valuer M/S M M Rahman & Co. Chartered Accountants, Dhaka, Bangladesh in the financial year 2020-2021. The entire class of above-mentioned Property, Plant, and Equipment has been revalued on the basis of the Current Cost Accounting (CCA) Method, as applicable. The valuation report of the valuer has been prepared in accordance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), notification dated 18th August 2013 issued by the Bangladesh Securities and Exchange Commission in this regard, and other applicable laws, rules, regulations, and guidelines. The Financial Statements however, do not take into consideration the effects of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

The revaluation surplus is not available for distribution as dividend to the shareholders.

4.03 Accrual Basis of Accounting

The Financial Statements of the Company are prepared as per the accrual basis of accounting except for cash flows information. Accordingly, The Company recognizes items of assets, liabilities, equity, income, and expenses (the elements of financial statements) when they satisfy the definition and recognition criteria as per the accounting framework.

4.04 Materiality, Aggregation and Offsetting

The Company presents material items separately. Financial Statements are a result of processing a large number of transactions or events that are aggregated into classes according to the nature or function. However, the company does not offset assets and liabilities or income and expenses unless required or permitted by IAS or IFRS.

4.05 Statement of compliance

These Financial Statements have been prepared in accordance with Framework, applicable International Accounting Standards (IASs), and International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), Companies Act 1994, Bangladesh Securities and Exchange Rules 1987 and other relevant laws and regulations applicable in Bangladesh.

4.06 Presentation of Financial Statements

The Financial Statements are presented in accordance with guidelines provided by IAS 1: 'Presentation of Financial Statements.

The Financial Statements comprises of:

- (i) Statement of Financial Position as at 30 June 2021;
- (ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2021;
- (iii) Statement of Changes in Equity for the year ended 30 June 2021;
- (iv) Statement of Cash Flows for the year ended 30 June 2021; and
- (v) Notes, comprising a summary of significant accounting policies and explanatory information.

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The ACME Laboratories Ltd.
Notes to the Financial Statements
As at & for the year ended 30 June, 2021

4.07 Reporting Period

The Financial Statements cover the financial year commencing from 01 July 2020 to 30 June 2021.

4.08 Authorisation for Issue

The Financial Statements have been authorized for issue by the Board of Directors of the Company in their meeting held on 26.10.2021.

4.09 Functional and Presentation Currency

The Financial Statements have been prepared and presented in Bangladeshi Currency (Taka), which is the functional currency of the Company. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

4.10 Comparative information

Comparative information disclosed is of the financial year 2019-2020 for all numerical information in the Financial Statements and also the narrative and descriptive information wherever it is relevant for the understanding of the current year's Financial Statements.

Figures for the comparative year have been regrouped/rearranged wherever considered necessary to ensure better comparability with the current year.

4.11 Use of Estimates and Judgements

The preparation of Financial Statements requires management to make judgments, estimates, and assumptions that affect the reported value of assets, liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Estimates arise because of uncertainties inherent within them but this does not undermine reliability. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the year in which the estimates are revised. Such revision however has been made in the year 2020-2021 for Property, Plant, and Equipment as required by the International Accounting Standard 16 "Property, Plant and Equipment" in respect to the periodicity of revaluation except in the useful life of two classes of non-current assets. There is no material impact of change of estimates on the financial results of the Company for the financial year 2020-2021.

4.12 Capital Management

The primary objective of the capital structure is to maintain an efficient combination of debt and equity ratios to achieve a low cost of capital. The management of the Company regularly reviews the return on equity, capital structure in light of the economic conditions, business strategies and future commitments. For that purpose, capital includes issued Share Capital, Securities Premium and all other Equity Reserves and Debt covering foreign currency term loan, Long-Term & Short Term Loan from domestic Financial Institutions/Banks and finance lease obligations, etc. During the financial year ended 30 June 2021, no significant changes were made in the objectives, policies, or processes relating to the management of the Company's capital structure.

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Notes to the Financial Statements

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4.13 Going Concern

The Company has adequate resources to continue in operation for the foreseeable future. To finance the further business expansion, in the financial year 2015-2016, the Company made for a public issue of Ordinary Shares through the "Book Building Method" allotted and issued 50,000,000 Ordinary Shares. The current credit facilities and resources of the Company provide sufficient funds to meet the present requirements of its existing business operations and expansion. For these reasons, the Board of Directors of the Company continues to adopt the policy of a "Going Concern" basis in preparing the Financial Statements.

4.14 Application of International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS)

Name of the Accounting Standards	Ref. No.	Status of Application
Financial Instruments : Disclosure	IFRS-7	Applied
Financial Instruments	IFRS-9	Applied
Fair Value Measurement	IFRS-13	Applied
Revenue from Contract with Customers	IFRS 15	Applied
Leases	IFRS-16	Applied
Presentation of Financial Statements	IAS-1	Applied
Inventories	IAS-2	Applied
Statement of Cash Flows	IAS-7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
Events after the Reporting Period	IAS-10	Applied
Income Taxes	IAS-12	Applied
Property, Plant and Equipment	IAS-16	Applied
Employee Benefits	IAS-19	Applied
The effects of Changes in Foreign Exchange Rates	IAS-21	Applied
Borrowing Costs	IAS-23	Applied
Related Party Disclosures	IAS-24	Applied
Financial Instruments: Presentation	IAS-32	Applied
Earnings Per Share	IAS-33	Applied
Impairment of Assets	IAS-36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied
Intangible Assets	IAS-38	Applied

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5.00 Significant Accounting Policies

Background:

The Company selects and applies accounting policies consistently unless an IFRS or IAS specifically requires or permits a different and appropriate accounting policy for the same or results in the financial statements providing more relevant information about the effects of the transaction on the company's Financial Position, Financial Performance or Cash Flows.

The Company corrects and discloses the material prior period's/year's error/s, if any, retrospectively by restating the comparative amount for the prior periods/years in which the error has occurred.

5.01 Revenue Recognition

The Company derives revenue principally from manufacturing and sales of pharmaceutical drugs and Medicines.

A contract with a customer exists when the parties to the contract have approved it and are committed to performing their respective obligations, the company can identify each parties rights regarding the distinct good or services to be transferred (Performance Obligations), the company can determine the transaction price for the goods or services to be transferred, the contract has commercial substance and it is probable that the company will collect the consideration to which it will be entitled in exchange for goods or services that will be transferred to the customers. Revenues are recorded in the amount of consideration to which the company expects to be entitled in exchange for performance obligation upon transfer of control to the customers and are measured at the fair value of the consideration received or receivable, net of returns, VAT, and applicable trade discounts, allowances, etc.

(a) Sales of Products:

The majority of customers' contracts that the company enters into consists of a single performance obligation for the delivery of pharmaceutical drugs and Medicines. The company recognizes revenue from sales when control of the products transfers, generally upon shipment or delivery to the customers or custom port. The company records sales net of estimated incentives/discounts, Returns, and other related charges. These are generally accounted for as variable consideration in the same periods the related sales occur. The Methodology and Assumption used to estimate rebated and returns are monitored and adjusted accordingly with the contractual and legal obligations, historical trends, past experience and projected market condition. The revenue for such variable consideration is included in the company's estimate of transaction price only if it is highly probable that a significant reversal of revenue will not occur once any uncertainty is resolved. In making this assessment the company considers its historical records of performance on similar contracts.

(b) Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to principal outstanding and at the effective interest rate applicable.

(c) Dividend

Dividend income from investment in Marketable Securities is recognized when the rights to receive payment have been established, provided that it is probable that the economic benefit will flow to the company and the amount of income can be measured reliably.

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Notes to the Financial Statements

As at & for the year ended 30 June, 2021

5.02 Property, Plant and Equipment (PPE)

i) Recognition and Measurement

The Cost of an item of property plant and equipment (PPE) is recognized as an asset if, and only if it is probable that the future economic benefit will flow to the company and the cost of the item can be measured reliably.

PPE has been measured and stated at cost or revalued amount less accumulated depreciation and accumulated impairment loss, if any, in compliance with the requirement of IAS 16: Property Plant and Equipment and IAS 36 Impairment of Assets. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its present location and working condition for its intended use inclusive of inward freight, duties, and non-refundable taxes.

ii) Maintenance Costs

The company incurs maintenance costs for all its major items of Property, Plant, and Equipment. Repair and maintenance costs are charged as expenses, as and when incurred.

iii) Depreciation

The land is held on a freehold basis and is not depreciated considering its unlimited useful life. In respect of all other Non-current assets, depreciation is provided on a straight-line method to amortize the cost of the asset after commissioning over their expected useful life. In respect of the addition to property, plant and equipment, depreciation begins from the date of respective asset available for use up to the date immediately preceding the date of disposal.

The rate at which assets are depreciated per annum depending on the nature and estimated useful life of assets are given below:

Category of Assets	Rate
Building	2.50% to 13.33%
Machinery and Equipment	7.50% to 100%
Furniture and Fixtures	10% to 100%
Motor Vehicles	8.33% to 100%
Utilities, Engineering and Electrical Installations	7.50% to 100%
Office Equipment	10%
Books and Periodicals	10%

iv) Impairment of Assets

If the recoverable amount of a PPE is less than its carrying amount, the carrying amount of the PPE is reduced to its recoverable amount. This reduction is an impairment loss. An Impairment loss on a non-revalued asset is recognized in the Statements of Profit or Loss and Other Comprehensive Income. However, an impairment loss on a revalued asset is recognized in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that asset. Such impairment loss on a revalued asset reduces the revaluation surplus to the extent for the asset. The Company does impairment testing at the end of each reporting period if the indication of any impairment exists.

V) Retirement and Disposal

On disposal of Non-current assets, the cost and accumulated depreciation are eliminated and gain or loss on such

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disposal is recognized in the Statement of Profit or Loss and Other Comprehensive Income, which is determined with reference to the net book value of the assets and net sales proceeds. The revaluation surplus included in Equity in respect of disposed of/demolished/discarded Property, Plant and Equipment are treated as per the principle enunciated in the IAS 16.

5.03 Lease

IFRS 16 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

IAS 17 did not have specific requirements for the presentation of right-of-use (ROU) assets and lease liabilities in the financial statements. This means that lessees had to rely on the general guidance under IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows.

Effective from 1st January 2019 the company adopted IFRS 16, "Leases" using retrospective cumulative transaction method applied that we were not completed on 1st January 2019. In accordance with the cumulative transaction, method comparatives have not been adjusted retrospectively as the effect of adoption of IFRS 16 was not significant.

The ACME Laboratories Limited applied IFRS 16 onwards from the date of 1st July 2019 since IFRS 16 is effective from the date of 1st January 2019. The Company has made a Right-of-Use Assets and Lease Liability against the Rental Expenses of 16 Depot all over the country. According to IFRS 16 Paragraph 47, a company is required to present Right-of-Use Asset and Lease Liability on the face of Statement of Financial Position separately from Other Assets. Interest expenses and Depreciation on Right of Use Asset are also to be shown separately. Accordingly, as a result of the application of IFRS-16, which was previously classified as Operating Leases, the company recognized BDT. 79,079,936 as Right-of-Use assets and BDT 77,149,780 as Lease Liability as at 30 June, 2021. During the year ended 30 June 2021, the company also charged BDT 21,894,320 as Depreciation and BDT 6,976,999 as Financial interest. An incremental borrowing rate that has been used to determine the present value of lease payment and other calculation.

5.04 Intangible Assets

Intangible assets are stated at cost less amortization and impairment. The cost of acquiring and developing computer software for internal use and internet sites for internal/external use are capitalized as "Intangible Assets" where the software or site supports a significant business system and the expenditure leads to the creation of a durable asset.

Amortization is recognized in the Statement of Profit or Loss and Other Comprehensive Income under the head of Administrative Expenses on a straight-line basis @ 7.50% over the estimated useful lives of Intangible Assets, from the date that they are available for use.

5.05 Financial Instruments

A financial instrument is any contract that gives rise to financial assets and a financial liability or equity instrument of another entity.

i) Financial Assets

Financial assets of the company include Cash and Cash Equivalents, Trade Receivable, Other Receivables and Equity Instrument of another entity. The Company initially recognized receivables on the date they are originated. All other Financial Assets are recognized initially on the date at which the Company becomes a party to the contractual provision of the transaction. The company derecognizes a Financial Asset when, and only when the contractual rights or

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probabilities of receiving the cash flow from the assets expire or it transfers the right to receive the contractual cash flows on the Financial Assets in a transaction in which substantially all the risks and rewards of ownership of the Financial Assets are transferred.

Trade Receivable

Trade receivables are created at the original invoice amount less any provisions for doubtful debts. Provision is made where there is evidence of a risk of non-payments, taking into consideration aging, previous experience, and general economic conditions. When a trade receivable is determined to be uncollectable, it is written off firstly against any provision available and then to the Statement of Profit or Loss and Other Comprehensive Income. Subsequent recoveries of amounts previously provided for and/or written off are credited to the Statement of Profit or Loss and Other Comprehensive Income. During the year under audit, the company has no uncollectable trade receivable to be written off for which it created any provision in the earlier years.

Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash in hand, cash at bank and cash at BO Account that are readily convertible to the known amount of cash and that are subject to an insignificant risk of change in value.

ii) Financial Liability

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes the financial liabilities when its contractual obligations are discharged or canceled or expired. Financial liabilities include payable for expense, liability for capital expenditure, and other current liabilities.

5.06 Impairment

i) Financial Assets

Trade receivables and other receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flow of that asset, which can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indicates that a debtor or issuer will enter bankruptcy, etc.

ii) Non-Financial Assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. The carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss if, and only if, the recoverable amount of the asset is lesser than its carrying amount. Impaired loss is recognized immediately in the Statement of Profit or Loss and Other Comprehensive Income unless the asset is carried at revalued amount. Any impaired loss of a revalued asset shall be treated as a revaluation decrease to the extent of the availability of revaluation surplus. If it is more than the revaluation surplus available, then it is routed through the Statement of Profit or Loss and Other Comprehensive Income.

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5.07 Investment in Securities

According to the relevant laws applicable, the company had invested in shares of listed companies through the stock exchange, by using the income generated in Tax Holiday Unit. The investments in shares are recognized at cost including transaction cost. Further, the entity recognizes subsequent changes in Other Comprehensive Income.

During the year the company has created a deferred tax on unrealized gain/(loss) on Investment in Securities at the rate of 10%.

5.08 Inventories

Inventories are carried at the lower of cost and net realizable value as prescribed by IAS 2: 'Inventories'. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. The cost of material consumption is determined on first-in-first-out basis. Net realizable value is based on the estimated selling price less any further costs expected to be incurred to make the sales.

Type of Stock	Basis of Valuation
Raw Materials	At cost on First in First Out basis
Packing Materials	At cost on First in First Out basis
Work-in-Process	At cost
Finished Goods	At lower of cost or net realizable value
Printing Stationery	At cost on First in First Out basis
Spare & Accessories	At cost on First in First Out basis

5.09 Provisions:

Provisions and accrued expenses are recognized in the Financial Statements in line with the International Accounting Standard (IAS) 37: "Provisions, Contingent Liabilities, and Contingent Assets" when:

- The company has a legal or constructive obligation as a result of past events.
- It is probable that an outflow of economic benefit will be required to settle the obligations.
- A reliable estimate can be made of the amount of the obligations.

Provisions are reviewed at the end of each reporting date and adjusted to reflect the current best estimates. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

5.10 Income Tax Expense

Income tax expense comprised of current and deferred tax. Income tax expense is recognized in the Statement of Profit or Loss and Other Comprehensive Income and accounted for in accordance with the requirement of IAS 12: "Income Taxes".

Current Tax

Current tax is the expected tax payable on the taxable income for the period/year and any adjustment to tax payable in respect of previous years as per the provisions of Income Tax Ordinance, 1984 and duly amended by the Finance Act from time to time.

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Deferred Tax

The company has recognized deferred tax using the balance sheet method in compliance with the provision of IAS 12: "Income Taxes". The policy for recognition of deferred tax assets/liabilities is based on temporary differences (taxable or deductible) between the carrying amount (Book Value) of assets and liabilities for financial reporting purposes and its tax base, and accordingly, deferred tax income or expense has been considered to determine Net Profit after Tax and Earnings Per Share (EPS).

5.11 Loans – Long Term and Short Term from Banks, Financial Institutions and Others.

i) Borrowing Cost

Interest and other costs incurred by the Company in connection with the borrowings of the fund are recognized as expenses in the year in which they are incurred unless such borrowing cost related to acquisition/construction of assets in progress that are capitalized as per IAS 23: "Borrowing costs".

ii) Charges on the Assets of the Company:

There are Fixed and Floating charges over:

- All the Plant, Machinery and Equipment (both present and future) ;
- Floating assets (both present and future) including but not limited to book debts, bills receivable, goodwill, and other floating assets both tangible and intangible and all documents title, undertakings, contracts, engagements securities, and other documents whatsoever related to such assets of the Company in favor of various bankers securing the various kinds of loans taken by the company from them through a Pari Passu security sharing agreement dated 16 January 2020 (8th Supplemental to the lenders' Pari Passu Security Sharing Agreement) amongst the banks. As per the agreement under the names of the participating banks in the charges through the PariPassu agreement are stated hereunder:
 - Dutch Bangla Bank Limited.
 - Dhaka Bank Limited.
 - The Hongkong and Shanghai Banking Corporation Limited.
 - Standard Chartered Bank.
 - Trust Bank Limited.
 - Eastern Bank Ltd.
 - Prime Bank Limited
 - Mutual Trust Bank Limited
- Registered mortgage of the specified Land of the Company executed in favor of Concerned Banks/ Financial Institutions.
- Personal Guarantee of some /all sponsored directors in favor of certain Banks/Financial Institutions.

5.12 Employee Benefits

The Company maintains a Defined Contribution Plan and Defined Benefit Plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective agreements/trust deeds.

The Company has accounted for and disclosed employee benefits in compliance with the provision of IAS19: 'Employee Benefits'.

The cost of employee benefit is charged off as revenue expenditure in the year to which the contributions relate.

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The Company's employee benefits include the following:

i) Defined Contribution Plan (Provident Fund)

The Company got recognition from the Commissioner of Taxes its provident fund scheme (Defined Contribution Plan) vide order no.: নথি নং পি.এফ অনুমোদন/৩২/কঃঅঃ-৩/২০১০-২০১১, তারিখ: ২৩/০৩/২০১১ employees of the company eligible to be members of the fund in accordance with the rules of the provident fund constituted under an irrevocable trust. All permanent employees contribute to the provident fund and the Company also makes an equal contribution.

The Company recognizes the contribution to defined contribution plan as an expense when an employee has rendered services to the Company in exchange for such contribution. The legal and constructive obligation is limited to the amount the Company agrees to contribute to the fund.

ii) Defined Benefit Plan (Gratuity)

The Company has formulated a policy related to "Payment of Gratuity" payable to its eligible Permanent Employees who are serving the Company for a considerable duration, at the time of severance of their relationship from the Company. Eligibility for getting the said Benefit mainly depends upon the length of service with the organization subject to compliance of the eligibility criteria as prescribed by the management in the policy and accordingly the company has made necessary provisions (non-funded) in the books of accounts.

iii) Short-Term Employee Benefits

Short-term employee benefits include salaries, bonuses, etc. Obligations for such benefits are measured on an undiscounted basis and are expensed at the time when the related service is provided.

iv) Contribution to Worker's Profit Participation Fund (WPPF) and Worker's Welfare Fund (WWF)

This represents 5% of net profit before tax and before charging the contribution to WPPF by the Company as per provision of section 15 of the Bangladesh Labor (Amendment) Act, 2013 and is payable to a beneficiary as defined in the said law and accordingly the Company has made necessary provision in the books of accounts.

v) Insurance Schemes

Employees of the company are covered under group hospitalization and group term life insurance including accidental benefits. The summary of the plans is stated hereunder:

A. Group Hospitalization Insurance Plan

In this scheme, the Company covers its employees under hospitalization and other medical expenses related to the hospitalization of the employees from salary Grade K and above. The hospitalization benefits are provided to employees as per a three-tier system and each tier of benefits covering from a different group of employees based on salary grade in the Company. The Company pays an annual premium to the insurance Company for this cover of their employees.

B. Group Term Life Insurance Including Accidental Death Benefit

In this policy, all the permanent and salaried employees of the Company are covered. If an insured employee dies irrespective of the cause of death, the Insurance Company upon receipt of written proof pays to the employer the sum insured in respect of that employee as per the terms of the contract between the insurance company and the employer.

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In respect of fourth class (i.e. Driver, Peon, Cleaner, Guard, Electrician, Loader, Packing Man, Worker, and Helper, etc.) married employees, as a family planning incentive, if he/she leaves behind not more than two children then additional sum equivalent to 15% of sum insured is being paid to them.

Employee Position

During the financial year, there were 7,910 employees employed in the Company with remuneration above Tk. 3,000 per month, among them 6,760 employees employed for the full year and the remaining 1,150 employees employed less than a full year.

During the year tax had been deducted at source from the salary income of 1,783 employees as per the provision of section 50 of Income Tax Ordinance 1984 against their payment.

5.13 Share Premium

As per IAS-32 "Financial Instruments: Presentation", Para-37, an entity typically incurs various costs in issuing or acquiring its own equity instruments. Those costs might include registration and other regulatory fees amounts paid to legal, accounting, and other professional advisers, printing costs, and stamp duties. The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have not been incurred.

The Company shows share premium account balance after netting off of relevant transaction costs. The balance in the share premium account shall be utilized in accordance with provisions of Section 57(2) of the Companies Act, 1994 and as directed by the Bangladesh Securities and Exchange Commission in this respect from time to time.

5.14 Research Development and Experimental Cost

In compliance with the requirements of IAS-38 "Intangible Assets", research, development, and experimental costs are usually absorbed as revenue charges to the Statement of Profit or Loss and Other Comprehensive Income as and when incurred, as being not material in the company's and /local context.

5.15 Earnings Per Share (EPS)

This has been calculated in compliance with the requirement of IAS 33: "Earnings per Share", by dividing the basic earnings by the weighted average number of Ordinary Shares outstanding during the year.

Basic Earnings per Share (Numerator/Denominator)

Earnings (Numerator)

This represents earnings for the year attributable to Ordinary Shareholders.

No. of Ordinary shares (Denominator)

This represents the weighted average number of Ordinary Shares outstanding during the year.

Diluted Earnings per Share

As per the existing term and conditions of the loans taken by the Company from various financial institutions and banks or contracts with various parties including employees, there is no condition related to the conversion of loan into Ordinary Share Capital or stipulation related to share-based payments for material and services supplied by them to the Company. Hence, the Diluted EPS of the Company is the same as Basic EPS.

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5.16 Foreign Currency Transactions

Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date. The monetary assets and liabilities, if any, denominated in foreign currencies at the financial position date are translated at the applicable rates of exchanges ruling at that date. Exchange differences are accounted as revenue expenditure/income in compliance with the provision of IAS 21: "The Effects of Changes in Foreign Exchange Rates".

5.17 Triple Bottom Line Practice in ACME

In ACME, we believe that there is more to business than just making a profit. Long-term business success and sustainability rely on economic value, environmental health, and social progress. Our values are rooted in the concept of the 'Triple Bottom Line (TBL)' and we assume ourselves accountable in relationship to Profit, Planet, and People. We strongly believe that earning profit can't be the only goal of any organization, the well-being of the people and environment are also equally important, hence ACME has adopted the Triple Bottom Line concept as its business philosophy.

5.18 Segmental Reporting

As required by IFRS – 8 "Operating Segments", if an entity operates and engages in different economic environments and activities then the entity has to disclose information, to enable users of its Financial Statements to evaluate the nature and financial effects of the business so carried out.

The Company considers the operation on an aggregate basis and manages the operations as a single operating segment. Hence, it is felt that such segment reporting is not required to be disclosed.

5.19 Contingent Liabilities and Contingents Assets

Contingent liabilities and Contingent assets are present or possible obligations or on liabilities or assets, arising from past events and existence of which depends upon the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the Company or which amount of the obligations cannot be measured with sufficient reliability.

5.20 Statement of Cash Flows

Statement of Cash Flows has been prepared in accordance with IAS-7: 'Statement of Cash Flows' by using the direct method.

5.21 Events after the Reporting Period

Events after the reporting period that provide additional information about the Company's position at the date of Statement of Financial Position or those that indicate the going concern assumption is not appropriate are reflected in the Financial Statements. Events after the reporting period that are not adjusting events are disclosed when material.

5.22 Insurance Claim

The Company recognizes the insurance claim only when the compensation in respect of loss claimed/assessed becomes receivable from the insurer.

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5.23 Highest and Lowest Equity Share Price at Stock Exchanges

The monthly highest and lowest price of each equity shares of Taka 10 each fully paid up of the company listed at Dhaka and Chittagong stock exchange during the financial year 2020-2021 is as under:

Trade Name	Date	Dhaka Stock Exchange		Chittagong Stock Exchange	
		Highest Quoted price	Lowest Quoted Price	Highest Quoted price	Lowest Quoted Price
ACMELAB	July 2020	64.40	61.60	64.50	61.00
	August 2020	80.10	65.80	80.10	65.60
	September 2020	82.50	71.40	81.70	73.00
	October 2020	72.40	68.90	73.00	68.50
	November 2020	74.90	67.60	74.80	67.10
	December 2020	76.10	67.70	76.50	67.40
	January 2021	79.10	73.50	78.40	73.30
	February 2021	72.80	66.40	73.20	65.70
	March 2021	71.30	65.50	71.00	66.00
	April 2021	70.20	63.60	70.70	64.30
	May 2021	71.80	68.60	73.00	69.00
	June 2021	75.30	70.60	74.70	70.70

5.24 Covid-19 and its Impact in Pharma Industry in Bangladesh and on the ACME

COVID-19, a pandemic caused by the novel Coronavirus, has emerged as an unprecedented challenge globally and to the pharmaceutical companies in particular, who have a responsibility towards public health. As a participant in this eco-system, the Company has taken a number of steps to respond to this unique situation. The Company has taken effective steps to ensure the supply of essential medicines to its customers.

Temporarily, the COVID-19 outbreak is expected to lead to a higher demand for sanitizing chemicals, and other medications, as healthcare professionals and patients alike seek prevention and basic treatment measures. The industry has not suffered any potential lockdown, as pharmacy counters are considered a part of essential services.

The Contribution of the Pharma sector is even more critical in times of health emergencies. Pharma is playing an extremely important role by enabling the supply of key medicines across the country and globe as well, this makes it one of the safest and most resilient industries in such periods of uncertainty. The Company's Plant continues to remain operational at almost its usual capacity and the company has successfully supplied its medicine to its customer.

The Company has strictly followed the protocols on social distancing and provided a safe working environment at its Corporate Office, Plant and depots as well. The company revised visitor guidelines, regular updates on health and travel advisory to all employees.

The Company also made various contributions to Government, health departments, public healthcare workers, etc., as part of its COVID-19 CSR initiatives. There have been no significant adverse operational impact on the Company's supply chain due to the nationwide lockdown.

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The Company has monitored the impact of COVID-19 on all aspects of its business. The management has exercised due care, in concluding on significant accounting judgments and estimates, recoverability of receivables, inventory based on the information available as on date, while preparing the financial statements as of and for the year ended 30 June 2021. In view of the continued uncertainties and its inability to predict the extent and duration of the COVID-19 situation, the Company currently is unable to predict any future impact on its business operations. The Company will continue to ensure the supply of essential medicines and take steps to mitigate any risks associated with the COVID-19 pandemic.

5.25 Risk Management

Efficient and effective Risk management is a part and parcel of today's business. As such, The ACME Laboratories Ltd. would be subject to systematic risks of the industry and market as well. The majority of these risks are commercial and business risks in nature that can be mitigated effectively. Such major risk factors and management approaches on the same are described in brief as under:

Operational Risk

ACME relies on suppliers for ingredients and various third parties for certain manufacturing-related services to produce material that meets appropriate content, quality, and stability standards of the company products and after approval, it is being released for commercial distribution. ACME may not be able to produce its drug substance or drug product to appropriate standards without the required supports from its suppliers and vendors. Again, if it fails to maintain important manufacturing and service relationships, may not find a replacement supplier or required vendor or develop Company's own capabilities which could delay or impair Company's ability to obtain regulatory approval for its products and substantially increase Company's costs or deplete profit margins.

Management Perception

ACME has a good number of vendors and for each and every ingredient and service, the Company has more than one approved vendor. It uses to conduct vendor audits and its professionals are very conscious and concerned regarding the vendor issue. Further, none of the suppliers accounts for a significant amount of total purchases.

Interest Rate Risk

Interest rate risk is the risk that Company faces due to unfavorable movement in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect Companies having floating rate loans or Companies investing in debt securities.

Management Perception

In order to manage this risk and overcome it, the Company exercises prudence in its cash flow management, supported by continued strength in sales and marketing. ACME is very careful in forecasting the prices of ingredients and manages its costs in an effective manner. To maintain an effective rate of return ACME also follow a knowledge and information-based products mix, so as to ensure that the debt repayments are met on schedule, even if the interest rates were to rise.

Exchange Rate Risk

Exchange rate risk occurs due to changes in foreign currency exchange rates. As the Company has taken foreign currency loan, imports major raw materials and some packing materials from abroad and earns most of the revenue in local currency, unfavorable volatility or fluctuation may affect the profitability of the Company. On the other hand, if the exchange rate decreased against local currency opportunities will be created for generating more profit/surplus.

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Management Perception

ACME earns some of its revenue in US dollars, thereby creating to built-up auto hedging scope. Besides, in case of significant BDT devaluation, to keep the cost to a minimum, appropriate and responsible hedging mechanisms may be applied. However, if the price of the US dollar appreciates too sharply against the BDT, this will be a nationwide phenomenon experienced by the entire industry. In such a scenario, there will be a market adjustment in end-product prices, subject to the approval of the concerned authorities.

Industry Risk

The pharmaceutical industry has witnessed challenges such as intellectual property rights, a historic fuel price peak, and material cost increase across the globe. It stands as one of the most challenging and dynamic industries to operate as of date. Fortunately, Bangladesh is the only least developed country that demonstrates significant competencies in the pharmaceuticals industry and it requires a huge quantity of medicine for its present 166 million (approx.) population. As such, the local pharmaceutical industry is not in a trouble; rather the said industry has ample opportunities to grow.

Management Perception

As the per capital income and per-person consumption of medicine have been increasing over the years, management is optimistic about the growth opportunities of the pharmaceutical industry in Bangladesh. The Company is trying to adopt sophisticated state of art cutting-edge technology-driven manufacturing facilities and making efforts to catch the opportunity of regulated global market apart from the domestic market.

Market Risk

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the Company. Mostly, the risk arises from falling demand for pharmaceutical products which would adversely affect the performance of the Company. On the other hand, strong marketing and brand management system would help the Company to increase its customer and market base.

Management Perception

The products of the pharmaceuticals industry are of basic nature and have a wide market as they are giving a good market share to The ACME Laboratories Limited at present. Hence, it will hardly be the case that there will be a lack of demand for the products. Moreover, as explained earlier, the pharmaceuticals industry is only increasing year-on-year basis and ACME is following a full-proof scientific integrated marketing policy hence, has a marginal probability for shrinkage of the market share.

Technology Related Risk

The pharmaceutical industry is dynamic in nature and heavily driven by technology. Hence, the technology always plays a vital role here. Adaptation of better technology may help to gain remarkable core competencies that certainly create competitive advantages like increase productivity; reduce costs, better perception of customers. Firms are exposed to technology risks when there are better technologies available in the market than one used by the Company which may cause operational inefficiency.

Management Perception

As a one of the leading pharmaceutical company of the country, there are clear intent regarding the adaptation of the latest technology in the Company here and the management is aware of technological changes and always

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trying to adopt new technology according to its needs. Furthermore, routine and proper preventive maintenance of the equipment carried out by the Company ensures longer service life for the existing equipment and facilities. Finally, ACME is committed to holding its leading edge and maintaining quality and brand image.

Potential or Existing Government Regulations

The Company operates under the Drugs Ordinance 1982, Companies Act 1994, Directorate General of Drug Administration (DGDA) Regulations, Income Tax Ordinance 1984, Income Tax Rules 1984, Customs Act 1969, Value Added Tax (VAT) Act 1991, and Value Added Tax (VAT) Rules 1991, Bangladesh Securities and Exchange Rules, 1987 and other rules and regulations of the country. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the Company.

Management Perception

Since the product of pharmaceuticals industry is an essential one for lives and it is an import substitute industry and degree of value addition is remarkable, we see the government regulations are mostly investment-friendly for this sector particularly. As ACME is one of the top-ranking pharmaceutical Companies in the country, it is doing business by following all the rules and regulations of the land. Change in regulations will bring changed strategies for doing the business by the dynamic management of the Company. Besides, many of the patented drugs/molecules will be off patented and it will be an opportunity for the manufacturer to freely manufacture, promote and distribute without any restriction.

Potential Changes in Global and National Policies

Changes in Government policies may affect business. 47least developed countries (LDCs) including Bangladesh are not required to provide patent protection, give exclusive marketing rights to companies with patented products or comply with the "mailbox" program – create a process to receive complaints about pharmaceutical product patent right violations until 1 January 2033, or until such a date on which they cease to be an LDCs Member, whichever date is earlier.

Management Perception

Pharmaceuticals, over the years, have been proved as a thrust sector for the country and growing at a considerable pace each year. In addition, ACME is continuously trying to adopt the right technology and build infrastructure to meet TRIPS standards.

History of Non-operation

The ACME Laboratories Limited started its journey in the year 1954 and converted into a private limited company on 17 March 1976 vide registration no. C-4745/163 of 1975-76 under the Companies Act-1913. Since the commencement of its operation, it has had no history of non-operation till now. The Company is running by a professional team and pursues a continuous full-proof market promotion system, which reduces the non-operating risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its obligation. Credit risk information helps users of Financial Statements assess the credit quality of the entity's financial assets and level and sources of impairment loss. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. As at 30 June 2018, a substantial part of the receivables is subject to insignificant credit risk. Risk exposures from other financial assets i.e. cash at the bank and other external receivables are very nominal.

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Management Perception

To mitigate the credit risk the management of the Company follows robust credit control and collections policies. The Company has a dedicated credit collections team who are responsible for the collection of dues and they have been demonstrating remarkable performances in collecting receivables as per Company's credit and collection policy.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity (Cash and Cash equivalents) is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or bringing damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalent to meet expected operational expenses including financial obligations through the preparation of the cash flow forecast with due consideration of timeline of payment of the financial obligation and accordingly arrange for sufficient funds to make the expected payment within due date.

Management Perception

Effective liquidity risk management requires both a top-down and a bottom-up approach. Strategy, principles, and objectives are set at Board and Management levels. ACME conducts liquidity management in a manner that maintains stability and flexibility in day-to-day funding activities. Our liquidity risk management starts by managing the daily payment of cheques, daily cash inflow, and outflow, maturity of deposits, and our access to other funding sources as and when required.

5.26 General Comments & Observations:

- a) The previous year's figures have been regrouped/reclassified wherever considered necessary to conform to the current year's presentation. Figures have been rounded off to the nearest taka, as the currency represented in this Financial Statements.
- b) All shares are fully paid up.
- c) The company has not incurred any expenditure in foreign currency against royalties.
- d) No foreign exchange was remitted to the relevant shareholders during the year under audit.
- e) No amount of money was expended by the company for compensating any members of the Board for special service rendered.
- f) No brokerage was paid against sales during the year under audit.
- g) There was no bank guarantee issued by the company on behalf of directors.

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Note No.	Particulars	Amount (Tk.) 30 June, 2021	Amount (Tk.) 30 June, 2020
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6 Property Plant and Equipment: Tk. 25,021,302,535

Details of Property, Plant and Equipment and Depreciation As at 30 June 2021 are shown in the annexed Schedule - A. This is arrived at as follows:

Cost	26,751,069,734	25,027,820,492
Opening Balance (Cost)	25,027,820,492	23,001,127,749
Addition during the year (Cost)	2,379,180,518	4,726,722,000
Disposal (Cost)	(15,695,957)	(10,548,390)
Adjustment for CWIP/MIT	(640,235,319)	(2,689,480,867)
Revaluation	6,073,047,857	6,058,570,263
Opening Balance (Revaluation)	6,058,570,263	6,060,634,266
Addition during the year (Revaluation Surplus)	15,137,594	-
Disposal (Revaluation Surplus)	(660,000)	(2,064,003)
Accumulated Depreciation on Cost	6,913,612,048	5,664,008,431
Opening Balance	5,664,008,431	4,569,105,650
Addition during the year	1,261,319,743	1,104,473,710
Disposal	(11,716,126)	(9,570,929)
Accumulated Depreciation on Revaluation Surplus	889,203,008	819,817,951
Opening Balance	819,817,951	740,998,880
Addition during the year	70,471,047	80,876,878
Disposal	(1,085,990)	(2,057,807)
Carrying Value		
Cost	19,837,457,686	19,363,812,061
Revaluation Surplus	5,183,844,849	5,238,752,312
	25,021,302,535	24,602,564,373

Allocation of depreciation charge for the year has been made in the Financial Statements as follows:

Factory Overhead	1,118,704,263	995,694,494
Selling, Marketing and Distribution Expenses	109,872,740	97,791,423
Administrative Expenses	103,213,787	91,864,671
Total	1,331,790,790	1,185,350,588

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Note No.	Particulars	Amount (Tk.) 30 June, 2021	Amount (Tk.) 30 June, 2020
6.A	Revaluation Surplus: Tk. 5,183,844,849		
	Current balance has been arrived as below:		
	M M Rahman & Co. Chartered Accountants, Dhaka, Bangladesh the valuer revalued the Land and Land Development, Building, Machinery & Equipment ,Motor Vehicle, Utilities Electrical Installation & Engineering and Office Equipment as at 30 June 2021 at " Current Cost Accounting Method (CCA)". Due to these revaluation, a net revaluation surplus amounting to Tk. 15,137,594 had arisen. Details of Revaluation Surplus has been given below:		
	Revaluation Surplus	6,073,047,857	6,058,570,263
	Opening Balance	6,058,570,263	6,060,634,266
	Add: Addition during the year	15,137,594	-
	Less: Adjustment due to Loss on Revaluation	-	-
	Less : Adjustment due to disposal/Discard	(660,000)	(2,064,003)
	Less: Accumulated depreciation on revaluation & Loss on Disposal	889,203,008	819,817,951
	Opening Balance	819,817,951	740,998,880
	Add: Depreciation charged for the year	70,471,047	80,876,878
	Less: Adjustment due to disposal/Discard	(1,085,990)	(2,057,807)
		5,183,844,849	5,238,752,312
7.A	Right-of-Use Assets : Tk. 79,079,936		
	Right-of-Use Assets (ROU)	95,966,272	95,966,272
	Add: Addition during the year	17,578,606	-
	Less: Accumulated Depreciation	31,490,947	9,596,627
	Less: Adjustment due to discontinuance of Rent	2,973,995	-
	Carrying Value of ROU Assets	79,079,936	86,369,645
	Disclosure notes regarding ROU Assets given in note number 5.03		
7.B	Lease Liability: Tk. 77,149,780		
	Current Lease Liability	14,265,147	11,643,390
		14,265,147	11,643,390
	Long term Lease Liability	62,605,843	66,780,466
	Less: Net Adjustment (Due to discontinue of Rent)	(278,790)	-
		62,884,633	66,780,466
		77,149,780	78,423,856
	Disclosure notes regarding ROU Assets given in note number 5.03		
8	Intangible Assets :Tk. 15,500		
	The Details are as under:		
	Application Software (Note no. 8.A)	940,285	940,285
	Less: Amortization	924,785	903,160
	Accumulated balance till last financial year	903,160	861,535
	Amortized during the year	21,625	41,625
		15,500	37,125

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Note No.	Particulars	Amount (Tk.) 30 June, 2021	Amount (Tk.) 30 June, 2020
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8.A Application Software: Tk. 15,500

Details have been given below :

Year of acquisition	Amount (Tk.)	Rate	Amortization			
			Opening balance	During the year	Total	Closing Balance
2000-01	385,285	7.50%	385,285	-	385,285	-
2007-08	400,000	7.50%	390,000	10,000	400,000	-
2009-10	155,000	7.50%	127,875	11,625	139,500	15,500
Total	940,285		903,160	21,625	924,785	15,500

9 Investment in Securities : Tk. 35,511,421

Public Limited Co.'s Securities (Details are given in Note no. 9.A below)

35,511,421	23,769,350
35,511,421	23,769,350

9.A Public Limited Co.'s Securities

Particulars	No. of Equity Shares held	FV	Average cost per unit	Total cost as at 30.06.2021	Market Price as at 30.06.2021	Unrealized gain/(loss)
AB Bank Ltd.	31,393	10	16.6421	522,446	464,616	(57,830)
Eastern Bank Ltd.	31,213	10	18.6935	583,480	1,092,455	508,975
Pioneer Insurance Co. Ltd.	28,875	10	36.3641	1,050,013	4,631,550	3,581,537
Southeast Bank Ltd.	29,545	10	17.0760	504,509	425,448	(79,061)
EXIM Bank Ltd.	27,500	10	9.3284	256,530	319,000	62,470
Square Pharma Ltd.	106,613	10	173.8867	18,538,586	22,975,102	4,436,516
Square Textile Ltd.	262	10	-	-	12,445	12,445
Grameen Phone Ltd.	16,000	10	294.7140	4,715,424	5,590,400	874,976
C & A Textiles Ltd.	92	10	9.4565	870	405	(465)
				26,171,858	35,511,421	9,339,563

Less: Deferred Tax Liability @10% on Un-realized Gain

(933,956)

26,171,858	35,511,421	8,405,607
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Balance as at 30 June 2021

Comparative year as at 30 June 2020

26,171,858	23,769,350	(2,162,257)
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Note No.	Particulars	Amount (Tk.) 30 June, 2021	Amount (Tk.) 30 June, 2020
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10 Inventories: Tk. 3,872,009,643

This balance is made up of as follows:

Raw Materials	1,157,656,749	1,324,987,587
Packing Materials	568,965,127	550,467,658
Work-in-Process	542,765,368	475,525,865
Finished Goods	1,225,437,654	1,164,145,968
Printing & Stationery	17,484,820	160,054,336
Spare & Accessories	359,699,925	242,786,412
Total	3,872,009,643	3,917,967,826

11 Trade Receivable : Tk. 2,215,620,762

Trade Receivable both domestic and exports occurred in the ordinary course of business are unsecured but consider good. The above Trade Receivable is as follows:

Domestic	2,048,154,189	1,692,541,452
Exports	164,825,118	211,115,581
	2,212,979,307	1,903,657,033
Add: Foreign exchange Unrealized Gain	2,641,455	7,172,600
	2,215,620,762	1,910,829,633

11.A Trade Receivable: Tk. 2,215,620,762

Ageing of the above receivables are given below:

Particulars	Up to 6 Months		Above 6 Months		Total	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
Domestic	2,048,154,189	1,692,541,452	-	-	2,048,154,189	1,692,541,452
Exports	164,825,118	211,115,581	-	-	164,825,118	211,115,581
					2,212,979,307	1,903,657,033
Add: Foreign exchange Gain/(Loss)					2,641,455	7,172,600
					2,215,620,762	1,910,829,633

12 Other Receivable: Tk. 19,933,211

This consists of as follows:

Rent on Investment Property	19,386,000	19,386,000
Interest Receivable (Term Deposit)	503,898	300,156
Dividend Receivable on Marketable Securities	43,313	43,313
	19,933,211	19,729,469

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Note No.	Particulars	Amount (Tk.) 30 June, 2021	Amount (Tk.) 30 June, 2020
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13 Advances, Deposits and Prepayments : Tk 3,051,719,911

The followings items are unsecured but considered good and consists of as follows :

Advances:

Advances against Salary	227,071,957	187,782,365
Motor Cycle Advance to Employees	341,118,017	328,774,538
Employee Advances (Others)	254,125,039	248,745,890
Advance for API Industrial Park	242,530,528	199,711,876
Advance to ACMUNIO International Ltd.	96,479,473	96,479,473
Advance to Suppliers	688,024,312	547,693,982
Advance to Suppliers for Construction	376,575,435	338,809,766
Advance against Land	23,450,000	23,450,000
Others	34,353,530	34,138,043

Deposit :

Security Deposit and Earnest Money	85,122,439	59,566,540
Security Deposit to Dhaka Polli Biddut Samity-3	15,140,000	15,140,000
Lease Deposit	186,000	186,000
Presumptive Tax on Share Premium	13,064,814	13,064,814
Deposit for Gas	14,111,619	11,218,919
VAT Deposit on Stock	613,766,527	562,601,974
Security Deposit to CDBL	500,000	500,000
Others	13,012,694	3,700,750

Prepayments :

Insurance	13,087,527	12,057,118
	3,051,719,911	2,683,622,048

14 Advance Income Tax: Tk. 3,154,867,216

The breakup of the above amount is as under:

Opening Balance as per last A/C	2,762,563,924	2,365,624,805
Payment during the year:		
AIT collected by Customs Authority	214,461,186	262,801,790
AIT collected by Bank from Export Bills	3,613,979	4,606,098
AIT deducted against supply of Medicines	40,746,326	17,740,711
AIT collected by BRTA Authority	6,218,500	3,394,500
AIT deducted on Bank Interest on FDRs and STD account	1,674,401	3,172,868
AIT deducted from Dividend Received and Cash Incentive	5,588,900	223,152
Paid by pay order:		
for the assessment year 2021-22	120,000,000	-
for the assessment year 2020-21	-	105,000,000
	3,154,867,216	2,762,563,924

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**ACME**Shiraz Khan Basak & Co.
Chartered Accountants

The ACME Laboratories Ltd.

Notes to the Financial Statements

As at & for the year ended 30 June 2021

Note No.	Particulars	Amount (Tk.) 30 June, 2021	Amount (Tk.) 30 June, 2020
15	Material in Transit: Tk. 1,252,395,519		
	Raw Materials	872,400,910	989,877,638
	Packing Materials	290,187,609	235,856,078
	Spare Parts	89,807,000	86,892,244
		1,252,395,519	1,312,625,960
16	Term Deposit: Tk. 180,116,317		
	As a part of efficient treasury management the company has made some short term investment with various Commercial Banks and Non Banking Financial Institutions which are stated below:		
	Investment Corporation of Bangladesh (ICB)	134,012,364	259,367,312
	Agrani Bank Limited	46,103,953	15,000,000
		180,116,317	274,367,312
17	Cash and Cash Equivalents: Tk. 1,593,850,434		
	This is made up as follows :		
	Cash in Hand	768,812,510	823,101,959
	Cash at BO Account	2,277,017	1,246,293
	Cash at Bank :	-	-
	Trust Bank Ltd.	107,690,099	426,064,230
	Standard Chartered Bank	152,925,345	123,690,466
	Uttara Bank Ltd.	18,594,707	66,880,827
	Prime Bank Ltd.	91,825,396	101,157,508
	Mercantile Bank Ltd.	2,387,586	16,114,979
	Dutch Bangla Bank Ltd.	126,991,728	95,479,054
	Islami Bank Ltd.	11,894,700	6,281,346
	Bank Asia Ltd.	16,370,672	2,868,695
	National Bank Ltd.	7,431,349	11,411,464
	Agrani Bank Ltd.	238,029,529	105,732,756
	The City Bank Ltd.	6,588,655	6,545,488
	NCC Bank Ltd.	15,231,331	20,227,085
	Eastern Bank Ltd.	14,124,655	2,221,886
	Southeast Bank Ltd.	2,391,818	1,043,258
	HSBC	-	2,008,849
	Dhaka Bank Ltd.	7,611	16,835
	Sonali Bank Ltd.	7,633,804	9,919,824
	United Commercial Bank Ltd.	573,403	636,729
	Exim Bank Ltd.	-	232,419
	Shimanto Bank Ltd.	98,850	98,850
	Mutual Trust Bank Ltd	1,692,449	234,444
	Jamuna Bank Ltd.	99,712	99,712
	One Bank Ltd.	104,685	476,750
	Meghna Bank Ltd.	72,823	24,811
		1,593,850,434	1,823,816,517

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The ACME Laboratories Ltd.
Notes to the Financial Statements
As at & for the year ended 30 June 2021

Shiraz Khan Basak & Co.
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Note No.	Particulars	Amount (Tk.) 30 June, 2021	Amount (Tk.) 30 June, 2020
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18 Share Capital : Tk. 2,116,017,000

This is arrived at as follows :

18.1 Authorized Capital : Tk 5,000,000,000

500,000,000 Ordinary share of Tk. 10 each

5,000,000,000	5,000,000,000
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18.2 Issued, Subscribed and Paid - Up Capital:

211,601,700 Ordinary Shares @ Tk. 10 each

2,116,017,000	2,116,017,000
2,116,017,000	2,116,017,000

18.3 The movement in number of Ordinary Shares during the year is as under

Opening Balance

211,601,700	211,601,700
-------------	-------------

Add: Issued during the year

-	-
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Closing Balance

211,601,700	211,601,700
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18.4 Calculation of Net Asset Value (NAV) per ordinary share of Tk. 10 each:

A Total Equity of the Company

20,110,595,026	19,044,180,165
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B Total Number of outstanding ordinary share at the end of the year

211,601,700	211,601,700
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C **Net Asset Value per Ordinary Share (A/B) rounded of upto two decimal places**

95.04	90.00
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18.5 History of allotment of Shares by the Company:

Date of Allotment	Particulars of allotment	Number of ordinary shares allotted	Face Value (Tk)	Amount of Share Capital(Tk.)
17.03.1976	First(Subscription to the Memorandum and Articles of Association at the time of Incorporation)	600	10	6,000
16.05.1976	Second	29,500	10	295,000
10.08.1989	Third	300,000	10	3,000,000
29.11.2006	Fourth	9,669,900	10	96,699,000
05.05.2011	Fifth	106,000,000	10	1,060,000,000
20.05.2013	Sixth	39,631,100	10	396,311,000
26.11.2013	Seventh	5,970,600	10	59,706,000
15.05.2016	Eighth	50,000,000	10	500,000,000
		211,601,700		2,116,017,000

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**ACME**Shiraz Khan Basak & Co.
Chartered Accountants

The ACME Laboratories Ltd.

Notes to the Financial Statements

As at & for the year ended 30 June 2021

Note No.	Particulars	Amount (Tk.) 30 June, 2021	Amount (Tk.) 30 June, 2020
19	Share Premium: Tk. 5,127,599,728		
	In the year 2015-2016, the company issued 50,000,000 Ordinary Shares of Tk. 10 each of which 30,000,000 Ordinary Shares issued at an issue price of Tk. 85.20 with a premium of Tk. 75.20 each and 20,000,000 Ordinary Shares issued at an issue price of Tk. 77.00 with a premium of Tk. 67.00 each.		
	Opening balance	5,127,599,728	5,127,599,728
	Add : Amount received during the year	-	-
	Closing balance	5,127,599,728	5,127,599,728
20	Retained Earnings: Tk. 7,495,263,601		
	Opening balance	6,384,509,141	5,593,734,287
	Add: Addition during the year	1,639,758,710	1,531,380,804
	Net Profit after Tax for the year	1,569,226,727	1,450,497,730
	Adjustment for Depreciation on Revaluation Surplus	70,957,973	80,876,878
	Adjustment for disposal of Motor Vehicle	(425,990)	6,196
	Less: Adjustment during the year	529,004,250	740,605,950
	Dividend for the year 2019-2020 (comparative year dividend was for the financial year 2018-2019)	529,004,250	740,605,950
	Closing balance	7,495,263,601	6,384,509,141
21	Long Term Loans - Net off Current Maturity: Tk. 5,441,816,500		
	This represents long term borrowings from Financial Institutions which are as follows:		
	Name of Financial Institution		
	Trust Bank Ltd.	266,336,878	570,967,662
	Dutch Bangla Bank Ltd.	151,026,372	217,533,483
	Eastern Bank Ltd.	343,750,000	50,000,000
	IDLC Finance Ltd.	246,152,050	293,466,219
	Dhaka Bank Limited	128,558,759	184,381,464
	Standard Chartered Bank	532,259,639	104,000,000
	IIDFC	-	177,500,000
	IPDC	462,500,000	438,000,000
	HSBC Term Loan	508,469,749	718,241,742
	United Finance Ltd. (UFL)	-	70,000,000
	Lanka Bangla Finance Ltd.	600,000,000	345,000,000
	Lankan Alliance Finance Ltd.	-	121,432,165
	Bay Leasing & Investment Limited	-	60,000,000
	Prime Bank Limited	612,722,289	338,575,778
	Mutual Trust Bank Limited	136,326,495	161,721,534
	Bank Asia Limited	1,303,525,056	1,255,747,500
	United Commercial Bank Ltd.	150,189,213	-
	5,441,816,500	5,106,567,547	

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Note No.	Particulars	Amount (Tk.) 30 June, 2021	Amount (Tk.) 30 June, 2020
22	Provision for Gratuity: Tk. 500,455,725		
	Opening Balance	361,679,351	336,558,221
	Add: Provision for the year	205,134,632	70,253,992
	Less: Paid during the year	66,358,258	45,132,862
	Closing Balance	500,455,725	361,679,351
23	Deferred Tax Liability: Tk. 873,543,287		
	This represents provision made/assets created related to deferred income tax for taxable/deductible temporary differences which is arrived at as follows:		
	Opening Balance	857,259,010	684,485,951
	Add : Deferred Tax Liability/(Assets) created during the year		
	Increase in Deferred tax liability	50,978,371	179,053,341
	On account of (deductible) /taxable temporary difference for PPE	49,321,625	178,078,390
	On account of (deductible) /taxable temporary difference for unrealized gain on Marketable Securities.	1,174,207	(1,011,496)
	Deferred Tax of Temporary difference on Lease	482,539	1,986,447
	Creation of Deferred Tax Assets	(34,694,094)	(6,280,283)
	on account of Provision for Gratuity	(34,694,094)	(6,280,283)
	Closing Balance	873,543,287	857,259,010
24	Loans & Overdrafts: Tk. 7,141,067,455		
	This represents the amount are as follows :		
	Name of the Bank		
	Dutch Bangla Bank Ltd.	864,972,066	39,055,022
	Standard Chartered Bank	660,901,998	836,266,979
	Dhaka Bank Ltd.	300,981,065	552,591,478
	HSBC	1,589,049,131	1,583,577,822
	Eastern Bank Ltd.	944,524,427	972,680,306
	Trust Bank Ltd.	323,008,109	705,710,788
	The City Bank Ltd.	18,123,413	801,664,074
	Prime Bank Limited	492,497,098	528,943,702
	Mutual Trust Bank Ltd.	228,908,785	217,383,228
	Agrani Bank Ltd.	720,554,487	1,581,201,609
	IDLC Finance Ltd.	125,000,000	-
	Meghna Bank Ltd.	342,713,268	8,032,500
	United Commercial Bank Ltd.	469,833,608	488,213,131
	Lanka Bangla Finance Ltd.	60,000,000	-
		7,141,067,455	8,315,320,639



The ACME Laboratories Ltd.

Notes to the Financial Statements

As at & for the year ended 30 June 2021

Note No.	Particulars	Amount (Tk.) 30 June, 2021	Amount (Tk.) 30 June, 2020
25	Current Maturity of Long Term Loans: Tk. 2,601,493,765		
	This amount represents current portion of long term loans from Bank & Non-Banking Financial Institutions which are repayable within next 12 months from the balance Sheet date :		
	Name of Financial Institutions:		
	Trust Bank Ltd.	352,993,508	445,160,767
	IDLC Finance Ltd.	135,282,861	115,389,546
	IIDFC	-	100,000,000
	IPDC	218,000,000	266,000,000
	Eastern Bank Ltd.	175,000,000	200,000,000
	HSBC Term Loan	280,818,129	333,271,745
	Standard Chartered Bank	152,285,761	26,000,000
	Dhaka Bank Ltd.	56,551,233	93,692,639
	Dutch Bangla Bank Ltd.	69,185,772	158,198,872
	United Finance Ltd. (UFL)	-	80,000,000
	Lanka Bangla Finance Ltd.	160,000,000	120,000,000
	Lankan Alliance Finance Ltd.	-	48,784,763
	Prime Bank Limited	534,921,270	173,112,000
	Bay Leasing Limited	-	40,000,000
	Mutual Trust Bank Limited	39,229,875	39,229,875
	Bank Asia Limited	397,414,569	220,500,000
	United Commercial Bank Ltd.	29,810,787	-
		2,601,493,765	2,459,340,207
26	Trade Payables: Tk. 350,249,816		
	Trade Creditors	350,249,816	398,967,527
		350,249,816	398,967,527
27	Provision for Income Tax: Tk. 2,855,903,656		
	Opening Balance	2,366,744,574	2,011,594,657
	Add: Provision during the year	489,159,082	355,149,917
		2,855,903,656	2,366,744,574
27.A	Income Tax Provision during the year: Tk. 489,159,082		
	Provision made during the year	489,159,082	355,149,917
		489,159,082	355,149,917

The ACME Laboratories Ltd.
Notes to the Financial Statements
As at & for the year ended 30 June 2021

Shiraz Khan Basak & Co.
Chartered Accountants

Note No.	Particulars	Amount (Tk.) 30 June, 2021	Amount (Tk.) 30 June, 2020
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28 Liability for Expenses and Others: Tk. 516,914,537

This is arrived at as follows:

Salary & Allowances	10,018,199	9,692,500
Power & Electricity	2,706,486	2,098,040
Postage & Telephone	493,566	457,503
Gas Bill	16,185,121	21,230,974
Audit Fee	550,000	550,000
WASA Bill	106,898	43,883
Workers Profit Participation Fund (WPPF) and Workers Welfare Fund (WWF) 28.A	167,695,172	153,094,827
Non Current Assets Valuation fee	747,500	-
Advance against Export Sales	8,328,584	3,187,092
Interest on WPPF and WWF	12,337,301	8,901,071
VAT Payable	231,231,612	147,430,038
Other Expenses and TDS & VDS	66,514,097	76,358,735
	516,914,537	423,044,663

28.A Workers Profit Participation Fund (WPPF) and Workers Welfare Fund (WWF): Tk. 167,695,172

The company makes a regular allocation of 5% on net profit before tax to this funds and payment is made to the workers as per provisions of Labor Law 2006 as amended in 2013.

Opening Balance	153,094,827	142,023,583
Add: Addition for the year	103,674,794	98,971,610
Less: Payment during the year	89,074,449	87,900,366
Closing Balance	167,695,172	153,094,827

29 Dividend Payable and Unclaimed Dividend Account: Tk. 7,232,858

The Board of Directors proposed 25% cash dividend of Tk. 529,004,250 for the year 2019-2020 which was duly approved in the 44th AGM by the shareholders . The details are stated below:

Opening Balance	6,735,643	17,323,889
Add: Final dividend declared for the year 2019-2020 (Gross)	529,004,250	740,605,950
Less: Dividend paid to Shareholders	528,507,035	751,194,196
Net Dividend Payable	7,232,858	6,735,643



The ACME Laboratories Ltd.

Notes to the Financial Statements

As at & for the year ended 30 June 2021

Note No.	Particulars	Amount (Tk.) 30 June, 2021	Amount (Tk.) 30 June, 2020
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29.A Dividend payable : Tk. 3,577,404

As per BSEC Directive no.BSEC/CMRRCD/2021-386/03 dated 14th January, 2021 Dividend payable not more than 03 years are as follows:

S.L	Financial Year	Dividend	% of Dividend	No. of BO	Date of AGM	Dividend Payable (Tk.)
1	2017-2018	Cash	35%	1,116	06.12.2018	739,970
2	2018-2019	Cash	35%	1,589	12.12.2019	1,562,827
3	2019-2020	Cash	25%	1,542	10.12.2020	1,274,607
						3,577,404

29.B Unclaimed Dividend Account : Tk. 3,655,454

Referring to the BSEC Directive no.BSEC/CMRRCD/2021-386/03 dated 14th January, 2021 Unclaimed dividend of more than 03 years is as under:

S.L	Financial Year	Dividend	% of Dividend	No. of BO	Date of AGM	Unclaimed Dividend (Tk.)
1	2015-2016	Cash	35%	4,557	07.11.2016	2,416,940
2	2016-2017	Cash	35%	1,888	04.12.2017	1,238,514
						3,655,454

The above mentioned unclaimed dividend amount has duly been transferred to Capital Market Stabilization Fund (CMSF) on dated 31 August 2021 by the Company.

30 Revenue : Tk. 20,770,140,096

This is made up as follows:

Gross Turnover

Domestic

Own Products

23,005,701,449 20,849,945,895

Manufactured by Others

48,704,288 -

Imported

- 46,500

23,054,405,737 20,849,992,395

Export

Own Products

772,534,570 1,165,053,328

772,534,570 1,165,053,328

Others

Toll Manufacturing Charge

294,888 -

294,888 -

Total Gross Turnover

23,827,235,195 22,015,045,723

Less: VAT

3,057,095,099 3,011,386,066

Net Turnover

20,770,140,096 19,003,659,657

The ACME Laboratories Ltd.
Notes to the Financial Statements
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The Summarized Sales and Production Quantities are as follows:

Name of Category	Unit	Opening Balance	Production/Purchase	Sales Consumption	Closing Balance
Human					
Tablet	Pcs	222,262,701	4,531,425,467	4,531,149,430	222,538,738
Capsule	Tube	24,214,875	563,805,167	560,176,750	27,843,291
Liquid	Bottles	5,973,008	71,604,172	71,545,127	6,032,053
Dry Syrup	Phials	1,405,653	11,882,944	11,907,529	1,381,068
Ointment/Gel	Pcs	389,470	3,225,743	3,215,210	400,003
Cream	Bottles	1,466,660	8,433,175	8,446,094	1,453,741
Suppository	Tube	2,588,934	43,899,495	44,248,110	2,240,319
Inhaler (DPI)	Pcs	4,577,271	51,640,364	51,305,236	4,912,398
Inhaler (MDI)	Pcs	237,138	1,905,110	1,912,330	229,918
Eye/Ear/Nasal Drop	Cans	2,295,001	13,638,751	13,721,071	2,212,681
Injection (Amps)	Pcs	1,934,970	32,672,692	32,668,298	1,939,364
Injection (Vial)	Cans	706,416	13,160,548	13,156,552	710,412
Infusion	Pcs	1,547,680	4,901,312	4,899,942	1,549,050
Sachet/Premix	Bottles	973,250	17,584,129	17,461,395	1,095,984
Powder	Pcs	158,460	964,102	957,808	164,754
Handrub/Sanitizer	Pcs	301,206	927,643	877,416	351,433
Veterinary					
Bolus	Pcs	16,334,544	344,368,791	341,590,876	19,112,458
Liquid	Kg	945,610	11,180,888	10,647,532	1,478,966
Premix	Pcs	7,291,345	40,360,057	40,263,740	7,387,662
WSP	Pcs	883,145	14,999,983	14,870,541	1,012,587
Injection	Vial	1,793,251	13,738,096	13,295,840	2,235,507
Herbal & Ayurvedic					
Capsule	Pcs	439,558	10,740,218	10,736,317	443,458
Liquid	Pcs	1,061,531	12,935,118	12,911,891	1,084,758
Tablet	Pcs	1,113,785	22,740,035	22,634,384	1,219,436
Others					
Syringe	Pcs	35,328	-	-	35,328
Fish Feed	Kg	2,986	-	-	2,986
Vaporizer	Pcs	13,319	-	-	13,319

An associate firm of D.N Gupta & Associates



The ACME Laboratories Ltd.

Notes to the Financial Statements

As at & for the year ended 30 June 2021

Note No.	Particulars	Amount in Taka	
		July 2020 to June 2021	July 2019 to June 2020
31	Cost of Goods Sold : Tk. 12,719,818,570		
	This is arrived at as follows :		
	Raw Materials Consumed (Refer Note 31.a)	6,461,012,007	6,136,849,407
	Packing Materials Consumed (Refer Note 31.b)	3,107,272,054	3,146,956,808
	Work in Process (Opening)	475,525,865	484,567,356
	Work in Process (Closing)	(542,765,368)	(475,525,865)
	Material Consumption during the period	9,501,044,558	9,292,847,706
	Factory Overhead (Refer Note 31.c)	3,231,361,410	2,672,578,771
	Cost of Production	12,732,405,968	11,965,426,477
	Purchase of Finished Goods	48,704,288	-
	Opening Stock of Finished Goods	1,164,145,968	927,656,798
	Finished Goods Available	13,945,256,224	12,893,083,275
	Closing Stock of Finished Goods	(1,225,437,654)	(1,164,145,968)
	Cost of Goods Sold	12,719,818,570	11,728,937,307

31.A Raw Materials Consumed : Tk. 6,461,012,007

This is arrived at as follows :

Opening Stock of Raw Materials	1,324,987,587	1,285,678,435
Purchase during the year	6,293,681,169	6,176,158,559
Closing Stock of Raw Materials	(1,157,656,749)	(1,324,987,587)
Raw Material Consumed	6,461,012,007	6,136,849,407

Item wise Summarized Quantity and total number of ingredients are as follows:

Particulars	Pcs	Excepients	Excepients	Excepients
	Cap Shell			
Opening Balance	293,412,768	1,252,600	18,996	691,115
Purchase	511,258,103	7,630,114	78,244	223,262
Available for use	804,670,872	8,882,714	97,240	914,377
Closing Balance	230,125,487	1,258,125	18,542	693,218
Consumption	574,545,385	7,624,589	78,698	221,159

The ACME Laboratories Ltd.
Notes to the Financial Statements
As at & for the year ended 30 June 2021

Shiraz Khan Basak & Co.
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Note No.	Particulars	Amount in Taka	
		July 2020 to June 2021	July 2019 to June 2020

31.B Packing Materials Consumed : Tk. 3,107,272,054

This is arrived at as follows :

Opening Stock of Packing Materials	550,467,658	505,678,687
Purchase during the year	3,125,769,523	3,191,745,779
Closing Stock of Packing Materials	(568,965,127)	(550,467,658)
	3,107,272,054	3,146,956,808

The Total Quantity of Packing Materials are as under:

Name of Category	Unit	Opening Balance	Purchase	Consumption	Closing Balance
Ampoule	Pcs	11,408,086	34,556,004	32,672,692	13,291,397
Bottle	Pcs	16,632,007	88,950,985	88,272,150	17,310,842
Carton	Pcs	38,179,342	172,995,415	171,612,589	39,562,168
Plastic Item	Pcs	21,996,639	171,307,883	170,548,796	22,755,726
Cap	Pcs	16,894,622	115,383,117	114,515,458	17,762,281
Catch Cover	Pcs	15,418,814	35,693,287	35,145,215	15,966,886
Inner Leaflet	Pcs	28,601,192	150,008,478	149,012,478	29,597,193
Label	Pcs	5,253,098	75,437,728	75,251,224	5,439,602
Shipping Box Label	Pcs	5,158,504	10,889,438	10,586,112	5,461,830
PVC/PVDC	kgs	230,295	765,881	758,143	238,032
Shipping Box	Pcs	843,021	11,746,052	11,667,726	921,346
Tube	Pcs	2,701,792	11,913,613	11,712,833	2,902,572
Al. Foil-Blister	Kgs	92,493	215,376	211,268	96,601
Al. Foil-Strip	Kgs	331,913	785,569	759,417	358,065
Inner Board	Pcs	607,088	1,606,169	1,585,771	627,486
Vial	Pcs	8,171,444	29,139,542	28,964,981	8,346,005
Sticker Label	Pcs	29,434,017	99,322,319	98,533,336	30,223,000

An associate firm of D.N Gupta & Associates

The ACME Laboratories Ltd.

Notes to the Financial Statements

As at & for the year ended 30 June 2021

Note No.	Particulars	Amount in Taka	
		July 2020 to June 2021	July 2019 to June 2020

31.C Factory Overhead : Tk. 3,231,361,410

This is made up as follows :

Salary & Daily Wages	1,085,564,349	832,524,493
Gratuity	57,137,163	21,245,854
Group Insurance Premium	2,091,508	1,192,432
Postage & Telephone	4,055,207	3,732,263
Fuel & Electricity	424,592,291	309,358,227
Conveyance	5,991,291	5,792,773
Company's Contribution to RPF	25,916,707	23,506,964
Gas Bill	176,008,591	191,353,247
Factory Staff Uniform	4,958,092	4,993,162
Carriage Inward	6,394,195	4,682,821
Repairs & Maintenance	87,335,649	67,715,226
Medical Expenses	663,083	645,345
Insurance	19,090,830	20,699,488
Local Tax	2,000,000	2,000,000
Printing & Stationery & Others	42,242,418	30,548,159
Research, Analysis & Product Development	9,333,783	9,210,247
Welfare & Recreation	6,780,007	6,511,238
Entertainment	21,509,751	11,389,352
Canteen Expenses	30,459,588	27,435,867
Spare Parts	96,830,556	96,512,430
Travelling	3,702,088	5,834,689
Depreciation	1,118,704,263	995,694,494
	3,231,361,410	2,672,578,771

32 Other Income : Tk. 136,981,358

This is made up as follows :

Other Lease Rent	-	228,000
Income/(Loss) from sale of Motor Vehicle	179,234	3,253,343
Interest on STD and SND Account	1,206,428	1,952,263
Translation Gain/(loss) for foreign currency fluctuation	2,641,455	7,172,600
Settlement Gain/(loss) for foreign currency fluctuation	15,983,004	30,936,484
Interest on Term Deposit	15,741,322	29,394,437
Dividend Income on marketable securities	1,062,916	611,449
Cash incentive received against export sales	100,167,000	1,438,000
	136,981,358	74,986,576

The ACME Laboratories Ltd.
Notes to the Financial Statements
As at & for the year ended 30 June 2021

Shiraz Khan Basak & Co.
Chartered Accountants

Note No.	Particulars	Amount in Taka	
		July 2020 to June 2021	July 2019 to June 2020
33	Selling, Marketing and Distribution Expenses : Tk. 3,403,323,211		
	This is made up as follows :		
	Salary & Daily Wages	2,015,609,786	1,646,595,234
	Gratuity	122,438,744	36,115,884
	Company's Contribution to RPF	77,379,283	73,889,823
	Electricity & WASA, Gas	12,883,324	11,983,342
	Postage & Telephone	45,470,243	41,319,767
	Fuel for Generator	1,177,763	1,394,650
	Vehicle Expenses	86,263,753	55,059,671
	Printing, Stationery & Others	44,477,422	48,638,081
	TA/DA, Travelling Kits & Others	296,152,625	160,004,904
	Carriage Outward	126,842,030	92,972,149
	Seminar & Conference	15,316,441	14,405,100
	Medical Expenses	494,251	514,640
	Sales Promotion Expenses	179,720,169	127,816,177
	New Products Induction Expenses	2,809,558	1,410,957
	Group & Health Insurance Premium	4,965,298	3,976,852
	Export Expenses	7,170,912	40,563,856
	Welfare & Recreation	2,782,976	2,503,692
	Free Sample	104,751,172	100,219,789
	Insurance	8,327,610	8,746,606
	Fees & Renewals	23,758,671	16,594,366
	Repair & Maintenance	32,925,956	29,756,116
	Entertainment	53,241,808	55,969,765
	Advertisement	3,073,507	1,245,668
	Depreciation of Right-of-Use Asset (As per IFRS 16-Ref Note 7.A)	21,894,320	9,596,627
	Adjustment due to discontinuation of Lease rental	3,522,851	-
	Depreciation	109,872,740	97,791,423
		3,403,323,211	2,679,085,139

An associate firm of D.N Gupta & Associates

The ACME Laboratories Ltd.

Notes to the Financial Statements

As at & for the year ended 30 June 2021

Note No.	Particulars	Amount in Taka	
		July 2020 to June 2021	July 2019 to June 2020

34 Administrative Expenses : Tk. 998,435,133

This is made up as follows :

Directors Remuneration	45,600,000	19,200,000
Salary & Daily Wages	558,322,113	476,756,437
Directors Sitting Fees	2,933,333	1,503,333
Group & Health Insurance Premium	1,089,466	678,840
Postage & Telephone	5,262,232	4,956,634
Electricity ,Gas & WASA	19,480,638	16,348,808
Fuel for Generator & Vehicle	9,540,145	7,047,197
Conveyance	2,112,458	2,633,359
Refreshment Expenses	6,809,718	5,720,987
Office General Expenses	9,965,274	7,247,151
Vehicle Expenses	14,783,631	10,584,523
Advertisement for Recruitment & Others	3,216,359	2,448,062
Printing, Stationery & Others	8,570,458	7,848,765
Intangible Assets Amortization	21,625	41,625
Newspaper & Periodicals	641,036	640,987
AGM Expenses	1,029,195	1,119,906
Expenses for Legal Procedure	2,998,750	2,618,784
Gratuity	25,558,725	12,892,254
Company's Contribution to RPF	10,452,310	9,865,043
Professional Fee	14,764,000	13,833,041
Audit Fees	550,000	550,000
Medicine Expenses	1,729,737	1,780,662
Uniform and Liveries	1,074,922	879,303
Travelling Expenses	6,729,408	10,827,352
Repair and Maintenance	18,979,505	9,738,618
Insurance	855,346	900,491
Municipal Tax	3,726,162	3,726,162
Fees and Renewals	12,171,519	11,551,088
Welfare and Recreation	6,713,746	7,065,651
Contribution to CSR Activities	1,237,190	800,488
Product Registration (USFDA)	98,302,346	64,298,104
Depreciation	103,213,787	91,864,671
	998,435,133	807,968,326

The ACME Laboratories Ltd.
Notes to the Financial Statements
As at & for the year ended 30 June 2021

Shiraz Khan Basak & Co.
Chartered Accountants

Note No.	Particulars	Amount in Taka	
		July 2020 to June 2021	July 2019 to June 2020
35	Financial Expenses Tk. 1,608,373,867		
	This is made up as follows :		
	Interest on Cash Credit	191,352,658	212,346,144
	Interest on Overdraft	164,256,815	123,168,228
	Interest on MTL & LTR	45,133,423	56,128,036
	Interest on Revolving & STL	392,233,191	575,769,209
	Interest on Lease Finance	196,552,327	234,193,224
	Interest on Term Loan	494,477,426	399,383,485
	Interest on Accepted Import Loan	94,166,933	156,219,163
	Interest on WPPF & WWF	6,846,683	7,832,847
	Interest on Lease Liability (For right-of-use assets as per IFRS 16)	6,976,999	7,903,284
	Bank Charge	16,377,412	11,308,029
		1,608,373,867	1,784,251,649
36	Contribution to Workers Profit Participation Fund and Welfare Fund: Tk. 103,674,794		
	This represent 5% of net profit before tax after charging contribution as per provision of section 15 of Bangladesh Labor Law 2006		
	Contribution to WPPF and Welfare Fund	103,674,794	98,971,610
		103,674,794	98,971,610
37	Income Tax Expenses : Tk. 504,269,152		
	This is arrived at as follows :		
A	Current Tax Expenses		
	Current Tax for the year under review	489,159,082	355,149,917
		489,159,082	355,149,917
B	Deferred Tax Expenses/(Income)		
	Deferred Tax Expenses/(Income)	15,110,070	173,784,555
		15,110,070	173,784,555
		504,269,152	528,934,472

An associate firm of D.N Gupta & Associates

The ACME Laboratories Ltd.

Notes to the Financial Statements

As at & for the year ended 30 June 2021

Note No.	Particulars	Amount in Taka	
		July 2020 to June 2021	July 2019 to June 2020
38	Basic/Diluted Earning Per Share (EPS): Tk 7.42		
	The computation is given below :		
	Net Profit After Tax for the year	1,569,226,727	1,450,497,730
	Weighted average number of shares outstanding during the year (38.2)	211,601,700	211,601,700
	Basic Earnings Per Share	7.42	6.85
	Diluted Earnings Per Share	7.42	6.85
	Refer Policy notes 5.15		
38.1	Number of Ordinary Shares Outstanding		
	211,601,700 Ordinary Shares @ Tk.10/- each.	211,601,700	211,601,700
38.2	Weighted Average Number of Ordinary Shares		
	211,601,700 Ordinary Shares @ Tk.10/- each.	211,601,700	211,601,700
39	Net Operating Cash Flows Per Share: Tk 12.72		
	Net cash generated from operating activities	2,691,970,119	1,146,336,891
	Weighted average number of shares outstanding during the year	211,601,700	211,601,700
	Net Operating Cash Flows Per Share	12.72	5.42
40	Reconciliation of Net Income or Net Profit with Cash Flows from Operating Activities-Indirect Method		
	Net Profit after Tax	1,569,226,727	1,450,497,730
	Add: Non Cash Items	1,354,813,229	1,174,527,499
	Less: Net Increase/Decrease in Current Asset	921,441,733	2,292,881,331
	Add: Net Increase/Decrease in Current Liabilities	673,087,619	641,419,934
	Add: Deferred Tax Liability (Created during the year)	16,284,277	172,773,059
	Net cash generated from operating activities-In Direct Method	2,691,970,119	1,146,336,891
	Net cash generated from operating activities-Direct Method	2,691,970,119	1,146,336,891

The ACME Laboratories Ltd.
Notes to the Financial Statements
As at & for the year ended 30 June 2021

Shiraz Khan Basak & Co.
Chartered Accountants

41 Related Party Disclosures

The Company carried out a number of transactions with related parties in the normal course of business and on arms length basis. The Directorship of the company mostly are common. The nature of the transaction and their relative value is shown below:

Name of the company	Nature of Transaction	2020-2021		2019-2020	
		Value of transaction during the year	Balance as at 30 June,2021	Value of transaction during the year	Balance as at 30 June,2020
Sinha Printers Ltd.	Local Supply Received	794,955,397	(334,360,298)	855,602,439	(350,315,777)
	Provide Services & Others	-	-	-	-
ACMUNIO Int. Ltd.	Advance	-	96,479,473	-	96,479,473
	Rent on Investment Property	-	19,386,000	-	19,386,000
The ACME Agroviet & Beverages Ltd.	Local Supply	225,585,545	-	167,408,039	9,878,498
Kalyar Packaging Ltd.	Local Supply	186,962,580	35,705,370	182,320,890	(7,708,509)
Kalyar Replica Ltd.	Local Supply	22,939,000	1,281,954	24,391,133	(7,428,596)

An associate firm of D.N Gupta & Associates

The ACME Laboratories Ltd.

Notes to the Financial Statements

As at & for the year ended 30 June 2021

Note No.	Particulars	Amount in Taka	
		July 2020 to June 2021	July 2019 to June 2020

42 Details regarding disposal of Motor Vehicle:

Particulars	Cost/Revaluation (Tk.)		Acc. Depreciation		Carrying Value (Tk.)		Sales Price (Tk.)	Disposition of total Gain/(Loss)		
	Cost	Revaluation Surplus	Cost	Revaluation Surplus	Cost	Revaluation Surplus		Charged to P/L (Tk.)	Charged to Equity (Tk.)	Total (Tk.) for the year 2020-21
DHAKA-METRO-AU-11-2405	1,454,414	160,000	1,274,338	127,525	180,076	32,475	130,000	(82,551)		(82,551)
DHAKA-METRO-GA-25-0914	1,284,900	140,000	1,267,765	136,512	17,135	3,489	500,000	479,377		479,377
DHAKA METRO MA-51-2612	1,192,963	-	1,192,963	-	-	-	110,000	110,000		110,000
DHAKA METRO MA-51-3449	2,016,842	100,000	2,016,842	97,508	-	2,492	150,000	147,508		147,508
DHAKA-METRO-CHA-53-1940	1,160,500	140,000	1,083,934	117,519	76,566	22,481	510,000	410,953		410,953
DHAKA METRO-CHA-53-4602	1,618,357	-	1,309,300	-	309,057	-	665,000	355,943		355,943
DHAKA METRO-GA-21-5449	1,165,000	120,000	1,165,000	120,000	-	-	250,000	250,000		250,000
DHAKA METRO-GA-37-5883	1,739,756	-	1,391,848		347,908	-	-	(347,908)		(347,908)
DHAKA METRO-GA-15-3475	4,063,225	-	1,014,136		3,049,089	-	1,905,000	(1,144,089)		(1,144,089)
Total	15,695,957	660,000	11,716,126	599,064	3,979,830	60,936	4,220,000	179,233		179,233

43 Directors Remuneration and Sitting Allowance

Directors remuneration (Including MD's Remuneration for CY/PY amounting to Tk. 12,000,000)

45,600,000 19,200,000

Directors Sitting fees (Including MD's Sitting Allowance for CY/PY Tk. 287,500)

2,933,333 1,503,333

48,533,333 20,703,333

44 Audit Fees

550,000 550,000

550,000 550,000

An associate firm of D.N Gupta & Associates

The ACME Laboratories Ltd.
Notes to the Financial Statements
As at & for the year ended 30 June 2021

Shiraz Khan Basak & Co.
Chartered Accountants

45 Un Expired Bank Guarantees

Details of Unexpired Bank Guarantees of Tk. 73,762,873 (as at 30 June 2020 the amount was Tk. 60,352,455) given in the normal course of business on behalf of the company to various parties as at 30 June 2021 are as follows -

SL No.	Name of Bank	Date of Expiry	Amount in BDT
1	Trust Bank Ltd.	15.05.2026	12,401,250
2	Trust Bank Ltd.	15.05.2026	316,050
3	Trust Bank Ltd.	15.05.2026	2,320,400
4	Trust Bank Ltd.	15.05.2026	252,700
5	Trust Bank Ltd.	22.10.2021	1,093,820
6	Trust Bank Ltd.	30.10.2022	292,800
7	Trust Bank Ltd.	30.10.2022	699,400
8	Trust Bank Ltd.	30.10.2022	2,492,100
9	Trust Bank Ltd.	30.10.2022	366,300
10	Trust Bank Ltd.	Until Clearance	189,786
11	Dutch Bangla Bank Ltd.	17.10.2021	249,800
12	Dutch Bangla Bank Ltd.	17.10.2021	180,900
13	Dutch Bangla Bank Ltd.	24.05.2022	766,350
14	Dutch Bangla Bank Ltd.	24.05.2022	164,680
15	Agrani Bank Ltd.	11.09.2023	1,547,350
16	Trust Bank Ltd.	31.08.2024	1,251,880
17	Trust Bank Ltd.	31.08.2024	1,940,420
18	Trust Bank Ltd.	31.08.2024	1,055,700
19	Trust Bank Ltd.	31.08.2024	8,366,400
20	Trust Bank Ltd.	29.04.2024	4,133,850
21	Trust Bank Ltd.	29.04.2024	701,550
22	Trust Bank Ltd.	30.06.2021	16,682,669
23	Trust Bank Ltd.	31.07.2022	16,296,718
Total			73,762,873

46 Claim not acknowledge as debts

There is no claim against the company which have not been acknowledged as debt as at 30 June 2021.

An associate firm of D.N Gupta & Associates

The ACME Laboratories Ltd.

Notes to the Financial Statements

As at & for the year ended 30 June 2021

47 Capital Expenditure Commitment

The estimated amount of capital expenditure commitment of the company are mainly in the form of Letter of credit opened in favor of suppliers as at 30 June 2021 Tk. 213,476,655(as at 30 June 2020 the amount was Tk. 433,905,620)

48 Production Capacity and Utilization

(Quantity in Thousand)

Name of Category	Unit	Production Capacity		Actual Production			
		2020-2021	2019-2020	2020-2021	%	2019-2020	%
Human							
Tablet	Pcs	8,476,895	8,476,895	4,531,425	53.46	4,323,434	51.00
Capsule	Pcs	764,893	725,575	563,805	73.71	531,049	73.19
Liquid	Bottle	90,180	90,180	72,532	80.43	71,089	78.83
Dry Syrup	Bottle	20,005	20,005	12,847	64.22	12,559	62.78
Ointment	Tube	7,013	7,013	3,226	46.00	3,210	45.77
Cream	Tube	19,000	19,000	8,433	44.39	8,504	44.76
Suppository	Pcs	51,866	51,866	43,899	84.64	42,164	81.29
Inhaler (DPI)	Cans	118,306	118,306	51,640	43.65	51,887	43.86
Inhaler (MDI)	Canist.	3,095	3,095	1,905	61.55	1,905	61.54
Eye/Ear/Nasal Drop	Phials	23,031	23,031	13,639	59.22	13,509	58.66
Injection (Amps)	Pcs	62,113	62,113	32,673	52.60	32,652	52.57
Injection (Vial)	Pcs	28,375	23,804	13,161	46.38	13,156	55.27
Infusion	Pcs	6,408	6,408	4,901	76.49	4,866	75.94
Sachet	Pcs	51,062	51,062	17,584	34.44	17,364	34.01
Veterinary							
Bolus	Pcs	685,496	685,496	344,369	50.24	342,111	49.91
Liquid	Pcs	25,995	25,995	11,181	43.01	10,919	42.00
Premix	Pcs	93,166	54,343	40,360	43.32	34,584	63.64
WSP	Pcs	46,635	46,635	15,000	32.16	14,845	31.83
Injection	Vial	15,741	15,376	13,738	87.28	13,641	88.72
Herbal & Ayurvedic							
Capsule	Pcs	32,260	32,260	10,740	33.29	10,717	33.22
Liquid	Pcs	15,846	15,054	12,935	81.63	12,912	85.77
Tablet	Pcs	74,135	74,135	22,740	30.67	22,471	30.31

The ACME Laboratories Ltd.
Notes to the Financial Statements
As at & for the year ended 30 June 2021

Shiraz Khan Basak & Co.
Chartered Accountants

49 VAT Return and Auditing status as at 30.06.2021

The Company deposits VAT & filing VAT returns on monthly basis with the concern authority. The authority has conducted and completed their audit up to the financial year 2014-15 and there was a demand of Tk. 3,202,628. Due to change of commissioner, new commissioner has issued a letter to the company in respect of conducting re-audit for the financial year 2014-15. However, the company has filed a Writ petition with High Court Division of the Honorable Supreme Court of Bangladesh. But decision is yet to come in this regard. Further, the audit for the financial year 2015-16 and 2016-17 are under process and documents/information have been submitted by the company as and when required.

50 Contingent Liability

Large Tax payer unit(LTU),North Commissionerate and Directorate,Inspection,Intelligence & Investigation under National Board of Revenue(NBR) against 3(three) claims of VAT, another 1(one) regarding VAT on VAT exempted medicine and remaining one for reopening of audit proceeding, another 1(one) arising out of review by custom officials, another 1 (one) arising out of review of VAT return by VAT officials and last 1 (one) arising out of VAT officials. The ACME Laboratories Ltd. has filed 7(Seven) writ petitions in The Honorable High Court Division of the Supreme Court of Bangladesh separately vide no. 8650/2008, 785/2009,3948/2004, 14250/2016, 4478/2002, 5196/2015 and 2477/2015 respectively against the said claims. The company reviews status of the same on every reporting date. Details of current status are given/result are as below:

SL No.	Writ No.	Value in Taka	Reason	Expiry Date/Result
1	8650/2008	Non-monitory	Medicine supply to ICDDR,B as Exempted	Valid up to disposal of hearing
2	785/2009	13,097,829	Rebate for exempted medicine	Valid up to disposal of hearing
3	3948/2004	2,730,765	Rebate cancel	Disfavor of our company and further leave to appeal no.1569
4	14250/2016	Non-monitory	Re-initiation and reopening of audit proceedings	Valid up to disposal of hearing
5	4478/2002	665,525	Difference in rate of custom duty with the department.	Verdict has already been given by the Honourable High Court Division but formal demand yet to receive from concern authority.
6	5196/2015	249,018,448	Premix supply as VAT exemted but VAT authority claim to impose VAT at mfg. Stg.	Valid up to disposal of hearing
7	2477/2015	4,000,000	The Writ against penalty in connection with Audit claim after adjustment Tk.7,711,245.36	Valid up to disposal of hearing
Total		269,512,567		


The ACME Laboratories Ltd.
 1/4, Kallayanpur, Mirpur Road, Dhaka - 1207

Affix
 Revenue Stamp
 Tk.20.00

FORM OF PROXY

I/We -----

of-----

being a member of The ACME Laboratories Ltd. hereby appoint

Mr. /Mrs./Ms. -----

of----- as my /our proxy to attend, vote for my / our behalf at
 the **45th Annual General Meeting** of the Company to be held on Sunday, 26th day of December,
 2021 at 11:30 a.m. through Digital Platform (in pursuant to the Bangladesh Securities and
 Exchange Commission's order no. SEC/SRMIC/94-231/91; dated: 31 March 2021) and at any
 adjournment thereof.

As witness my hand this-----Day of December 26, 2021

Signature of Proxy-----

Signature of Member-----

BO ID of Member

বসত বাড়ীর আশে পাশে ও পতিত জায়গায় বেশি করে
ঔষধি গাছ লাগান,
দেশের পরিবেশ ও জাতির সুস্বাস্থ্য নিশ্চিত করুন।



জনস্বার্থে



দি একাম ল্যাবরেটরিজ লিঃ

ঢাকা, বাংলাদেশ

Safflower field




The ACME Laboratories Ltd.
For Health, Vigour and Happiness


ISO 9001:2015 CERTIFIED COMPANY

 www.acmeglobal.com

Corporate Office

Court de la ACME
1/4, Kallayanpur, Mirpur Road, Dhaka -1207

 P +88 02 900 4194-6,

 F +88 02 58056299

 Email: headoffice@acmeglobal.com

