

The ACME Laboratories Limited

1/4, Kallayanpur, Mirpur Road,
Dhaka 1207, Bangladesh

Auditor's Report & Financial Statements

For the year ended June 30, 2020

**SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS**

R.K Tower (Level-10)
86, Bir Uttam C.R Datta Road (312, Sonargaon Road) Hatirpool, Dhaka-1205.



SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (Level-10)

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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 2020, 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 2020, 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.

Risk	Our response to the risk
Revenue Recognition	
During the year ended 30 June 2020, total reported revenue is of Tk. 19,003,659,657. The company generates revenue from sale of goods to local market, Government & Non-Government Institutions and export as well.	We have tested the design and operating effectiveness of key controls focusing on the following:
The timing of the revenue recognized and realized increases the risk of exposure of revenue to foreign exchange fluctuations.	> 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.
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.	> Segregation of duties in invoice creation and modification (if any) and timing of revenue recognition.

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Risk	Our response to the risk
<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>	<ul style="list-style-type: none">➤ Assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards.➤ 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.
<p>Please see note no. 30 to the statement of profit or loss & other comprehensive income.</p>	
Valuation of Inventory	
<p>As at 30 June 2020, The reported amount of inventory is Tk. 3,917,967,826 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.➤ Checked and verified the stock count report done by the management as on date.➤ We have reconciled the inventory with purchase production and sales to ensure the physically shown stock as on date was accurate.➤ We have considered the risk of inventory being expired/damaged due to the effect of COVID-19 and checked whether any provision was required for any such expiry/obsolescence.

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Risk	Our response to the risk
	<ul style="list-style-type: none">➤ 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	
Valuation of Property, Plant and Equipment	
<p>The carrying value of the PPE is Tk. 24,602,564,373 as at 30 June, 2020. 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 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 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 to the financial statements	






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Risk	Our response to the risk
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.	<ul style="list-style-type: none">➤ 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 2020;
Please see note no.11 to the financial statements.	

Other Matters

Due to the pandemic situation of **COVID-19** all over the world, physical verification of inventory could not be held by us for the the year ended June 30, 2020 considering the health risks. However, during the course of our audit we have carried out audit procedures to ensure the value of inventory as on 30 June, 2020 is appropriate and free from any material misstatement. Detailed audit procedures are described in the key audit matter paragraph of this report.

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.





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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 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.





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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.

Dated: Dhaka, October 14, 2020



Ramendra Nath Basak, FCA
Partner
Shiraz Khan Basak & Co.
Chartered Accountants


The ACME Laboratories Limited
Statement of Financial Position
As at June 30, 2020


PARTICULARS	NOTES	Amount in Taka	
		30 June, 2020	30 June, 2019
ASSETS			
Non-Current Assets :		24,712,740,493	23,785,620,542
Property, Plant and Equipment	6	24,602,564,373	23,751,857,485
Right-of-Use Assets	7.A	88,389,845	-
Intangible Assets	8	37,125	78,750
Investment in Securities	9	23,769,350	33,884,307
Current Assets:		14,705,522,689	12,135,978,847
Inventories	10	3,917,967,826	3,572,384,216
Trade Receivable	11	1,910,829,633	1,600,062,364
Other Receivable	12	19,729,469	20,296,828
Advance, Deposits & Pre-Payments	13	2,683,622,048	1,917,113,434
Advance Income Tax	14	2,762,563,924	2,385,624,805
Material In Transit	15	1,312,625,960	762,231,856
Term Deposit	16	274,367,312	520,503,605
Cash and Cash Equivalents	17	1,623,816,517	1,377,761,719
TOTAL ASSETS		39,418,263,182	35,921,599,389
EQUITY AND LIABILITIES			
Shareholders' Equity :		19,044,180,165	18,343,391,846
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	5,238,752,312	5,319,635,386
Gain/(Loss) on Marketable Securities (Unrealized)	9.A	(2,162,257)	6,941,204
Tax Holiday Reserve	Ref: SOCE	179,464,241	179,464,241
Retained Earnings	20	6,384,509,141	5,593,734,287
Non Current Liabilities:		6,392,266,374	4,578,020,122
Long Term Loan- Not off Current Maturity	21	5,106,567,547	3,556,975,950
Long Term Lease Liability	7.B	66,780,466	-
Provision For Gratuity	22	361,679,351	336,558,221
Deferred Tax Liability	23	857,259,010	684,465,951
Current Liabilities:		13,981,796,643	13,000,187,421
Loans & Overdrafts	24	8,315,320,639	8,287,743,650
Current Maturity of Long Term Loans	25	2,450,340,207	2,122,725,287
Trade Payable	26	308,967,527	321,405,105
Provision for Income Tax	27	2,366,744,574	2,011,594,657
Current Lease Liability	7.B	11,643,380	-
Liability for Expenses and Others	28	423,044,663	239,394,833
Dividend Payable	29	5,735,643	17,323,689
TOTAL EQUITY AND LIABILITIES		39,418,263,182	35,921,599,389
Net Asset Value Per Share (NAVPS)	18.4	90.00	86.69

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



Md. Rafiqul Islam FCS
Company Secretary


Md. Arshadul Kabir FCA
Head of Finance & Accounts


Mizanur Rahman Sinha
Managing Director


Nagina Afzal Sinha
Chairman




Shiraz Khan Batak & Co.
Chartered Accountants
An associate firm of D.N Gupta & Associates

Dated : Dhaka, October 14, 2020

The ACME Laboratories Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended June 30, 2020

PARTICULARS	Notes	Amount in Taka	
		July 2019 to June 2020	July 2018 to June 2019
Revenue	30	19,003,659,657	16,308,627,037
Less: Cost of Goods Sold	31	11,728,937,307	9,882,879,199
Gross Profit/(Loss)		7,274,722,350	6,425,747,838
Add: Other Income	32	74,986,576	96,382,118
		7,349,708,926	6,522,129,956
Less: Selling, Marketing and Distribution Expenses	33	2,679,085,139	2,389,580,093
		4,670,623,787	4,132,549,863
Less: Administrative Expenses	34	807,968,326	591,955,304
		3,862,655,461	3,540,594,559
Less: Financial Expenses	35	1,784,251,649	1,489,586,026
Profit Before Contribution to WPPF and WWF		2,078,403,812	2,051,008,533
Less: Contribution to WPPF and WWF	36	96,971,610	97,667,073
Net Profit Before Tax		1,979,432,202	1,953,341,460
Less: Current Tax Expenses	37A	355,149,917	333,572,829
Less: Deferred Tax (Income)/Expenses	37B	173,784,555	179,389,788
Net Profit After Tax		1,450,497,730	1,440,378,843
Other Comprehensive Income			
Gain/(Loss) on Marketable Securities (Unrealized)		(10,114,957)	(1,008,360)
Total Comprehensive Income for the year		1,440,382,773	1,439,370,483
Earnings Per Share (on the Equity share of Tk. 10 each)	38	6.85	6.81

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


Md. Rafiqul Islam FCS
Company Secretary


Md. Arshadul Kabir FCA
Head of Finance & Accounts


Mizanur Rahman Sinha
Managing Director


Nagina Afzal Sinha
Chairman

Dated : Dhaka, October 14, 2020




Shiraz Khan Basak & Co.
Chartered Accountants

The ACME Laboratories Limited
Statement of Changes in Equity
For the year ended June 30, 2020

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, 2019	2,115,017,000	5,127,589,728	5,319,635,386	6,941,204	179,464,241	5,593,734,267	18,343,391,846
Net Profit after Tax for the year ended 30 June 2020	-	-	-	-	-	1,450,437,730	1,450,437,730
Final Dividend for the year 2019-2020	-	-	-	-	-	(740,605,950)	(740,605,950)
Gain/(loss) on Marketable Securities (Unrealized)	-	-	-	(10,114,957)	-	-	(10,114,957)
Adjustment for Depreciation on Revaluation Surplus	-	-	(80,676,678)	-	-	80,676,678	-
Adjustment for disposal of Motor Vehicle	-	-	(6,109)	-	-	6,109	-
Deferred Tax on Unrealized Gain/Losses on Investment in Securities	-	-	-	1,011,498	-	-	1,011,498
Balance as at 30 June 2020	2,115,017,000	5,127,589,728	5,238,958,707	(2,162,357)	179,464,241	6,384,509,541	18,044,180,165

Statement of Changes in Equity
For the year ended June 30, 2019

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 01 July 2018	2,115,017,000	5,127,589,728	5,402,713,591	7,948,728	179,464,241	4,810,519,458	17,645,192,746
Net Profit after Tax for the year ended 30 June 2019	-	-	-	-	-	1,440,378,843	1,440,378,843
Final Dividend for the year 2017-2018	-	-	-	-	-	(740,605,950)	(740,605,950)
Gain/(loss) on Marketable Securities (Unrealized)	-	-	-	(1,008,360)	-	-	(1,008,360)
Adjustment for Depreciation on Revaluation Surplus	-	-	(82,487,406)	-	-	82,487,406	-
Adjustment for disposal of Motor Vehicle	-	-	(99,799)	-	-	99,799	-
Deferred Tax (Income)/Expenses on Unrealized Gain/(Losses) on Investment in Securities	-	-	-	100,636	-	-	100,636
Balance as at 30 June 2019	2,115,017,000	5,127,589,728	5,319,635,386	6,941,204	179,464,241	5,593,734,267	18,343,391,846

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


Md. Rafiqul Islam FCS
Company Secretary


Md. Arshadul Kabir FCA
Head of Finance & Accounts


Nazimul Rahman Sinha
Managing Director


Nazimul Rahman Sinha
Chairman

Dated : Dhaka, October 14, 2020




Shiraz Khan Basak & Co.
Chartered Accountants

The ACME Laboratories Limited
Statement of Cash Flows
For the year ended ended June 30, 2020


Particulars	Amount in Taka	
	July 2019 to June 2020	July 2018 to June 2019
Cash Flows From Operating Activities:		
Collection from Sales and others	18,784,510,739	16,311,726,890
Payment to Suppliers & Others	(15,360,249,230)	(12,638,634,365)
Payment to WPPF & WWF	(87,900,386)	(87,967,983)
Cash generated from operation	3,316,361,143	3,585,124,452
Financial Expenses	(1,773,085,133)	(1,487,057,301)
Income Tax Paid	(396,939,119)	(444,959,669)
A. Net Cash Generated From Operating Activities	1,146,338,891	1,653,107,482
Cash Flows From Investing Activities:		
Acquisition of Property, Plant & Equipments	(2,104,536,549)	(3,520,175,088)
Encashment of Term Deposit	246,136,293	583,275,564
Sale of Property, Plant and Equipment (Motor Vehicles)	4,237,000	1,090,000
Dividend received from Investment in Marketable Securities	682,261	1,024,420
B. Net Cash Used in Investing Activities	(1,853,480,995)	(2,934,785,084)
Cash Flows From Financing Activities:		
Dividend Paid	(751,194,195)	(727,091,354)
Principal Portion payment of Lease Liability	(9,390,406)	-
Net Increase / (Decrease) in Loans and Overdrafts	27,576,989	2,462,201,509
Net Increase / (Decrease) in Long Term Borrowings	1,886,206,517	(210,740,791)
C. Net Cash Generated/(Used) From Financing Activities	1,153,198,902	1,524,369,364
Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	446,054,798	242,691,762
Cash and Cash Equivalents at the Opening	1,377,761,719	1,135,069,957
Cash and Cash Equivalents at the Closing	1,823,816,517	1,377,761,719
Net Operating Cash Flow Per Equity Share (NOCFPS)	5.42	7.61
(Net cash generated from operating activities divided by no. of ordinary Shares outstanding during the year)		

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


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The ACME Laboratories Limited
Statement of Cash Flows
For the year ended ended June 30, 2020

Particulars	Amount in Taka	
	July 2019 to June 2020	July 2018 to June 2019
Cash Flows From Operating Activities:		
Collection from Sales and others	16,784,510,739	16,311,728,800
Payment to Suppliers & Others	(15,360,249,230)	(12,638,634,305)
Payment to WPPF & WWF	(87,900,366)	(87,967,983)
Cash generated from operation	3,316,361,143	3,585,124,452
Financial Expenses	(1,773,085,133)	(1,487,057,301)
Income Tax Paid	(398,839,110)	(444,959,669)
A. Net Cash Generated From Operating Activities	1,148,336,891	1,653,107,482
Cash Flows From Investing Activities:		
Acquisition of Property, Plant & Equipments	(2,104,536,549)	(3,520,175,068)
Encashment of Term Deposit	246,138,293	583,275,564
Sale of Property, Plant and Equipment (Motor Vehicles)	4,237,000	1,090,000
Dividend received from Investment in Marketable Securities	682,261	1,024,420
B. Net Cash Used in Investing Activities	(1,853,480,995)	(2,934,785,084)
Cash Flows From Financing Activities:		
Dividend Paid	(751,194,196)	(727,091,354)
Principal Portion payment of Lease Liability	(9,390,408)	-
Net Increase / (Decrease) in Loans and Overdrafts	27,578,989	2,482,201,509
Net Increase / (Decrease) in Long Term Borrowings	1,886,206,517	(210,740,791)
C. Net Cash Generated/(Used) From Financing Activities	1,153,198,902	1,524,369,364
Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	446,054,798	242,691,762
Cash and Cash Equivalents at the Opening	1,377,761,719	1,135,069,957
Cash and Cash Equivalents at the Closing	1,823,816,517	1,377,761,719
Net Operating Cash Flow Per Equity Share (NOCFPS)	Ref: Note-39 5.42	7.81
(Net cash generated from operating activities divided by no. of ordinary Shares outstanding during the year)		

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


Md. Rafiqul Islam FCS
Company Secretary



Md. Arshadul Kabir FCA
Head of Finance & Accounts


Mizanur Rahman Sinha
Managing Director


Nagina Afzal Sinha
Chairman

Dated : Dhaka, October 14, 2020




Shiraz Khan Basak & Co.
Chartered Accountants

An associate firm of D.N Gupta & Associates

The ACME Laboratories Limited
Notes to the Financial Statements
As at and for the year ended 30 June, 2020

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 mile stone 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 ACMELAB 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, Kailayanpur, 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 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 in international markets respectively.

3.00 Share Capital

Details of Authorized, Issued, Subscribed and Fully Paid up Capital as at 30 June, 2020 and 30 June, 2019 are as under:

Particulars	30 June 2020 (Tk.)	30 June 2019 (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.



R.R.

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The ACME Laboratories Limited
Notes to the Financial Statements
As at and for the year ended 30 June, 2020

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 and Investment Property," which had been revalued by an independent valuer M/S Mashi Muih Haque & Co. Chartered Accountants, Dhaka, Bangladesh in the financial year 2015-2016. The entire class of above mentioned Property, Plant and Equipment and Investment Property had been revalued on the basis of Current Cost Accounting (CCA) Method, as applicable. The valuation report of the valuer had 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 accrual basis of accounting except for cash flows information. Accordingly, The Company recognises 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 is 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, 2020;
- (ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2020;
- (iii) Statement of Changes in Equity for the year ended 30 June, 2020;
- (iv) Statement of Cash Flows for the year ended 30 June, 2020; and
- (v) Notes, comprising a summary of significant accounting policies and explanatory information.

4.07 Reporting Period

The Financial Statements cover the financial year commencing from 01 July, 2019 to 30 June, 2020.



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The ACME Laboratories Limited
Notes to the Financial Statements
As at and for the year ended 30 June, 2020

4.08 Authorisation for Issue

The Financial Statements have been authorised for issue by the Board of Directors of the Company in their meeting held on October 14, 2020.

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 2018-2019 for all numerical information in the Financial Statements and also the narrative and descriptive information wherever it is relevant for 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 Judgments

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 as an on-going basis and the revision is recognized in the year in which the estimates are revised. Such revision however were made in the year 2015-2016 for Property, Plant and Equipment as required by the International Accounting Standard 16 "Property, Plant and Equipment" in respect 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 2019-2020.

4.12 Capital Management

The primary objective of the capital structure is to maintain an efficient combination of debt and equity ratio 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 2020, no significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure.

4.13 Going Concern

The Company has adequate resources to continue in operation for a 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 "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 continue to adopt the policy of a "Going Concern" basis in preparing the Financial Statements.



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The ACME Laboratories Limited
Notes to the Financial Statements
As at and for the year ended 30 June, 2020

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
Revenue Recognition	IAS-18	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

5.00 Significant Accounting Policies

Background:

The Company selects and applies accounting policies consistently unless a IFRS or IAS specifically requires or permit a different and appropriate accounting policy for the same or results in the financial statements providing more relevant information about the effects of transaction on 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.

Effective from 1st July 2018 the company adopted IFRS 15, "Revenue from Contracts with Customers" using retrospective cumulative transaction method applied to contracts that were not completed on 1st July 2018. In accordance with cumulative transaction method comparatives have not been adjusted retrospectively as the effect of adoption of IFRS 15 was not significant.



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The ACME Laboratories Limited
Notes to the Financial Statements
As at and for the year ended 30 June, 2020

iii) Depreciation

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 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 recognised 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 do impairment testing at the end of each reporting period if 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 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/demolished/discarded Property, Plant and Equipment is treated as per the principle enunciated in the IAS 16.

5.03 Leases

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 cumulative transaction method comparatives have not been adjusted retrospectively as the effect of adoption of IFRS 16 was not significant.



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The ACME Laboratories Limited
Notes to the Financial Statements
As at and for the year ended 30 June, 2020

The ACME Laboratories Limited applied IFRS 16 onwards from the date of 1st July 2019 since the 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 is also to be shown separately. Accordingly, as a result of initial application of IFRS-16, which was previously classified as Operating Leases, the company recognized BDT. 86,369,645 as Right-of-Use assets and BDT 78,423,856 as Lease Liability as at 30 June, 2020. During the year ended 30 June, 2020 the company also charged BDT 9,596,627 as Depreciation and BDT 7,903,284 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 support a significant business system and the expenditure lead 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 receivable 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 probabilities of receiving the cash flow from the assets expire or it transfer 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 receivable are created at 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 known amount of cash and that are subject to an insignificant risk of change in value.



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The ACME Laboratories Limited
Notes to the Financial Statements
As at and for the year ended 30 June, 2020

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Notes to the Financial Statements
As at and for the year ended 30 June, 2020

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 derecognises the financial liabilities when its contractual obligations are discharged or cancelled or expired. Financial liabilities include payable for expense, liability for capital expenditure and other current liabilities.

5.06 Impairment

i) Financial Assets

Trade receivable and others 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, that 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. 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 to availability of revaluation surplus. If it more than the revaluation surplus available, then it is routed through the Statement of Profit or Loss and Other Comprehensive Income.

5.07 Investment in Securities

According to the relevant laws applicable, the company had invested in shares of listed companies through 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 recognises subsequent changes in Other Comprehensive Income.

During the year the company has created deferred tax on un realized 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. Cost of material consumption is determined on first in first out basis. Net realizable value is based on 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



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The ACME Laboratories Limited
Notes to the Financial Statements
As at and for the year ended 30 June, 2020

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 resource 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 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 time to time.

Deferred Tax

The company has recognized deferred tax using 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 purpose 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 cost incurred by the Company in connection with the borrowings of 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 18 April 2018 (7th 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 PariPassu agreement are stated here under:



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As at and for the year ended 30 June, 2020

- 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 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.

The Company's employee benefits include the following:

i) Defined Contribution Plan (Provident Fund)

The Company got recognition from Commissioner of Taxes it's provident fund scheme (Defined Contribution Plan) vide order no. ৯৮৮/১৮৮/১৮৮/১৮৮-১/২০১০-২০১১, তারিখ: ২০/০৩/২০১১ 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 equal contribution.

The Company recognizes 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 provision (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 the section 15 of the Bangladesh Labor (Amendment) Act, 2013 and is payable to beneficiary as defined in the said law and accordingly the Company has made necessary provision in the books of accounts.



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v) Insurance Schemes

Employees of the company are covered under group hospitalization and group term life insurance including accidental benefits. Summary of the plans are stated here under:

A. Group Hospitalization Insurance Plan

In this scheme, the Company covers its employees under hospitalization and other medical expenses related with hospitalization of the employees from salary Grade K and above. The hospitalization benefits are provided to employees as per three tier system and each tier of benefits covering from different group of employees based on salary grade in the Company. The Company pay 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, 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.

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 7,575 employees employed in the Company with remuneration above Tk. 3,000 per month, among them 6,433 employees employed for the full year and remaining 1,142 employees employed less than full year.

During the year tax had been deducted at source from the salary income of 1,741 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 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.



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The ACME Laboratories Limited
Notes to the Financial Statements
As at and for the year ended 30 June, 2020

Basic Earnings per Share (Numerator/Denominator)

Earnings (Numerator)

This represents earning for the year attributable to Ordinary Shareholders.

No. of Ordinary shares (Denominator)

This represents 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 bank or contracts with various parties including employees, there is no condition related to 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 same as Basic EPS.

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 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 can't be the only goal of any organization, well-being of the people and environment are also equally important, hence ACME has adopted 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 than 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 consider the operation on aggregate basis and manage 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 direct method.



The ACME Laboratories Limited
Notes to the Financial Statements
As at and for the year ended 30 June, 2020

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.

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 2019-20 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 2019	75.30	69.20	75.40	68.90
	August 2019	77.10	71.10	76.70	70.50
	September 2019	75.40	70.20	75.10	69.70
	October 2019	73.70	65.50	73.00	65.90
	November 2019	64.60	58.60	63.30	58.90
	December 2019	61.70	57.40	62.30	55.80
	January 2020	64.10	57.60	63.80	65.80
	February 2020	69.80	61.50	70.00	61.10
	March 2020	64.40	54.50	64.70	54.10
	April 2020	Trading not happened due to COVID-19 Outbreak			
	May 2020	65.60	59.70	65.60	59.70
	June 2020	63.50	58.00	64.00	58.00

5.24 Commencement of Commercial Production of the Projects: Implemented out of IPO Proceeds

i) Penicillin Facility at Dhulivita, Dharma (Dhaka)

The Company had commenced the commercial production of its state-of-the-art penicillin facilities at Dhulivita, Dhamrai (Dhaka) after successful completion of the trial production, with effect from 12th June 2019 at 3.30 PM.

The aforesaid penicillin facilities is one of the three projects against which the fund was raised through Initial Public Offering (IPO).



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Notes to the Financial Statements
As at and for the year ended 30 June, 2020

ii) Steroid and Hormone Facility at Dhulivita, Dhamrai (Dhaka)

The Company had commenced the commercial production of its state-of-the-art Steroid and Hormone facilities at Dhulivita, Dhamrai (Dhaka) after successful completion of the trial production, with effect from 30th June 2019 at 3.30 PM.

The aforesaid Steroid and Hormone facilities is one of the three projects against which the fund was raised through Initial Public Offering (IPO).

iii) Fund utilized out of IPO Proceeds for completion of the above two facility

Name of Projects	Amount in Taka
Penicillin	400,000,000
Steroid and Hormone	1,660,591,186
Total	2,060,591,186

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

COVID-19, a pandemic caused by the novel Corona virus, 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 supply of essential medicines to its customers.

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

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 customer.

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 30 June 2020. In view of the continued uncertainties and its inability to predict the extend and duration of COVID-19 situation, the Company currently is unable to predict any future impact on its business operations. The Company will continue to ensure supply of essential medicines and take steps to mitigate any risks associated with COVID-19 pandemic. The significant financial disclosures are given below:



The ACME Laboratories Limited
Notes to the Financial Statements
As at and for the year ended 30 June, 2020

Effect of the Covid-19 on Material in Transit:

The recent and on-going global outbreak of the Coronavirus (COVID-19) has had a major impact on global shipping, affecting all shipping sectors from passenger ships to container ships and oil tankers. Many countries have responded to the pandemic by imposing lockdowns or restricting movement.

As a continuous process, The ACME Laboratories Limited Opened L/C for Raw Material, Packing Material and Spare Parts before the pandemic situation but it was held up because of movement restriction by the government of many countries. As such, as at balance sheet date the company has shown a higher amount in Material in Transit comparing to the previous year. (Ref Note No: 15)

Effect of the Covid-19 on Revenue:

The COVID-19 outbreak lead a higher demand of sanitizing chemicals and other medications, as healthcare professionals and patients alike seek prevention and basic treatment measures, the demand for OTC (Over the counter) products was also increasing, which was positively impact revenue.

Being a top leading Pharmaceutical company The ACME Laboratories Limited performed strongly bringing some new products to its basket not only to increase financial performance but also help the nation to do war against COVID 19 as well. As such, The Company has an optimum revenue growth, the details of which is described in note number 30 in financial statements.

Effect of the Covid-19 on Promotional Expenses:

Campaign for new & existing products, seminar both local and international was not held during the lockdown period. As such, promotional expenses under the head of Selling, Marketing and Distribution expenses is reduced comparing to the previous year. (Ref Note No: 33)

Effect of the Covid-19 on Trade Receivable

As of June 30, 2020, the amount of Accounts Receivables has slightly been increased comparing to the previous year. When analyzing and ageing the balances nothing was identified that would indicate a material increase in expected credit risk, especially as regards ACME's principal customers. As such, the quality of Trade Receivable is performing in nature and no provision is required.

5.26 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.



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The ACME Laboratories Limited
Notes to the Financial Statements
As at and for the year ended 30 June, 2020

Management Perception

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

Interest Rate Risk

Interest rate risk is the risk that Company faces due to unfavourable 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 effective rate of return ACME also follow 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, unfavourable volatility or fluctuation may affect the profitability of the Company. On the other hand, if exchange rate decreased against local currency opportunity will be created for generating more profit/surplus.

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 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 nation-wide 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 on date. Fortunately, Bangladesh is only least developed country who demonstrates significant competencies in pharmaceuticals industry and it requires huge quantity of medicine for its present 166 million (approx.) populations. As such, 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 has been increasing over the years, management is optimistic about growth opportunities of 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 domestic market.



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The ACME Laboratories Limited
Notes to the Financial Statements
As at and for the year ended 30 June, 2020

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 the 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 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 full-proof scientific integrated marketing policy hence, has marginal probability for shrinkage of the market share.

Technology Related Risk

Pharmaceutical industry is dynamic in nature and heavily driven by technology. Hence, 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 adaptation of the latest technology in the Company here and the management is aware of technological changes and always 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 hold 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 product of pharmaceuticals industry is 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 of 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.



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The ACME Laboratories Limited
Notes to the Financial Statements
As at and for the year ended 30 June, 2020

Potential Changes in Global and National Policies

Changes of Government policies may affect business. 47 least developed country (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 a 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 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 commencement of its operation, it has no history of non-operation till now. The Company is running by a professional team and pursues continuous full-proof market promotion system, which reduce 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 on-going basis. As at 30 June 2018 substantial part of the receivables are subject to insignificant credit risk. Risk exposures from other financial assets i.e. cash at bank and other external receivables are very nominal.

Management Perception

To mitigate the credit risk the management of the Company follows robust credit control and collections policies. The Company has dedicated credit collections team who are responsible for 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 preparation of the cash flow forecast with due consideration of time line of payment of the financial obligation and accordingly arrange for sufficient fund to make the expected payment within due date.



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The ACME Laboratories Limited
Notes to the Financial Statements
As at and for the year ended 30 June, 2020

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 daily payment of cheques, daily cash inflow and outflow, maturity of deposits and our access to other funding sources as and when required.

5.27 General Comments & Observations:

- a) Previous year's figures have been regrouped/reclassified wherever considered necessary to confirm to 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 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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The ACME Laboratories Limited
Property, Plant and Equipment
For the year ended June 30, 2020

Shree Khan Keshu & Co.
 Chartered Accountants

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COST REVALUATING													D E F G H I J K L M												
Particulars of Assets	Historical Cost as at 01.07.19	Revaluation Surplus as at 01.07.19	Additional Building for year (Cost)	Depreciation		Adjustment of Machinery in depreciation	Total as at 01.07.20	Accumulated Dep. As at 01.07.19 in Cost	Accumulated Dep. As at 01.07.19 in Revaluation Surplus	Depreciation on Historical Cost during the year	Depreciation on Revaluation Surplus during the year	Depreciation		Total as at 01.07.20	Written Down Value as at 30.06.20										
				Cost	Revaluation Surplus							Cost	Revaluation Surplus												
Land and land development	646,132.851	4,083,300,000	20,834,320	-	-	-	4,864,322,267	-	-	-	-	-	-	-	4,864,322,267										
Buildings	4,746,554.00	1,871,772,126	-	-	-	-	6,618,326,181	853,658,402	826,502,759	203,850,100	67,255,282	-	-	1,091,212,248	4,717,123,945										
Machinery & Equipment	8,213,852.00	38,854.04	3,278,810.07	-	-	-	12,290,516,217	1,022,246,337	35,274,209	387,294,088	3,312,108	-	-	6,712,198,232	6,712,198,232										
Furniture & Fixtures	300,912.75	-	12,592.91	-	-	-	486,363,710	204,457,234	-	21,838,544	-	-	220,293,288	328,479,442											
2020 Vehicle	781,804.68	39,193,872	248,844,813	(16,548,203)	(2,004,003)	-	1,004,210,750	387,071,266	20,243,824	79,333,209	(1,478,147)	(8,678,809)	(2,057,807)	448,490,772	575,782,079										
Others (Electricity connection & Equipment)	2,115,187.47	87,203,328	492,154,806	-	-	-	2,597,607,758	888,148,458	49,179,821	208,457,771	6,512,433	-	-	1,378,305,227	1,378,305,227										
Office Equipment	270,502.49	1,302,419	35,778,880	-	-	-	291,807,238	705,373,250	1,248,272	29,133,203	40,888	-	-	131,295,705	122,004,493										
Books and Periodicals	6,341,045	-	-	-	-	-	6,341,045	4,351,118	-	178,000	-	-	-	8,170,165	1,713,920										
Sub Total	16,074,324,348	6,083,354,358	5,477,444,716	(16,548,203)	(2,064,003)	-	28,198,771,240	4,848,108,488	740,398,888	1,104,473,719	90,878,879	(8,570,429)	(2,067,807)	6,443,878,342	18,714,988,346										
Machinery in Transit	2,201,212,881	-	722,287,358	-	-	(2,548,646,547)	978,127,252	-	-	-	-	-	-	-	978,127,252										
Construction Work in progress	6,129,580,720	-	426,714,883	-	-	(20,804,320)	4,392,871,283	-	-	-	-	-	-	-	4,392,871,283										
Sub Total	7,078,851,857	-	1,149,002,241	-	-	(2,548,482,487)	4,848,898,816	-	-	-	-	-	-	-	6,389,873,419										
Total (Note 9A at 30.06.2020)	23,001,127,798	6,080,424,358	6,738,772,000	(16,548,203)	(2,064,003)	(2,548,482,487)	31,088,386,756	4,848,108,488	740,398,888	1,104,473,719	90,878,879	(8,570,429)	(2,067,807)	6,443,878,342	24,887,884,373										

ALLOCATION OF DEPRECIATION
 Factory Overhead
 Selling & Distribution Expenses
 Administrative Expenses

On Cost On Revaluation Total

007,732,818	47,906,219	999,804,484
91,115,001	8,879,342	87,791,423
38,586,712	8,287,388	91,864,871
1,184,473,710	82,878,873	1,183,355,888



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Particulars of Assets	Cost Movements					Depreciation					Provision Made Value as at 31.03.19	
	Historical Cost as at 01.07.18	Resellable Surplus as at 01.07.18	Disposal		Total as at 31.03.19	Accumulated Dep. as at 01.07.18 as per Cost	Accumulated Dep. as at 31.03.19 as per Provision	Depreciation on Historical Cost during the year	Disposal			
			Cost	Provision Surplus					Cost	Provision Surplus		
Land & Land Development	873,760,005	4,055,355,000	115,372,706	-	4,814,487,531	-	571,740,000	162,825,401	67,272,758	-	-	4,814,487,531
Building	3,983,329,316	1,871,772,126	780,204,749	-	5,019,326,191	841,000,000	971,740,000	162,825,401	67,272,758	-	-	4,586,524,587
Machinery & Equipment	5,130,817,072	36,524,041	1,803,038,888	-	6,869,437,000	1,838,324,806	31,114,344	203,801,491	3,838,831	-	-	5,067,520,542
Furniture & Fixtures	340,443,222	20,467,873	-	-	360,910,755	188,947,827	10,308,492	10,308,492	-	-	-	204,487,734
Motor Vehicle	481,868,838	30,415,478	120,878,421	-	703,946,620	224,225,032	23,321,317	42,823,582	2,553,151	-	-	385,315,083
Utilities, Electrical Installation & Etc.	1,880,742,111	87,205,328	154,460,264	-	2,172,392,802	673,578,478	40,041,878	152,588,877	8,117,843	-	-	1,630,328,277
Office Equipment	130,774,004	1,828,818	29,734,495	-	222,072,219	85,200,800	1,304,439	15,371,484	43,823	-	-	101,770,592
Books and Periodicals	6,349,045	-	-	-	6,349,045	4,748,925	-	162,136	-	-	-	4,681,110
Sub Total	12,820,150,882	6,092,888,938	2,068,294,437	(19,042,281)	12,827,102	22,031,810,814	3,863,910,032	383,142,378	82,487,488	(19,008,426)	(1,838,504)	8,318,104,530
Additions in Year	2,471,270,385	-	2,363,429,494	-	3,267,872,861	-	-	-	-	-	-	2,501,212,881
Continued Work in Progress	4,159,538,887	-	324,603,548	-	358,607,516	-	-	-	-	-	-	4,129,590,720
Sub Total	6,630,798,772	-	2,378,038,934	-	7,518,883,481	-	-	-	-	-	-	7,028,807,601
Total (as at 31.03.2019)	19,450,949,654	6,092,888,938	4,396,333,371	(18,064,129)	12,827,102	32,032,094,540	3,904,306,093	380,142,378	77,238,023	82,487,488	(19,008,426)	13,038,912,130

Allocation of Overhead:
Factory Overhead
Selling, Marketing & Distribution Overhead
Administrative Overhead

On-Site	Off-Reservation	Total
649,561,000	88,208,424	737,769,424
83,700,260	6,005,211	89,705,471
58,859,822	4,202,774	63,062,596
773,880,013	98,417,408	872,297,421

66 William E. Shafer, D. N. Gupta & Associates



The ACME Laboratories Limited
Notes to the Financial Statements
As at 30 June, 2020

Shiraz Khan Basak & Co.
Chartered Accountants

Note No.	Particulars	Amount in Taka 30 June, 2020	Amount in Taka 30 June, 2019
6	Property Plant and Equipment: Tk. 24,602,564,373		
	Details of Property, Plant and Equipment and Depreciation As at 30 June 2020 are shown in the Annexure-1. This is arrived at as follows:		
	Cost	25,027,820,492	23,001,127,749
	Opening Balance (Cost)	23,001,127,749	19,508,871,419
	Addition during the year (Cost)	4,726,722,000	6,343,353,273
	Disposal (Cost)	(10,548,390)	(19,042,581)
	Adjustment for CWIP/MT	(2,689,480,857)	(2,832,054,352)
	Revaluation	6,058,570,263	6,060,634,266
	Opening Balance (Revaluation)	6,060,634,266	6,062,855,969
	Addition during the year (Revaluation Surplus)	-	-
	Disposal (Revaluation Surplus)	(2,064,003)	(2,221,703)
	Accumulated Depreciation on Cost	5,664,008,431	4,569,105,650
	Opening Balance	4,569,105,650	3,805,908,053
	Addition during the year	1,104,473,710	773,288,023
	Disposal	(9,570,929)	(10,088,426)
	Accumulated Depreciation on Revaluation Surplus	819,817,951	740,998,880
	Opening Balance	740,998,880	660,142,378
	Addition during the year	80,876,878	82,487,406
	Disposal	(2,057,807)	(1,630,904)
	Carrying Value		
	Cost	19,363,812,061	18,432,022,099
	Revaluation Surplus	5,238,752,312	5,319,635,386
		24,602,564,373	23,751,657,485

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

Factory Overhead	995,694,494	718,651,360
Selling, Marketing and Distribution Expenses	97,791,423	70,601,473
Administrative Expenses	91,864,671	66,322,596
Total	1,185,350,588	855,575,429

6.A Revaluation Surplus: Tk. 5,238,752,312

Current balance has been arrived as below:

Masih Muhiy Haque & 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 2016 at "Current Cost Accounting Method (CCA)". Due to these revaluation, a net revaluation surplus amounting to Tk. 430,577,063 had arisen. Details of Revaluation Surplus has been given below:

Revaluation Surplus	6,058,570,263	6,060,634,266
Opening Balance	6,060,634,266	6,062,855,969
Less: Adjustment due to Loss on Revaluation	-	-
Less: Adjustment due to disposal/Discard	(2,064,003)	(2,221,703)
Less: Accumulated depreciation on revaluation & Loss on Disposal	819,817,951	740,998,880
Opening Balance	740,998,880	660,142,378
Add: Depreciation charged for the year	80,876,878	82,487,406
Less: Adjustment due to disposal/Discard	(2,057,807)	(1,630,904)
	5,238,752,312	5,319,635,386




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Chartered Accountants

Note No.	Particulars	Amount in Taka 30 June, 2020	Amount in Taka 30 June, 2019
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7.A Right-of-Use Assets: Tk. 86,369,645

Right-of-Use Assets (ROU)	95,966,272	-
Less: Depreciation charged during the year	9,596,627	-
Carrying Value of ROU Asset	86,369,645	-

Disclosure notes regarding ROU assets has been given in note number- 5.03

7.B Lease Liability: Tk. 78,423,856

Current Lease Liability	11,643,390	-
Long term Lease Liability	66,780,466	-
Lease Liability	78,423,856	-

Disclosure notes regarding Lease Liability has been given in note number- 5.03

8 Intangible Assets :Tk. 37,125

The Details are as under:

Application Software (Note no. 8.A)	940,285	940,285
Less: Amortization	903,160	861,535
Accumulated balance till last financial year	861,535	819,910
Amortized during the year	41,625	41,625
Intangible Assets	37,125	78,750

8.A Application Software: Tk. 37,125

Details have been given below :

Year of acquisition	Amount (Tk.)	Rate	Amortization			Closing Balance
			Opening balance	During the year	Total	
2000-01	385,285	7.50%	385,285	-	385,285	-
2007-08	400,000	7.50%	360,000	30,000	390,000	10,000
2009-10	155,000	7.50%	116,250	11,625	127,875	27,125
Total	940,285	-	861,535	41,625	903,160	37,125

9 Investment in Securities : Tk. 23,769,350

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

23,769,350	33,884,307
23,769,350	33,884,307

9.A Public Limited Co.'s Securities

Particulars	No. of Equity Shares held	FV	Average cost per unit	Total cost as at 30.06.2020	Market Price as at 30.06.2020	Unrealized gain/(loss)
AB Bank Ltd.	28,476	10	18.3469	522,446	193,637	(328,809)
Eastern Bank Ltd.	26,565	10	21.9642	583,460	820,859	237,379
Pioneer Insurance Co. Ltd.	28,675	10	36.3641	1,050,013	840,925	(209,088)
Southeast Bank Ltd.	28,625	10	17.5025	504,509	325,723	(178,786)
EXIM Bank Ltd.	27,500	10	9.3284	256,530	236,500	(20,030)
Squire Pharma Ltd.	101,537	10	182.5796	18,538,586	17,515,133	(1,023,453)
Squire Textile Ltd.	262	10	-	-	7,598	7,598
Grammeen Phone Ltd.	16,000	10	294.7140	4,715,424	3,820,800	(894,624)
C & A Textiles Ltd.	92	10	9.4565	870	175	(695)
				26,171,858	23,769,350	(2,402,508)

Add: Deferred Tax Asset @10% on Un-realized Gain

As at 30 June 2020

		240,251
26,171,858	23,769,350	(2,162,257)

As at 30 June 2019

26,171,858	33,884,307	6,941,204
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Note No.	Particulars	Amount in Taka 30 June, 2020	Amount in Taka 30 June, 2019
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10 Inventories: Tk. 3,917,967,826

This balance is made up of as follows:

Raw Materials	1,324,987,587	1,285,678,435
Packing Materials	550,467,658	505,878,687
Work-in-Process	475,525,865	484,567,356
Finished Goods	1,164,145,968	927,656,798
Printing & Stationery	180,054,336	132,215,482
Spare & Accessories	242,786,412	236,567,458
Total	3,917,967,826	3,572,384,216

11 Trade Receivable : Tk. 1,910,829,633

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	1,692,541,452	1,502,458,005
Exports	211,115,581	94,716,675
	<u>1,903,657,033</u>	<u>1,597,174,680</u>
Add: Foreign exchange Unrealized Gain	7,172,600	2,887,704
	1,910,829,633	1,600,062,384

11.A Trade Receivable: Tk. 1,910,829,633

Ageing of the above receivables are given below:

Particulars	Up to 6 Months		Above 6 Months		Total	
	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019
Domestic	1,692,541,452	1,502,458,005	-	-	1,692,541,452	1,502,458,005
Export	211,115,581	94,716,675	-	-	211,115,581	94,716,675
					1,903,657,033	1,597,174,680
Add: Foreign exchange Gain/(Loss)					7,172,600	2,887,704
					1,910,829,633	1,600,062,384

12 Other Receivable: Tk. 19,729,469

This consists of as follows:

Rent on Investment Property	19,388,000	19,386,000
Interest Receivable (Term Deposit)	300,156	796,703
Dividend Receivable on Marketable Securities	43,313	114,125
	19,729,469	20,296,828



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Note No.	Particulars	Amount in Taka 30 June, 2020	Amount in Taka 30 June, 2019
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13 Advances, Deposits and Prepayments : Tk 2,683,622,048

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

Advances:

Advances against Salary	187,782,365	132,265,421
Motor Cycle Advance to Employees	328,774,538	315,883,251
Employee Advances (Others)	248,745,890	232,226,822
Advance for API Industrial Park	199,711,876	151,967,304
Advance to ACMUNIO International Ltd.	96,479,473	96,479,473
Advance to Suppliers	547,693,982	288,021,122
Advance to Suppliers for Construction	338,809,766	271,514,350
Advance against Land	23,450,000	23,450,000
Others	34,138,043	20,018,883

Deposit :

Security Deposit and Earnest Money	59,566,540	35,940,077
Security Deposit to Dhaka Poli Eddut Samity-3	15,140,000	15,140,000
Lease Deposit	188,000	188,000
Presumptive Tax on Share Premium	13,064,814	13,064,814
Deposit for Gas	11,218,919	13,584,154
VAT Deposit on Stock	562,601,974	284,856,798
Security Deposit to CDBL	500,000	500,000
Others	3,700,750	3,700,750

Prepayments :

Office Rent	-	4,416,455
Insurance	12,057,118	13,917,760
	2,683,622,048	1,917,113,434

14 Advance Income Tax: Tk. 2,782,563,924

The breakup of the above amount is as under:

Opening Balance as per last A/C

Adjustment of Current Tax Provision and Advance Income Tax for completed assessment

- For the assessment year 2015-2016

The ACME Specialized Pharmaceuticals Limited

AIT adjusted for assessment year 2012-2013

AIT adjusted for assessment year 2013-2014

AIT Refundable for the assessment year 2012-13 & 2013-14

Payment during the year:

AIT collected by Customs Authority	262,801,790	163,398,358
AIT collected by Bank from Export Bills	4,606,098	3,478,106
AIT deducted against supply of Medicines	17,740,711	26,504,277
AIT collected by BRTA Authority	3,394,500	4,567,500
AIT deducted on Bank Interest on FDRs and STD account	3,172,888	6,806,553
AIT deducted from Dividend Received and Cash Incentive	223,152	204,875

Paid by pay order:

for the assessment year 2020-21	105,000,000	-
for the assessment year 2019-20	-	181,573,971
for the assessment year 2018-19	-	3,100,000
for the assessment year 2017-18	-	55,326,029

2,782,563,924 **2,365,624,805**

15 Material in Transit: Tk. 1,312,625,960

Raw Materials	989,677,638	488,849,242
Packing Materials	235,856,078	151,200,789
Spare Parts	86,892,244	122,181,825
	1,312,625,960	762,231,856



(Signature)

The ACME Laboratories Limited
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Note No.	Particulars	Amount in Taka 30 June, 2020	Amount in Taka 30 June, 2019
16	Term Deposit: Tk. 274,367,312		
	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)	259,367,312	500,000,000
	United Commercial Bank Limited	-	20,503,605
	Agrani Bank Limited	15,000,000	-
		274,367,312	520,503,605
17	Cash and Cash Equivalents: Tk. 1,823,816,517		
	This is made up as follows:		
	Cash in Hand	623,101,959	539,127,753
	Cash at BO Account	1,246,293	758,440
	Cash at Bank:		
	Trust Bank Ltd.	426,064,230	167,146,183
	Standard Chartered Bank	123,890,466	144,999,051
	Uttara Bank Ltd.	66,880,827	108,584,300
	Prime Bank Ltd.	101,157,508	68,745,531
	Mercantile Bank Ltd.	16,114,979	64,004,465
	Dutch Bangla Bank Ltd.	95,479,054	51,136,297
	Islami Bank Ltd.	6,281,346	52,934,245
	Bank Asia Ltd.	2,868,695	50,405,285
	National Bank Ltd.	11,411,464	26,871,445
	Agrani Bank Ltd.	105,732,756	26,107,100
	The City Bank Ltd.	8,545,468	19,242,537
	NCC Bank Ltd.	20,227,085	17,323,601
	Eastern Bank Ltd.	2,221,896	12,370,798
	Southeast Bank Ltd.	1,043,258	10,156,964
	HSBC	2,008,849	3,375,205
	Dhaka Bank Ltd.	16,835	681,595
	Sonali Bank Ltd.	9,919,824	143,896
	United Commercial Bank Ltd.	836,729	493,521
	Exim Bank Ltd.	232,419	232,419
	Shimanto Bank Ltd.	98,850	100,000
	Mutual Trust Bank Ltd.	234,444	11,646
	Jamuna Bank Ltd.	99,712	99,712
	One Bank Ltd.	476,750	509,730
	Meghna Bank Ltd.	24,811	-
		1,823,816,517	1,377,761,719
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
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	-	-
	Closing Balance	211,601,700	211,601,700
18.4	Calculation of Net Asset Value (NAV) per ordinary share of Tk. 10 each:		
	A Total Equity of the Company	19,044,180,165	18,343,391,846
	B Total Number of outstanding ordinary share at the end of the year	211,601,700	211,601,700
	C Net Asset Value per Ordinary Share (NAV) rounded off upto two decimal places	90.00	86.69




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Note No.	Particulars	Amount in Taka 30 June, 2020	Amount in Taka 30 June, 2019
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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
Total		211,661,700		2,116,017,000

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. 6,384,509,141

Opening balance	6,593,734,287	4,810,519,458
Add: Addition during the year	1,531,380,804	1,523,820,779
Net Profit after Tax for the year	1,450,497,730	1,440,378,843
Adjustment for Depreciation on Revaluation Surplus	80,876,878	82,487,406
Adjustment for disposal of Motor Vehicle	6,196	954,530
Revaluation surplus transferred to Retained earnings due to disposal of Motor Vehicles	-	-
Less: Adjustment during the year	740,605,950	740,605,950
Dividend for the year 2018-2019 (comparative year dividend was for the financial year 2017-2018)	740,605,950	740,605,950
Closing balance	6,384,509,141	6,593,734,287

21 Long Term Loans - Net off Current Maturity: Tk. 5,106,567,547

This represents long term borrowings from Financial Institutions which are as follows:

Name of Financial Institution

Trust Bank Ltd.	570,967,662	471,630,128
Dutch Bangla Bank Ltd.	217,533,483	318,677,025
Eastern Bank Ltd.	50,000,000	250,000,000
IDLC Finance Ltd.	293,466,219	148,275,668
Dhaka Bank Limited	184,381,464	76,350,349
Standard Chartered Bank	104,000,000	-
IOFC	177,500,000	142,500,000
IPDC	438,000,000	291,500,000
HSBC Term Loan	718,241,742	511,661,831
United Finance Ltd. (UFL)	70,000,000	150,000,000
Lanka Bangla Finance Ltd.	345,000,000	485,000,000
Lankan Alliance Finance Ltd.	121,432,165	170,216,929
Buy Leasing & Investment Limited	60,000,000	100,000,000
Prime Bank Limited	338,575,778	459,164,000
Mutual Trust Bank Limited	161,721,534	-
Bank Asia Limited	1,255,747,500	-
	5,106,567,547	3,556,975,950




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Note No.	Particulars	Amount in Taka 30 June, 2020	Amount in Taka 30 June, 2019
22	Provision for Gratuity: Tk. 361,679,351		
	Opening Balance	336,558,221	330,362,700
	Add: Provision for the year	70,253,992	95,567,741
	Less: Paid during the year	45,132,862	89,372,220
	Closing Balance	361,679,351	336,558,221
23	Deferred Tax Liability: Tk. 857,259,010		
	This represents provision made/assets created related to deferred income tax for taxable/deductible temporary differences which is arrived at as follows:		
	Opening Balance	684,485,951	505,195,999
	Add: Deferred Tax Liability/(Assets) created during the year:		
	Increase in Deferred tax liability	179,053,341	180,837,832
	On account of (deductible) /taxable temporary difference for PPE	178,078,390	180,938,668
	On account of (deductible) /taxable temporary difference for unrealized gain on Marketable Securities	(1,011,496)	(100,836)
	Deferred Tax of Temporary difference on Lease	1,986,447	-
	Creation of Deferred Tax Assets on account of Provision for Gratuity	(6,260,283)	(1,548,880)
		(6,260,283)	(1,548,880)
	Closing Balance	857,259,010	684,485,951
24	Loans & Overdrafts: Tk. 8,315,320,639		
	This represents the amount are as follows:		
	Name of the Bank		
	Dutch Bangla Bank Ltd.	39,055,022	1,334,600,388
	Standard Chartered Bank	836,266,979	696,539,081
	Dhaka Bank Ltd.	552,591,478	636,250,717
	HSBC	1,583,577,822	1,478,280,359
	Eastern Bank Ltd.	972,680,306	624,242,573
	Trust Bank Ltd.	705,710,788	520,958,351
	The City Bank Ltd.	601,664,074	960,486,299
	Prime Bank Limited	528,943,702	561,338,229
	Mutual Trust Bank Ltd.	217,383,228	276,757,155
	Agrani Bank Ltd.	1,581,201,609	1,071,290,498
	IDLC Finance Ltd.	-	125,000,000
	Meghna Bank Ltd.	8,032,500	-
	United Commercial Bank Ltd.	488,213,131	-
		8,315,320,639	8,287,743,650
25	Current Maturity of Long Term Loans: Tk. 2,459,340,207		
	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.	445,160,757	300,050,852
	IDLC Finance Ltd.	115,389,546	66,991,782
	IDFC	100,000,000	115,000,000
	IPDC	266,000,000	176,000,000
	Eastern Bank Ltd.	200,000,000	200,000,000
	HSBC - Foreign Loan (Net of foreign currency gain/loss)	-	1,352,209
	HSBC Term Loan	333,271,745	276,155,611
	Standard Chartered Bank	26,000,000	-
	Dhaka Bank Ltd.	93,692,629	70,102,895
	Dutch-Bangla Bank Ltd.	158,198,872	303,795,839
	United Finance Ltd. (UFL)	80,000,000	100,000,000
	Lanka Bangla Finance Ltd.	120,000,000	270,000,000
	Lankan Alliance Finance Ltd.	46,784,783	42,236,599
	Prime Bank Limited	173,112,000	181,040,000
	Bay Leasing Limited	40,000,000	40,000,000
	Mutual Trust Bank Limited	39,229,875	-
	Bank Asia Limited	220,500,000	-
		2,459,340,207	2,122,735,287




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Note No.	Particulars	Amount in Taka 30 June, 2020	Amount in Taka 30 June, 2019
26	Trade Payables: Tk. 398,967,527		
	Trade Creditors	398,967,527	321,405,105
		398,967,527	321,405,105
27	Provision for Income Tax: Tk. 2,366,744,574		
	Opening Balance	2,011,594,657	1,892,201,835
	Add: Provision during the year	355,149,917	330,039,823
	Less: Adjustment of Current Tax Provision and Advance Income Tax for completed assessment		
	- For the assessment year 2015-2016	-	310,647,101
		2,366,744,574	2,011,594,657
27.A	Income Tax Provision during the year: Tk. 355,149,917		
	Provision made during the year	355,149,917	333,572,829
	Less: AIT Adjustment for AIT refundable of ASPL for assessment year 2012-13 & 2013-14	-	3,533,006
		355,149,917	330,039,823
28	Liability for Expenses and Others: Tk. 423,044,663		
	This is arrived at as follows:		
	Salary & Allowances	9,692,500	12,602,064
	Power & Electricity	2,098,040	20,615,038
	Postage & Telephone	457,503	466,300
	Gas Bill	21,230,974	11,819,943
	Office Rent	-	947,425
	Audit Fee	550,000	550,000
	WASA Bill	43,683	72,665
	Workers Profit Participation Fund (WPPF) and Workers Welfare Fund (WWF) - 28.A	153,094,827	142,023,583
	Advance against Export Sales	3,187,092	5,655,708
	Interest on WPPF and WWF	8,901,071	5,637,839
	VAT Payable	147,430,038	-
	Other Expenses and TDS & VDS	76,358,735	39,014,268
		423,044,663	239,394,833
28.A	Workers Profit Participation Fund (WPPF) and Workers Welfare Fund (WWF): Tk. 153,094,827		
	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	142,023,583	132,324,493
	Add: Addition for the year	98,971,610	97,867,073
	Less: Payment during the year	87,900,366	87,967,983
	Closing Balance	153,094,827	142,023,583
29	Dividend Payable: Tk. 6,735,643		
	The Board of Directors proposed 35% cash dividend of Tk. 740,605,950 for the year 2018-2019 which was duly approved in the 43rd AGM by the shareholders. The details are stated below:		
	Opening Balance	17,323,889	3,809,293
	Add: Final dividend declared for the year 2018-2019 (Gross)	740,605,950	740,605,950
	Less: Dividend paid to Shareholders	751,194,196	727,091,354
	Net Dividend Payable	6,735,643	17,323,889




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Notes to the Financial Statements
For the year ended 30 June, 2020

Note No.	Particulars	Amount in Taka	
		July 2019 to June 2020	July 2018 to June 2019
30	Revenue : Tk. 19,003,659,667		
	This is made up as follows:		
	Gross Turnover		
	Domestic		
	Own Products	20,849,945,695	18,067,962,445
	Manufactured by Others :		
	Imported	46,500	21,500
		<u>20,849,992,195</u>	<u>18,067,983,945</u>
	Export		
	Own Products	1,165,063,328	651,659,080
		<u>1,165,063,328</u>	<u>651,659,080</u>
	Total Gross Turnover	<u>22,015,045,723</u>	<u>18,719,643,025</u>
	Less: VAT	3,011,386,066	2,411,015,968
	Net Turnover	<u>19,003,659,657</u>	<u>16,308,627,057</u>

The Summarized Sales and Production Quantities are as follows:

Name of Category	Unit	Opening Balance	Production/ Purchase	Sales/ Consumption	Closing Balance
Human					
Tablet*	Pcs	137,810,161	4,323,433,606	4,238,981,366	222,262,701
Capsule*	Tube	18,731,500	531,049,283	525,568,308	24,214,875
Liquid*	Bottles	4,598,806	70,510,330	69,234,128	5,873,008
Dry Syrup	Phials	1,400,522	11,600,072	11,594,841	1,405,653
Ointment/Gel	Pcs	231,576	3,210,150	3,052,256	389,470
Cream	Bottles	1,013,328	6,504,413	8,051,081	1,466,660
Suppository	Tube	1,911,147	42,163,668	41,485,861	2,588,934
Inhaler (DPI)	Pcs	4,781,617	51,887,407	52,091,953	4,577,271
Inhaler (MDI)	Pcs	109,710	1,904,693	1,777,265	237,138
Eye/Ear/Nasal Drop	Cans	1,676,001	13,509,991	12,888,991	2,296,001
Injectable (Amps)*	Pcs	1,547,978	32,852,262	32,265,268	1,934,970
Injection (Vial)*	Cans	565,133	13,155,551	13,014,267	706,419
Infusion	Pcs	1,174,144	4,866,273	4,482,737	1,547,680
Sachet/Premix	Bottles	618,600	17,364,276	17,009,626	973,250
Powder	Pcs	88,768	958,729	887,037	158,460
Handrub/Sanitizer	Pcs	-	578,825	277,619	301,206
Veterinary					
Bolus	Pcs	13,067,635	342,111,384	338,844,475	16,334,644
Liquid	Kg	740,488	10,918,799	10,713,677	945,610
Premix	Pcs	5,825,076	34,583,853	33,117,584	7,291,345
WSP	Pcs	690,516	14,844,925	14,652,296	883,145
Injection	Vial	1,792,823	13,641,010	13,640,582	1,793,251
Herbal & Ayurvedic					
Capsule*	Pcs	351,646	10,717,348	10,629,436	439,558
Liquid*	Pcs	841,225	12,911,588	12,691,292	1,061,531
Tablet*	Pcs	891,028	22,470,803	22,248,045	1,113,785
Others					
Syringe	Pcs	35,328	-	-	35,328
Fish Feed	Kg	2,986	-	-	2,986
Vaporizer	Pcs	13,505	-	165	13,319

* Opening balances of dosage form have been re arranged by categorizing in Human, Veterinary and Herbal & Ayurvedic.



Note No.	Particulars	Amount in Taka	
		July 2019 to June 2020	July 2018 to June 2019

31 Cost of Goods Sold : Tk. 11,728,937,307

This is arrived at as follows :

Raw Materials Consumed	(Refer Note 31.A)	6,136,849,407	4,993,933,480
Packing Materials Consumed	(Refer Note 31.B)	3,146,956,808	2,750,022,718
Work in Process (Opening)		484,567,356	537,645,987
Work in Process (Closing)		(475,525,865)	(484,567,356)
Material Consumption during the year		9,292,847,706	7,797,034,829
Factory Overhead	(Refer Note 31.C)	2,672,578,771	2,183,566,890
Cost of Production		11,965,426,477	9,980,601,719
Purchase of Finished Goods		-	-
Opening Stock of Finished Goods		927,656,798	849,934,278
Finished Goods Available		12,893,083,275	10,830,535,997
Closing Stock of Finished Goods		(1,164,145,968)	(927,656,798)
Cost of Goods Sold		11,728,937,307	9,902,879,199

31.A Raw Materials Consumed : Tk. 5,136,849,407

This is arrived at as follows :

Opening Stock of Raw Materials	1,286,678,435	377,645,696
Purchase during the year	6,176,158,559	5,401,966,217
Closing Stock of Raw Materials	(1,324,987,587)	(1,286,678,435)
Raw Material Consumed	6,136,849,407	4,993,933,480

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

Particulars	Pcs	Quantity (kg)		Quantity (Liter)		Quantity (Pcs)	
	Cap Shell	Active	Excipients	Active	Excipients	Active	Excipients
Opening Balance	293,564,025	2,438,539	987,074	349	12,482	-	889,458
Purchase	521,494,795	6,287,540	7,122,395	1,963	78,940	45,921	221,205
Available for use	815,058,820	8,726,079	8,109,469	1,912	91,323	45,921	910,663
Closing Balance	293,412,768	2,483,158	1,252,600	661	18,996	-	681,115
Consumption	521,646,052	6,242,921	6,856,868	1,251	72,326	45,921	219,548

31.B Packing Materials Consumed : Tk. 3,146,956,808

This is arrived at as follows :

Opening Stock of Packing Materials	505,678,687	578,785,497
Purchase during the year	3,191,745,779	2,670,935,908
Closing Stock of Packing Materials	(550,467,658)	(505,678,687)
	3,146,956,808	2,750,022,718

The Total Quantity of Packing Materials are as under:

Name of Category	Unit	Opening Balance	Purchase	Consumption	Closing Balance
Ampoule	Pcs	10,320,521	29,231,639	28,144,074	11,408,086
Bottle	Pcs	15,380,954	88,352,663	88,081,820	16,652,007
Carton	Pcs	26,201,692	181,957,022	169,979,372	38,179,342
Plastic Item	Pcs	20,794,553	170,094,481	168,892,405	21,996,639
Cap	Pcs	16,371,695	114,727,316	114,254,389	16,844,622
Catch Cover	Pcs	14,197,803	56,171,401	34,950,366	15,418,814
Inner Leaflet	Pcs	26,336,273	151,038,235	148,773,316	28,601,192
Label	Pcs	4,511,264	75,940,562	75,198,776	5,253,096
Shipping Box Label	Pcs	3,647,861	11,624,495	10,113,852	5,158,504
PVC/PPVC	kgs	234,157	763,955	767,818	230,295
Shipping Box	Pcs	684,998	11,772,086	11,614,063	843,021
Tube	Pcs	1,746,091	12,514,171	11,558,470	2,701,792
Al. Foil. Blister	Kgs	37,214	266,204	216,925	92,493
Al. Foil. Strip	Kgs	351,669	739,224	758,981	331,913
Inner Board	Pcs	605,053	1,588,774	1,584,739	609,088
Vial	Pcs	6,706,655	29,887,901	28,423,112	8,171,444
Sticker Label	Pcs	10,242,372	108,260,650	98,069,005	29,434,017

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SHIRAZ KHAN BASAK & CO.
Dhaka
Chartered Accountants

Note No.	Particulars	Amount in Taka	
		July 2019 to June 2020	July 2018 to June 2019

31.C Factory Overhead : Tk. 2,672,578,771

This is made up as follows :

Salary & Allowances	563,855,199	518,391,863
Daily Wages	146,669,294	113,954,248
Gratuity	21,245,654	31,780,631
Group Insurance Premium	1,192,432	1,282,913
Postage & Telephone	3,732,263	2,984,275
Fuel, Power & Electricity	309,358,227	329,716,390
Conveyance	5,792,773	2,454,971
Company's Contribution to RPF	23,506,964	21,234,866
Gas Bill	191,353,247	137,998,362
Factory Staff Uniform	4,993,162	6,454,268
Carriage Inward	4,682,821	10,015,481
Repairs & Maintenance	67,715,226	68,296,701
Medical Expenses	845,345	541,374
Insurance	20,899,488	21,180,997
Local Tax	2,000,000	2,000,000
Printing & Stationery	30,548,159	25,898,763
Research Analysis & Product Development	9,210,247	7,952,750
Welfare & Recreation	6,811,238	9,823,304
Entertainment	11,389,352	9,118,133
Canteen Expenses	27,435,867	24,122,089
Spare Parts	96,512,430	96,745,489
Travelling	5,834,689	2,765,643
Depreciation	995,694,494	718,651,300
	2,672,578,771	2,163,566,690

32 Other income : Tk. 74,986,576

This is made up as follows :

Rent on Investment Property	-	6,462,000
Other Lease Rent	228,000	228,000
Income/(Loss) from sale of Motor Vehicle	3,253,343	(3,218,685)
Interest on STD and SND Account	1,952,263	3,723,549
Translation Gain/(loss) for foreign currency fluctuation	7,172,600	2,875,302
Settlement Gain/(loss) for foreign currency fluctuation	30,936,484	11,131,424
Interest on Term Deposit	29,394,437	64,310,852
Dividend Income on marketable securities	611,449	888,932
Cash incentive received against export sales	1,438,000	-
Gain due to settlement of fire insurance claim for building	-	9,582,744
	74,986,576	96,382,118

Note No.	Particulars	Amount in Taka	
		July 2019 to June 2020	July 2018 to June 2019
33	Selling, Marketing and Distribution Expenses : Tk. 2,679,085,139		
	This is made up as follows :		
	Salary & Allowances	1,622,627,600	1,410,726,880
	Daily Basis Salary	23,967,434	15,681,080
	Gratuity	36,115,884	43,992,604
	Company's Contribution to RPF	73,869,623	87,478,299
	Office Rent	-	10,770,000
	Electricity & WASA, Gas	11,963,342	11,818,225
	Postage & Telephone	41,319,767	43,217,519
	Fuel for Generator	1,394,650	1,601,623
	Vehicle Expenses	55,059,671	42,609,220
	Printing & Stationery	48,638,081	45,704,640
	T/DA	150,602,814	113,991,154
	Travelling Kits	9,402,080	7,393,768
	Carriage Outward	92,972,149	55,414,223
	Seminar & Conference	14,405,100	12,925,340
	Medical Expenses	514,640	508,500
	Sales Promotion Expenses	127,616,177	177,143,327
	New Products Induction Expenses	1,410,957	834,048
	Group & Health Insurance Premium	3,976,852	4,592,684
	Export Expenses	40,563,856	24,966,127
	Welfare & Recreation	2,503,692	2,670,172
	Free Sample	106,219,789	89,901,468
	Insurance	8,748,606	9,785,030
	Fees & Renewals	16,594,366	36,839,439
	Repair & Maintenance	29,756,116	53,281,866
	Entertainment	55,969,765	33,908,311
	Advertisement	1,245,868	2,444,988
	Depreciation of Right-of-Use Asset (As per IFRS 16-Ref Note 7.A)	9,596,627	-
	Depreciation (As per IAS 16 Ref. Note 6)	97,791,423	70,601,473
		2,679,085,139	2,388,560,093
34	Administrative Expenses : Tk. 807,968,326		
	This is made up as follows :		
	Directors Remuneration	19,200,000	20,025,806
	Salary & Allowances	464,291,692	291,193,565
	Directors Sitting Fees	1,503,333	1,993,333
	Group & Health Insurance Premium	678,540	1,918,473
	Postage & Telephone	4,956,634	5,249,051
	Electricity, Gas & WASA	16,348,808	18,488,987
	Fuel for Generator & Vehicle	7,047,197	6,719,772
	Conveyance	2,633,359	4,221,727
	Refreshment Expenses	5,720,987	4,011,944
	Office General Expenses	7,247,151	8,894,624
	Vehicle Expenses	10,584,523	15,905,291
	Advertisement for Recruitment & Others	2,448,062	4,831,042
	Printing & Stationery	7,848,765	7,042,793
	Intangible Assets Amortization	41,625	41,625
	Newspaper & Periodicals	640,987	625,696
	AGM Expenses	1,119,906	2,126,925
	Expenses for Legal Procedure	2,618,784	2,989,889
	Gratuity	12,892,254	19,814,506
	Company's Contribution to RPF	9,665,043	9,318,498
	Professional Fee	13,633,041	13,380,570
	Audit Fees	550,000	550,000
	Medicine Expenses	1,780,662	2,255,414
	Uniform and Liveries	879,303	2,011,237
	Travelling Expenses	10,627,352	8,601,351
	Repair and Maintenance	9,738,618	13,650,583
	Insurance	900,491	-
	Municipal Tax	3,726,162	3,726,162
	Fees and Renewals	11,551,068	8,328,046
	Welfare and Recreation	7,065,651	4,885,263
	Daily basis salary	12,464,745	11,310,337
	Contribution to CSR Activities	800,488	853,260
	Product Registration (USFDA)	64,298,104	33,685,936
	Depreciation	91,864,571	66,322,598
		807,968,326	691,955,384




Note No.	Particulars	Amount in Taka	
		July 2019 to June 2020	July 2018 to June 2019
35	Financial Expenses Tk. 1,784,251,549		
	This is made up as follows:		
	Interest on Cash Credit	212,346,144	162,967,357
	Interest on Overdraft	123,168,228	90,238,323
	Interest on MTL & LTR	56,128,036	51,599,386
	Interest on Revolving & STL	575,769,209	501,336,065
	Interest on Lease Finance	234,193,224	303,313,283
	Interest on Term Loan	399,383,485	265,633,727
	Interest on Accepted Import Loan	156,219,163	93,522,240
	Interest on WPPF & WWF	7,832,647	9,316,205
	Interest on Lease Liability (For Right to use Assets as per IFRS 16)	7,603,284	-
	Bank Charge	11,308,029	11,657,465
		1,784,251,649	1,465,585,028
36	Contribution to Workers Profit Participation Fund and Welfare Fund: Tk. 98,971,610		
	Contribution to WPPF and Welfare Fund	98,971,610	97,667,073
		98,971,610	97,667,073
37	Income Tax Expenses : Tk. 528,934,472		
	This is arrived at as follows:		
A	Current Tax Expenses		
	Current Tax for the year under review	355,149,917	333,572,829
		355,149,917	333,572,829
B	Deferred Tax Expenses/(Income)		
	Deferred Tax Expenses/(Income)	173,784,555	179,389,788
		173,784,555	179,389,788
		528,934,472	512,962,617
38	Basic/Diluted Earning Per Share (EPS): Tk 6.85		
	The computation is given below:		
	Net Profit After Tax for the year	1,450,497,730	1,440,378,843
	Weighted average number of shares outstanding during the year (38.2)	211,601,700	211,601,700
	Basic Earnings Per Share	6.85	6.81
	Diluted Earnings Per Share	6.85	6.81
	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
		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
		211,601,700	211,601,700
39	Net Operating Cash Flows Per Share: Tk 5.42		
	Net cash generated from operating activities	1,146,336,891	1,653,107,482
	Weighted average number of shares outstanding during the year	211,601,700	211,601,700
	Net Operating Cash Flows Per Share	5.42	7.81




Note No.	Particulars	Amount in Taka	
		July 2019 to June 2020	July 2018 to June 2019
40	Reconciliation of Net Income or Net Profit with Cash Flows from Operating Activities-Indirect Method		
	Net Profit after Tax	1,450,497,730	1,440,378,843
	Add: Non Cash Items	1,174,527,499	882,405,673
	Less: Net Increase/Decrease in Current Asset	2,292,881,331	884,132,251
	Add: Net Increase/Decrease in Current Liabilities	641,419,934	155,166,065
	Add: Deferred Tax Liability (Created during the year)	172,773,059	179,288,952
	Net cash generated from operating activities-In Direct Method	1,146,336,891	1,653,107,482
	Net cash generated from operating activities-Direct Method	1,146,336,891	1,653,107,482

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	2019-2020		2018-2019	
		Value of transaction during the year	Balance as at 30 June, 2020	Value of transaction during the year	Balance as at 30 June, 2019
Sinha Printers Ltd.	Local Supply Received	855,602,439	(350,315,777)	636,627,494	(276,752,974)
	Provide Services & Others	-	-	315,042	-
ACMUNIO Int. Ltd.	Advance	-	96,479,473	-	96,479,473
	Rent on Investment Property	-	19,396,000	5,492,000	19,386,000
The ACME Agrovet & Beverages	Local Supply	187,408,039	9,878,498	30,004,341	(7,013,439)
Kalyar Packaging Ltd.	Local Supply	182,320,890	(7,708,509)	118,440,490	(12,078,235)
Kalyar Replica Ltd.	Local Supply	24,391,133	(7,428,596)	13,444,733	(1,034,968)

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 2019-20
Vehicle MA-51-0827	484,003	484,003	484,003	484,003	-	-	45,000	45,000	-	45,000
Vehicle MA-51-2610	841,667	-	841,667	-	-	-	50,000	50,000	-	50,000
Vehicle CHA-51-3579	525,000	400,000	525,000	400,000	-	-	400,000	400,000	-	400,000
Vehicle CHA-51-3569	530,000	500,000	530,000	500,000	-	-	410,000	410,000	-	410,000
Vehicle CHA-51-3517	537,425	500,000	537,425	500,000	-	-	400,000	400,000	-	400,000
Vehicle GA-31-3845	1,599,857	-	1,380,470	-	319,387	-	650,000	330,613	-	330,613
Vehicle CHA-51-8584	2,633,513	100,000	2,633,513	93,804	-	6,196	600,000	593,804	-	593,804
Vehicle CHA-51-4222	650,000	-	650,000	-	-	-	422,000	422,000	-	422,000
Vehicle CHA-51-7302	1,008,900	80,000	1,008,900	80,000	-	-	460,000	460,000	-	460,000
Vehicle GA-30-2226	1,535,025	-	979,951	-	668,074	-	900,000	141,926	-	141,926
Total	10,548,390	2,064,003	9,570,929	2,057,807	977,461	6,196	4,237,000	3,253,343	-	3,253,343



Note No.	Particulars	Amount in Taka	
		July 2019 to June 2020	July 2018 to June 2019
43	Directors Remuneration and Sitting Allowance		
	Directors remuneration (including MD's Remuneration for CY/PY amounting to Tk. 12,600,000)	19,200,000	20,025,806
	Directors Sitting fees (including MD's Sitting Allowance for CY/PY Tk. 172,600)	1,503,333	1,993,333
		<u>20,703,333</u>	<u>22,019,139</u>
44	Audit Fees	550,000	550,000
		<u>550,000</u>	<u>550,000</u>

45 Contingent Liability

Large Tax payer unit (L.T.U.), 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	13,097,629	Rebate for exempted medicine	Valid up to disposal of hearing
3	3948/2004	2,730,785	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
6	5196/2015	249,018,448	Premix supply as VAT exempted but VAT authority claim to impose VAT at mtg. Slg.	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

46 Un Expired Bank Guarantees

Details of Unexpired Bank Guarantees of Tk. 60,352,456 (as at 30 June 2019 the amount was Tk. 222,978,195) given in the normal course of business on behalf of the company to various parties as at 30 June 2020 are as follows -

SL	Name of Bank	Date of Expiry	Amount in BDT
1	Trust Bank Ltd.	15.05.2021	12,401,250
2	Trust Bank Ltd.	15.05.2021	316,050
3	Trust Bank Ltd.	15.05.2021	2,320,400
4	Trust Bank Ltd.	15.05.2021	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	189,765
11	Trust Bank Ltd.	31.12.2020	886,000
12	Dutch Bangla Bank Ltd.	17.10.2021	249,600
13	Dutch Bangla Bank Ltd.	17.10.2021	180,900
14	Dutch Bangla Bank Ltd.	24.05.2022	766,350
15	Dutch Bangla Bank Ltd.	24.05.2022	184,680
16	Agrani Bank Ltd.	11.09.2023	1,547,350
17	Trust Bank Ltd.	31.08.2024	1,251,880
18	Trust Bank Ltd.	31.08.2024	1,940,420
19	Trust Bank Ltd.	31.08.2024	1,055,700
20	Trust Bank Ltd.	31.08.2024	8,368,400
21	Trust Bank Ltd.	29.04.2024	4,133,650
22	Trust Bank Ltd.	29.04.2024	701,550
23	Trust Bank Ltd.	15.08.2020	2,000,000
24	Trust Bank Ltd.	30.06.2021	16,882,669
Total			60,352,456

Note No.	Particulars	Amount in Taka	
		July 2019 to June 2020	July 2018 to June 2019

47. Claims not acknowledge as debts

There is no claim against the company which have not been acknowledged as debt as at 30 June 2020.

48. 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 2020 Tk. 433,905,620 (as at 30 June 2019 the amount was Tk. 79,892,915).

49. Production Capacity and Utilization

(Quantity in Thousand)

		Production Capacity		Actual Production			
Name of Category	Unit	2019-2020	2018-2019	2019-2020	%	2018-2019	%
Human							
Tablet	Pcs	5,475,895	5,280,270	4,323,434	51.00	2,748,893	52.06
Capsule	Pcs	725,575	676,063	531,049	73.19	476,332	70.46
Liquid	Bottle	90,180	90,180	71,089	78.63	67,904	75.30
Dry Syrup	Bottle	20,005	20,005	12,559	62.78	10,977	54.87
Ointment	Tube	7,013	6,762	3,210	45.77	2,458	36.40
Cream	Tube	19,000	19,000	8,504	44.76	6,711	35.32
Suppository	Pcs	51,866	37,713	42,164	81.29	35,579	94.34
Inhaler (DPI)	Cans	118,366	108,636	51,867	43.86	41,320	38.03
Inhaler (MDI)	Canister	3,095	3,095	1,905	61.54	1,526	49.31
Eye/Ear/Nasal Drop	Phials	23,031	23,031	13,509	58.66	10,966	47.62
Injection (Ampul)	Pcs	62,113	62,113	32,652	52.57	32,215	51.86
Injection (Vial)	Pcs	23,804	23,804	13,156	55.27	11,761	49.41
Infusion	Pcs	6,408	6,408	4,666	75.94	4,620	70.54
Sachet	Pcs	51,062	29,774	17,364	34.01	9,653	33.09
Veterinary							
Bolus	Pcs	685,486	272,172	342,111	49.91	204,488	75.14
Liquid	Pcs	25,995	10,861	10,919	42.00	8,321	76.91
Premix	Pcs	54,343	38,155	34,564	63.64	26,909	70.52
WSP	Pcs	48,835	31,218	14,845	31.83	9,965	31.98
Injection	Vial	15,376	14,354	13,641	88.72	13,617	94.87
Herbal & Ayurvedic							
Capsule	Pcs	32,260	31,423	16,717	33.22	8,542	26.46
Liquid	Pcs	15,054	13,545	12,912	85.77	12,162	89.79
Tablet	Pcs	74,135	71,821	22,471	30.31	17,772	24.74

50. VAT Return and Auditing status as at 30.06.2020

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. 3,202,528. 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.

Rtd

