

"If you have any query about this document, you may consult issuer, issue manager and underwriter"

PROSPECTUS

FOR

PUBLIC OFFER OF 20,000,000 ORDINARY SHARES OF TK. 10/- EACH AT AN ISSUE PRICE OF TK. 36/- EACH INCLUDING A PREMIUM OF TK. 26/- PER SHARE TOTALING TO TK. 720,000,000/-

OF

AMAN FEED LIMITED (AFL)

Opening Date for Subscription: May 25, 2015

Closing Date for Subscription (Cut-off date): June 04, 2015

MANAGER TO THE ISSUE



LANKABANGLA INVESTMENTS LIMITED

Eunoos Trade Center (Level - 21),

52-53, Dilkusha C/A, Dhaka - 1000, Bangladesh

Phone: +88 02 711 35 85, 956 12 38; Fax: +88 02 711 57 56;

e-mail: info@lankabangla-investments.com; Website: www.lankabangla-investments.com

UNDERWRITERS

COSMOPOLITAN FINANCE LIMITED Summit Centre (6 th Floor) , 18, Karwan Bazar, Dhaka-1215	UNICAP INVESTMENTS LIMITED A-A Bhaban (9 th Floor), 23, Motijheel C/A, Dhaka-1000
IDLC INVESTMENTS LIMITED Eunoos Trade Center (Level-21), 52-53, Dilkusha C/A, Dhaka-1000	CONTINENTAL INSURANCE LIMITED Ideal Trade Centre (7 th Floor), 102, ShahidTajuddin Ahmed Sarani, Tejgaon, Dhaka - 1208
PRIME BANK INVESTMENT LIMITED Peoples Insurance Bhaban (11 th Floor), 36, Dilkusha C/A, Dhaka-1000	GREEN DELTA INSURANCE COMPANY LIMITED Green Delta AIMS Tower (6 th Floor) , 51-52, Mohakhali, Dhaka-1212
SWADESH INVESTMENT MANAGEMENT LIMITED Suite -01, Level-11, Unique Trade Centre (UTC), 8, Panthapath, Dhaka-1215	RUPALI LIFE INSURANCE COMPANY LIMITED RupaliBimaBhaban (9 th Floor), 7, Rajuk Avenue, Motijheel C/A, Dhaka -1000
LANKABANGLA INVESTMENTS LIMITED Eunoos Trade Center (Level-21), 52-53, Dilkusha C/A, Dhaka-1000	

CREDIT RATING STATUS

Particulars	Long Term	Short Term
Entity Rating	A ₃	ST-3
Rating Date	December 24, 2014	
Validity of the Rating	December 31, 2015	Expiry date of respective credit facilities or December 31, 2015 whichever is earlier
Outlook	Stable	
Rating by	Credit Rating Agency of Bangladesh Limited (CRAB)	

The Issue shall be placed in "N" Category

Date of Publication of Abridged Version of Prospectus: April 29, 2015



AMAN FEED LIMITED

2 Ishakha Avenue, Sector - 6, Uttara, Dhaka - 1230

Tel: +88 02 791 16 91-3; Fax: +88 02 892 05 10

e-mail: cs@amangroupbd.com; Website: www.amanfeed.com

"CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2006. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER, ISSUE MANAGER, UNDERWRITER AND/OR AUDITOR."

AVAILABILITY OF PROSPECTUS

Prospectus of Aman Feed Limited may be obtained from the Issuer Company, the Issue Manager, the Underwriters and the Stock Exchanges as follows:

ISSUER COMPANY	CONTACT PERSON	CONTACT NUMBER
Aman Feed Limited 2, Ishakha Avenue, Sector - 6, Uttara, Dhaka - 1230	Mr. Nandan Chandra Dey, FCMA Company Secretary	Tel: +88 02 791 16 91-3 Fax: +88 02 892 05 10 e-mail: nandan@amangroupbd.com
MANAGER TO THE ISSUE	CONTACT PERSON	CONTACT NUMBER
LankaBangla Investments Limited Eunoos Trade Center (Level - 21), 52-53, Dilkusha C/A, Dhaka - 1000	Mr. Khandakar Kayes Hasan, CFA Chief Executive Officer	Tel: +88 02 712 25 95, 956 12 38 Fax: +88 02 711 35 85 e-mail: kayes@lankabangla-investments.com
UNDERWRITERS	CONTACT PERSON	CONTACT NUMBER
LankaBangla Investments Limited Eunoos Trade Center (Level - 21) 52-53, Dilkusha C/A, Dhaka - 1000	Mr. Khandakar Kayes Hasan, CFA Chief Executive Officer	Tel: +88 02 712 25 95, 956 12 38 Fax: +88 02 711 35 85 e-mail: kayes@lankabangla-investments.com
Cosmopolitan Finance Limited Summit Centre (6 th Floor), 18, Karwan Bazar, Dhaka - 1215	Mr. Ehsanul Kabir Head of Operations	Tel: +88 02 818 98 40-41 Fax: +88 02 818 98 43; e-mail: ehsan.kabir@cosmopolitanbd.com
IDLC Investments Limited Eunoos Trade Center (Level - 21), 52-53, Dilkusha C/A, Dhaka - 1000	Mr. Md. Moniruzzaman, CFA Managing Director	Tel: +88 02 957 11 70 Fax: +88 02 957 11 71 e-mail: mzaman@idlc.com
Prime Bank Investment Limited Peoples Insurance Bhaban (11 th Floor), 36, Dilkusha C/A, Dhaka - 1000	Mr. Khandoker Raihan Ali, ACA Assistant Vice President	Tel: +88 01730 031 810 Fax: +88 02 955 92 57 e-mail: mbid@primebank.com.bd
Swadesh Investment Management Limited Suite - 01, Level - 11, Unique Trade Centre (UTC) 8, Panthapath, Dhaka - 1215	Mr. Mamun Ahmed Managing Director	Tel: +88 01713 400 500 Fax: +88 02 815 83 44 e-mail: mamunahmed@msn.com
UniCap Investments Limited A-A Bhaban (9 th Floor), 23, Motijheel C/A, Dhaka-1000	Mr. Tauhidul Ashraf, FCS Managing Director (C.C.)	Tel: +88 02 966 28 88 Fax: +88 02 861 68 78 e-mail: tauhid@unicap-bd.com
Continental Insurance Limited Ideal Trade Centre (7 th Floor), 102, ShahidTajuddin Ahmed Sarani, Tejgaon, Dhaka - 1208	Mr. Md. Motaher Hossain AVP (Investment Department)	Tel: +88 01713 370 171, Fax: +88 02 914 71 87 e-mail: motahar69@gmail.com
Green Delta Insurance Company Limited Green Delta Aims Tower (6 th Floor) 51-52, Mohakhali, Dhaka - 1212	Mr. Syed Moinuddin Ahmed Company Secretary	Tel: 88 02 985 19 02 Fax: 88 02 985 11 24 e-mail: ahmed.moin@yahoo.com
Rupali Life Insurance Company Limited RupaliBimaBhaban (9 th Floor), 7, Rajuk Avenue, Motijheel C/A, Dhaka - 1000	Mr. Md. Golam Kibria Managing Director (C.C.)	Tel: +88 02 712 00 81 Fax: +88 02 957 05 60 e-mail: rupali_life@yahoo.com
STOCK EXCHANGES	AVAILABLE AT	CONTACT NUMBER
Dhaka Stock Exchange Limited (DSE) 9/F Motijheel C/A, Dhaka - 1000	DSE Library	Tel: +88 02 956 46 01-7 +88 02 717 57 03-11
Chittagong Stock Exchange Limited (CSE) CSE Building, 1080, Sheikh Mujib Road, Chittagong - 4100	CSE Library	Tel: +88 031 714 632-3 +88 031 720 871 +88 02 951 39 11-15

Prospectus is also available on the websites of Aman Feed Limited (www.amanfeed.com), LankaBangla Investments Limited (www.lankabangla-investments.com), BSEC (www.sec.gov.bd), DSE (www.dsebd.org), CSE (www.csebd.com) and Public Reference room of the Bangladesh Securities and Exchange Commission (BSEC) for reading and study.

NAME AND ADDRESS OF THE AUDITOR

TABLE OF CONTENTS

Chartered Accountants

Particulars Shaheed Syed Nazrul Islam Sarani, Bijoy Nagar, Saiham Tower (2nd Floor), Dhaka- 1000, Bangladesh **Page**
Tel: +88 02 8391440-3; Fax: +88 02 8391011; e-mail: azcblangladesh@gmail.com; Website: www.ahmed-zaker.com

SECTION I: STATUTORY CONDITIONS

07-15

Disclosure in respect of issuance of security in demat form	07
Conditions under 2CC of the Securities and Exchange Ordinance, 1969	07
General Information	15

SECTION II: DECLARATIONS AND DUE DILIGENCE CERTIFICATES

16-19

Declaration about the responsibility of the Director(s), including the CEO of the Company "Aman Feed Limited" in respect of the Prospectus	16
Consent of Director (s) to serve as Director(s)	17
Declaration about filing of Prospectus with the Registrar of Joint Stock Companies & Firms	17
Declaration by the Issuer about the approval from Bangladesh Securities and Exchange Commission for any material changes	17
Declaration by the Issue Manager about the approval from Bangladesh Securities and Exchange Commission for any material changes	18
Due Diligence Certificate of the Manager to the Issue	18
Due Diligence Certificate of the Underwriter(s)	19

SECTION III: RISK FACTORS AND MANAGEMENT PERCEPTIONS

20-23

SECTION IV: ISSUE SIZE & PURPOSE OF THE PUBLIC OFFERING

24-25

Financial Structure of the Company	24
Use of IPO Proceeds	24
Schedule of Implementation	25

SECTION V: INFORMATION ABOUT THE COMPANY

28-33

Company Profile	28
Nature of Business	28
Principle Products and Services	28
Products/Services that account for more than 10% of the Company's total revenue	28
Associates, Subsidiary/Related Holding Company and their core areas of business	28
Distribution of Products/Services	29
Competitive Condition of Business	29
Sources and availability of Raw Materials and Principal Suppliers	31
Sources of and requirement for Power, Gas and Water or any other utilities	32
Customer Providing 10% or more Revenues	32
Description of Contract with Principal Suppliers/Customers	32
Description of any Material Patents, Trademarks, Licenses or Royalty Agreements	32
Number of Employees	33
Production Capacity and Current Capacity Utilization	33

SECTION VI: DESCRIPTION OF PROPERTY

34-35

Location of the Principal Plants and other Property of the Company and their condition	34
--	----

Particulars	Page
SECTION VII: PLAN OF OPERATION AND DISCUSSION OF FINANCIAL CONDITION	36-42
Internal and External Sources of Cash	36
Material commitments for Capital Expenditure	36

Causes for Material Changes from period to period	37
Seasonal aspects of the Company's business	37
Known trends, events or uncertainties	37
Change in the assets of the Company used to pay-off liabilities	38
Loan taken from or given to Holding/Parent Company or subsidiary Company	38
Future Contractual Liabilities	38
Future Capital Expenditure	38
Vat, Income Tax, Customs duty or other tax liability	38
Operating Lease Agreements during the last five years	38
Financial lease commitments during the last five years	39
Personnel related Scheme	39
Breakdown of estimated expenses for IPO	40
Revaluation of Company's assets and summary thereof	41
Transaction between Subsidiary/Associate/Holding Company and the Issuer	42
Auditors' Certificate regarding any allotment of shares to the Directors and Subscribers to the Memorandum of Association and Articles of Association for any consideration otherwise than for cash	42
Declaration regarding Suppression of Material Information	42
SECTION VIII: INFORMATION ABOUT DIRECTORS AND OFFICERS	43-53
Directors of the Company	43
Information regarding Directors and Directorship	43
Directors' Involvement in other Organizations	43
Family relationship among Directors and top five Officials	44
Short bio-data of directors	44
Credit Information Bureau (CIB) report	46
Description of Top Executives and Departmental Heads	47
Involvement of Directors and Officers in Certain Legal Proceedings	47
Certain relationships and Related Transactions	48
Executive Compensation	49
Options granted to Directors, Officers and Employees	50
Transaction with the Directors and Subscribers to the Memorandum	50
Tangible Assets per Share	51
Ownership of Company's Securities	52
Shareholding Structure	52
Shareholder shareholding of 5% or more of the Company's Securities	53
Securities of the Company owned by the Officers	53
Securities of the Company owned by the Directors	53
Securities of the Company owned by Top Ten Salaried Officers	53
SECTION IX: FEATURES OF IPO	54-57
Determination of Offering Price	54
Market for the Securities being Offered	56
Declaration about Listing of Shares with Stock Exchange(s)	56
Particulars	Page
Trading and Settlement	56
Description of Securities outstanding or being offered	56
Dividend, Voting, Preemption Rights	56
Conversion and Liquidation Rights	56

Dividend Policy	57
Other Rights of Shareholders	57
Debt securities	57
SECTION X: SUBSCRIPTION AND MARKET	58-60
Lock-in Provision	58
Subscription by and refund to Non-Resident Bangladeshi (NRB)	58
Availability of Securities	59
Application for Subscription	59
SECTION XI: PLAN OF DISTRIBUTION	61-62
Underwriting of Shares	61
Principal terms and conditions of Underwriting Agreement	61
Commission for the Underwriters	62
Right of Underwriters on Company's Board	62
Officer or Director of the Underwriter(s) acting as Director of the Company	62
Allotment	62
SECTION XII: MATERIAL CONTRACTS AND OTHERS	63-63
Material Contracts	63
Manager to the Issue	63
SECTION XIII: CORPORATE DIRECTORY	64-64
SECTION XIV: AUDITORS' REPORT AND RELATED CERTIFICATES	65-93
Auditors' Report to the Shareholders	65
Auditors' Report in pursuance of Section-135(1) under Para-24(1) of Part II of the Third Schedule of the Companies Act, 1994	88
Auditors' Certificate regarding Statement of Ratio Analysis	92
Auditors' Certificate regarding Plant and Machinery	93
SECTION XV: MANAGEMENT DISCLOSURE	99-99
SECTION XVI: CREDIT RATING REPORT	100-112
SECTION XVII: IPO APPLICATION PROCESS	113-117

DEFINITION AND ELABORATION OF THE ABBREVIATED WORDS AND TECHNICAL TERMS USED IN THE PROSPECTUS

Term		Description
Allotment	:	Letter of Allotment for Shares
BAS	:	Bangladesh Accounting Standards
BB	:	Bangladesh Bank
BFRSs	:	Bangladesh Financial Reporting Standards
BSA	:	Bangladesh Standard of Auditing
BO A/C	:	Beneficiary Owner Account or Depository Account
BMRE	:	Balancing, Modernization, Rehabilitation and Expansion
CDBL	:	Central Depository Bangladesh Limited
Certificate	:	Share Certificate
CIB	:	Credit Information Bureau
Commission/BSEC	:	Bangladesh Securities and Exchange Commission
Companies Act	:	Companies Act, 1994 (Act No. XVIII of 1994)
CSE	:	Chittagong Stock Exchange Limited
Depository Act	:	Depository Act, 1999
DSE	:	Dhaka Stock Exchange Limited
EPS	:	Earning Per Share
FC Account	:	Foreign Currency Account
FI	:	Financial Institution
GDP	:	Gross Domestic Product
GOB	:	The Government of People's Republic of Bangladesh
IAS	:	International Accounting Standards
IPO	:	Initial Public Offering
Issue	:	Public Issue of Shares of Aman Feed Limited
Issuer / The Company	:	Aman Feed Limited
MT	:	Metric Ton
NAV	:	Net Asset Value
NBR	:	National Board of Revenue
NRB	:	Non-Resident Bangladeshi
Offering Price	:	The Price of the Share of Aman Feed Limited being Offered
Ordinance	:	Securities and Exchange Ordinance, 1969
Registered Office	:	Head Office of the Company
RJSC	:	Registrar of Joint Stock Companies & Firms
Rules	:	Securities and Exchange Commission (Public Issue) Rules, 2006
Securities / Shares	:	Shares of Aman Feed Limited
Sponsors	:	The Sponsor Shareholders of Aman Feed Limited
SND Account	:	Short Notice Deposit Account
Stockholders	:	Shareholders
Subscription	:	Application Money

STATUTORY CONDITIONS

Section: I

DISCLOSURE IN RESPECT OF ISSUANCE OF SECURITY IN DEMAT FORM

As per provision of the Depository Act, 1999 and regulation made there under, shares will be issued in dematerialized condition. All transfer/transmission/splitting will take place in the Central Depository Bangladesh Ltd. (CDBL) system and any further issuance of shares (rights/bonus) will be issued in dematerialized form only.

CONDITIONS UNDER 2CC OF THE SECURITIES AND EXCHANGE ORDINANCE, 1969

PART-A

1. The company shall go for Initial Public Offer (IPO) for 20,000,000 Ordinary Shares of Tk. 10.00 each at an issue price of Tk. 36.00 each including a premium of Tk. 26.00 per share worth Tk. 720,000,000.00 (Tk. Seventy Two Crore) only following the Securities and Exchange Commission (Public Issue) Rules, 2006, the Depository Act, 1999 and regulations made there under.
2. **The abridged version of the prospectus, as approved by the Commission, shall be published by the issuer in 4 (Four) national daily newspapers (two in Bangla and two in English), within 5 (Five) working days of issuance of the consent letter. The issuer shall post the full prospectus, vetted by the Bangladesh Securities and Exchange Commission (BSEC), in the issuer's website and shall also put on the websites of the Commission, stock exchanges, and the Issue Manager, within 5 (Five) working days from the date of issuance of this letter and shall remain posted till the closure of the subscription list. The issuer shall submit to BSEC, the stock exchanges and the Issue Manager a diskette containing the text of the vetted prospectus in "MS -Word" format.**
3. Sufficient copies of prospectus shall be made available by the issuer so that any person requesting a copy may receive one. A notice shall be placed on the front of the application form distributed in connection with the offering, informing that interested persons are entitled to a prospectus, if they so desire, and that copies of prospectus may be obtained from the Issuer and the Issue Manager. The subscription application shall indicate in bold type that no sale of securities shall be made, nor shall any money be taken from any person, in connection with such sale until twenty five days after the prospectus has been published.
4. The company shall submit 40 (Forty) copies of the printed prospectus to the Bangladesh Securities and Exchange Commission for official record within **5 (Five) working days** from the date of publication of the abridged version of the prospectus in the newspaper.
5. The Issuer company and the Issue Manager shall ensure transmission of the prospectus, abridged version of the prospectus and relevant application for NRBs through email, simultaneously with publication of the abridged version of the prospectus, to the Bangladesh Embassies and Missions abroad and shall also ensure sending of the printed copies of abridged version of the prospectus to the said Embassies and Missions within **5 (Five) working days** of the publication date by Express Mail Service (EMS) of the postal department. A compliance report shall be submitted in this respect to the BSEC jointly by the Issuer and the Issue Manager within **2 (Two) working days** from the date of said dispatch of the prospectus.
6. The paper clipping of the published abridged version of the prospectus, as mentioned at **condition no. 2 above**, shall be submitted to the Commission within **24 (twenty four) hours** of the publication thereof.
7. The company shall maintain separate bank account(s) for collecting proceeds of the Initial Public Offering and shall also open Foreign Currency (FC) account(s) to deposit the application money of the Non Resident Bangladeshis (NRBs) for IPO purpose, and shall incorporate full particulars of said FC account(s) in the prospectus. The company shall open the above-mentioned accounts for IPO purpose, and close these accounts after refund of over-subscription money. Non-Resident Bangladeshi (NRB) means Bangladeshi citizens staying abroad including all those who have dual citizenship (provided they have a valid Bangladeshi passport) or those, whose foreign passport bear a stamp from the concerned Bangladesh Embassy to the effect that no visa is required for traveling to Bangladesh.

8. The issuer company shall apply to all the stock exchanges in Bangladesh for listing within **7 (Seven) working days** from the date of issuance of this letter and shall simultaneously submit the vetted prospectus with all exhibits, as submitted to BSEC, to the stock exchanges.

9. The following declaration shall be made by the company in the prospectus, namely: -

“Declaration about Listing of Shares with the stock exchange (s):

None of the stock exchange(s), if for any reason, grants listing within 75 (Seventy Five) days from the closure of subscription, any allotment in terms of this prospectus shall be void and the company shall refund the subscription money within 15 (Fifteen) days from the date of refusal for listing by the stock exchanges, or from the date of expiry of the said 75 (Seventy Five) days, as the case may be.

In case of non-refund of the subscription money within the aforesaid 15 (Fifteen) days, the Directors of the company, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (Two Percent) per month above the bank rate, to the subscribers concerned.

The Issue Manager, in addition to the Issuer company, shall ensure due compliance of the above mentioned conditions and shall submit compliance report thereon to the Commission within **7 (seven) days** of expiry of the aforesaid 15 (Fifteen) days time period allowed for refund of the subscription money.

10. The subscription list shall be opened and the sale of securities commenced after **25 (Twenty Five) days** of the publication of the abridged version of the prospectus and shall remain open up to **25th (twenty fifth) working day** from the date of publication of abridged version of prospectus.
11. The IPO shall stand cancelled and the Issuer shall inform the stock exchanges within **2 (two) working days** of receiving the subscription information to release the application money, if any of the following events occur:
- Upon closing of the subscription list it is found that the total number of valid applications (in case of under subscription including the number of the underwriter) is less than the minimum requirement as specified in the listing regulations of the stock exchange(s) concerned; or
 - At least 50% of the IPO is not subscribed.
12. **20% of total public offering shall be reserved for ক্ষতিগ্রস্ত ক্ষুদ্র বিনিয়োগকারী, 10% of total public offering shall be reserved for non-resident Bangladeshi (NRB) and 10% for mutual funds and collective investment schemes registered with the Commission, and the remaining 60% shall be opened for subscription by the general public. In case of under-subscription under any of the 20% and 10% categories mentioned above, the unsubscribed portion shall be added to the general public category and, if after such addition, there is over subscription in the general public category, the Issuer and the Manager to the Issue shall jointly conduct an open lottery of all the applicants added together.**
13. All the applicants shall first be treated as applied for one minimum market lot of **200 shares worth Taka 7,200/- (Taka Seven thousand two hundred only)** If, on this basis, there is over subscription, then lottery shall be held amongst the applicants allocating one identification number for each application, irrespective of the application money. In case of over-subscription under any of the categories mentioned hereinabove, the Issuer and the Issue Manager shall jointly conduct an open lottery of all the applications received under each category separately in presence of representatives from the Issuer, the stock exchanges and the applicants, if there be any.
14. **An applicant cannot submit more than two applications, one in his/her own name and the other jointly with another person. In case an applicant makes more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, 15% (fifteen) of the application money will be forfeited by the Commission and the balance amount will be refunded to the applicant.**
15. **The applicants who have applied for more than two applications using same bank account, their application will not be considered for lottery and the Commission will forfeit 15% of their subscription money too.**
16. **Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information in the application shall make the application liable to rejection and subject to forfeiture of**

25% of the application money and/or forfeiture of share (unit) before or after issuance of the same by the issuer. The said forfeited application money or share (unit) will be deposited in account of the Bangladesh Securities and Exchange Commission (BSEC). This is in addition to any other penalties as may be provided for by the law.

17. The company shall furnish the List of Allotees to the Commission and the Stock Exchange(s) simultaneously in which the shares will be listed, within **24 (Twenty Four) hours** of allotment.
18. In the event of under-subscription of the public offering, the unsubscribed portion of securities shall be taken up by the underwriter(s) (subject to Para -10 above). The issuer must notify the underwriters to take up the underwritten shares within **10 (Ten) days** of the closing of subscription on full payment of the share money within **15 (Fifteen) days** of the issuer's notice. The underwriter shall not share any underwriting fee with the Issue Manager, other underwriters, issuer or the sponsor group.
19. All issued shares of the issuer at the time of according this consent shall be subject to a lock-in period of 3 (Three) years from the date of issuance of prospectus or commercial operation, whichever comes later.

Provided that the persons (other than Directors and those who hold 5% or more shares in the company), who have subscribed to the shares of the company within immediately preceding two years of according consent shall be subject to a lock-in period of 1 (One) year from the date of issuance of prospectus or commercial operation, whichever comes later.

20. If any existing sponsor or director of any company transfers any share to any person, other than existing shareholders, within preceding 12 (twelve) months of submitting any application for raising of capital or initial public offering (IPO), all shares held by those transferee shareholders shall be subject to a lock-in period of 3 (three) years from the date of issuance of prospectus for IPO.
21. In respect of shares of Sponsors/Directors/Promoters (if in paper format) shall be handed over to security custodian bank registered with BSEC and shall remain till completion of lock in and the name and branch of the bank shall be furnished to the Commission jointly by the Issuer and Issue Manager, along with a confirmation thereof from the custodian bank, within one week of listing of the shares with the stock exchange(s). Or they (shares of Sponsors/ Directors/ Promoters) can be demated and will remain in lock-in under CDBL system and issuer will submit a dematerialization confirmation report generated by CDBL and attested by Managing Director of the company along with lock-in confirmation with BSEC within one week of listing of the shares with the stock exchange(s). In respect of shares other than Sponsors/Directors/Promoters the issuer will ensure their lock-in of those shares and submit a statement to this effect to BSEC.
22. The Company shall apply to the stock exchanges for listing within **7 (Seven) working days** of issuance of this letter and shall simultaneously submit to the Commission attested copies of the application filed with the stock exchanges.
23. The Company shall not declare any benefit/dividend based on the financial statements for the year ended on June 30, 2014 before listing of its securities with Stock Exchange(s).
24. A compliance report on Corporate Governance Guideline as per the provision of the Bangladesh Securities and Exchange Commission Notification no. SEC/CMRRCD/ 2006-158/134/Admin/44 Dated 7 August 2012 shall be submitted to the Commission before 07 (seven) working days of the IPO subscription opening.

PART-B

Application Process

Step-1 (Applicant)

1. An applicant for public issue of securities shall submit application/buy instruction to the Stockbroker/ Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e. The subscription closing date), which shall be the **25th (twenty fifth) working day** from the date of publication of abridged version of prospectus.

2. The application/buy instruction may be submitted in prescribed paper or electronic form, which shall contain the Customer ID, Name, BO Account Number, Number of Securities applied for, Total Amount and Category of the Applicant. At the same time:
 - a. Other than non-resident Bangladeshi (NRB) and Foreign applicants shall make the application money and service charge available in respective customer account maintained with the Stockbroker/Merchant Banker. No margin facility, advance or deferred payment is permissible for this purpose. In case the application is made through a margin account, the application money shall be deposited separately and the Stockbroker/Merchant Banker shall keep the amount segregated from the margin account, which shall be refundable to the applicant, if become unsuccessful.
 - b. Non-resident Bangladeshi (NRB) and Foreign applicants shall submit bank drafts (FDD), issued in favor of the Issuer for an amount equivalent to the application money, with their application to concerned Stockbroker/Merchant Banker. The draft (FDD) shall be issued by the Bank where the applicant maintains NITA/Foreign Currency account debiting the same account. No banker shall issue more than two drafts from any NITA/Foreign Currency account for any public issue. At the same time, the applicant shall make the service charge available in respective customer account maintained with the Stockbroker/Merchant Banker.

Step-2 (Intermediary)

3. The Stockbroker/Merchant Banker shall maintain a separate bank account only for this purpose namely “Public Issue Application Account”. The Stockbroker/Merchant Banker shall:
 - a. post the amount separately in the customer account (other than NRB and Foreign applicants), and upon availability of fund, block the amount equivalent to the application money;
 - b. accumulate all the application/buy instructions received up to the cut-off date, deposit the amount in the “Public Issue Application Account” maintained with its bank within the **first banking hour of next working day** of the cut-off date. In case of application submitted by the Stock-dealer or the Merchant Banker’s own portfolio, the application amount should also be transferred to the “Public Issue Application Account”;
 - c. instruct the banker to block the account for an amount equivalent to the aggregate application money and to issue a certificate in this regard.
4. Banker of the Stockbroker/Merchant Banker shall block the account as requested for, issue a certificate confirming the same and handover it to the respective Stockbroker/Merchant Banker.
5. For Non-resident Bangladeshi (NRB) and Foreign applicants, the Stockbroker/Merchant Banker shall hold the bank drafts (FDD) submitted by the applicants in their custody with a list containing the draft information against the respective applicant’s particulars.
6. The Stockbroker/Merchant Banker shall prepare category wise lists of the applicants containing Customer ID, Name, BO Account Number and Number of Securities applied for, and within **03 (three) working days** from the cut-off date, send it to the respective Stock Exchange in electronic (text format with tilde “~” separator) format and the certificate(s) issued by its banker.
7. **On the next working day**, the stock exchanges shall provide the Issuer with the information received from the Stockbroker/Merchant Bankers. Stock Exchanges shall verify and preserve the bankers’ certificates in their custody.
8. The application/buy instructions shall be preserved by the Stockbroker/Merchant Bankers **up to 6 months** from listing of the securities with exchange.

Step-3 (Issuer)

9. The Issuer shall prepare consolidated list of the applications and send the applicants’ BOIDs in electronic (text) format in a CDROM to CDBL for verification. The Issuer shall post the consolidated list of applicants on its website. CDBL shall verify the BOIDs as to whether the BO accounts of the applicants are active or not.

10. **On the next working day**, CDBL shall provide the Issuer with an updated database of the applicants containing BO Account Number, Name, Addresses, Parents' Name, Joint Account and Bank Account Information along with the verification report.
11. After receiving verification report and information from CDBL, the Issuer shall scrutinize the applications, prepare category wise consolidated lists of valid and invalid applications and submit report of final status of subscription to the Commission and the stock exchanges **within 10 (ten) working days** from the date of receiving information from the stock exchanges.
12. The Issuer and the issue manager shall conduct category wise lottery with the valid applications **within 03 (three) working days** from the date of reporting to the Commission and the Stock Exchanges, if do not receive any observation from the Commission or the Stock Exchanges.
13. The Issuer and issue manager shall arrange posting the lottery result on their websites **within 06 (six) hours** and on the websites of the Commission and Stock Exchanges **within 12 (twelve) hours** of lottery.
14. **Within 02 (two) working days** of conducting lottery, the Issuer shall:
 - a. Send category wise lists of the successful and unsuccessful applicants in electronic (text format with tilde '~' separator) format to the respective Stock Exchange.
 - b. send category wise lists of unsuccessful applicants who are subject to penal provisions as per conditions of the Consent Letter issued by the Commission in electronic (text format with tilde '~' separator) format to the respective Stock Exchange mentioning the penalty amount against each applicant.
 - c. issue allotment letters in the names of successful applicants in electronic format with digital signatures and send those to respective Stock Exchange in electronic form.
 - d. send consolidated allotment data (BOID and number of securities) in electronic text format in a CDROM to CDBL to credit the allotted shares to the respective BO accounts.

Step-4 (Intermediary)

15. **On the next working day**, Stock Exchanges shall distribute the information and allotment letters to the Stockbroker/Merchant Bankers concerned in electronic format and instruct them to:
 - a. remit the amount of successful (other than NRB and Foreign) applicants to the Issuer's respective Escrow account opened for subscription purpose and unblock the amount of unsuccessful applicants;
 - b. send the bank drafts (FDD) submitted by successful NRB and Foreign applicants to the Stock Exchange and return the drafts submitted by unsuccessful applicants;
 - c. send the penalty amount of other than NRB and Foreign applicants who are subject to penal provisions to the Issuer's respective Escrow Accounts along with a list and unblock the balance application money;
 - d. send the drafts (FDD) submitted by unsuccessful NRB and Foreign applicants who are subject to penal provisions, to the respective Stock Exchange, along with a list.
16. **On the next working day** of receiving the documents from the Stock Exchanges, the Stockbrokers/Merchant Bankers shall request its banker to:
 - a. release the amount blocked for unsuccessful (other than NRB and Foreign) applicants;
 - b. remit the aggregate amount of successful applicants and the penalty amount of unsuccessful (other than NRB and foreign) applicants who are subject to penal provisions to the respective 'Escrow' account of the Issuer opened for subscription purpose.
17. **On the same day** the Stockbrokers/Merchant Bankers shall:
 - a. send the drafts (FDD) submitted by successful NRB and Foreign applicants to the Stock Exchange concerned and return the drafts submitted by unsuccessful NRB and Foreign applicants;

- b. send the drafts (FDD) submitted by unsuccessful NRB and Foreign applicants who are subject to penal provisions to the respective Stock Exchange separately along with a list of the applicants.
- 18. On the next working day** of receiving request from the Stockbrokers/Merchant Bankers, their bankers shall unblock the amount blocked in the account(s) and remit the amount as requested for to the Issuer's 'Escrow' account.
- 19. Simultaneously**, the Stockbrokers/Merchant Bankers shall release the application money in the customer accounts; inform the successful applicants about allotment of securities and the unsuccessful applicants about releasing their blocked amounts. The unblocked amounts of unsuccessful applicants shall be placed as per their instructions. The Stockbroker/Merchant Banker shall be entitled to recover the withdrawal charges, if any, from the applicant who wants to withdraw the application money, up to an amount of Tk. 5.00 (five) per withdrawal.
- 20. On the same day**, Stock Exchanges shall send the drafts submitted by successful NRB and Foreign applicants and also by unsuccessful NRB and Foreign applicants who are subject to penal provisions, to the Issuer.
- 21.** In case of drafts (FDD) submitted by successful NRB or Foreign applicant for any amount excess to the value of securities to be allotted or by unsuccessful NRB and Foreign applicants who are subject to penal provisions, refund of the balance amount shall be made by the Issuer to the applicant through bank drafts issued in the same currency **within 7 (seven) working days** of receiving the drafts from Stock Exchange.

Miscellaneous:

- 22.** The Issuer and Issue Manager(s) shall jointly ensure compliance of the above.
- 23.** The bank draft (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of abridged version of prospectus.
- 24.** Amount deposited and blocked in the "Public Issue Application Account" shall not be withdrawn or transferred during the blocking period. Amount deposited by the applicants shall not be used by the Stockbrokers/Merchant Bankers for any purpose other than public issue application.
- 25.** The Issuer shall pay the costs related to data transmission, if claimed by the Stock Exchange concerned.
- 26.** The Stockbrokers/Merchant Bankers shall be entitled to a service charge of 5.00 (taka five) only per application irrespective of the amount or category. The service charge shall be paid by the applicant at the time of submitting application.
- 27.** The Stockbroker/Merchant Banker shall provide the Issuer with a statement of the remittance and drafts sent.
- 28.** The Issuer shall accumulate the penalty amount recovered and send it to the Commission through a bank draft/payment order issued in favor of the Bangladesh Securities and Exchange Commission.

PART-C

- 1.** The Issuer and the Issue Manager shall ensure that the abridged version of the prospectus and the full prospectus is published correctly and in strict conformity with the conditions of this letter without any error/omission, as vetted by the Bangladesh Securities and Exchange Commission.
- 2.** The Issue Manager shall carefully examine and compare the published abridged version of the prospectus on the date of publication with the copy vetted by BSEC. If any discrepancy/ inconsistency is found, both the Issuer and the Issue Manager shall jointly publish a corrigendum immediately in the same newspapers concerned, simultaneously endorsing copies thereof to BSEC and the Stock Exchange(s) concerned, correcting the discrepancy/inconsistency as required under 'Due Diligence Certificates' provided with BSEC.

3. Both the Issuer Company and the Issue Manager shall, immediately after publication of the prospectus and its abridged version, jointly inform the Commission in writing that the published prospectus and its abridged version are verbatim copies of the same as vetted by the Commission.
4. The fund collected through Public Offering shall not be utilized prior to listing with Stock Exchanges and that utilization of the said fund shall be effected through banking channel, i.e. through account payee cheque, pay order or bank drafts etc.
5. **No issuer of a listed security shall utilize more than 1/3rd (one-third) of the fund raised through IPO for the purpose of loan repayment.**
6. **The company shall furnish status report on utilization of Public Offering proceeds audited by foreign affiliated auditors and authenticated by the board of directors to the Commission and the stock exchanges within 15 (Fifteen) days of the closing of each month until such fund is fully utilized, as mentioned in the schedule contained in the prospectus, and in the event of any irregularity or inconsistency, the Commission may employ or engage any person, at issuer's cost, to examine whether the issuer has utilized the proceeds for the purpose disclosed in the prospectus.**
7. **While auditing the utilization of IPO proceeds, the auditors' shall perform their jobs under the followings terms of references (TOR) and confirm the same in their report/certificate:**
 - a. **Whether IPO proceeds have been utilized for the purposes/heads as specified in the prospectus;**
 - b. **Whether IPO proceeds have been utilized in line with the conditions (if any) of the Commission's consent letter;**
 - c. **Whether utilization of IPO proceeds have been completed within the time schedule/ implementation schedule as specified in the prospectus;**
 - d. **Whether utilization of IPO proceeds is accurate and for the purpose of the company as mentioned/ specified in the prospectus/ and**
 - e. **The auditors should also confirmed that: (i) assets have been procured/imported/ constructed maintaining proper/ required procedure as well as at a reasonable price; and (ii) auditors' report has been made on verification of all necessary documents/papers/vouchers in support of utilization of IPO proceeds making reconciliation with Bank Statement.**
8. All transactions, excluding petty cash expenses, shall be effected through the Company's bank account(s).
9. Proceeds of the Public Offering shall not be used for any purpose other than those specified in the prospectus. Any deviation in this respect must have prior approval of the shareholders in the shareholders meeting under intimation to BSEC and Stock Exchanges.
10. Directors on the Company's Board will be in accordance with applicable laws, rules and regulations.
11. The financial statements should be prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) as required by the Securities and Exchange Rules, 1987.
12. If any quarter or half-year of the financial year ends after publication of the abridged version of prospectus and before listing of its securities with any exchange, the company shall disseminate/transmit/submit the said quarterly/half yearly financial statements in accordance with the Commission's Notification SEC/CMRRCD/2008-183/admin/03-34 dated September 27, 2009 and the section 13 of the Securities and Exchange Rules, 1987.
13. In the event of arising issues concerning Price Sensitive Information as defined under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সুবিধাভোগীব্যবসানিষিদ্ধকরণ) বিধিমালা, ১৯৯৫ after publication of the abridged version of prospectus and before listing of its securities with any exchange, the company shall disseminate/transmit/submit the information as price sensitive in accordance with the Commission's Notification No. SEC/SRMI/200-953/1950 dated October 24, 2000.

PART-D

1. All the above conditions imposed under section 2CC of the Securities and Exchange Ordinance, 1969 shall be incorporated in the prospectus immediately after the page of the table of contents, with a reference in the table of contents, prior to its publication.
2. The Commission may impose further conditions/restrictions etc. from time to time as and when considered necessary which shall also be binding upon the Issuer company.

PART-E

1. As per provision of the Depository Act, 1999 & regulations made there under, shares will only be issued in dematerialized condition. All transfer/ transmission/ splitting will take place in the Central Depository Bangladesh Ltd. (CDBL) system and any further issuance of shares (including rights/ bonus) will be made in dematerialized form only.
An applicant (including NRB) shall not be able to apply for allotment of shares without Beneficial Owners (BO) account.
2. The company and the Issue Manager shall ensure due compliance of all the above conditions and the Securities and Exchange Commission (Public Issue) Rules, 2006.

GENERAL INFORMATION

LankaBangla Investments Limited, the Issue Manager, has prepared this prospectus based on information provided by Aman Feed Limited (the Issuer) and also several discussions with Chairman, Managing Director, Directors and concerned executives of the Company all of which are publicly available. The Board of Directors of Aman Feed Limited hereby confirm that to the best of their knowledge and belief, the information contained herein is true and correct in all material respects and that there are no other material facts, the omission of which, would make any statement herein misleading.

No person is authorized to give any information or to make any representation not contained in this Prospectus and if given or made, any such information or representation must not be relied upon as having been authorized by the Company or the Issue Manager.

The issue, as contemplated in this Prospectus is made in Bangladesh and is subject to the exclusive jurisdiction of the Courts of Bangladesh. Forwarding this Prospectus to any person resident outside Bangladesh in no way implies that the issue is made in accordance with the laws of that country or is subject to the jurisdiction of the laws of that country.

A copy of this Prospectus may be obtained from the Corporate Office of Aman Feed Limited, LankaBangla Investments Limited, the Underwriters and the Stock Exchanges where the securities will be traded.

DECLARATIONS AND DUE DILIGENCE CERTIFICATES Section: II

DECLARATION ABOUT THE RESPONSIBILITY OF THE DIRECTOR(S), INCLUDING THE CEO OF THE COMPANY “AMAN FEED LIMITED” IN RESPECT OF THE PROSPECTUS

This prospectus has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity and accuracy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative action against any or all of us as it may deem fit.

We also confirm that full and fair disclosure has been made in this prospectus to enable the investors to make a well informed decision for investment.

Sd/-
Md. Rafiqul Islam
 Chairman

Sd/-
Md. Toufiqul Islam
 Director

Sd/-
Md. Toriqul Islam
 Director

Sd/-
Md. Azizul Haque
 Nominated Director
 Representing Aman Agro Industries Limited

Sd/-
Md. Shofiqul Islam
 Managing Director

CONSENT OF DIRECTOR(S) TO SERVE AS DIRECTOR(S)

We hereby agree that we have been serving as Director(s) of Aman Feed Limited and continue to act as Director(s) of the Company.

Sd/-
Md. Rafiqul Islam
Chairman

Sd/-
Md. Toufiqul Islam
Director

Sd/-
Md. Toriqul Islam
Director

Sd/-
Md. Azizul Haque
Nominated Director
Representing Aman Agro Industries Limited

Sd/-
Md. Shofiqul Islam
Managing Director

DECLARATION ABOUT FILING OF PROSPECTUS WITH THE REGISTRAR OF JOINT STOCK COMPANIES AND FIRMS

A dated and signed copy of the Prospectus has been filed for registration with the Registrar of Joint Stock Companies and Firms, Government of Peoples' Republic of Bangladesh, as required under Section 138(1) of the Companies Act, 1994 on or before the date of publication of the prospectus.

DECLARATION BY THE ISSUER ABOUT THE APPROVAL FROM BANGLADESH SECURITIES AND EXCHANGE COMMISSION FOR ANY MATERIAL CHANGES

In case of any material changes in any agreement, contract, instrument, facts and figures, operational circumstances and statement made in the Prospectus subsequent to the preparation of the Prospectus and prior to its publication shall be incorporated in the Prospectus and the said Prospectus should be published with the approval of the Commission.

For Issuer

Sd/-
Md. Shofiqul Islam
Managing Director
Aman Feed Limited

DECLARATION BY THE ISSUE MANAGER ABOUT THE APPROVAL FROM BANGLADESH SECURITIES AND EXCHANGE COMMISSION FOR ANY MATERIAL CHANGES

In case of any material changes in any agreement, contract, instrument, facts and figures operational circumstances and statements made in the Prospectus subsequent to the preparation of the Prospectus and prior to its publication, shall be incorporated in the Prospectus and the said Prospectus should be published with the approval of the Commission.

For Manager to the Issue

Sd/-

Mr. Khandakar Kayes Hasan, CFA
Chief Executive Officer
LankaBangla Investments Limited

DUE DILIGENCE CERTIFICATE OF MANAGER TO THE ISSUE

Subject: Public offer of 20,000,000 Ordinary Shares of Tk. 10/- each at an issue price of Tk. 36/- each including a premium of Tk. 26/- per share totaling to Tk. 720,000,000/- of Aman Feed Limited

We, the under-noted Manager to the Issue to the above-mentioned forthcoming issue, state as follows:

1. We, while finalizing the draft prospectus pertaining to the said issue, have examined various documents and other materials as relevant for adequate disclosures to the investors; and
2. On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- a) the draft prospectus forwarded to the Commission is in conformity with the documents, materials and papers relevant to the issue;
- b) all the legal requirements connected with the said issue have been duly complied with; and
- c) the disclosures made in the draft prospectus are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue.

For Manager to the Issue

Sd/-

Mr. Khandakar Kayes Hasan, CFA
Chief Executive Officer
LankaBangla Investments Limited

DUE DILIGENCE CERTIFICATE OF THE UNDERWRITER(S)

Subject: Public offer of 20,000,000 Ordinary Shares of Tk. 10/- each at an issue price of Tk. 36/- each including a premium of Tk. 26/- per share totaling to Tk. 720,000,000/- of Aman Feed Limited

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

1. We, while underwriting the abovementioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
2. On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- a) all information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- b) we shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- c) this underwriting commitment is unequivocal and irrevocable.

For Underwriter(s)

Sd/-

Managing Director/Chief Executive Officer

LankaBangla Investments Limited

Prime Bank Investment Limited

UniCap Investments Limited

Swadesh Investment Management Limited

Continental Insurance Limited

Green Delta Insurance Company Limited

Rupali Life Insurance Company Limited

Cosmopolitan Finance Limited

IDLC Investments Limited

RISK FACTORS & MANAGEMENT PERCEPTIONS

Section: III

The factors described below may conceivably materially affect investors' decisions as investment in equity shares involves a high degree of risk. Aman Feed Limited (AFL) is operating in a locally competitive industry involving both external and internal factors having direct as well as indirect effects on the investments. Investors should carefully consider all of the information in this prospectus, including the risk factors, both external and internal, and management perceptions enumerated hereunder before making investment decision. If any of the following risks actually occur, their business, results of operations and financial condition could suffer, the trading price of their equity share could decline, and investors may lose all or part of their investment.

INTEREST RATE RISKS

Interest rate risk refers to the likely changes in the cash flows or future value of a firm because of changes in the interest rates in the market. Increase in interest rate increases the cost of borrowed funds for a company in case of floating rate loans. Increase in the interest rate burdens the company with additional financial charges and squeezes the profit of the company.

Management Perception

Interest rate risk is the risk where changes in interest rates of borrowed fund might adversely affect the financial condition of the Company. Interest/financial charges are to be paid against any kind of borrowed fund. Therefore, the fluctuation in the interest/profit rate obviously has an effect on the profitability of the Company.

The Management of the Company is well aware of the volatility in the money market of our country. The Company has a very strong equity base with comparatively minimum dependence on bank loan, particularly on short-term fund from the Bank/Financial Institution. We monitor interest rates regularly and borrow money from the Bank/NBFI for the long term when interest rates are low. We keep the borrowings short-term during periods of high interest rates, and then lock in long-term loans when rates go back down. On the other hand, the Management of the Company is emphasizing on reducing our dependence on bank borrowing. Since AFL borrows for long term from Banks with fixed interest rate and has a strong equity base, the management perceives that fluctuation of interest rate on borrowing would have little impact upon the performance of the company.

EXCHANGE RATE RISKS

Exchange rate risk mainly affects the operating results of those companies mainly dependent on import of raw materials whereas major portion of sales are local. Unfavorable volatility or currency fluctuation may affect the profitability of the Company. In case of export, sales increase of exchange rate will enhance the profitability of the Company.

Management Perception

Measuring and managing exchange rate risk exposure is important for reducing a firm's vulnerabilities from major exchange rate movements, which could adversely affect profit margins and the value of assets. An exchange rate change in the currency of denomination of any such contract will result in a direct transaction exchange rate risk to the firm.

It is the risk that the Company may suffer losses because of adverse exchange rate movements during a period in which it has an open position in an individual foreign currency. The entire amount of foreign L/C for payments of raw materials is made in foreign currency. If the USD appreciates or Bangladeshi Taka depreciates then the company has to pay additional charge for L/C amount. AFL has minimum dependency on the foreign market for procurement of raw materials. AFL is to import some of its raw materials from foreign market, but those raw materials are also available in local market. Depending on the price of raw materials in foreign and local market, foreign currency rate, lead time, foreign currency rate movement etc we make our decision for procurement of raw materials. However, as a highly profitable company the foreign exchange fluctuation risk is not vital in case of LC retirement.

INDUSTRY AND MARKET RISKS

Industry risks refer to the impact that the country's industrial policy can have on the performance of a specific industry. Market risks are un-diversifiable risks that refer to the risks to an institution resulting from movements in market prices, in particular, changes in interest rates, foreign exchange rates, and equity and commodity prices.

Management Perception

Any industry is dependent on the policy of government and the international business scenario. AFL's business operation is not exposed to cross border risks very much. Here are some inherent risk in the poultry and related business in terms of sudden disease outbreaks, fragmented nature of industry with low entry barriers and intense competition from unorganized players. We need to import some raw materials from abroad and we sell our products in the local market. Apart from government policy, some problems such as wars, embargoes, trade ban have significant effect on a company's operations. Due to a rapid development in the poultry & fish farming and maintaining of strict product quality, efficient management of ingredient of production, utilization of developed technology, timely decision for expansion of production capacity, development of strong marketing network with skilled human resources etc, the future of AFL is expected to be bright. Since the feed market is gradually expanding with the demand for protein for the increasing population, there are chances of further occupying the market share.

TECHNOLOGY RELATED RISKS

These are the risks associated with the use of modern technology in processing food in an efficient manner. Sophisticated technologies define modern food production, including agricultural machinery, biotechnology, computer technology etc.

Management Perception

At present, the world is going through technological revolution. Technology always plays a vital role for any business particularly for the enterprise engaged in production activities to ensuring better product quality, providing better services to the customers and minimizing costs of production of the Company. Feed Mill is a technology-based industry and continuous technological improvement is an integral part of this business. Obsolete technology or machineries will make it difficult for any feed company to sustain in such a competitive industry.

The factory of AFL established with modern machineries imported from Germany. AFL is well aware of the need for regular up-gradation and maintenance of machinery and equipments. Moreover, a portion of the fund raised through issuance of shares will used to procure new machineries that will increase the productivity and efficiency of AFL. However, the Company has been using the latest technology and has the provision to cope with the modern technological requirement in future.

CHANGES IN POTENTIAL OR EXISTING GOVERNMENT REGULATIONS

Government regulations are broadly defined as imposition of rules by government, backed by the use of penalties that are intended to modify the economic behavior of firms in the private sector. There are various regulatory instruments in Bangladesh like taxation, quality assurance, price ceilings, rates of return, disclosure of information, standards and ownership ceilings etc.

Management Perception

The Company operates under Companies Act, government's fiscal policy, Bangladesh Securities and Exchange Commission rules and rules adopted by other regulatory bodies. Any abrupt changes of the policies formed by those bodies may impact the business of the company adversely. However, the Government has been emphasizing on the growth of agriculture industry by providing tax facility and arranging awareness program.

POTENTIAL CHANGES IN THE GLOBAL OR NATIONAL POLICIES

Global and national policies have huge impact on the performance of business in any sector. Food sector is heavily dependent on the political situation, both nationally and globally. Any change in these policies may have adverse effects on the profitability of the business.

Management Perception

Performance of AFL may be affected by the political and economical instability both in Bangladesh and worldwide. Any instance of political turmoil and disturbance in the country may adversely affect the economy in general. The company can prosper in a situation of political stability and a congenial business environment. Political turmoil and disturbance has a negative impact on the economy as well as the profitability of our company.

HISTORY OF NON OPERATION

Is there any history for the Company to become non-operative from its commercial operation?

Management Perception

AFL does not have any history of non-operation. It has very experienced Directors and Management team to make the Company more efficient and stronger. So, the chance of becoming non-operative for the Company is a minimum.

OPERATIONAL RISKS

Operational risk arises from improper execution of company's business. This risk can also be summarized as human risk, which occurs due to human error.

Management Perception

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This includes legal risk but excludes strategic and reputation risk. It is inherent in every business organization and covers a wide spectrum of issues. The Company manages this risk through a control-based environment. This is supported by an independent program of periodic reviews undertaken by internal audit, and by monitoring external operational risk events, which ensure that the Company stays in line with industry best practice and takes account of lessons learned from publicized operational failures within the Feed manufacturing industry.

The major operational risks are as follows:

- Internal fraud
- External fraud
- Employment practices and workplace safety
- Client, products and business practices
- Damage to physical assets
- Business disruption and system failure
- Execution, delivery and process management

The Management with a long experience in this trade identified and measured in the following manner:

- Risks are identified with reference to the relevant policy manuals, processes, procedures and practices;
- Accounts are evaluated as per Departmental Control function Check List
- Incident reporting and analysis of causes and actions taken on losses from fraud and control lapses;
- Review of safety and control measures of premises.
- Thus, the entrepreneurs and managers, through their insight and knowledge of the market help the company to avoid any such risks.

RISK ASSOCIATED WITH INCREASING COST OF MATERIAL FOR EXPANSION OF BUSINESS

Increasing cost of materials for construction of floating feed plant and other civil works may affect the expansion of business plan of the Company.

Management Perception

The material cost used for the construction purpose varies during the year. Average material cost for the construction of floating feed plant and other civil works, e.g. construction of silo for the preservation of raw materials and inventories will remain almost the same. The cost of materials regarding construction is expected to remain close to the cost shown in the IPO Proceeds.

RISK ASSOCIATED WITH HIGH ACCOUNTS RECEIVABLE

Accounts Receivable of the Company has increased significantly from Tk. 99.58 to Tk. 124.30 crores considering sales from Tk. 253.63 to Tk. 264.16 crores during FY June 30, 2013 to 2014. As such, receivable turnover has been reduced from 2.55 to 2.13 over the year, which indicating deterioration of receivable management of the Company.

Management Perception

Due to increase in market competition, the Company had to sale a significant amount of product in credit. Moreover, due to penetrate in new market areas, the Company had to give credit to the new customers. Thus, sales have increased significantly in the subsequent periods as well as the accounts receivable. However, AFL has developed aggressive recovery plan for efficient receivable management.

ISSUE SIZE AND PURPOSE OF THE PUBLIC OFFERING Section: IV

FINANCIAL STRUCTURE OF THE COMPANY

Particulars	No. of Shares	Amount (BDT)
Authorized Capital	150,000,000	1,500,000,000.00
Paid-up Capital as per audited accounts (as on June 30, 2014)	60,000,000	600,000,000.00
Pre-IPO Paid-up Capital	60,000,000	600,000,000.00
Capital to be issued as IPO ¹	20,000,000	200,000,000.00
Post-IPO Paid-up Capital	80,000,000	800,000,000.00

¹The Company is issuing 20,000,000 ordinary shares of BDT 10.00 each through Initial Public Offering (IPO) at an issue price of BDT 36.00 each including a premium of BDT 26.00 per share totaling to BDT 720,000,000.00.

USE OF IPO PROCEEDS

Aman Feed Limited will raise the capital through Initial Public Offering (IPO) in order to meet increasing need for fund for the purpose of expansion and repayment of its debt. Increase in turnover and saving in financial cost will lead to higher profitability. The Company will utilize the total proceeds of BDT 720,000,000 as per following schedule:

Sl. No.	Particulars	Amount in BDT
1.	Expansion of business ²	350,000,000.00
2.	Repayment of long-term loan ³	50,538,633.00
3.	Working Capital ⁴	299,176,867.00
4.	IPO Expenses	20,284,500.00
Total		720,000,000.00

²**Expansion of Business:** The business will be expanded through construction of floating feed plant, purchase new land for construction of Silo's, construction cost of Silo's for storage of raw materials and purchase plant and machineries required for enhancement of production capacity from 10 MT/per hour to 35 MT/per hour. The details of expansion of business are as follows:

Sl. No.	Particulars	Estimated Cost (Amount in BDT)
1.	Purchase new land for construction of Silo's	40,000,000.00
2.	Construction of Floating Feed plant	50,000,000.00
3.	Construction cost of Silo's	85,000,000.00
4.	Purchase of Plant and Machineries	175,000,000.00
Total		350,000,000.00

³**Repayment of long-term loan:** For payment of long-term loan with AB Bank Limited for the implementation of the project.

⁴**Working Capital:** Due to the Nature of the Business, the Company requires a huge stock of raw materials like – wheat, maize, soya bean etc. since the price of the Raw Materials varies in seasons. It is cheaper when it is harvested. So piled up of raw materials during these seasons is beneficiary for the Company when it is at bottom price. Moreover, the raw materials are collected partly from local market and partly through import. Again, for further expansion, it requires to establish some silos in different district of Northern Bangladesh and a floating feed plant to increase the production capacity. Considering the above mentioned reasons, the Company requires around Tk. 1,635,307,000 Crore of Working Capital of which Tk. 299,176,867.00 will be invested from IPO proceeds and the rest amount will be invested from Company's cash flows and banking finance. If a part of IPO proceeds can be used as working capital then the Company may save a significant amount of financial expenses and thereby will increase the profitability. The item-wise breakdown of working capital requirement is as follows:

Sl. No.	Particulars	Estimated Cost (Amount in BDT)
1.	Raw materials	926,351,000.00
2.	Work in process	11,696,000.00
3.	Finished goods	126,500,000.00
4.	Receivables	569,249,000.00
5.	Store and spares	1,512,000.00
Total Working Capital Requirement		1,635,307,000.00

IMPLEMENTATION SCHEDULE

Sl. No.	Particulars	Implementation Schedule
1.	Expansion of business	Within 15 months of receiving the IPO proceeds
	(a) Purchase new land for construction of Silo's	Within 2 months of receiving the IPO proceeds
	(b) Construction of Floating Feed plant	Within 12 months of receiving the IPO proceeds
	(c) Construction cost of Silo's	Within 12 months of receiving the IPO proceeds
	(d) Purchase of Plant and Machineries	Within 9 months of receiving the IPO proceeds
2.	Repayment of long-term loan	As soon as the IPO Proceeds are available
3.	Working Capital including enhanced capacity	As soon as the IPO Proceeds are available
4.	IPO Expenses	As or when required

Sd/-
A.N.M. Ashiqur Rahman, ACMA
Chief Financial Officer
Aman Feed Limited

Sd/-
Md. Shofiqul Islam
Managing Director
Aman Feed Limited

TERMS OF CONTRACT

As per rule 8B-4(C) of Securities and Exchange Commission (Public Issue) Rules, 2006 there is no contract covering any of the activities of the Issuer Company for which the proceeds of sale of securities from IPO is to be used.

SUMMARY OF THE FEASIBILITY REPORT

<i>Name of the Project</i>	: AMAN FEED LIMITED
<i>Registered Office</i>	: 9, Rajuk Avenue, Motijheel, Dhaka-1000
<i>Location</i>	: Ratankawak, Ullahpara, Sirajgonj
<i>Constitution of the Firm</i>	: Public Limited Company

DESCRIPTION OF THE PROJECT:

Aman Feed Limited is an existing poultry and fish feed manufacturing industry established in 2006. Now considering the growing demand of the poultry and fish feed, the sponsors of the Company are going to increase the production capacity of the project up to 800 Metric Ton per day, i.e. 240,000 per year at a total cost of BDT 483,173,000. The proposed machinery for the proposed expansion of the project will be imported from Europe/USA/Denmark/Taiwan/Germany and some local machinery will be procured from the local market or local supplier.

COMMUNICATION:

The project location is facilitated with an excellent communication network with different parts of the country. As such, the project will not face any problem in procuring of Raw Materials or sell the finished products.

COST OF THE PROJECT:

Total estimated expansion cost of the project has been estimated at BDT 483,173,000. The details are as follows:

Particulars	Cost Already Incurred (Amount in BDT)	Estimated Cost to be Incurred (Amount in BDT)	Total Cost (Amount in BDT)
Land	39,240,000	75,000,000	114,240,000
Building & Other Construction	288,980,000	144,000,000	432,980,000
Machinery & Equipment's	191,661,000	262,023,000	453,684,000
Other Assets	2,724,000	-	2,724,000
Other Costs	-	2,150,000	2,150,000
Fixed Cost of the Project	522,605,000	483,173,000	1,005,778,000

DEBT-SERVICE COVERAGE RATIO:

The Project on its completion of BMRE is expected to generate such amount of revenue so that the Debt-Service Coverage ratio will be-

Year of Operation	Debt-Service Coverage Ratio
1 st Year	4.20
2 nd Year	4.43
3 rd Year	4.49

PAY-BACK PERIOD:

The Pay-back period of the project will be 1.40 years.

MARKET ASPECT:

The product of the proposed project will be used by the poultry farmers and commercial poultry & fishery firms throughout the country. There is a huge gap between production & supply of the feed items. As a result, Bangladesh has to incur a huge amount of foreign currencies every year to import poultry feed from abroad.

BUILDING & CIVIL CONSTRUCTION:

The cost of Building & other civil works for the proposed expansion of the project has been estimated at BDT 14.40 Crore.

MACHINERY & EQUIPEMENT:

The entire machinery for the proposed expansion of the project will be imported from Europe/USA/Denmark/Taiwan/Germany at a total cost of BDT 25.20 Crore. In addition, BDT 1.00 Crore has been considered for procurement of one unit Diesel Generator.

SAFETY PROVISION:

To fight against the fire, the project will be equipped with all necessary fire-fighting equipments. Further, all personal working in the factory will be provided with appropriate training on safety measures and risk involved in handling the machineries.

ERECTION & INSTALLATION:

The machinery of the proposed expansion of the project will be installed under direct supervision of the foreign experts deputed by the machinery supplier. A team of local technical staff will assist them.

UTILITIES:***Water***

The project will require 75,000 liters of water per day for chilling, human sanitation and another purpose. The required water for the proposed project will be available by sinking a deep-tube well.

Power

For smooth operation of the project, after BMRE the project will require a maximum of 1,300 KW of electricity per day while the annual consumption would be estimated at 375,000KW. The required power will be obtained from PDB/REB.

Fuel & Lubricant

Fuel & lubricants will be required to operate the project machineries and that will be purchase from local suppliers.

ENVIRONMENT & POLLUTION CONTROL:

The project will have its own dust collection system all over the project. This will enable the project to be of environment friendly and will pose no threat to pollute the adjacent environment.

WORK FORCE REQUIREMENT:

On implementation of the proposed expansion of the project, it will generate employment for different categories of people: direct labor, technical personnel of different types, marketing & administrative personnel. The total number of personnel required for the project is 256 nos.

OPERATIVE LIFE OF THE PROJECT:

The proposed feed mill Project being setup with brand-new machinery of Europe/USA/Denmark/Taiwan/Germany Origin and expected to be in economic operation for at least 15 years without any major replacement.

CONCLUSION:

The feasibility study of the proposed project has been conducted & analyzed from the viewpoint of marketing, technical, management and financial aspects and found the project viable in all respects. The project after implementation of the BMRE will generate direct employment to 256 persons and cost per job to be created would be BDT 39.29 Lac.

For Issuer,

Sd/-

Md. Shofiqul Islam
Managing Director
Aman Feed Limited

INFORMATION ABOUT THE COMPANY Section: V

COMPANY PROFILE

Aman Feed Limited (AFL) was incorporated on February 07, 2005 as a Private Limited Company vide the registration number C-55783(2466)/05 under the Companies Act, 1994. The Company commenced its commercial production on July 12, 2006 with relatively small size of operation and subsequently, expanded its production capacity on regular basis over the years to meet the increased demand by installing mash unit and modifying Silo, dumping point and others machinery. Subsequently the shareholders in their Extra-Ordinary General Meeting held on February 22, 2012 approved conversion of status of the Company from Private Limited Company to Public Limited Company.

The Registered office of the Company is situated at 9,Rajuk Avenue, Motijheel C/A, Dhaka -1000 and the factory is located at RatanKawak, Ullapara, Sirajgonj on a total land area of 284.00 decimals of its own. The factory was established with modern machineries imported from Germany. The Corporate Office of the Company is located at 2,Ishakha Avenue, Sector - 6, Uttara, Dhaka - 1230.

NATURE OF BUSINESS

The Company is primarily engaged in manufacturing and distribution of high quality Poultry Feed, Fish Feed, Shrimp Feed and Cattle Feed. At present, the production capacity of the Company is 105,000 MT per year. The Company reaches its customers or consumers throughout the country by its more than 200 (two hundred) dealers. AFL is managed in such a way that complies with the international standard of management. This is reflected in the attainment of ISO 9001:2008 Certificate and HACCP (Hazard Analysis and Critical Control Point) certificates conferred for fulfilling the norms of required standard in the year 2007 and has been continuing till date.

PRINCIPAL PRODUCTS AND SERVICES

Aman Feed Limited produces and distributes feeds that are used for broiler chicken and layer chicken. The Company also produces fish feed, shrimp feed and cattle feed with its existing production setup.

PRODUCT/SERVICES THAT ACCOUNTS FOR MORE THAN 10% OF THE COMPANY'S TOTAL REVENUE

The Company produces 38 (thirty eight) category of feed for fish, poultry, shrimp and cattle where product mix is flexible and is determined by the management of AFL based on the demand of the market. 2 (two) products have 10 (ten) percent or more contribution towards the revenue of the Company. Among the total sales, the following feed products contribute largely:

(As per Audited Accounts)

Product Name	Percentage (%)
Broiler Feed	51.09%
Layer Feed	39.87%

ASSOCIATES, SUBSIDIARY/RELATED HOLDING COMPANY AND THEIR CORE AREAS OF BUSINESS

At present, Aman Feed Limited does not have any associates, subsidiary/related holding company except the following companies under common management-

Sl. No.	Name of Concerns	Nature of Business
1.	Aman Cotton Fibrous Limited	Cotton Spinning
2.	Aman Cotton Fibrous Unit-2 Limited	Cotton Spinning
3.	Aman Feed Limited	Poultry Feed Mill
4.	Aman Cement Mills Limited	Cement Mills
5.	Aman Cement Mills Unit - 2 Limited	Cement Mills
6.	Aman Tex Limited	Knit Composite
7.	Aman Tex Unit-2 Limited	Knit Composite
8.	Anwara Mannan Textile Mills Limited	Cotton Spinning Mill
9.	Aman Plant Tissue Culture Limited	Potato Tissue Culture & Seeds Storage

Sl. No.	Name of Concerns	Nature of Business
10.	Aman Agro Industries Limited	Cold Storage
11.	Milan Cold Storage Limited	Cold Storage
12.	Aman Cold Storage Limited	Cold Storage
13.	A. M. Cold Storage Limited	Cold Storage
14.	Aman Seeds Storage Limited	Cold Storage
15.	Aman Breeders Limited	Poultry & Hatchery
16.	Aman Poultry & Hatchery Limited	Poultry & Hatchery
17.	Aman Jute Fibrous Limited	Jute Mills
18.	Aman Associates Limited	Import/Trading
19.	Juvenile Trade International Limited	Import/Trading
20.	Islam Brothers & Co.	Import/Trading
21.	Aman Trading Corporation	Import/Trading
22.	R S & T International	Import/Trading

DISTRIBUTION OF PRODUCTS/SERVICES

The Company distributes its products through more than 200 (two hundred) outlets of dealers throughout the Country in the local market.

COMPETITIVE CONDITION OF BUSINESS

Current State of the Industry in Bangladesh

The role of Fisheries and Livestock sectors in the development of agro-based economy of Bangladesh is very important and promising. They contribute around 8% to national income, which also is 32% of the total agricultural income. About 80% of animal protein in our diet comes from fish and livestock. The poultry industry in Bangladesh plays a crucial role in economic growth and simultaneously creates numerous employment opportunities. The poultry industry, as a fundamental part of animal production, is committed to supplying the nation with a cheap source of good quality nutritious animal protein in terms of meat and eggs. Approximately 20% of the protein consumed in Bangladesh originates from poultry. A gap still exists between the requirement and supply of poultry meat and eggs.

Among poultry species, the chicken population is dominant over others, at almost 90%, followed by ducks (8%) and a small number of quail, pigeons and geese. Free range 'backyard' and scavenging poultry, that are traditionally reared by rural women and children, still play an important role in generating family income, in addition to improving the family's diet with eggs and meat.

Commercial poultry production in Bangladesh is conducted on an industrial scale and is growing tremendously in spite of recent difficulties but is expected to make a significant contribution to the economic development of the country. A national poultry policy has been approved by the government, which will improve the organization of production and marketing, allowing increased stability and security of output throughout the year.

The sector shows significant development over the last 20 (twenty) years. While there was no use of industrial feed in 1990, currently broiler industry use 100% industrial feed while layer and fish industry use 50% industrial feed and the market size is increasing every year. The government declared poultry and fish farming as a thrust sector and classified as agro based industry. Government also liberalized its policies by introducing easier loan procedure, lower interest rate, tax holiday etc. National nutrition surveys of Bangladesh indicated the average fish intake was 11.7-13.5 kg/capita/yr for rural and urban populations, with a national average of 12 kg/capita/yr. The availability of non-cereal protein food in Bangladesh has reportedly increased significantly and has had a sustained growth rate of over 8% (eight percent) per annum in the fishery and livestock sectors in recent years.

Market Size and Growth Rate

There is a huge gap between production & supply of the feed items. Current annual turnover in feed industry is over BDT 10 thousand crore and increasing at a rate of 10% every year. As our consumption is very low compare to other country, our internal growth scope is immense. Since 2000, exports from Asian nations have more than doubled from 204,000 tons to 418,000 tons as a result of increased shipments from Turkey, Malaysia, China, India and, to a lesser extent, Thailand. A picture of average chicken meat consumption per person per year of different Countries is depicted below:

Name of the Country	Per person/KG/year	Name of the Country	Per person/KG/year
USA	86	Pakistan	38
Australia	86	India	16
UK	56	Srilanka	12
Malaysia	38	Bangladesh	4.5
Thailand	26		

As per the standard of World Health Organization (WHO), a matured person should intake 22 Kg of protein per year; whereas average intake of protein per person per year is 4.5 Kg in Bangladesh. A study shows that 6% GDP growth leads to 11% growth in poultry industry. Since there is a huge gap between standard intake and actual intake of protein, it is expected that the industry will grow very fast in future, if the present economic growth can be maintained at least.

Competitors

Aman Feed Limited has established its manufacturing facility with the state of the art machineries from Germany. AFL has earned a good reputation in the field of business and as a result, their customer base is increasing strongly. To meet up market demand for the feed industry, AFL is going to increase its production capacity from 10MT/per hour to 35/MT per hour. Agro Industrial Trust, Rupsha Poultry Feeds Ltd., BRAC Poultry Feeds Ltd., Paragon Poultry Feeds Ltd., Surma Poultry Feeds Ltd., Kazi Poultry Feeds Ltd., Provita Feeds Ltd., AftabBohumuki Farms Ltd., Narish Poultry Feeds Ltd., Saudi-Bangla Fish Feed Ltd., New Hope Feed Ltd. are the major competitors of the Company. These poultry feed Mills are now in operation but the actual demand is higher than the real production because the feed mills are more capital intensive than that of a poultry firm. As a result, the growth of feed production industry could not cope with the poultry industry.

Seasonal Aspect

Demand for feed varies seasonally. Demand for fish feed and poultry feed decreases around thirty percent during the period from November to February. But demand for the feed increases during the period from July to September by 50 percent. The product of the Company are used by the poultry farmers and commercial Fish firms throughout the country.

Market Aspect

The products are used by the poultry farms and fish farms throughout the country. There is a huge gap between production & supply of the feed items. Bangladesh is an Agro-based country. Its agricultural products are used as basic raw materials of the industrial products such as Poultry feed, Fish Feed, Shrimp Feed and cattle feeds. With the growth of the population and rapid increase in Poultry and Fish culture, these feed items have tremendous demand throughout the country. The growth and stability of Poultry, Fishery & Dairy depends on the balanced protein diets that are to be produced by maintaining international standard and quality. But the number of such types of industries so far in the country is very few and they cannot meet-up the increasing demand of this sector. As a result, a significant amount of gap is always prevailing. On the other hand, the feed industries established in the country, region wise, do not have a minimum balance throughout the country. As such, some parts of the country have sufficient feed industry and the supply is also higher than the actual demand but some parts of the country are suffering from short supply compared to their demand. For this reason, the poultry industry could not grow to cope up with the increasing demand. Their production cost is also high and as a result, they are in big trouble in continuing their business in a competitive market.

Challenges and Critical Issues

Inadequate policy and regulatory issue, low productivity, no database on production, insufficient training facilities, inadequate diagnosis facilities, diseases like bird flu, many intermediaries in marketing channel, etc. are the challenges and critical issues of this industrial sector.

Supply of Poultry, Fish & Cattle Feed

Nowadays, some modern poultry and fish feed Mill has established in our country. Some of these are -

▪ Agro Industrial Trust	▪ Surma Poultry Feeds Limited
▪ C. P. Bangladesh Limited	▪ Kazi Poultry Feeds Limited
▪ Quality Feed Limited	▪ Provita Feeds Limited
▪ City Feeds Limited	▪ Aftab Poultry Feed Inds. Limited
▪ Rupsha Poultry Feeds Limited	▪ Narish Poultry Feeds Limited
▪ BRAC Agro Industries Limited	▪ Soudi-Bangla Fish Feed Limited
▪ Paragon Poultry Feeds Limited	

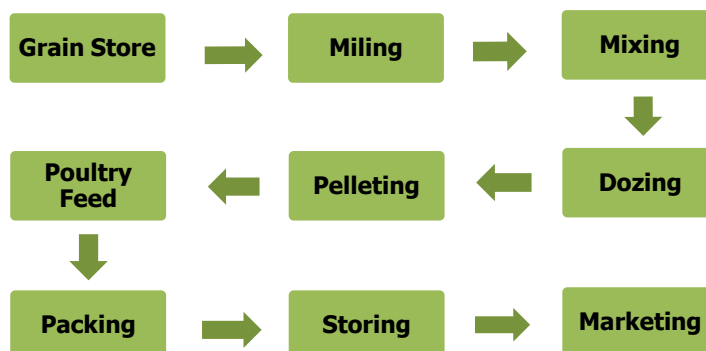
Distribution Channel

The product reaches to the final consumers through the following channel of distribution:



Process Flow-chart

The process flow of a feed mill is as shown below:



SOURCES AND AVAILABILITY OF RAW MATERIALS AND PRINCIPAL SUPPLIERS

List of top five domestic supplier of raw material:

Name of the Party	Name of the Raw Material
Sharuda Traders	Soya Bean Oil
ASP Enterprise, Taherpur	Maize
Rahman & Brothers, CTG	Meat & Bone Meal
Ismail Enterprise	Fishmeal & Dry Fish
Kustia Traders	Rice Polish & Wheat Flour
Adorsho Enterprise	Rice Polish

Details of top five import suppliers of raw material:

Name of Party	Name of Raw Material
G. S Oil Ltd., India	Maize & Soya Bean
Ruchi Soya Ind., India	Soya Bean Meal
V.K. Udyog Ltd., India	Soya Bean Meal
Phoenix Overseas , India	Maize & Rapeseed
Krishna Traders, India	Maize & Rapeseed
Cargil India Pvt. Ltd.	Maize

SOURCES OF AND REQUIREMENT FOR POWER, GAS AND WATER OR ANY OTHER UTILITIES

Particulars	Sources & Requirement
POWER & GAS	Total requirement of power of the project is about 1,300 KW, which is met up from Rural Electrification Board (REB). There is a backup gas generator of 1,950 KW imported from USA, brand name, Caterpillar, purchased in the name of Aman Cement Mills Limited, another enterprise under common Directorship. Both these organizations share the generated electricity from the backup generator. For smooth, after expansion of the project, it will require a maximum of 1,300 KW of electricity per day while the annual consumption is estimated to be 375,000 KW. The required power will be obtained from PDB/REB.
WATER	The project requires 75,000 liters of water per day for chilling, human consumption, sanitation and other purpose. The required water for the project is supplied by company's own deep-tube well and water treatment plant.

CUSTOMERS PROVIDING 10% OR MORE REVENUES

No single customer of Aman Feed Limited contributed 10% or more of the company's product/services.

DESCRIPTION OF CONTRACT WITH PRINCIPAL SUPPLIERS/CUSTOMERS

There is no contract with principal suppliers or customers other than the normal course of business.

DESCRIPTION OF ANY MATERIAL PATENTS, TRADEMARKS, LICENSES OR ROYALTY AGREEMENTS

Aman Feed Limited has several regulatory licenses and certificates in order to continue its operations. The table below lists the licenses and certifications that the Company has -

Particular	License Issuer/ Issuing Authority	Registration/Certificate/ License No.	Issue Date	Current Status
Certificate of Incorporation	Registrar of Joint Stock Companies & Firms (RJSC)	C-55783(2466)/05	07.02.2005	-
TIN Certificate	National Board of Revenue, Government of Bangladesh	002-202-1902	-	-
VAT Registration Certificate	Customs, Excise and VAT Commissionerate, Government of Bangladesh	12191011937	03.10.2012	-
Import Registration Certificate (IRC)	Office of the Chief Controller of Imports & Exports, Government of Bangladesh	BA-0169974	19.03.2006	Valid up to 31.12.2015
Trade License	Dhaka City Corporation	02009274	17.07.2013	Valid up to 31.12.2015
Municipality Trade License	Ullapara Municipality, Sirajgonj	14/127	07.07.2013	Valid up to 30.06.2015
Fire Brigade License	Fire Service and Civil Defense, Government of Bangladesh	Pabna/377/06-07	10.07.2006	Valid up to 30.06.2015
Environmental Clearance Certificate	Environment Department, Government of Bangladesh	Poribesh/Rabi/(Feed Mill)-5312/2006/1479	29.09.2014	Valid up to 20.08.2015
Certificate of Membership	Bangladesh Poultry Industries Association	210/2014/RNW/25	19.10.2014	Valid up to 31.12.2015
Certificate of Registration ISO 9001:2008 + HACCP	United Registrar of Systems Certification	56557/A/0001/UK/En	01.03.2013	29.02.2016

NUMBER OF EMPLOYEES

(As per Audited Accounts)

Salary Range (Monthly)	Officers & Staffs		Worker (permanent)	Total
	Head Office	Factory		
Not Less than Taka 3,000/=	45	78	110	233
Less than taka 3,000/=	-	-	-	-
Total	45	78	110	233

PRODUCTION CAPACITY AND CURRENT CAPACITY UTILIZATION

The production capacity of the Company has been increased in the year 2014. Details of production capacity and utilization are as follows:

(As per Audited Accounts)

Description of Products	Installed Capacity (MT)		Actual Production (MT)		Capacity Utilization ⁵ (%)	
	June-14	June-13	June-14	June-13	June-14	June-13
Poultry , Fish & Cattle Feed	105,000	105,000	86,378	83,339	82.27%	79.37%

⁵In Feed production process, idle time is more than any other production process as it requires to change the dices manually and frequently, for changing the type of the product, proper combination of raw materials and other task. Consequently, 100% utilization of capacity cannot be achieved in feed manufacturing company because a significant amount of time is required for the change in the type of the product that is done manually and frequently. Therefore, capacity utilization of 70% is standard for this type of business.

Considering the type of product, price level of the product and price of the cost components of the product will remain the same throughout the year and also based on the information provided in the financial statements for the year ended on 30 June, 2014, the breakeven of the production capacity of the Company is 52.04%.

DESCRIPTION OF PROPERTYSection: VI

LOCATION OF THE PRINCIPAL PLANTS AND OTHER PROPERTY OF THE COMPANY AND THEIR CONDITION

1. The Principal Plants and other Property of the Company mostly located at its factory at RatanKawak, Ullapara, Sirajgonj. The corporate office is situated at 2 Ishakha Avenue, Sector # 6, Uttara, Dhaka, Bangladesh. The company possesses the following fixed assets as on June 30, 2014:

(As per Audited Accounts)

Name of the Asset	Opening Balance (Carrying Value)	Accumulated Depreciation	Written Down Value as at June 30, 2014	Written Down Value as at June 30, 2013
Land & Land Development ⁶	174,245,500	-	174,245,500	170,400,000
Building & Civil Construction	537,161,346	40,763,419	496,397,927	320,034,701
Plant & Machinery	289,930,966	144,621,036	145,309,930	170,952,859
Vehicle	15,698,401	11,797,334	3,901,067	4,589,491
Furniture & Fixture	1,625,393	765,285	860,108	955,676
Office Equipment	1,555,326	1,016,246	539,080	634,212
Computer & IT Equipment	1,027,420	563,168	464,252	580,315
Total	1,021,244,352	199,526,487	821,717,865	668,147,254

The above-mentioned properties are situated at Company's factory premises and are in good condition. The plant and machinery of Aman Feed Limited have been owned by the Company and were imported in brand new condition.

⁶The Company has 284.00 decimals of land located as under:

#	Deed No.	Date	Mouza	Khatian No.			Purchased Area of land (Decimal)
				CS	SA	RS	
1.	543	25.01.2005	RatanKawak		26	162	58.00
2.	544	25.01.2005	Shinghagati	-	239 236 97	454 441 238	61.00
3.	545	25.01.2005	Shinghagati	-	95	128	11.00
4.	546	25.01.2005	Shinghagati	189	252	352	24.00
5.	5285	03.10.2007	RatanKawak	-	27	28	59.00
6.	848	24.01.2008	Shinghagati	-		450 400	58.50
7.	8889	26.12.2011	Shinghagati	-	95	379	12.50
Total Are of Land (Decimal)							284.00

2. All the above-mentioned properties are owned by the company.

3. **271.50**decimal of land of the company are under registered mortgaged to the lending bank namely AB Bank Limited, Islami Banking Branch, Kakrail and also all the machinery as well as fixed assets are under mortgage with the same bank.Details of land under mortgage is as under:

SL. No.	Deed No.	Date	Purchased Area of land (Decimal)	Location
1.	543	25/01/2005	58.00	RatanKawak, Sirajgonj
2.	544	25/01/2005	61.00	RatanKawak, Sirajgonj
3.	545	25/01/2005	11.00	RatanKawak, Sirajgonj
4.	546	25/01/2005	24.00	RatanKawak, Sirajgonj
5.	5285	03/10/2007	59.00	RatanKawak, Sirajgonj
6.	848	24/01/2008	58.50	RatanKawak, Sirajgonj
Total Area of Land (Decimal) under Mortgage			271.50	

4. At present, no property is taken on lease of the Company.

PLAN OF OPERATION AND DISCUSSION OFFINANCIAL CONDITION

Section: VII

INTERNAL AND EXTERNAL SOURCES OF CASH

AMAN FEED LIMITED



The internal sources of the cash of the company are the share capital and retained earnings. The external sources of cash are long-term and short-term loans.

(As per Audited Accounts)

Particulars	As on June 30, 2014 (Amount in Taka)	As on June 30, 2013 (Amount in Taka)	As on June 30, 2012 (Amount in Taka)
Internal Sources of Cash:			
Share Capital	600,000,000	600,000,000	600,000,000
Retained Earnings	1,134,774,813	836,594,333	542,822,783
Sub-Total	1,734,774,813	1,436,594,333	1,142,822,783
External Sources of Cash:			
Long term Loan	50,538,633	95,401,333	123,167,212
Short term Loan	1,198,281,812	1,150,314,382	773,221,901
Sub-Total	1,248,820,445	1,245,715,715	896,389,113
Grand Total	2,983,595,258	2,682,310,048	2,039,211,896

The company has been able to generate enough cash from both internal and external sources in order to meet its cash payments and obligations.

MATERIAL COMMITMENTS OF CAPITAL EXPENDITURE

The company has no material commitment of capital expenditure other than as specified in 'Utilization of IPO Proceeds' under the head of Issue Size and Purpose of the Public Offering of this Prospectus and the following:

Material Commitment	Remaining Balance (BDT)	Expected Sources of Fund
Purchase of Land ⁷	20,000,000.00	Own fund of the Company

⁷The Company has made the baina deed agreements, Deed No.: 2271/12 on 29.03.2012 and Deed No.: 3433/14 on 14.05.2014 to purchase a land measuring 142.00 Decimals in Ullapara, Sirajgonj (Mouza: RatanKawak, J.L No. 235) with an advance amount of BDT 3,000,000 where the total value of land is BDT 23,000,000 as per audited financial statements of June 30, 2014.

CAUSES FOR MATERIAL CHANGES FROM PERIOD TO PERIOD

The trend of the Company's Net Profit after Tax, EPS and other business indicators are increasing due to the management effort and strategic action taken to face competition in the industry. The following table shows the year-to-year financial performance of Aman Feed Limited that is increasing due to the Company's long term vision in this sector, experienced top tier management, favorable economic and government rules and regulation, the commendable repayment culture is contributing to the growth of the Company:

(As per Audited Accounts)

Particulars	For the year ended on June 30, 2014 (Amount in Taka)	For the year ended on June 30, 2013 (Amount in Taka)	For the year ended on June 30, 2012 (Amount in Taka)
Sales	2,641,647,263	2,536,309,939	2,032,447,735
Cost of Goods Sold	(2,076,843,629)	(1,949,547,245)	(1,573,321,682)
Gross Profit	564,803,634	586,762,694	459,126,053
Administrative Expenses	(32,020,353)	(34,733,311)	(20,738,713)
Selling and Distribution Exp.	(52,019,984)	(50,910,570)	(28,193,393)
Total Operating Expenses	(84,040,337)	(85,643,881)	(48,932,106)
Operating Profit	480,763,297	501,118,813	410,193,947
Financial Expenses	(159,994,838)	(177,040,251)	(75,290,339)
Profit before other Income	320,768,460	324,078,562	334,903,608
Other Income	20,243	915,544	-
Profit Before Contribution to WPPF	320,788,703	324,994,106	334,903,608
Contribution to WPPF	(15,275,653)	(15,475,910)	(15,947,791)
Profit before Tax	305,513,050	309,518,196	318,955,817
Provision for Taxation	(7,332,571)	(15,746,646)	(20,560,276)
Net Profit After Tax⁸	298,180,480	293,771,550	298,395,541

⁸The Company increased its production capacity from 88,500 MT to 105,000 MT in FY 2012-2013 which required procurement of huge quantity of raw materials, proportionate to the increased production capacity, for stock during the harvest time. As a result, the Company required additional working capital that was financed by Banks. Subsequently, Company's financial expenses have increased. Moreover, due to instability in the money market, the interest rate has been raised upward by the lenders. Again, due to increase in the cost of raw materials, the profit has been slightly decreased for the FY 2012-2013. However, the interest rate is now reducing and it will have good impact through the IPO proceeds.

SEASONAL ASPECT OF THE COMPANY'S BUSINESS

Demand for feed varies seasonally. Demand for fish feed and poultry feed decreases around 30 (thirty) percent during the period from November to February. But demand for the feed increases during the period from July to September by 50 (fifty) percent. The poultry farmers and commercial fish firms throughout the country use the products of the Company. As a result, Bangladesh has to incur a huge amount of foreign currencies every year to import poultry feed from abroad.

KNOWN TRENDS, EVENTS OR UNCERTAINTIES

The business operation of the Company may be affected by some known events as follows -

- Entrance of new technology
- Increased competition
- Political unrest
- Natural disaster
- Outbreak of diseases
- Increased production cost

CHANGE IN THE ASSETS OF THE COMPANY USED TO PAY OFF ANY LIABILITIES

No assets of the Company have been used to pay off any liability.

LOAN TAKEN FROM OR GIVEN TO HOLDING/PARENT COMPANY OR SUBSIDIARY COMPANY

Aman Feed Limited does not have any Sister/Subsidiary/Associate/Holding Company according to the Companies Act, 1994. Therefore, there is no loan taken from or given to any Sister/Subsidiary/Associate/Holding Company.

FUTURE CONTRACTUAL LIABILITIES

The Company has no plan to enter into any contractual liabilities other than normal course of business within next one year.

FUTURE CAPITAL EXPENDITURE

The Company does not have any plan for capital expenditure in near future other than as specified in 'Utilization of IPO Proceeds' under the head of Issue Size and Purpose of the Public Offering and 'Material Commitments of Capital Expenditure' under the head of Plan of Operation and Discussion of Financial Condition of this Prospectus.

VAT, INCOME TAX, CUSTOMS DUTY OR OTHER TAX LIABILITY

Value Added Tax (VAT)

VAT is not applicable for the Company for producing pelleted poultry feed under VAT Act, 1991.

Income Tax

The applicable income tax rate for the Company was 5% from the date of commercial operation as per SRO No. 238-Ain-Income Tax/2011, dated July 01, 2011. The income tax rate on the core business has been reduced further to 3% through SRO No. 208-Ain-Income Tax/2013 dated July 01, 2013 in effect from July 01, 2013.

Year wise income tax status of the Company is under:

Accounting Year	Assessment Year	Status
2008-2009	2009-2010	As per certificate given by DCT of Companies Tax Circle-2, Tax Zone-1, Dhaka dated 25.01.2010, Income Tax is settled upto assessment year 2009-2010.
2009-2010	2010-2011	As per certificate given by DCT of Companies Tax Circle-8, Tax Zone-1, Dhaka dated 23.07.2012, Income Tax is settled upto assessment year 2010-2011.
2010-2011	2011-2012	As per certificate given by DCT of Companies Tax Circle-8, Tax Zone-1, Dhaka dated 12.06.2012, Income Tax is settled upto assessment year 2011-2012.
2011-2012	2012-2013	As per IT 15, IT 30 and IT 88, Assessment of Income Tax has been completed for the assessment year 2012-2013.
2012-2013	2013-2014	As per certificate given by DCT of Companies Tax Circle-8, Tax Zone-1, Dhaka dated 04.03.2014, Income Tax assessment is under process for the assessment year 2013-2014.

Customs Duty or other Tax Liability

The Company does not have any outstanding custom duty or any other similar liabilities.

OPERATING LEASE AGREEMENT DURING LAST FIVE YEARS

The Company does not have any operating lease agreement during the last five years.

FINANCIAL LEASE COMMITMENT DURING LAST FIVE YEARS

The Company entered into lease commitment to purchase motor vehicles in 2010 with United Leasing Company Limited. The Company has paid off its lease obligation in full by June 30, 2014. Details are as follows:

Financial Lease from United Leasing Company:

(As per Audited Accounts)

Lease Amount (BDT)	Rate of Interest (%)	Execution Date	Monthly Installment (BDT)	No. of Lease Rental (monthly basis)	Date of Expiry	Outstanding Lease Amount (as on 30.06.2014) BDT
1,300,000.00	14.25	25.01.2010	35,688.00	48	25.01.2014	NIL
3,000,000.00	14.25	20.07.2010	82,356.00	48	20.07.2014	NIL

PERSONNEL RELATED SCHEME

The Company considers its human resources as the most valuable assets and the profitability of company largely depends on the efficient & effective productivity of human resources. The Company provides facilities and incentives to motivate employees for its continued profitability and prosperity. Besides, Aman Feed Limited has made 'Workers Profit Participation Fund (WPPF)' as per provision of labour law.

BREAKDOWN OF ESTIMATED EXPENSES FOR IPO

Sl. No.	Particulars	Nature of Expenditure	Amount in Tk. (approx.)
Issue Management Fees			
1.	Manager to the Issue Fee	@ 1% of the total amount raised or Tk. 2 million whichever is lower	2,000,000.00
2.	VAT against Issue Management Fees	@ 15% of Issue Management Fees	300,000.00
Listing Related Expenses			
3.	Application Fee for DSE	Fixed	5,000.00
4.	Listing Fees for Stock Exchanges (DSE & CSE)	@ 0.25% on Tk. 100 million and 0.15% on the rest amount of paid up capital; maximum Tk. 2 million for each exchanges	2,600,000.00
5.	Annual Fee for DSE & CSE	Fixed	200,000.00
BSEC Fees			
6.	Application Fee	Fixed	10,000.00
7.	BSEC Consent Fee	Fee @ 0.15% on the public offering amount	1,080,000.00
IPO Commission			
8.	Underwriting Commission	Commission @ 0.50% on Underwritten Amount	1,800,000.00
9.	Credit Rating Fees	-	200,000.00
10.	Auditor Certification Fees	-	100,000.00
CDBL Fees and Expenses			
11.	Security Deposit	-	500,000.00
12.	Documentation Fee	-	2,500.00
13.	Annual Fee	-	100,000.00
14.	Connection Fee	-	6,000.00
15.	IPO Fees	@0.0175% of issue size+0.0175% of Pre-IPO paid up capital	231,000.00
Printing and Post IPO Expenses			
16.	Publication of Prospectus	Estimated (5,000 Copies)	700,000.00
17.	Abridged version of Prospectus and Notice in 4 daily newspaper	Estimated	750,000.00
18.	Notice for Prospectus, Lottery, Refund etc. in 4 daily newspaper	Estimated	100,000.00
19.	Lottery Conducting Expenses & BUET Fee	Estimated	1,000,000.00
20.	Data Processing and Share Software Charge	Estimated	8,200,000.00
21.	Courier Expenses	Estimated	200,000.00
22.	Stationeries and Other Expenses	Estimated	200,000.00
Grand Total			20,284,500.00

N.B.: Actual costs will vary if above mentioned estimates differ and will be adjusted accordingly.

REVALUATION OF COMPANY'S ASSETS AND SUMMARY THEREOF

Since its inception, Aman Feed Limited revalued its fixed assets for the first time in the year 2012-2013. The management of the company has decided to revalue only Land and Land Development among all the fixed assets as it is observed that the difference between the carrying amount and market value (fair value) will be insignificant except Land and Land Development. The revaluation was made according to BAS-16 on May 15, 2013 by the enlisted valuer named S. H. Khan & Co., (Chartered Accountants). The Board of Directors' meeting on May 30, 2013 has decided to incorporate the revaluation in the financials of June 30, 2013 accounts. Details of the revaluation of the assets are given below:

Name of the Independent Valuer	:	S.H. Khan & Co. Chartered Accountants
Valuer's Address	:	RazBhaban (1 st Floor), 29, Dilkusha C/A, Dhaka - 1000
Date of Signing Revaluation Report	:	May 15, 2013
Nature of Revalued Assets	:	Land and Land Development
Methods and Significant Assumptions	:	Location, size of the land, commercial importance and facilities available and likely future appreciation
Notable Valuation Work done by the Valuer	:	Rupali Bank Limited 34, Dilkusha C/A, Dhaka Bangladesh Cable Shilpa Limited (BCSL) Khulna Telephone ShilpaSangstha Limited (TSS) Tongi, Gazipur Raz Textile Mills Limited- Jessore RazBhaban, 29, Dilkusha C/A, Dhaka. Khulna Hardboard Mills Ltd. Town Khalishpur, Khulna, an enterprise of Bangladesh Chemical Industries Corporation (BCIC). Sonali Jute Mills Ltd. Rob Sarani, Mirerdanga, Shiromoni, Khulna Aman Cotton Fibrous Limited 2 Ishakha Avenue, Sector # 6, Uttara, Dhaka - 1230

Purpose of valuation:

The financial statements of the company have been prepared in accordance with Bangladesh Accounting Standard (BAS) based on historical cost convention previously. However, the value of land has increased due to high inflationary trend and devaluation of local currency. In this circumstance, the Management of the Company has decided to revalue the land to incorporate the fair value of asset in the financial statements.

Summary of Revaluation:

(As per Audited Accounts)
(Amount in Tk.)

Name of Asset	Fair Value as on June 30, 2013	Carrying amount as on June 30, 2013	Revaluation Surplus	Related Deferred Tax on Revaluation Surplus	Revaluation Reserve Transferred to Equity
Land & Land Development	170,400,000	39,240,321	131,159,679	19,673,952	111,485,727
Total	170,400,000	39,240,321	131,159,679	19,673,952	111,485,727

TRANSACTION BETWEEN SUBSIDIARY/HOLDING/ASSOCIATE COMPANY AND THE ISSUER

Aman Feed Limited does not have any Sister/Subsidiary/Associate/Holding Company according to the Companies Act, 1994. Therefore, there is no transaction with Sister/Subsidiary/Associate/ Holding Company.

AUDITORS' CERTIFICATE REGARDING ANY ALLOTMENT OF SHARES TO THE DIRECTORS AND SUBSCRIBERS TO THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION FOR ANY CONSIDERATION OTHERWISE THAN FOR CASH

The paid-up capital of **Aman Feed Limited** as of 30 June, 2014 was Tk. 600,000,000 divided into 60,000,000 Ordinary shares of Tk. 10 each, made up as follows :

Particulars of Allotment	Date of Allotment	Number of shares issued		Amount of share capital (Taka)
		Consideration in Cash	Consideration other than Cash	
First (subscription to the Memorandum & Articles of Association at the time of incorporation)	07.02.2005	200,000	-	2,000,000.00
Second Allotment (Bonus Share)	01.01.2012	-	9,800,000	98,000,000.00
Third Allotment (BonusShare)	28.06.2012	-	50,000,000	500,000,000.00
Total		200,000	59,800,000	600,000,000.00

The amounts shown against paid-up capital as cash consideration was deposited in the Company's bank account.

The Company, demutualised the face value of its ordinary share from Taka 100/- to Taka 10/- duly approved by passing a special resolution in its Extraordinary General Meeting held on December 30, 2011 and necessary amendments in the capital clause of the Memorandum and Articles of Association were made accordingly. Hence, the paid up capital of the Company represents to Tk. 600,000,000 divided into 60,000,000 ordinary shares of Tk. 10 each.

Place: Dhaka
Date: October 21, 2014

Sd/-
Ahmed Zaker& Co.
Chartered Accountants

DECLARATION FOR NON-SUPPRESSION OF MATERIAL INFORMATION

This is to declare that, to the best of our knowledge and belief, no information, facts or circumstances, which should be disclosed have been suppressed, which can change the terms and conditions under which the offer has been made to the public.

For Issuer,

Sd/-
Md. Shofiquil Islam
Managing Director
Aman Feed Limited

INFORMATION ABOUT DIRECTORS AND OFFICERS

Section: VIII

DIRECTORS OF THE COMPANY

Name	Designation	Qualification	Age (Years)	Experience (Years)
Md. Rafiqul Islam	Chairman	B.Sc.(honors), M. Sc	52	29
Md. Shofiqul Islam	Managing Director	Bachelor of Arts	48	22
Md. Toufiqul Islam	Director	Bachelor of Arts	40	17
Md. Toriqul Islam	Director	B. Sc major in Manufacturing Engineering	23	5
Md. Azizul Haque	Nominated Director (Representing Aman Agro Industries Limited)	Bachelor of Commerce, CA(C.C)	61	32

INFORMATION REGARDING DIRECTORS AND DIRECTORSHIP

Name	Designation	Date of becoming Director for the first time	Date of Expiration of Current Term
Md. Rafiqul Islam	Chairman	07.02.2005	In the AGM of 2016
Md. Shofiqul Islam	Managing Director	07.02.2005	In the AGM of 2017
Md. Toufiqul Islam	Director	07.02.2005	In the AGM of 2015
Md. Toriqul Islam	Director	01.03.2008	In the AGM of 2015
Md. Azizul Haque	Nominated Director	15.02.2012	In the AGM of 2016

DIRECTORS' INVOLVEMENT WITH OTHER ORGANIZATIONS

Name	Designation in Aman Feed Limited	Directorship/Sponsorship/Ownership with Other Companies	Position
MD. RAFIQUUL ISLAM	Chairman	Aman Cement Mills Unit-2 Ltd.	Managing Director
		Aman Tex Ltd.	Managing Director
		Aman Tex Unit-2 Ltd.	Managing Director
		Anwara Mannan Textile Mills Ltd.	Managing Director
		Aman Cotton Fibrous Ltd	Managing Director
		Aman Cotton Fibrous Unit-2 Ltd.	Managing Director
		Aman Cement Mills Ltd.	Managing Director
		Aman Jute Fibrous Ltd.	Managing Director
		Aman Cold Storage Ltd.	Managing Director
		Milan Cold Storage Ltd.	Managing Director
		A. M. Cold Storage Ltd.	Managing Director
		Aman Agro Industries Ltd.	Managing Director
		Aman Seeds Storage Limited	Managing Director
		Aman Foods Limited	Managing Director
		Aman Breeders Limited	Chairman
		Aman Plant Tissue Culture Ltd.	Managing Director
		Aman Associates Ltd.	Managing Director
		Islam Brothers & Co.	Proprietor
		Aman Trading Corporation	Managing Partner
MD. SHOFIQUUL ISLAM	Managing Director	Aman Plant Tissue Culture Ltd.	Chairman
		Aman Poultry & Hatchery Ltd.	Director
		Juvenile Trade International Ltd.	Director
		Aman Cement Mills Unit-2 Ltd.	Director
		Aman Cotton Fibrous Ltd.	Director

Name	Designation in Aman Feed Limited	Directorship/Sponsorship/Ownership with Other Companies	Position
MD. SHOFIQUUL ISLAM	Managing Director	Aman Cement Mills Ltd.	Director
		Aman Cold Storage Ltd.	Director
		Milan Cold Storage Ltd.	Director
		Aman Breeders Limited	Director
		Aman Seeds Storage Limited	Director
		Aman Agro Industries Ltd.	Director
		AnwaraMannan Textile Mills Ltd.	Director
		Aman Associates Ltd.	Director
		A. M. Cold Storage Ltd.	Director
		Aman Jute Fibrous Ltd.	Director
		Aman Tex Ltd.	Director
		Aman Tex Unit-2 Ltd.	Director
		Aman Cotton Fibrous Unit-2 Ltd.	Director
		Aman Foods Limited	Director
		Aman Trading Corporation	Partner
MD. TOUFIQUL ISLAM	Director	Juvenile Trade International Ltd.	Managing Director
		Aman Tex Unit-2 Ltd.	Director
		AnwaraMannan Textile Mills Ltd.	Director
		Aman Cotton Fibrous Ltd.	Director
		Aman Cotton Fibrous Unit-2 Ltd.	Director
		Aman Cement Mills Ltd.	Director
		Aman Cement Mills Unit-2 Ltd.	Director
		Aman Cold Storage Ltd.	Director
		Milan Cold Storage Ltd.	Director
		Aman Agro Industries Ltd.	Director
		Aman Seeds Storage Limited	Director
		Aman Breeders Limited	Managing Director
		Aman Plant Tissue Culture Ltd.	Director
		A. M. Cold Storage Ltd.	Director
		Aman Associates Ltd.	Director
		Aman Jute Fibrous Ltd.	Director
		Aman Poultry & Hatchery Ltd.	Director
		Aman Tex Ltd.	Director
		Aman Foods Ltd.	Director
		Aman Trading Corporation	Partner
		R S & T International	Proprietor
MD. TORIQUUL ISLAM	Director	Aman Poultry & Hatchery Ltd.	Managing Director
		Aman Cotton Fibrous Ltd.	Director
		Aman Cement Mills Ltd.	Director
		Aman Cement Mills Unit-2 Ltd.	Director
		AnwaraMannan Textile Mills Ltd.	Director
		A. M. Cold Storage Ltd.	Director
		Juvenile Trade International Ltd.	Director
		Aman Associates Ltd.	Director
		Aman Foods Ltd.	Director
MD. AZIZUL HAQUE	Nominated Director	Aman Agro Industries Ltd.	General Manager

FAMILY RELATIONSHIP AMONG DIRECTORS AND TOP FIVE OFFICIALS

The relationships among the Directors and top five officers are stated below -

Name	Position	Relationship
Md. Rafiqul Islam	Chairman	Brother of Mr. Md. Shofiqul Islam & Mr. Md. Toufiqul Islam and Father of Mr. Md. Toriqul Islam
Md. Shofiqul Islam	Managing Director	Brother of Mr. Md. Rafiqul Islam & Mr. Md. Toufiqul Islam and Uncle of Mr. Md. Toriqul Islam
Md. Toufiqul Islam	Director	Brother of Mr. Md. Rafiqul Islam & Mr. Md. Shofiqul Islam and Uncle of Mr. Md. Toriqul Islam
Md. Toriqul Islam	Director	Son of Mr. Md. Rafiqul Islam and Nephew of Mr. Md. Shofiqul Islam and Mr. Md. Toufiqul Islam
Md. Azizul Haque	Nominated Director	There is no family relation

SHORT BIO-DATA OF THE DIRECTORS

MD. RAFIQU L ISLAM

Chairman, Aman Feed Limited

Md. Rafiqul Islam, aged 52 years, an Entrepreneur and businessman of distinction is the Chairman of the Company. He is a Master's of Science with honors from the University of Rajshahi. He started his business career in the year 1984 by joining in family business concern named Aman Trading Corporation engaged in importing various consumer items and marketing thereof. He became a successful business man within a short time of his business career by dint of his sincerity, honesty, hard labor and dynamic leadership, he established a number of companies engaged in the field of agriculture, research, cement, garments, textile, dying, feed mills etc.

He is the Managing Director of Amantex Ltd., Aman Cotton Fibrous Ltd., Aman Cement Mills Ltd., Aman Cold Storage Ltd., Milan Cold Storage Ltd., Aman Agro Industries Ltd., Aman Tissue Culture Ltd., Aman Associates Ltd., Aman Jute Fibrous Ltd., AnwarMannan Textile Mills Ltd., Aman Plant Tissue Culture Ltd., Proprietor of Islam Brothers & Co. and Managing Partner of Aman Trading Corporation.

He visited many countries on personal and business perspective. He is well renowned for his philanthropic work in the locality. He is a Member of the Bangladesh Cement Manufacturers Association, Bangladesh Fertilizer Association, Bangladesh Cold Storage Association, Rajshahi Chamber of Commerce & Industries and Uttara Club, Dhaka. He is also associated with many religious, social and cultural activities.

MD. SHOFIQU L ISLAM

Managing Director, Aman Feed Limited

Md. Shofiqul Islam, aged 50 years, is the Managing Director of the Company. He is a graduate in Arts. He started his business career in the year 1991 by joining in family business with a vision to contribute in the generation of employments for the rural mass of the country through establishment of potential industrial units in different disciplines.

He is the Director of Amantex Ltd, Aman Cotton Fibrous Ltd., Aman Cement Mills Ltd., Aman Cold Storage Ltd., Milan Cold Storage Ltd., Aman Agro Industries Ltd., Aman Tissue Culture Ltd., Aman Associates Ltd., AnwarMannan Textile Mills Ltd., Proprietor of Juvenile Construction and Partner of Aman Trading Corporation.

He is a Member of Rajshahi Chamber of Commerce & Industries and Uttara Club, Dhaka. He is also associated with many religious, social and cultural activities.

AMAN FEED LIMITED

MD. TOUFIQUL ISLAM

Director, Aman Feed Limited

Md. Toufiqul Islam, aged 41 years, is the Director of the Company. He is a graduate in Arts. He started his business career in the year 1996 by joining in family business with a vision to contribute in the generation of employments for the rural mass of the country through establishment of potential industrial units in different disciplines.

He is the Director of Amantex Ltd, Aman Cotton Fibrous Ltd., Aman Cement Mills Ltd., Aman Cold Storage Ltd., Milan Cold Storage Ltd., Aman Agro Industries Ltd., Aman Tissue Culture Ltd., Aman Associates Ltd., AnwaraMannan Textile Mills Ltd., Proprietor of RS&T International, and Partner of Aman Trading Corporation.

He is well renowned for his philanthropic work in the locality. He is a Member of Rajshahi Chamber of Commerce & Industries and Uttara Club, Dhaka. He is also associated with many religious, social and cultural activities.

MD. TORIQUUL ISLAM

Director, Aman Feed Limited

Md. Toriqlul Islam, aged 24 years, is the Director of the Company. He is a graduate in Science major in Manufacturing Engineering. He completed his graduation from International Islamic University Malaysia. He started his business career three years' back. He is the Directors of Amantex Ltd., Aman Cotton Fibrous Ltd., Aman Cement Mills Ltd., AnwaraMannan Textile Mills Ltd. and Aman Associates Ltd.

MD. AZIZUL HAQUE

Nominated Director, Aman Feed Limited

Md. Azizul Haque, aged 62 years, is a Nominated Director of the Company representing Aman Agro Industries Limited. He is a graduate of Commerce. He also completed Chartered Accountancy course under Khan WahhabShofiq Rahman & Co. in the year 1980. Then he joined in the Government Service and retired in the year 2003. After retiring from government services, he has been attached with Aman Agro Industries Limited and Aman Feed Limited. He has in his credit more than thirty years of job experience in government and private service. Presently, he is the General Manager of Aman Agro Industries Limited and Nominated Director of Aman Feed Limited.

CREDIT INFORMATION BUREAU (CIB) REPORT

Neither the Company nor any of its directors or shareholders who hold 5% or more shares in the paid-up capital of the issuer is loan defaulter in terms of the CIB Report of the Bangladesh Bank.

DESCRIPTION OF TOP EXECUTIVES AND DEPARTMENTAL HEADS

Name of the Executives	Designation	Date of Joining	Educational Qualification	Duration of services	Last Five Years Experience
Md. Shofiqul Islam	Managing Director	07.02.2005	Bachelor of Arts	21 Years	With Aman Feed Ltd. since its incorporation
G.H.N. Ershad	General Manager (Operation)	07.10.2013	M. Com, Diploma in Marketing Coordinator (Canada)	12 Years	Index Agro Industries Ltd
					Kazi Farms Group
Md. Gaus Khan	General Manager	02.05.2013	B.Sc A.H (Hons)	11 Years	Aman Group Ltd.
					Kazi Farms Group
A.N.M. Ashiqur Rahman, ACMA	Chief Financial Officer	01.07.2012	MBA in Finance, Associate of Cost & Management Accountant (ACMA)	10 Years	Provati Group
					AbulKhair Group
Nandan ChabdraDey, FCMA	Company Secretary	01.02.2014	M.Com (Management), FCMA	16 Years	Building Technology & Ideas Limited (BTI)
					Ananda Group
					Aman Group
S.M. Masud Karim	AGM - Factory	15.12.2009	Masters (Fisheries & Marine Resources Technology)	10 Years	Mono Feed Mills Ltd.
					Sunny Feeds Ltd.
Md. Hodayun Kabir	AGM - Sales & Marketing (Eastern)	12.02.2012	Bachelor of Science in Animal Husbandry	10 Years	Kazi Farms Group
					CP Bangladesh
M. A. Malek	AGM - Marketing (Central)	20.08.2009	MBA (Marketing)	16 Years	Index Group
A.B.M NasimulHyder	AGM - Sales & Marketing (Southern)	12.02.2012	Bachelor of Science in Animal Husbandry	13 Years	Kazi Farms Ltd.
Probir Kumar Dhar	AGM - Sales and Marketing (Northern)	12.02.2012	M. Com (Accounting)	11 Years	Kazi Farms Group
					Meghna Group
Md. Abu Naser	Manager - Finance & Accounts	01.04.2012	M.Com (Accounting), CA Inter (Part-1)	8 Years	Partex Plastics Ltd.
					KDS Accessories Ltd.
Nimai Chandra	Chemist	05.06.08	Bachelor of Science (B.Sc.)	10 Years	Sunny Feed Ltd.

INVOLVEMENT OF DIRECTORS AND OFFICERS IN CERTAIN LEGAL PROCEEDINGS

No director or officer of Aman Feed Limited was involved in any of the following types of legal proceedings in the last 10 (Ten) years:

- Any bankruptcy petition filed by or against any company of which any officer or director of the issuer company filing the prospectus was a director, officer or partner at the time of the bankruptcy.
- Any conviction of director, officer in a criminal proceeding or any criminal proceeding pending against him.
- Any order, judgment or decree of any court of competent jurisdiction against any director, officer permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any director or officer in any type of business, securities or banking activities.
- Any order of the Bangladesh Securities and Exchange Commission, or other regulatory authority or foreign financial regulatory authority, suspending or otherwise limiting the involvement of any director or officer in any type of business, securities or banking activities.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Company does not have any transaction during the last two years or any proposed transaction between the Issuer and any of the following persons as under, except as mentioned in the following transactions. The details of related party transactions during the period along with the relationship are illustrated below in accordance of BAS 24:

(As per Auditors' Disclosure)

Name of the Party	Relationship with Company	Nature of Transaction	Transacted Amount in BDT June 30, 2014	Transacted Amount in BDT June 30, 2013
Md. Rafiqul Islam	Chairman & Shareholder	Board Meeting Fee	40,000	45,000
		Advance received for land sale	750,000	-
Md. Shofiqul Islam	Managing Director & Shareholder	Remuneration	2,400,000	2,400,000
		Board Meeting Fee	40,000	45,000
		Advance received for land sale	375,000	-
Md. Toufiqul Islam	Director & Shareholder	Board Meeting Fee	40,000	45,000
		Advance received for land sale	375,000	-
Md. Toriqul Islam	Director & Shareholder	Board Meeting Fee	40,000	40,000
Md. Azizul Haque	Nominated Director	Board Meeting Fee	40,000	45,000
Aman Cement Mills Limited	Common Director	Office Rent	120,000	120,000
Aman Group Limited	Common Director	Office Rent	1,200,000	1,200,000

Except from the above, The Company did not have any transaction during the last two years, or does not have any proposed transaction, between the issuer and any of the following persons:

- Any director or executive officer of the issuer.
- Any director or officer.
- Any person owning 5% or more of the outstanding shares of the issuer.
- Any member of the immediate family (including spouse, parents, brothers, sisters, children, and in-laws) of any of the above persons.
- Any transaction or arrangement entered into by the issuer or its subsidiary for a person who is currently a Director or in any way connected with a Director of either the issuer company or any of its subsidiaries/holding company or associate concerns, or who was a Director or connected in any way with a Director at any time during the last three years prior to the issuance of the prospectus.
- The company did not take or give any loan from or to any Director or any person connected with any Director nor did any Director or any person connected with any Director.
- Any Director holding any position, apart from being a Director in the issuer company, in any company, society, trust, organization, or proprietorship or partnership firm is already disclosed in involvement of directors with other organizations.
- There were no interests and facilities whether pecuniary or non-pecuniary enjoyed by the Directors except as specified in 'Executive Compensation' under the head of 'Information about Directors and Officers' of this Prospectus.

AMAN FEED LIMITED



The Directors of Aman Feed Limited do not enjoy any other facilities except remuneration received by Mr. Md. Shofiquil Islam, Managing Director that is as follows:

(As per Audited Accounts)

Name of the Director	Designation	Type of Benefit	Benefit paid from 30.06.2013 to 30.06.2014	Benefit paid from 30.06.2012 to 30.06.2013
Md. Rafiqul Islam	Chairman	Board Meeting Fee	40,000	45,000
Md. Shofiquil Islam	Managing Director	Remuneration	2,400,000	2,400,000
		Board Meeting Fee	40,000	45,000
Md. Toufiqul Islam	Director	Board Meeting Fee	40,000	45,000
Md. Toriqul Islam	Director	Board Meeting Fee	40,000	40,000
Md. Azizul Haque	Nominated Director	Board Meeting Fee	40,000	45,000
Total			2,600,000	2,620,000

EXECUTIVE COMPENSATION

a) Remuneration paid to Top Five Salaried Officers During Last Accounting Year of FY 2013-2014

Name	Designation	June 30, 2014 (Amount in BDT)	30, 2013 (Amount in BDT)
Md. Shofiquil Islam	Managing Director	2,400,000	2,400,000
NauroseZaheed Rahman	Executive Director (Former)	710,000	3,210,000
Nandan Chandra Dey, FCMA	Company Secretary	257,085	-
G.H.N Ershad	GM - Operation	291,900	-
ANM Ashiqur Rahman, ACMA	Chief Financial Officer	573,230	406,350
Touhidul Ashraf, FCS	Company Secretary (Former)	167,485	1,254,000
Zakir Hossain	GM - Research & Marketing (Former)	173,550	795,600
Total		45,73,250	80,65,950

b) Aggregate amount of Remuneration paid to Directors and Officers

(As per Audited Accounts)

Particulars	Nature of Payment	June 30, 2014 (Amount in BDT)	June 30, 2013 (Amount in BDT)
Directors	Board Meeting Fee	200,000	220,000
Directors	Remuneration (Managing Director)	2,400,000	2,400,000
Officers & Executives	Salary, Bonus & Other Allowances	28,868,795	28,713,148
Total		31,468,795	31,333,148

c) Remuneration paid to any Director who was not an Officer of the Company

The company does not pay any remuneration to any director who was not an officer of the company during the last accounting year.

d) Contract for payment of future compensation

The Company has no contract with any Director/Officer for providing the payment of future compensation.

e) Pay Increase Intention

There is no material commitment for increase in the pay structure of the employees. However, the company provides annual increment to the employees considering business growth, rate of inflation, performance of the individual's etc.

OPTIONS GRANTED TO DIRECTORS, OFFICERS AND EMPLOYEES

The Company has not offered any option for issue of shares to any of the officers, directors and employees or to any outsiders.

TRANSACTION WITH THE DIRECTORS AND SUBSCRIBERS TO THE MEMORANDUM

Benefits received or given by the Company or the Issuer Company

The Directors and subscribers to the memorandum of Association have not received any benefit except remuneration and meeting fees directly or indirectly during the last five years. The issuer has not received any assets, services or other consideration from its directors and subscribers to the memorandum except fund against allotment of shares.

Assets to be Acquired

Name of the Director	Assets to be Transferred (Area of Land in Decimal)	Method of Determination of Price	Value in Tk.	Advance Amount (Tk.)	Amounts to be paid (Tk.)
Md. Rafiqul Islam	142.00 ⁹	As per Mouza Value	23,000,000.00	3,000,000.00	20,000,000.00
Md. Shofiqul Islam					
Md. Toufiqul Islam					

⁹The Company has made the baina deed agreements, Deed No.: 2271/12 on 29.03.2012 and Deed No.: 3433/14 on 14.05.2014 to purchase a land measuring 142.00 Decimals in Ullapara, Sirajgonj (Mouza: RatanKawak, J.L No. 235) with an advance amount of BDT 3,000,000 where total value of land is BDT 23,000,000 as per audited financial statements of June 30, 2014.

Schedule of Assets to be Acquired

Deed No.	Date	Mouza	Dagh No.	Khatian No.		Area of land (Decimal)
			RS	SA	RS	
3433/14	14.05.2014	RatanKawak, J.L. No. 235	190	3	110	13.00
			217	10	149	31.00
			218	45	91	23.00
			213 214 215	88	89	20.00 8.00 47.00
				89	37	
				127	54	
				17	39	
				96	122	
				56	-	
			Total area of land			

TANGIBLE ASSETS PER SHARE

(As per Audited Accounts)

Particulars	As at June 30, 2014 (Amount in BDT)
ASSETS	
Non-Current Assets:	
Property, plant and Equipment	821,717,865
Total Non-Current Assets [A]	821,717,865
Current Assets:	
Inventories	951,697,925
Accounts Receivables	1,242,960,176
Advance, Deposits and Prepayments	137,222,065
Cash & Cash Equivalents	44,646,319
Total Current Assets [B]	2,376,526,485
Total Assets excluding Intangible Assets [C=A+B]	3,198,244,350
LIABILITIES	
Non-Current Liabilities:	
Long Term Loan	50,538,633
Deferred Tax Liability	25,868,028
Total Non-Current Liabilities [D]	76,406,661
Current Liabilities	
Short Term loan	1,198,281,812
Accounts Payable	24,325,664
Liabilities for Expenses & Provision	21,043,845
Provision for Current Tax	31,925,828
Total Current Liabilities [E]	1,275,577,148
Total Liabilities [F=D+E]	1,351,983,810
Net Tangible Assets [G=C-F]	1,846,260,540
No. of Ordinary Shares outstanding as on June 30, 2014 [H]	60,000,000
Net Tangible Asset Value per Share as at June 30, 2014 [I=G/H]	30.77

OWNERSHIP OF THE COMPANY'S SECURITIES

Shareholding Structure

The shareholding position of the Company as on June 30, 2014 is as under:

#	Name of the Shareholders	Address	Status	No. of Shares Subscribed	Subscribed Amount (Tk.)	% of Shareholding (at present)	% of Shareholding (after IPO)
1.	Md. Rafiqul Islam	Seroil, Ghoramara, Rajshahi	Chairman	8,700,000	87,000,000.00	14.50%	10.88%
2.	Md. Shofiqul Islam	Seroil, Ghoramara, Rajshahi	Managing Director	13,650,000	136,500,000.00	22.75%	17.06%
3.	Md. Toufiqul Islam	Seroil, Ghoramara, Rajshahi	Director	13,650,000	136,500,000.00	22.75%	17.06%
4.	Md. Toriqul Islam	Seroil, Ghoramara, Rajshahi	Director	18,600,000	186,000,000.00	31.00%	23.25%
5.	Aman Agro Industries Limited (Represented by Md. Azizul Haque)	12-13 Rani Bazar, Rajshahi	Nominated Director	1,800,000	18,000,000.00	3.00%	2.25%
6.	Aman Cold Storage Limited	12-13 Rani Bazar, Rajshahi	Sponsor	1,800,000	18,000,000.00	3.00%	2.25%
7.	Milan Cold Storage Limited	12-13 Rani Bazar, Rajshahi	Sponsor	1,800,000	18,000,000.00	3.00%	2.25%
Total				60,000,000.00	600,000,000.00	100.00%	75.00%

Shareholder shareholding of 5% or more of the Company's Securities

There is no shareholders shareholding of 5% or more except the following Directors of the Company -

(As per Audited Accounts)

#	Name of the Shareholders	Address	Status	No. of Shares Subscribed	Subscribed Amount (Tk.)	% of Shareholding (at present)	% of Shareholding (after IPO)
1.	Md. Rafiqul Islam	Seroil, Ghoramara, Rajshahi	Chairman	8,700,000	87,000,000.00	14.50%	10.88%
2.	Md. Shofiqul Islam	Seroil, Ghoramara, Rajshahi	Managing Director	13,650,000	136,500,000.00	22.75%	17.06%
3.	Md. Toufiqul Islam	Seroil, Ghoramara, Rajshahi	Director	13,650,000	136,500,000.00	22.75%	17.06%
4.	Md. Toriqul Islam	Seroil, Ghoramara, Rajshahi	Director	18,600,000	186,000,000.00	31.00%	23.25%
Total				54,600,000	546,000,000.00	91.00%	68.25%

Securities of the Company owned by the Officers

No officer/executive holds any share of the Company individually or as a group as at June 30, 2014.

Securities of the Company owned by the Directors

(As per Audited Accounts)

#	Name of the Shareholders	Status	No. of Shares	% of Shareholding (at present)	% of Shareholding (after IPO)
1.	Md. Rafiqul Islam	Chairman	8,700,000	14.50%	10.88%
2.	Md. Shofiqul Islam	Managing Director	13,650,000	22.75%	17.06%
3.	Md. Toufiqul Islam	Director	13,650,000	22.75%	17.06%
4.	Md. Toriqul Islam	Director	18,600,000	31.00%	23.25%
5.	Aman Agro Industries Limited (Represented by Md. Azizul Haque)	Nominated Director	1,800,000	3.00%	2.25%
Total			56,400,000	94.00%	70.50%

Securities of the Company owned by Top Ten Salaried Officers

There are no salaried officers except the Managing Director who is a Director of Aman Feed Limited owns securities of the Company.

FEATURES OF IPO

Section: IX

DETERMINATION OF OFFERING PRICE

Valuation under Different Methods as prescribed in Rule-8(B), sub-clause 16(1) (b) of Securities and Exchange Commission (Public Issue) Rules, 2006		Offer Price (BDT)
Method 1 :	Net Asset Value per share at current costs	30.77
Method 2 :	Earning-based-value per share	86.20

The detail calculation is illustrated below -

Method 1: Net Asset Value (NAV) per share

NAV per share is based on the information of the latest audited financial statements as on June 30, 2014. NAV per share at current costs is **BDT 30.77** that has been derived by dividing the net assets at the end of the period by the number of outstanding shares before IPO as shown in the table below:

Particulars	Amount in BDT
Share Capital	600,000,000
Retained Earnings	1,134,774,813
Revaluation Surplus ¹⁰	111,485,727
Total Shareholders' Equity [A]	1,846,260,540
No. of Ordinary Shares outstanding as on June 30, 2014 [B]	60,000,000
Net Asset Value (NAV) per share at current costs [A/B]	30.77

¹⁰ Aman Feed Limited made revaluation of land and land developments in year 2013 by independent valuer to arrive at a fair market value of assets under revaluation.

Method 2: Earning-based-value per share

Earning-based-value per share based on historical information sourced from audited financial statements and statistics from Dhaka Stock Exchange Limited (DSE). The value was calculated by considering weighted net profit after tax for last 5 (five) years as per audited financial statements and market earnings multiple. The weighted average Earnings per share (EPS) is **BDT 4.94** and the three months average DSE Market P/E is **17.45**. Therefore, Earning-based-value per share has been derived as **BDT 86.20**.

Accounting Year (July - June)	No. of Shares	Weight of No. of Shares	Net Profit After Tax (BDT)	Weighted Net Profit After Tax (BDT)
2009-2010	200,000	0.0011	240,630,651	266,775
2010-2011	200,000	0.0011	270,282,358	299,648
2011-2012	60,000,000	0.3326	298,395,541	99,244,637
2012-2013	60,000,000	0.3326	293,771,550	97,706,724
2013-2014	60,000,000	0.3326	298,180,480	99,173,109

Weighted Net Profit After Tax during the period 2009-2010 to 2013-2014 [C]	296,690,892
No. of shares outstanding as on June 30, 2014 [D]	60,000,000
Weighted Average Earnings per Share (EPS) [E = C/D]	4.94
Average DSE Market P/E¹¹ [F]	17.45
Earning-based-value per share (BDT) [E × F]	86.20

¹¹**Calculation of Relevant P/E Multiple:**

Month	Miscellaneous Sector P/E	Market P/E
December 2014	46.24	17.77
January 2015	42.11	17.19
February 2015	43.93	17.39
Average P/E Multiple	44.09	17.45
Relevant P/E Multiple: Lower value of last three months average P/E of Miscellaneous Sector and Market		17.45

Source: DSE Monthly Review, December 2014, January 2015 and February 2015

Offer Price:

Based on the above-mentioned valuation methodologies as per Securities and Exchange Commission (Public Issue) Rules, 2006, the management of the Company in consultation with the Issue Manager has set the issue price at **BDT 36.00** each including a premium of BDT 26.00 per share.

MARKET FOR THE SECURITIES BEING OFFERED

The issuer shall apply to



Dhaka Stock Exchange Limited (DSE) and
9/F, Motijheel C/A,
Dhaka - 1000



Chittagong Stock Exchange Limited (CSE)
CSE Building, 1080, Sheikh Mujib Road,
Chittagong - 4100

Within 7 (Seven) working days from the date of consent accorded by the Commission to issue Prospectus.

DECLARATION ABOUT LISTING OF SHARES WITH STOCK EXCHANGE(S)

None of the stock exchange(s), if for any reason, grants listing within seventy five (75) days from the closure of subscription, any allotment in terms of this prospectus shall be void and the company shall refund the subscription money within fifteen days from the date of refusal for listing by the stock exchanges, or from the date of expiry of the said seventy five (75) days, as the case may be.

In case of non-refund of the subscription money within the aforesaid fifteen (15) days, the company's directors, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (Two Percent) per month above the bank rate, to the subscribers concerned.

The Issue Manager, in addition to the Issuer Company, shall ensure due compliance of the above mentioned conditions and submit compliance report, thereon, to the Commission within seven (7) days of expiry of the aforesaid fifteen (15) days time period allowed for refund of the subscription money.

TRADING AND SETTLEMENT

Trading and settlement regulation of the stock exchanges shall apply in respect of trading and settlement of the shares of the Company.

The issue shall be placed in "N" Category with DSE and CSE.

DESCRIPTION OF SECURITIES OUTSTANDING OR BEING OFFERED

Dividend, Voting, Preemption Right

The share capital of the company is divided into Ordinary Shares, carrying equal rights to vote and receive dividend in terms of the relevant provisions of the Companies Act 1994 and the Articles of Association of the company. All Shareholders shall have the usual voting right in person or by proxy in connection with, among others, election of Directors & Auditors and other usual agenda of General Meeting – Ordinary or Extra Ordinary. On a show of hand, every shareholder present in person and every duly authorized representative of a shareholder present at a General Meeting shall have one vote and on a poll every shareholder present in person or by proxy shall have one vote for every share held by him or her.

In case of any additional issue of shares for raising further capital, the existing shareholders shall be entitled to Issue of Right shares in terms of the guidelines issued by the Bangladesh Securities and Exchange Commission from time to time.

Conversion and Liquidation Rights

In terms of the provisions of the Companies Act 1994, Articles of Association of the Company and other relevant rules in force, the shares of the Company are freely transferable. The Company shall not charge any fee for registering transfer of shares. No transfer shall be made to a firm, an infant or person of unsound mind.

Dividend Policy

- a) The profit of the company, subject to any special right relating thereto created or authorized to be created by the Memorandum of Association and subject to the provisions of the Articles of Association, shall be divisible among the members in proportion to the capital paid-up on the shares held by them respectively.
- b) No larger dividend shall be declared than is recommended by the Directors, but the Company in its General Meeting may declare a smaller dividend. The declaration of Directors as to the amount of Net Profit of the Company shall be conclusive.
- c) No dividend shall be payable except out of profits of the Company or any other undistributed profits. Dividend shall not carry interest as against the Company.
- d) The Directors may from time to time pay the members such interim dividend as in their judgment the financial position of the Company may justify.
- e) A transfer of shares shall not pass the right to any dividend declared thereon before the registration of transfer.
- f) There is no limitation on the payment of dividends to the common stockholders of the Company.

Other Rights of Stockholders

In terms of provisions of the Companies Act 1994, Articles of Association of the Company and other relevant rules in force, the shares of the Company are transferable. The Company shall not charge any fee, other than Government duties for registering transfer of shares. No transfer shall be made to a minor or person of unsound mind.

The Directors shall present the financial statements as required under the law & International Accounting Standard. Financial statements will be prepared in accordance with the International Accounting Standards consistently applied throughout the subsequent periods and present with the objects of providing maximum disclosure as per law and International Accounting Standard to the shareholders regarding the financial and operational position of the company. The shareholders shall have the right to receive all periodical statement and reports, audited as well as unaudited, published by the company from time to time.

The shareholder holding minimum of 10% shares of paid-up capital of the company shall have the right to requisition Extra-Ordinary General Meeting of the company as provided under Section 84 of the Companies Act, 1994.

DEBT SECURITIES

Aman Feed Limited has not issued or planning to issue any debt securities within 6 (six) months.

LOCK-IN PROVISION

All issued shares of the issuer at the time of according consent to public offering shall be subject to a lock-in period of 3 (Three) years from the date of issuance of prospectus or commercial operation, whichever comes later.

Provided that the persons, other than directors and those who hold 5% or more, who have subscribed to the shares of the Company within immediately preceding 2 (Two) years of according consent, shall be subject to a lock-in period of 1 (One) year from the date of issuance of prospectus or commercial operation, whichever comes later.

The following table indicates the lock-in status of the shareholders of Aman Feed Limited:

#	Name of the Shareholders	Status	No. of Shares Subscribed	% of Shareholding	Date of Acquisition	Lock-in Period from the Date of Issuance of Prospectus*
1.	Md. Rafiqul Islam	Chairman	87,00,000	14.50%	Subscriber to the Memorandum of Association & Articles of Association	3 years
2.	Md. Shofiqul Islam	Managing Director	1,36,50,000	22.75%	Do	3 years
3.	Md. Toufiqul Islam	Director	1,36,50,000	22.75%	Do	3 years
4.	Md. Toriqul Islam	Director	1,86,00,000	31.00%	March 01, 2008	3 years
5.	Aman Agro Industries Limited	Sponsor	18,00,000	3.00%	December 01, 2011	3 years
6.	Aman Cold Storage Limited	Sponsor	18,00,000	3.00%	December 01, 2011	3 years
7.	Milan Cold Storage Limited	Sponsor	18,00,000	3.00%	December 01, 2011	3 years

Note: *Lock-in Period starts from the date of publication of Abridged Version of Prospectus i.e. April 29, 2015.

SUBSCRIPTION BY AND REFUND TO NON-RESIDENT BANGLADESHI (NRB)

- Non-resident Bangladeshi (NRB) and Foreign applicants shall submit bank drafts (FDD), issued in favor of the Issuer for an amount equivalent to the application money, with their application to concerned Stockbroker/Merchant Banker. The draft (FDD) shall be issued by the Bank where the applicant maintains NITA/Foreign Currency account debiting the same account. No banker shall issue more than two drafts from any NITA/Foreign Currency account for any public issue. At the same time, the applicant shall make the service charge available in respective customer account maintained with the Stockbroker/Merchant Banker.
- The bank draft (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of abridged version of prospectus.
- Stockbrokers/Merchant Bankers shall send the bank drafts (FDD) submitted by successful NRB and Foreign applicants to the Stock Exchange and return the drafts submitted by unsuccessful applicants.
- Stockbrokers/Merchant Bankers shall send the drafts (FDD) submitted by unsuccessful NRB and Foreign applicants who are subject to penal provisions, to the respective Stock Exchange, along with a list.
- Stock Exchanges shall send the drafts submitted by successful NRB and Foreign applicants and also by unsuccessful NRB and Foreign applicants who are subject to penal provisions, to the Issuer.
- In case of drafts (FDD) submitted by successful NRB or Foreign applicant for any amount excess to the value of securities to be allotted or by unsuccessful NRB and Foreign applicants who are subject to penal provisions, refund of the balance amount shall be made by the Issuer to the applicant through bank drafts issued in the same currency **within 7 (seven) working days** of receiving the drafts from Stock Exchange.

AVAILABILITY OF SECURITIES

1. Securities:

	Particulars	Number of Shares	Amount in BDT
A.	20% of IPO of Ordinary Shares are reserved for affected small investors (ক্ষতিগ্রস্ত ক্ষুদ্র বিনিয়োগকারী)	4,000,000	144,000,000.00
B.	10% of IPO of Ordinary Shares shall be reserved for Non- Resident Bangladeshis (NRB)	2,000,000	72,000,000.00
C.	10% of IPO of Ordinary Shares shall be reserved for mutual funds and Collective Investment schemes registered with the Commission	2,000,000	72,000,000.00
D.	Remaining 60% of IPO of Ordinary Shares shall be opened for subscription by the General Public	12,000,000	432,000,000.00
Total (A+B+C+D)		20,000,000	720,000,000.00

- All securities as stated in clause 1(A), 1(B), 1(C), and 1(D) shall be offered for subscription and subsequent allotment by the issuer, subject to any restriction, which may be imposed, from time to time by the Bangladesh Securities and Exchange Commission.
- In case of over-subscription under any of the categories mentioned in the clause 1(A), 1(B), 1(C), and 1(D), the Issue Manager shall conduct an open lottery of all the applications received under each category separately in accordance with the letter of consent issued by the Bangladesh Securities and Exchange Commission.
- In case of under-subscription under any of the 20% and 10% category as mentioned in clause 1(A), 1(B) and 1(C), the unsubscribed portion shall be added to the general public category, and, if after such addition there is oversubscription in the general public category the issuer and the issue manager shall jointly conduct an open lottery of all the applicants added together.
- In case of under-subscription of the public offering, the unsubscribed portion of shares shall be taken up by the underwriter(s).
- The lottery as stated in clause (3) and (4) should be conducted in the presence of the representatives of Issuer, Stock Exchange(s) and the applicants, if there be any.

APPLICATION FOR SUBSCRIPTION

- Application/buy instruction for shares may be made for a minimum lot for **200** Ordinary shares to the value of **Taka 7,200/- (Seven Thousand Two Hundred Only)**. Prospectus may be obtained from the registered office of the Company, Issue Manager, Underwriters and Stock Exchanges. Application/buy instruction must not be for less than **200** shares. Any application/buy instruction not meeting this criterion will not be considered for allotment purpose.
- An applicant for public issue of securities shall submit application/buy instruction to the Stockbroker/ Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e. subscription closing date).
- The application/buy instruction may be submitted in prescribed paper or electronic form, which shall contain the Customer ID, Name, BO Account Number, Number of Securities applied for, Total Amount and Category of the Applicant.
- Application/buy instruction must be in full name of individuals or limited companies or trusts or societies and not in the name of firms, minors or persons of unsound mind. Application/buy instruction from insurance, financial and market intermediary companies and limited companies must be accompanied by Memorandum and Articles of Association.
- An applicant cannot submit more than two applications, one in his/her own name and the other jointly with another person. In case an applicant makes more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, 15% (fifteen) of the application money will be forfeited by the Commission and the balance amount will be refunded to the applicant.**

6. The applicants who have applied for more than two applications using same bank account, their application will not be considered for lottery and the Commission will forfeit 15% of their subscription money too.
7. **Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information in the application shall make the application liable to rejection and subject to forfeiture of 25% of the application money and/or forfeiture of share (unit) before or after issuance of the same by the issuer. The said forfeited application money or share (unit) will be deposited in account of the Bangladesh Securities and Exchange Commission (BSEC). This is in addition to any other penalties as may be provided for by the law.**
8. An IPO applicant shall ensure his/her BO account remains operational till the process of IPO (including securities allotment or refund of IPO application/buy instruction) is completed. If any BO account mentioned in the application/buy instruction is found closed, the allotted security may be forfeited by BSEC.
9. Bangladeshi Nationals (including non-resident Bangladeshi Nationals working abroad) and Foreign Nationals shall be entitled to apply for shares.
10. Non-resident Bangladeshi (NRB) and Foreign applicants shall submit bank drafts (FDD), issued in favor of the Issuer/Mutual Fund for an amount equivalent to the application money, with their application to concerned Stockbroker/Merchant Banker. The draft (FDD) shall be issued by the Bank where the applicant maintains NITA/Foreign Currency account debiting the same account. No banker shall issue more than two drafts from any NITA/Foreign Currency account for any public issue. At the same time, the applicant shall make the service charge available in respective customer account maintained with the Stockbroker/Merchant Banker.
11. The bank draft (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of abridged version of prospectus.
12. The IPO subscription money collected from successful applicants (other than NRB applicants) by the Stockbrokers/Merchant Bankers will be remitted to the Company's **SND A/CNo. 10431070068089** with **Prime Bank Limited, Motijheel Branch, Dhaka, Bangladesh** for this purpose.
13. The IPO subscription money collected from successful NRB applicants in US Dollar or UK Pound Sterling or EURO shall be deposited to three FC accounts opened by the Company for IPO purpose are as follows:

#	Name of the FC Accounts	Currency	Account No.	Bank	Branch
1.	Aman Feed Limited	US Dollar	10451160068088	Prime Bank Limited	Motijheel Branch
2.	Aman Feed Limited	GB Pound	10451110068091	Prime Bank Limited	Motijheel Branch
3.	Aman Feed Limited	EURO	10451120068090	Prime Bank Limited	Motijheel Branch

14. তালিকাভুক্ত ক্ষতিগ্রস্ত ক্ষুদ্র বিনিয়োগকারীগণসকলপাবলিকইস্যুতে একক অথবা যৌথ হিসাবের যে কোনটিঅথবাউভয়টিহতেসংরক্ষিত ২০% কোটায়আবেদনকরতেপারবেন। তবেতারাইচ্ছাকরলেক্ষতিগ্রস্তসংরক্ষিত ২০% কোটায়আবেদনাকরেনসাধারণবিনিয়োগকারীদের জন্য নির্ধারিত কোটায়ওআবেদনকরতেপারবেন।

APPLICATIONS NOT IN CONFORMITY WITH THE ABOVE REQUIREMENTS ARE LIABLE TO BE REJECTED.

PLAN OF DISTRIBUTION

Section: XI

UNDERWRITING OF SHARES

The Initial Public offering (IPO) is for 20,000,000 Ordinary Shares of TK.10/-each at an issue price of Tk. 36/- each including a premium of Tk. 26/- per share totaling to Tk. 720,000,000/- of Aman Feed Limited. As per guideline of Bangladesh Securities and Exchange Commission, 50% of the said amount i.e. 10,000,000 Ordinary Shares of Tk. 36/- each totaling to Tk. 360,000,000/- has been underwritten on a firm commitment basis by the following underwriters:

#	Name of Underwriters	No. of Shares Underwritten	Offer Price (Tk.)	Underwriting Amount (Tk.)	% of Total Underwriting
1.	LankaBangla Investments Limited	2,680,000	36	96,480,000	26.80%
2.	Prime Bank Investment Limited	2,670,000	36	96,120,000	26.70%
3.	UniCap Investments Limited	1,300,000	36	46,800,000	13.00%
4.	Swadesh Investment and Management Limited	670,000	36	24,120,000	6.70%
5.	Continental Insurance Limited	670,000	36	24,120,000	6.70%
6.	Green Delta Insurance Company Limited	670,000	36	24,120,000	6.70%
7.	Rupali Life Insurance Company Limited	670,000	36	24,120,000	6.70%
8.	Cosmopolitan Finance Limited	400,000	36	14,400,000	4.00%
9.	IDLC Investments Limited	270,000	36	9,720,000	2.70%
Total		10,000,000	36	360,000,000	100.00%

PRINCIPAL TERMS AND CONDITIONS OF UNDERWRITING AGREEMENT

1. If and to the extent that the shares offered to the public by a Prospectus authorized hereunder shall not have been subscribed and paid for in cash in full by the closing date, the Company shall within 10 (Ten) days of the closure of subscription call upon the underwriter in writing with a copy of said writing to the Bangladesh Securities and Exchange Commission, to subscribe for the shares not subscribed by the closing date and to pay for in cash in full for such unsubscribed shares in cash in full within 15(Fifteen) days of the date of said notice and the said amount shall have to be credited into shares subscription account within the said period.
2. If payment is made by Cheque/Bank Draft by the underwriter it will be deemed that the underwriter has not fulfilled his obligation towards his underwriting commitment under the Agreement, until such time as the Cheque/Bank Draft has been en-cashed and the Company's account credited.
3. In any case within 7 (seven) days after the expiry of the aforesaid 15 (fifteen) days, the Company shall send proof of subscription and payment by the underwriter to the Commission.
4. In the case of failure by the underwriter to pay for the shares under the terms mentioned above, the said Underwriter will not be eligible to underwrite any issue, until such time as he fulfils his underwriting commitment under the Agreement and also other penalties as may be determined by the Commission may be imposed on him.
5. In case of failure by any underwriter to pay for the shares within the stipulated time, the Company/Issuer will be under no obligation to pay any underwriting commission under the Agreement.
6. In case of failure by the Company to call upon the underwriter for the aforementioned purpose within the stipulated time, the Company and its Directors shall individually and collectively be held responsible for the consequence and/or penalties as determined by the Bangladesh Securities and Exchange Commission under the law may be imposed on them.

COMMISSION FOR THE UNDERWRITERS

The Company shall pay to the underwriters an underwriting commission at the rate of **0.50%** of 50% of the public offering amount of the issue value of shares underwritten by them out of the public issue.

RIGHT OF UNDERWRITERS ON COMPANY'S BOARD

Underwriters have not acquired any right to have their representatives in the Board of Directors of the Company.

OFFICER OR DIRECTOR OF THE UNDERWRITER(S) ACTING AS DIRECTOR OF THE COMPANY

At present, no Officer or Director of the Underwriter(s) is engaged as the Director of the Company.

ALLOTMENT

The company reserves the right of accepting any application, either in whole, or in part. Within 02 (two) working days of conducting lottery, the Issuer shall issue allotment letters in the names of successful applicants in electronic format with digital signatures and send those to respective Stock Exchange in electronic form. On the next working day, Stock Exchanges shall distribute the information and allotment letters to the Stockbroker/Merchant Bankers concerned in electronic format. The Stockbrokers/Merchant Bankers shall inform the successful applicants about allotment of securities.

MATERIAL CONTRACTS AND OTHERS**Section: XII****MATERIAL CONTRACTS**

The following are material contracts in the ordinary course of business, which have been entered into by the Company:

- a) Underwriting Agreements between the Company and the Underwriters;
- b) Issue Management Agreement between the Company and LankaBangla Investments Limited;
- c) Credit Rating Agreement between the Company and Credit Rating Agency of Bangladesh Limited (CRAB).

Copies of the aforementioned contracts and documents and a copy of Memorandum of Association and Articles of Association of the Company and the Consent Letter from the Bangladesh Securities and Exchange Commission may be inspected, on any working day during office hours at the Corporate Office of the Company and the Managers to the Issue.

MANAGER TO THE ISSUE

LankaBangla Investments Limited, Eunoos Trade Center, Level - 21, 52-53, Dilkusha C/A, Dhaka-1000 is acting as the Manager to the Issue.

The Issue Management Fee for the IPO shall be **BDT 2,000,000.00**.

CORPORATE DIRECTORY

Section: XIII

REGISTERED OFFICE	:	Aman Feed Limited 9, Rajuk Avenue Motijheel C/A, Dhaka - 1000
CORPORATE OFFICE	:	Aman Feed Limited 2 Ishakha Avenue, Sector - 6, Uttara, Dhaka - 1230
AUDITOR	:	Ahmed Zaker & Co. Chartered Accountants 45, Shaheed Syed Nazrul Islam Road, Bijoy Nagar, Saiham Tower (2 nd Floor), Dhaka - 1000
MANAGER TO THE ISSUE	:	Lanka Bangla Investments Limited Eunoos Trade Center (Level - 21), 52-53, Dilkusha C/A, Dhaka - 1000
CORPORATE ADVISOR	:	Aziz Halim Khair Chowdhury, Chartered Accountants House #79, Road #12A, Dhanmondi, Dhaka
LEGAL ADVISOR	:	Dr. Kamal Hossain & Associates Chamber Building 2nd Floor 122-124 Motijheel C/A Dhaka 1000 Bangladesh Hassan & Associates DCCI Building (6th Floor), 65-66, Motijheel Commercial Area , Dhaka-1000, Bangladesh
TAX CONSULTANT	:	A. Hossain & Company Chartered Accountants Paramount Height 65/2/1 Box Culvert Road Purana Paltan, Dhaka-1000
COMPANY SECRETARY	:	Nandan Chandra Dey, FCMA Company Secretary
LEAD BANKER FOR IPO	:	Prime Bank Limited

All investors are hereby informed by the Company that the Company Secretary would be designated as Compliance Officer who will monitor the compliance of the acts and rules, regulations, notification, guidelines, conditions, orders/directions etc. issue by the Commission and/or Stock Exchange(s) applicable to the conduct of the business activities of the Company so as to promote the interest of the investors in the security issued by the Company and for redressing investors' grievances.

AUDITORS' REPORT TO THE SHAREHOLDERS OF AMAN FEED LTD.

Section: XIV

We have audited the accompanying financial statements of Aman Feed Limited, which comprise the Statement of Financial position as at June 30, 2014 along with Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards, Companies Act 1994, Bangladesh Securities and Exchange Commission's Rules 1987 & other applicable rules & regulations. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing; those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Aman Feed Limited as of June 30, 2014 and of its financial performance for the year then ended in accordance with Bangladesh Financial Reporting Standards, Bangladesh Securities and Exchange Commission's rules 1987 and comply with the Companies Act, 1994 and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements

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 account as required by law have been kept by the company so far as it appeared from our examination of those books;
- c) the company's Statement of Financial position, Statement of comprehensive Income and Statement of Cash flows dealt with by the report are in agreement with the books of accounts;
- d) the expenditure incurred and payments made were for the purposes of the company's business for the year.

Place: Dhaka
Dated: August 31, 2014

AHMED ZAKER & CO.
Chartered Accountants

AMAN FEED LIMITED

Statement of Financial Position

As at 30 June 2014

Particulars	Notes	Amount in Taka	
		June 30,2014	June 30,2013
ASSETS:			
<u>Non Current Assets :</u>		821,717,865	834,359,883
Property, Plant and Equipment	3.00	821,717,865	668,147,254
Capital Work in Progress	4.00	-	166,212,629
<u>Current Assets :</u>		2,376,526,485	2,071,087,821
Inventories	5.00	951,697,925	926,683,574
Accounts Receivable	6.00	1,242,960,176	995,760,213
Advances, Deposits & Pre-Payments	7.00	137,222,065	53,581,023
Cash & Cash Equivalents	8.00	44,646,319	95,063,011
Total Assets		3,198,244,350	2,905,447,704
<u>SHAREHOLDER'S EQUITY & LIABILITIES</u>			
<u>Shareholders' Equity :</u>		1,846,260,540	1,548,080,060
Share Capital	9.00	600,000,000	600,000,000
Retained Earnings	10.00	1,134,774,813	836,594,333
Revaluation Surplus	11.00	111,485,727	111,485,727
<u>Non Current Liabilities:</u>		76,406,661	121,950,207
Long Term Loan	12.00	50,538,633	95,401,333
Lease Obligation	13.00	-	81,389
Deferred Tax Liability	24.02	25,868,028	26,467,485
<u>Current Liabilities :</u>		1,275,577,149	1,235,417,437
Short Term Loan	14.00	1,198,281,812	1,150,314,382
Accounts Payable	15.00	24,325,664	34,425,664
Liabilities for Expenses & provisions	16.00	21,043,845	18,848,791
Provision for Current Tax	24.01 A	31,925,828	31,828,601
Total Liabilities and Shareholders' Equity		3,198,244,350	2,905,447,704
NAV per share with revaluation	17.01	30.77	25.80
NAV per share without revaluation	17.02	28.91	23.94

The accompanying notes 1 to 28 form an integral part of these Financial Statements.

Sd/-
Nandan Chandra Dey
 Company Secretary

Sd/-
Md. Shofiqul Islam
 Managing Director

Sd/-
Md. Rafiqul Islam
 Chairman

Signed as per our annexed report on even date.

Place: Dhaka
 Date: August 31, 2014

Sd/-
Ahmed Zaker & Co.
 Chartered Accountants

AMAN FEED LIMITED

Statement of Comprehensive Income

For the year ended June 30, 2014

Particulars	Notes	Amount in Taka	
		01.07.13 to 30.06.2014	01.07.12 to 30.06.2013
Sales	18.00	2,641,647,263	2,536,309,939
Cost of Goods Sold	19.00	(2,076,843,629)	(1,949,547,245)
Gross Profit		564,803,634	586,762,694
Operating Expenses:		(84,040,337)	(85,643,881)
Administrative Expenses	20.00	(32,020,353)	(34,733,311)
Selling and Distribution Expenses	21.00	(52,019,984)	(50,910,570)
Operating Profit		480,763,297	501,118,812
Financial Expenses	22.00	(159,994,838)	(177,040,251)
Other Income	23.00	20,243	915,544
Profit Before Contribution to WPPF		320,788,703	324,994,105
Contribution to WPPF		(15,275,653)	(15,475,910)
Profit Before Tax		305,513,050	309,518,196
Tax Expenses :	24.00	(7,332,570)	(15,746,646)
Current Tax	24.01	(7,932,027)	(13,243,254)
Deferred Tax	24.02	599,456	(2,503,392)
Net Profit After Tax		298,180,480	293,771,550
Other comprehensive Income :			
Gain on asset revaluation	11.00	-	131,159,679
Tax relating to revaluation	11.00	-	(19,673,952)
		-	111,485,727
Total Comprehensive Income		298,180,480	405,257,277
Basic Earning per Share	25.01	4.97	4.90
Diluted Earning per Share	25.02	4.97	4.90

The accompanying notes 1 to 28 form an integral part of these Financial Statements.

Sd/-
Nandan Chandra Dey
 Company Secretary

Sd/-
Md. Shofiqul Islam
 Managing Director

Sd/-
Md. Rafiqul Islam
 Chairman

Signed as per our annexed report on even date.

Place: Dhaka
 Date: August 31, 2014

Sd/-
Ahmed Zaker & Co.
 Chartered Accountants

AMAN FEED LIMITED

Statement of Cash Flows

For the year ended June 30, 2014

Particulars	Amount In Taka	
	01.07.13 to 30.06.2014	01.07.12 to 30.06.2013
Cash Flows From Operating Activities :		
Collection from Customers	2,394,447,300	2,149,874,989
Collection from Other Income	20,243	915,544
Cash paid to Suppliers, Employees & Others	(2,277,560,636)	(2,080,427,537)
Cash Generated from Operation	116,906,907	70,362,996
Income Tax Paid	(5,016,603)	(6,640,869)
Net Cash flow from Operating Activities	111,890,304	63,722,127
Cash Flows From Investing Activities:		
Acquisition of Property, Plant & Equipment	(3,845,500)	(53,928,979)
Advances against Land Purchase	(1,500,000)	
Invest for Capital Work in Progress	-	(166,212,629)
(Invest)/sale of Govt. Bond	-	60,564,648
Net Cash Used in Investing Activities	(5,345,500)	(159,576,960)
Cash Flows From Financing Activities:		
Interest Paid	(159,984,838)	(177,040,251)
Increase/(Decrease) Long Term Borrowings	(44,862,700)	(27,765,879)
Increase/(Decrease) Finance Lease	(81,389)	(1,143,647)
Increase/(Decrease) Short Term Borrowings	47,967,430	377,092,481
Net Cash Provided/(Used)From Financing Activities	(156,961,497)	171,142,704
Net Increase/ (Decrease) in Cash and Cash Equivalents	(50,416,692)	75,287,871
Cash and Cash Equivalents at the opening of the year	95,063,011	19,775,140
Cash and Cash Equivalents at the Closing of the year	44,646,319	95,063,011

Sd/-
Nandan Chandra Dey
 Company Secretary

Sd/-
Md. Shofiqul Islam
 Managing Director

Sd/-
Md. Rafiqul Islam
 Chairman

Signed as per our annexed report on even date.

Place: Dhaka
 Date: August 31, 2014

Sd/-
Ahmed Zaker & Co.
 Chartered Accountants

AMAN FEED LIMITED

Statement of Changes in Equity

For the year ended June 30, 2014

Particulars	Share Capital	Retained Earnings	Revaluation surplus	Total
Balance as on July 01, 2013	600,000,000	836,594,333	111,485,727	1,548,080,060
Net Profit for the year	-	298,180,480	-	298,180,480
Balance as on June 30, 2014	600,000,000	1,134,774,812	111,485,727	1,846,260,540

Statement of Changes in Equity

For the year ended June 30, 2013

Particulars	Share Capital	Retained Earnings	Revaluation surplus	Total
Balance as on July 01, 2012	600,000,000	542,822,783	-	1,142,822,783
Net Profit for the year	-	293,771,550	-	293,771,550
Revaluation Surplus on Land	-	-	111,485,727	111,485,727
Balance as on June 30, 2013	600,000,000	836,594,333	111,485,727	1,548,080,060

Sd/-
Nandan Chandra Dey
 Company Secretary

Sd/-
Md. Shofiqul Islam
 Managing Director

Sd/-
Md. Rafiqul Islam
 Chairman

Signed as per our annexed report on even date.

Place: Dhaka
 Date: August 31, 2014

Sd/-
Ahmed Zaker & Co.
 Chartered Accountants

AMAN FEED LIMITED

Notes to the Financial Statements

For the year ended 30 June 2014

1.00 Significant information of the Enterprise

1.01 Legal form of the Enterprise :

The Company namely Aman Feed Ltd. was incorporated as a Private Limited Company with the issuance of certificate of incorporation bearing No-C-55783 (2466) /05 dated February 07, 2005 by the Registrar of Joint Stock Companies & Firms and the Company commenced its commercial production on July 12, 2006. Subsequently the shareholders in their Extra-Ordinary General Meeting held on 22.02.2012 approved conversion of status of the company from private limited to public limited company.

1.02 Registered and Corporate Office of the Company :

Registered office of the company is situated at 9 Rajuk Avenue, Rajuk, Motijheel, Dhaka-1000.
Corporate office of the company is situated at 2, Ishakha Avenue, Sector # 6, Uttara, Dhaka-1230.

1.03 Address of the Factory :

The factory of the Company located at Ratan Kawak, Ullahpara, Sirajgonj

1.04 Principal Activities and nature of the business :

The Principal activities and the nature of the business of the company is to manufacture high quality Pilatted Poultry Feed. Apart from that, the company can continue at any time its activities through production of Fish Feed and Cattle feed with the existing set-up of Machineries, Manpower and Technical know-how. With a view to rendering highest level of services and product quality in the contract of global scenario, the Company achieved ISO 9001 Certificate in the year 2008 and HACCP.

2.00 Significant Accounting Policies:

Basis of preparation of Financial Statements:

2.01 Statement of Compliance :

The financial statements of company under reporting have been prepared under historical cost convention on a going concern concept and on accrual basis in accordance with generally accepted accounting principles and practice in Bangladesh in compliance with the Companies Act 1994, Bangladesh Securities and Exchange Rules 1987, International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Accounting Standard (BAS) and other applicable laws and regulations.

2.02 Going Concern :

This financial statement has been prepared on the assumption that the entity is a going concern and will continue its business for the foreseeable future. Hence it is assumed that the entity has neither the intention nor the need to liquidate or curtail materially the scale of its operation

2.03 Date of Authorization :

The Board of Directors of Aman Feed Ltd. approved these Financial Statements on August 30, 2014.

2.04 Reporting Period :

The Financial Statements of the Company cover a year from 01.07.2013 to 30.06.2014.

2.05 Cash Flow Statement :

Cash Flow Statement is prepared in accordance with BAS 7 "Cash Flow Statement" and the cash flow from the operating activities are shown under the direct method as prescribed.

2.06 Recognition of Property Plant & Equipments and Depreciation :

In accordance with the International Accounting Standard adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) as BAS 16 "Property Plant and Equipments. Property Plant & Equipments have been accounted for at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation on all Property Plant & Equipments has been applied consistently year to year at the following rate:

Land & Land Development	-
Building & Civil Construction	2.5%
Plant & Machinery	15%
Vehicle	15%
Furniture & Fixture	10%
Office Equipment	15%
Computer & IT Equipment	20%

Method : Depreciation on assets has been charged on reducing balance methods. Depreciation on assets begins when it is available for use.

Allocation : Allocation of depreciation was made for Manufacturing unite 95% and for non-manufacturing unite 5% .

Revaluation of assets : The company has revaluated its Land on 15 may, 2013 and incorporated the revaluation surplus in the Financial Statement this year under reference note # 11.00

2.07 Impairment :

In accordance with the provisions of BAS 36, the carrying amount of non-financial assets other than inventories of the Company involved in the manufacturing of the products. If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in profit and loss account. No such indication of impairment has been observed till the end of the year.

2.08 Revenue Recognition:

Revenue is recognized only when it is probable that the economic benefit of such transaction has been derived as per " BAS-18".

Sales revenue is recognized when transactions related to sales are completed and the sales invoices are issued in favor of the buyers.

2.09 Inventories:

In compliance with the requirements of BAS 2 "Inventories , the Inventories have been valued at weighted average method, which is consistent in line with the previous year's practice

2.10 Financial Instruments:

Derivative:

According to BFRS 7: " Financial Instruments : Disclosures", the Company was not a Party to any derivative contract (financial instruments) at the financial statement date, such as forward exchange contracts, currency swap agreement or contract to hedge currency exposure related to import of capital machinery to be leased to lessees in future.

Non-Derivative:

Non-derivative financial instruments comprise of accounts and other receivable, borrowings and other payables and are shown at transaction cost as per BAS 39 "Financial Instruments: Recognition and Measurement".

a) Accounts Receivable:

These are carried forward at their original invoiced value amount and represents net realizable value. Management considered the entire bills receivable as good and is collectable and therefore, no amount was provided for as bad debt in the current year's account.

2.11 Currency of Reporting and Foreign currency transactions:

Currency of Reporting

The financial statement of the Company has been prepared in the Bangladesh Taka as currency.

Foreign Currency Transactions

Foreign Currency Transactions in foreign currencies are converted into equivalent Taka applying the ruling rate at the date of such transactions as per BAS-21 " The Effective of Changes in Foreign Exchange Rates".

2.12 Long Term Liabilities:

Long term liabilities comprises the amount borrowed from the bank and other concern for the long period of time and accounted for and shown in the accounts at transaction cost as per BAS 39 "Financial Instruments: Recognition and Measurement".

2.13 Contingent Liabilities:

Contingent Liabilities are those which arise due to the past event which shall be settled in the future on the occurrence or non occurrence of some uncertain event, cost of which can be measured reliably as per BAS-37 "Provision and Contingent Assets and Liabilities". In the year under review there is no such contingent liabilities as well as no commitment is made, that would be settled in the future.

2.14 Taxation:

Current Tax

Provision for Current income tax has been made at the applicable rate of 3% as per SRO No. 208-Ain-Income Tax/2013, dated 1st July 2013 on the accounting profit made by the Company after making some adjustment with the profit as per ITO 1984 in compliance with BAS-12 "Income Taxes".

Deferred Taxation

Deferred tax liabilities are the amount of income taxes payable in future years in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future years in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the reporting date. The impact on the account of changes in the deferred tax assets and liabilities for the year ended June 30, 2014 has been recognized in the statement of comprehensive income as per BAS-12 "Income Taxes".

2.15 Benefits to the employees:

The Company is operating Workers Profit Participation Fund (WPPF) according to Bangladesh Labour Law 2006 and accounted for paying benefits to the employees in accordance with the provisions of Bangladesh Accounting Standard-19, "Employee Benefit".

2.16 Borrowing cost:

The borrowing cost is capitalized unless active developments of related assets are interrupted or cease when the borrowing cost directly transferred to the profit and loss account as per BAS-23 "Borrowing Cost".

2.17 Earning Per Share:

The Company calculates Earning Per Share (EPS) in accordance with BAS-33 "Earning Per Share" which has been shown on the face of the Statement of Comprehensive Income and details are shown in Note-25

Basic Earnings Per Share

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or any extra other ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

Particulars	June 30, 2014
a) Net Profit after tax	298,167,322
b) Weighted Average Number of Shares	60,000,000
c) Earning Per Share (EPS)	4.97

Weighted average number of ordinary shares outstanding during the year:

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of shares issued during the year multiplied by a time weighted factor is the number of months the specific shares outstanding as a proportion of the total number of months in the year. Details calculation shown in Note # 25.03

Diluted earnings per share:

As there is no prospective Dilutive Securities according to BAS-33, Diluted EPS has been calculated as per SEC Public Issue Rules 2006 in Rule 8, Clause B, sub clause (20), requirement (e) with total existing number of share basis.

2.18 Events after the Reporting date:

As per BAS -10 "Event after the Balance Sheet Date" are those event favorable and unfavorable, that occur between the end

of the reporting year and the date when the financial statement are authorized for issue. Two types of event can be identified:

Those that provide evidence of conditions that existed at the end of the reporting year (adjusting events after reporting date); and

Those that are indicative of conditions that arose after the reporting year (Non-adjusting events after balance sheet date).

No events after the expiry of the Balance Sheet date and the reporting period has been occurred and found to be reportable.

2.19 Risk Perception :

There are some internal and external factors that may conceivably materially affect the company's operation of business. The Company Management perceives investment risk within the national and international economic perspectives in relation to legal, financial, economic, and moral requirements involving inter alia, foreign currency fluctuation, interest rate risk, scientific invention, monetary and fiscal investment policies and has prepared its production, financial and marketing strategies to meet the challenges from these risks.

2.20 Related Parties Transactions:

The party is related to the company if the party cast significant influence over the subject matters and also holding the controlling power of the management affairs of the company and any transaction made during the year with the party related therewith is termed as related party transaction as per BAS-24 " Related Party Disclosure". During the year under audit there is no such related party transactions made that has influenced the company's business. Related parties are fully disclosed in Note-26.

2.21 Application of Bangladesh Accounting Standards (BASs) :

The Financial statements have been prepared in compliance with requirement of BAS as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. The following BASs are applicable for the financial statements for the period under review :

- BAS-1 Presentation of Financial Statements
- BAS-2 Inventories
- BAS-7 Statement of Cash Flows
- BAS-8 Accounting Policies, Changes in Accounting Estimates and Errors
- BAS-10 Events after the Reporting Period
- BAS-12 Income Taxes
- BAS-16 Property, Plant & Equipment (PPE)
- BAS-17 Leases
- BAS-18 Revenue
- BAS-21 The effects of changes in Foreign Exchange Rate
- BAS-23 Borrowing Cost
- BAS-24 Related Party Disclosures
- BAS- 32 Financial Instruments Presentation
- BAS-33 Earnings Per Share (EPS)
- BAS-39 Financial Instruments : Recognition and Measurement
- BFRS- 7 Financial Instruments : Disclosures

2.22 Information on Financial Statements:

Responsibility for preparation and presentation of financial statements:

The Company's management and the Board of Directors are responsible for the preparation and presentation of Financial Statements as per section 183 of the companies Act 1994

Components of the Financial Statements:

Following are the component of the financial statements :

- a) Statement of Financial Position as at June 30,2014
- b) Statement of Comprehensive Income for the year ended June 30,2014
- c) Statement of Changes in Equity for the year ended June 30,2014
- d) Statement of Cash Flows for the year ended June 30,2014
- e) Explanatory notes to the financial statements.

Comparative:

Comparative information have been disclosed in respect of the previous year for all numerical information in the financial statements including narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per BAS-8 " Accounting Policies, Changes in Accounting Estimates and Errors".

3.00 Property, Plant and Equipment [WDV]

	Amount In Taka	
	June 30, 2014	June 30, 2013
Land & Land Development	174,245,500	170,400,000
Building & Civil Construction	496,397,927	320,034,701
Plant & Machinery	145,309,930	170,952,859
Vehicles	3,901,067	4,589,491
Furniture & Fixtures	860,108	955,676
Office Equipments	539,080	634,212
Computer & IT Equipments	464,252	580,315
	821,717,865	668,147,254

3.01 Movement of Property Plant & Equipment

Property Plant & Equipment at cost		
Opening Balance (Cost)	828,307,474	643,218,816
Add: Addition during the year (Note- 04,07 & Annexure- A)	192,936,878	53,928,979
Add: Revaluation made during the year	-	131,159,679
Closing Balance (Cost)	1,021,244,352	828,307,474
Less: Accumulated Depreciation	(199,526,487)	(160,160,220)
Written Down Value (WDV)	821,717,865	668,147,254
Please refer to Annexure-'A'		

4.00 Capital Work in Progress

After full completion of the assets booked in the WIP the entire amount has been transferred to PP&E during the year and as per accounting policy depreciation charged accordingly.

Opening balance	166,212,629	-
Less. Capitalize to building & civil construction during the year	(166,212,629)	166,212,629
	-	166,212,629

5.00 Inventories

Finished Goods [Note-5.01]	32,946,696	33,617,118
Raw Materials in hand [Note-5.02]	898,259,079	878,946,664
Packing Materials-in hand [Note-5.03]	7,446,013	7,294,886
Goods in Transit [Note - 5.04]	8,033,651	844,053
Spare Parts	5,012,486	5,980,854
	951,697,925	926,683,574

Details of quantity movement of inventories are shown in Annexure - B

5.01 Finished Goods

Value of Inventories		
Broiler Feed	13,441,029	18,258,318
Layer Feed	8,831,133	9,430,800
Fish Feed	9,179,387	5,047,680
Cattle Feed	1,495,147	880,320
	32,946,695	33,617,118
Quantity of Inventories [MT]		
Broiler Feed	480	702
Layer Feed	318	348
Fish Feed	340	192
Cattle Feed	71	42
	1,209	1,284

5.02 Raw Materials

Value of Inventories [Taka]

	Amount In Taka	
	June 30, 2014	June 30, 2013
Maize	247,358,391	191,083,353
Wheat & Wheat Flour	21,625,551	20,306,376
Rice Polish & Bran	41,060,542	29,470,451
Meat & Bone Meal	43,829,724	45,143,388
Fishmeal & Dry Fish	38,045,471	36,240,813
Oilcake & Soyabean Meal	489,504,552	540,567,949
Medicine & Chemicals	16,834,848	16,134,333
	898,259,079	878,946,664

In view of the possible price hike in the international market, the Soyabean extraction is imported and kept a large amount of stock to meet the extension of production capacity.

Quantity of Inventories [MT]

Maize	16,903	15,424
Wheat & Wheat Flour	1,285	1,243
Rice Polish & Bran	3,040	2,243
Meat & Bone Meal	1,675	1,461
Fishmeal & Dry Fish	1,393	1,147
Oilcake & Soyabean Meal	18,679	20,462
Medicine & Chemicals	-	-
	42,976	41,980

5.03 Packing Materials

Value of Inventories [Taka]

WPP Bag	7,446,013	7,294,886
---------	------------------	------------------

Quantity of Inventories [PCS]

WPP Bag	409,514	403,124
---------	----------------	----------------

5.04 Goods in Transit

AB Bank Ltd. L/C- 11692 (Soyabean Ext.)	-	371,685
AB Bank Ltd. L/C- 1201 (Soyabean Ext.)	-	378,601
AB Bank Ltd. L/C- 7012 (Spare Parts)	-	21,099
AB Bank Ltd. L/C- 7013 (Spare Parts)	-	46,518
AB Bank Ltd. L/C- 7703 (Spare Parts)	-	26,150
AB Bank Ltd. L/C- 11250 (Spare Parts)	26,041	-
AB Bank Ltd. L/C- 11253 (Spare Parts)	29,332	-
AB Bank Ltd. L/C- 13599 (Rape seed Ext.)	224,193	-
AB Bank Ltd. L/C- 23836 (Rape seed Ext.)	2,385,394	-
AB Bank Ltd. L/C- 6336 (Soyabean Ext.)	4,643,743	-
AB Bank Ltd. L/C- 20012 (Soyabean Ext.)	724,948	-
	8,033,651	844,053

The above Inventories are as per physical Inventory undertaken and valued by the Inventory Team consists of management staff and auditors. Inventories in hand have been valued at lower of cost and net realizable value. Inventories are hypothecated against the fund received as working capital facilities from the relevant Banks.

6.00 Accounts Receivable

Opening Balance	995,760,213	609,325,263
Add: Sales during the year	2,641,647,263	2,536,309,939
Available for Received	3,637,407,476	3,145,635,202
Less: Realized during the year	(2,394,447,300)	(2,149,874,989)
	1,242,960,176	995,760,213

6.01 Disclosure as per Schedule-XI, Part -I, of The Companies Act, 1994

Maturity less than 6 months
Maturity more than 6 months
Total

Amount In Taka	
June 30, 2014	June 30, 2013
1,242,960,176	995,760,213
Nil	Nil
1,242,960,176	995,760,213
1,242,960,176	995,760,213
-	-
-	-
-	-
-	-
-	-
-	-

7.00 Advances, Deposits & Pre-Payments

Security Deposit- Paschimanchal Gas Co. Ltd.
Security Deposit- Sirajgonj Palli Bidyut Samity.

72,138	70,038
2,112,800	1,442,392
2,184,938	1,512,430

Advance against Land Purchase (Note-7.01)
Advance for Store Purchase (Note-7.02)
Advance for civil work (Note-3.01)
Advance against depo Office
M/S Shahab Trading (Against Barishal Sales Office)
Advance Against Marketing Exp.
Advance Salary
L/C Margin
Advance Income Tax (AIT) (Note-7.03)

3,000,000	1,500,000
99,839,708	-
-	22,878,749
1,031,500	200,000
30,000	30,000
997,209	184,829
1,208,592	721,000
28,907,000	23,712,700
23,118	2,841,315
135,037,127	52,068,593
137,222,065	53,581,023

7.01 Advance against Land Purchase :

Details information of advance against Land is given below :

Deed No. : 2271/12 (29.03.2012), 3433/2014 (14.05.14) **Total area of land :** 142 decimal

Total value of land : Tk. 230,00,000, **Advance amount :** Tk. 3,000,000

Mouza : Ratan Kawak, **Plot No. :** 213,214,215,217,218 & 190

Plot No. : 213,214,215,217,218 & 190 **Khatian No.:** 89,37, 54,39,122, 91,149 & 110

Registration Status : Registration pending due to mutation work which is under process and registrtrion will be done after completion of the mutation work.

7.02 Advance against Store Purchase :

Advance against store purchase represents amount paid to various parties for purchase of RM, Spare parts, constuction materials & other consumable materials

7.03 Advance Income Tax (AIT)

Opening Balance
Add: Addition during the year

2,841,315	2,834,800
16,603	6,515
2,857,918	2,841,315
(2,834,800)	-
23,118	2,841,315

Less: Adjustment during the year (Note-24.01.A)

7.04 Disclosure as per Schedule-XI, Part -I, of The Companies Act, 1994

Advance exceeding 6 months
Advance not exceeding 6 months

6,216,438	3,012,430
131,005,627	50,568,593
137,222,065	53,581,023

Advance, deposits & prepayments considered good & secured
Advance, deposit & prepayments considered Good without security
Advance, deposit & prepayments considered doubtful & bad
Advance, deposit & prepayments due by directors or other officers & staffs
Advance, deposit & prepayments due from companies under same management
Maximum advance due by directors or offocers & staffs at any time

137,222,065	53,581,023
-	-
-	-
4,208,592	2,221,000
-	-
-	-

8.00 Cash and Cash Equivalents

Cash in Hand

Cash at Banks: (Note- 9.01)

Amount In Taka	
June 30, 2014	June 30, 2013
1,854,394	2,492,054
42,791,925	92,570,957
44,646,319	95,063,011

8.01 Details Break-up of Cash at Banks are as follows:

i. AB Bank Ltd. Islami Banking Branch Kakrail AWCA-0623	12,097	32,780
ii. Agrani Bank Ltd. Forex Branch, Dhaka CD - 0040262	1,047,343	2,358,697
iii. Agrani Bank Ltd. Uttara Branch, Dhaka CD - 6882	4,378,457	-
iv. Al- Arafah Islami Bank Ltd. A/C No. 6777, Dilkusha Br.	373,314	334,285
v. Al- Arafah Islami Bank Ltd. Uttara Branch, A/C No. 62639	637,476	-
vi. Dutch Bangla Bank Ltd. Local Office, Dhaka CD - 101 110 30394	3,705,384	235,382
vii. Exim Bank Ltd. Rajuk Avenue Branch A/C No. AWCA -4708	875,892	884,490
viii. Jamuna Bank Ltd., Forex Branch, Dhaka CD-0018-0210008598	2,405,542	276,190
ix. Shahjalal Islami Bank Ltd. Dhaka Main Branch A/C No. AWCD -8936	2,978,310	1,472,214
x. Social Islami Bank Ltd., Principal Branch, Dhaka AWCD-21330057421	721,026	769,206
xi. Standard Bank Ltd. Progati Sarani Br., Dhaka CD-03833000069	452,163	313,765
xii. Standard Bank Ltd. Principal Br., Dhaka A/C No. 11853	45	3,775
xiii. Prime Bank Ltd., Dilkusha Br., AWCD-10811050000737	721,931	1,801,871
xiv. Prime Bank Ltd., Uttara Branch, AWCD-16440	440,776	5,370
xv. Sonali Bank Ltd., Forex Corporate Br., Dhaka CD-160833033647	5,413	56,731,231
xvi. Sonali Bank Ltd., Uttara Branch, CD-17764	3,729,216	-
xvii. Sonali Bank Ltd. Ullah para Branch A/C No.2962	34,405	36,555
xviii. Bangladesh Krishi Bank , Local Principal, Motijheel CD-35907	-	786,985
xix. Bangladesh Krishi Bank , Uttara Branch, CD-503	1,022,845	-
xx. BD. Commerce Bank, Principal Br. Dhaka CD -2654	205,058	206,558
xxi. Pubali Bank Ltd.,Dhaka Stadium Branch CD-0939901041533	3,407,907	6,347,610
xxii. Mercantile Bank Ltd.Main Br., Dilkusha, Dhaka CD-80543	352,915	128,557
xxiii. Mercantile Bank Ltd. Uttara Branch, CD-14261	645,737	-
xxiv. National Bank Ltd. Dilkusha Br.,Dhaka CD-0002-33147897	662,422	1,456,396
xxv. National Bank Ltd. Uttara Branch, CD-21648	2,086,964	-
xxvi. Islami Bank BD. Ltd. Uttara Branch AWCA-322205	5,980,913	12,264,293
xxvii. Trust Bank Ltd., Uttara Branch,Dhaka CD-0023-0210008000	703,100	258,915
xxviii. Trust Bank Ltd., Dilkusha Branch,Dhaka CD-2000811	11,473	-
xxix. Uttara Bank Ltd., Local Office, Dhaka CD- 21-16568	108,250	2,175,411
xxx. Uttara Bank Ltd., Uttara Branch, CD- 1859	3,025,300	-
xxxii. Janata Bank Ltd., Uttara, Dhaka CD-24227	1,099,997	1,388,361
xxxiii. Islami Bank BD. Ltd. Rajshahi Branch AWCA-257713	229	786
xxxiv. Islami Bank BD. Ltd. Ullahpara Branch A/C No. 1020	6,211	4,017
xxxv. BRAC Bank Ltd., Uttara, Dhaka CD -39001	945,410	2,099,646
xxxvi. Standard Chartered Bank, Gulshan Branch, CD-01111116801	8,405	189,905
xxxvii. The HSBC Ltd., Dhaka Main Office CD-288011	-	7,706
	42,791,925	92,570,957

9.00 Share Capital

This represents the followings:

Authorised Capital :

150,000,000.Ordinary Shares of Taka. 10/= each

1,500,000,000	1,500,000,000
---------------	---------------

Issued Subscribed and Paid up capital:

60,000,000.Ordinary Shares of Taka. 10/= each

600,000,000	600,000,000
--------------------	--------------------

9.01 Share Holdings Position:

Particulars of shareholders and their share holding position is as under:

Name of the Shareholders	Number of Shares		%		
	30 June, 2014	30 June, 2013			
Md. Rafiqul Islam	8,700,000	8,700,000	14.50%	87,000,000	87,000,000
Md. Shofiqul Islam	13,650,000	13,650,000	22.75%	136,500,000	136,500,000
Md. Toufiqul Islam	13,650,000	13,650,000	22.75%	136,500,000	136,500,000
Md. Toriqul Islam	18,600,000	18,600,000	31.00%	186,000,000	186,000,000
Aman Agro Industries Ltd.	1,800,000	1,800,000	3.00%	18,000,000	18,000,000
Aman Cold Storage Ltd.	1,800,000	1,800,000	3.00%	18,000,000	18,000,000
Milan Cold Storage Ltd.	1,800,000	1,800,000	3.00%	18,000,000	18,000,000
Total	60,000,000	60,000,000	100.00%	600,000,000	600,000,000

9.02 Classification of Shares by holding :

Slabs by number of shares	Number of Shareholders
Less than 500	-
From 501 to 5,000	-
From 5001 to 10000	-
From 10,001 to 20,000	-
From 20001 to 30000	-
From 30,001 to 40,000	-
From 40001 to 50000	-
From 50,001 to 100,000	-
From 100,001 to 1,000,000	-
Above 1,000,000	7
Total	7

Amount In Taka	
June 30, 2014	June 30, 2013
No. of Shares	Holdings %
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
60,000,000	100%
60,000,000	100%

10.00 Retained Earnings

Opening Balance	836,594,333	542,822,783
Add : Profit for the year	298,180,480	293,771,550
Closing Balance	1,134,774,813	836,594,333

11.00 Revaluation Surplus

Fair Value of Land and Land Development		170,400,000
Less: Book Value of Land and Land		39,240,321
Revaluation Surplus	-	131,159,679
Less : Tax on revaluation Surplus @ 15% (Note # 24.02)		(19,673,952)
Net Balance of Revaluation surplus	111,485,727	111,485,727

Name of the Valuer : **S.H. KHAN & CO.** Address: Raz Bhaban (1st floor), 29 Dilkusha C/A, Dhaka-1000

Qualification-Chartered Accountants Firm, Enlisting: Panel 'A' auditors of Bangladesh Bank's List.

Date of Revaluation: 15 May, 2013

12.00 Long Term Loan

This represents loan from AB Bank Ltd. Islami Bank Br.,Kakrail Branch, Dhaka for the implementation of the Project.

Opening Balance	126,674,897	163,660,875
Add: Received during the year	-	10,500,000
Add: Profit /Interest for the year	16,826,209	20,914,759
Less: Paid during the year	143,501,106	195,075,634
Principal	(39,863,791)	(47,485,978)
Interest	(16,826,209)	(20,914,759)
Closing Balance	86,811,106	126,674,897
Less: Current Maturity	(36,272,473)	(31,273,564)
Balance after current maturity	50,538,633	95,401,333

Bank : AB Bank Ltd.

Sanction Limit : Tk. 159,870,000

Sanction Date: 09.03.2011

Tenure : 20.05.2012 to 20.08.2016

Rate of Interest / Profit : @ 14% -15%

Security : Land , Building & Machineries

13.00 Lease Obligation

Opening Balance	1,225,035	2,376,216
Add: Interest for the year	94,442	265,347
	1,319,477	2,641,563
Less: Payments made during the year	(1,238,088)	(1,416,528)
Closing Balance	81,389	1,225,035
Less : Current Maturity	(81,389)	(1,143,646)
Balance net off current maturity	-	81,389

Lease Company : United Leasing Company Ltd.

Sanction Date : 25.01.2010 & 20.07.2010

Maturity Date : 25.01.2014 & 20.07.2014

Monthly Instalment Amount : Tk. 118,044

Lease Assets : 2 Cars (Toyota Corolla X -2004 , Toyota Premio F -2009)

Type of Lease : Finance Lease

Agreement No. 53011000015-01 & 53011000236-01

14.00 Short Term Loan

Amount in Taka	
June 30, 2014	June 30, 2013

This represents amount sanctioned and disbursed by the following banks as loan against working capital requirements of the company which are fully secured by hypothecation of stock:

TR for BIM -ABBL , Kakrail, Dhaka	729,687,133	1,017,697,027
LTR/TR/BIAM- AIBL Bank	50,000,000	88,096,200
Bai - Muajjal - Trust Bank Ltd.Dilkusha, Dhaka	370,000,000	-
Standard Bank Ltd. CC (Hypo)- 519	12,240,817	12,103,945
Balance as on 30 June	1,161,927,950	1,117,897,172
Add : Current maturity of long term borrowing	36,272,473	31,273,564
Add : Current maturity of lease finance	81,389	1,143,646
Balance including current maturity	1,198,281,812	1,150,314,382

Sanctioned Limit :

AB Bank Limited (Sanction Date : 07.08.2013)	1,100,000,000	1,100,000,000
Trust Bank Ltd. (Sanction Date: 27.03.2014)	370,000,000	-
Al arafa Islami Bank Ltd.(Sanction date :27.11.2012)	50,000,000	95,000,000
Standard Bank Ltd.(Sanction Date : 03.08.2011)	20,000,000	20,000,000

Rate of Interest/ Profit :

15%-17 %	15%-16.5%
----------	-----------

Tenure : Below 1 Year (L/C Period)

Security : Inventory Hypothecation

15.00 Accounts Payable

Opening balance	34,425,664	30,933,488
Add: Purchased During the year	1,994,565,042	1,898,456,380
	2,028,990,706	1,929,389,868
Less: Paid During the year	2,004,665,042	1,894,964,204
	24,325,664	34,425,664

There is no related party transaction.

16.00 Liabilities for Expenses

This represent amount provided for the following which has not been paid during the year as per accrual concept of accounting & these will be considered in the subsequent years.

Salary & Allowances	2,789,515	2,980,430
TA/DA Payable (Sales Staff)	46,850	46,715
Audit Fee & VAT	69,000	57,500
Gas Bill	320,026	-
Payable WPPF (Note - 16.01)	16,823,244	15,475,910
VAT Payable	148,800	-
TDS Payable	846,410	288,236
	21,043,845	18,848,791

16.01 Payable to WPPF

Opening Balance	15,475,910	1,474,092
Add. Current year provision	15,275,653	15,475,910
Less. Paid during the year	(13,928,319)	(1,474,092)
Closing WPPF	16,823,244	15,475,910

17.00 Net Asset Value Per Share

17.01 NAV per Share with revaluation :

Shareholders' Equity including revaluation surplus	1,846,260,540	1,548,080,060
Number of ordinary Shares Outstanding [Note-25.03]	60,000,000	60,000,000
Net Asset Value - NAV	30.77	25.80

17.02 NAV per Share without revaluation :

Shareholders' Equity except revaluation surplus	1,734,774,813	1,436,594,333
Number of ordinary Shares Outstanding [Note-25.03]	60,000,000	60,000,000
Net Asset Value - NAV	28.91	23.94
Par value of share (taka)	10	10

18.00 Sales

Sales Value in Taka

Broiler Feed

Layer Feed

Fish Feed

Cattle Feed

Sales Quantity in MT

Broiler Feed

Layer Feed

Fish Feed

Cattle Feed

Percentage of Sales

Broiler Feed

Layer Feed

Fish Feed

Cattle Feed

Amount In Taka	
June 30, 2014	June 30, 2013
1,349,719,550	1,327,170,150
1,053,303,005	961,485,560
155,159,210	211,823,850
83,465,498	35,830,379
2,641,647,263	2,536,309,939
43,371	42,743
34,625	31,832
5,129	7,035
3,327	1,469
86,453	83,079
51.09%	52.33%
39.87%	37.91%
5.87%	8.35%
3.16%	1.41%
100.00%	100.00%

19.00 Cost of Goods Sold

Raw materials consumption (Note-19.01)

Packing materials consumption (Note-19.02)

Factory Overhead (Note-19.03)

Cost of Production

Opening Finished Goods

Cost of Goods Available for Sale

Closing Finished Goods [Note-5.01]

Cost of Goods Sold

1,938,790,656	1,819,245,299
36,310,844	34,866,212
101,071,707	103,952,002
2,076,173,207	1,958,063,513
33,617,118	25,100,850
2,109,790,325	1,983,164,363
(32,946,696)	(33,617,118)
2,076,843,629	1,949,547,245

19.01 Raw Materials Consumed :

Opening Raw Materials

Purchased during the year [Note-19.01.A]

Available for Use

Closing Raw Materials [Note-5.02]

878,946,664	837,967,616
1,958,103,071	1,860,224,347
2,837,049,735	2,698,191,963
(898,259,079)	(878,946,664)
1,938,790,656	1,819,245,299

19.01.A Raw Materials Purchased during the year

Value in Taka :

Maize

Wheat & Wheat Flour

Rice Polish & Bran

Meat & Bone Meal

Fishmeal & Dry Fish

Oilcake & Soyabean Meal

Medicine & Chemicals

Quantity in MT:

Maize

Wheat & Wheat Flour

Rice Polish & Bran

Meat & Bone Meal

Fishmeal & Dry Fish

Oilcake & Soyabean Meal

789,361,687	669,922,680
98,036,715	90,113,975
166,589,820	146,518,450
206,164,474	251,564,832
98,727,742	129,753,990
539,203,777	506,621,476
60,018,856	65,728,944
1,958,103,071	1,860,224,347
51,575	55,734
5,789	5,585
12,272	11,206
8,143	7,856
3,796	4,005
20,741	18,082
102,317	102,468

19.02 Packing Materials Consumed

Amount in Taka		
	Jul'13 to Jun'14	Jul'12 to Jun'13
Opening Packing Materials	7,294,886	3,929,065
Purchased during the year [Note- 19.02.A]	36,461,971	38,232,033
Available for Use	43,756,857	42,161,098
Closing Packing Materials [Note-5.03]	(7,446,013)	(7,294,886)
	36,310,844	34,866,212

19.02.A Packing Materials Purchased During the period

Value in Taka :		
WPP Bag	36,461,971	38,232,033
	36,461,971	38,232,033
Quantity in PCS.		
WPP Bag	2,003,405	2,112,267
	2,003,405	2,112,267

19.03 Factory Overhead

Wages & Allowances	Note-27.02	13,411,761	12,888,340
Factory Salary & Allowances		3,824,451	3,642,334
Overtime		1,087,727	1,045,276
Daily Labour		6,789,124	9,407,084
Spare Parts		3,859,933	3,709,291
Oil & Lubricants		8,535,515	8,202,400
Carriage Inward		1,180,643	1,399,351
Loading & Unloading Charges		8,126,002	9,631,304
Factory Repair & Maintenance		4,267,243	4,100,705
Laboratory Expenses		590,755	567,700
Gas Bill		4,541,766	4,328,286
Electricity Bill		7,458,834	7,460,030
Depreciation on Manufacturing Assets		37,397,953	37,569,901
		101,071,707	103,952,002

20.00 Administrative Expenses

Salaries & Allowances	Note-27.02	11,813,760	11,664,071
Director's Remuneration	Note-27.02	2,400,000	2,400,000
Board Meeting Attendance Fee	Note-27.02	200,000	220,000
Stationeries		491,214	529,577
Postage, Telephone & Internet		342,115	387,713
Entertainment		608,929	588,301
Crockeries & Utensil		7,659	6,164
Office Rent	Note-26.00	1,320,000	1,320,000
General Repair & Maintenance		1,189,680	1,687,689
Fuel & Lubricants		1,564,768	2,449,632
Vehicle Maintenance		1,841,584	2,929,468
Environmental Clearance Expenses		-	32,400
Insurance Premium		3,693,080	641,070
Staff Fooding Expenses		856,510	888,650
Medical Expenses		34,578	963,970
Licenses & Others		50,540	151,000
Issue management Expenses		-	513,508
Audit Fees & VAT		69,000	57,500
Rent, Rates & Taxes		27,817	81,532
Travelling & Conveyance		2,309,410	4,362,720
Newspaper & Periodicals		5,114	2,686
VAT on Office rent		118,800	-
Bank Charges		1,099,114	825,789
Cleaning & Gardening Expenses		8,369	52,508
Depreciation on Non Manufacturing Assets		1,968,313	1,977,363
		32,020,353	34,733,311

21.00 Selling and Distribution Expenses

		Amount in Taka	
		Jul'13 to Jun'14	Jul'12 to Jun'13
Salaries & Allowances	Note-27.02	10,725,874	11,000,896
Target Incentive Bonus	Note-27.02	2,504,711	2,405,847
Godown expenses		1,923,471	1,886,431
Advertisement		96,400	242,000
Travelling & Conveyance		2,208,029	3,334,253
Marketing Expenses		2,754,308	2,953,492
Seminar Expenses		1,725,083	3,496,390
Free Sample		7,439,215	-
Dealer Sale Target Award Expenses		1,266,535	2,177,072
Carriage Outward		11,750,207	14,167,996
Loading & Unloading Charges		9,626,151	9,246,193
		52,019,984	50,910,570

22.00 Financial Expenses

Profit / Rent(Interest) on HPSM A/C -ABBL, Kakrail,Dhaka		16,826,209	20,914,759
Profit(Interest) on Bai Muajjal & TR A/C -ABBL, Kakrail, Dhaka		126,863,797	103,815,105
Profit (Interest)on LTR A/C -BD. Commerce Bank, Dhaka		-	945,287
Profit(Interest) on TR & MPI A/C - Social Islami Bank Ltd., Dhaka		-	13,774,586
Profit(Interest) on Bai Muajjal -AIBL, Dilkusha, Dhaka		15,026,001	8,237,089
Profit(Interest) on TR on Shahajalal Islami Bank		-	15,887,952
Profit(Interest) on TR on Standard Chartered Bank		-	11,701,985
Interest on CC(Hypo) Loan - Standard Bank Ltd., Dhaka.		1,184,389	1,498,141
Interest on Lease Obligation - ULC Ltd., Dhaka.		94,442	265,347
		159,994,838	177,040,251

23.00 Other Income

Interest Income on Bank Deposits.		20,243	43,433
Interest on Govt. bond -			
Sale of bond (Net)		-	53,220,648
Add- Interest received		-	7,344,000
Less - Purchase of bond		-	(57,600,000)
Less : Up front Int. & Tax		-	(2,092,537)
Income on Govt. bond		-	872,111
Total Other Income (on bank deposit+ on Govt. bond)		20,243	915,544

24.00 Liabilities for Taxation

24.01 Current Tax -

Profit Before Tax except Other Income		305,492,807	308,602,652
Add: Accounting Depreciation		39,366,267	39,547,264
Less: Tax Depreciation		(109,964,827)	(90,151,416)
Taxable Income for the year		234,894,247	257,998,500
Rate of Tax		3%	5%
Tax on business		7,046,827	12,899,925
Tax under Sec 16 CCC (Turnover Tax @ 0.30%)		7,924,942	
Add: Tax on Other Income (Tk. 20,243 @ 35%)		7,085	343,329
Total Provision for the year		7,932,027	13,243,254

24.01.A Net Tax Liability :

Opening Balance		31,828,601	25,219,701
Add: Provision made for the year		7,932,027	13,243,254
Total Payable		39,760,628	38,462,955
Less : Tax Paid during the year-			
Tax Liability paid		(5,000,000)	(6,634,354)
Adjustment of Tax Liability	Note-7.03	(2,834,800)	
Total tax paid during the year		(7,834,800)	(6,634,354)
Total tax liability		31,925,828	31,828,601
AIT paid	Note-7.03	16,603	6,515
Net Tax Liability as at Closing		31,942,431	31,835,116

Provision of tax made @ 3% as per SRO No. 208-Ain-Income Tax/2013. Dated 1st July 2013.

24.02 Deferred Tax

Carrying Amount of the PPE (Except Land)
Tax Base of the PPE (Except Land)
Taxable Temporary Difference
Tax Rate
Deferred Tax Liability (except revaluation)
Add : Tax on revaluation surplus (Note # 11.00)
Total deferred tax liability

Opening Deffered Tax Liability
Add : Tax on revaluation surplus (Note # 11.00)
Add.Provision
Total deferred tax liability as at 30 June

Deferred Tax Liability as at 30 June (except revaluation)
Deferred Tax Liability at opening balance
Deferred Tax Expenses /Income

25.00 Earning Per Share(EPS)

25.01 Basic Earning Per Share :

Net Profit from the Core Business
Weighted average no. of shares outstanding (Note - 25.03)
Basic EPS on Core Business

Extra Ordinary Income (Other Income net off Tax)
Weighted average no. of shares outstanding (Note - 25.03)
Basic EPS on Extra Ordinary Income

25.02 Diluted Earning per Share :

Net profit after tax
Total existing number of shares (Note - 25.03)
Diluted Earning per Share

25.03 Weighted average /Total existing number of shares :

Opening number of shares outstanding [considered FV Tk.10 each]
Add - Issued during the year :

Amount in Taka	
Jul'13 to Jun'14	Jul'12 to Jun'13
647,472,365	497,747,254
441,003,147	361,876,596
1,088,475,512	859,623,850
3%	5%
6,194,077	6,793,533
-	19,673,952
6,194,077	26,467,485
26,467,485	4,290,141
	19,673,952
(599,456)	2,503,392
25,868,028	26,467,485
6,194,077	6,793,533
6,793,533	4,290,141
(599,456)	2,503,392
4.97	4.90
298,167,322	293,199,335
60,000,000	60,000,000
4.97	4.89
13,158	572,215
60,000,000	60,000,000
0.0002	0.0095
298,180,480	293,771,550
60,000,000	60,000,000
4.97	4.90
60,000,000	60,000,000
-	-
60,000,000	60,000,000

26.00 Related Party Disclosures:

The details of related party transactions during the year alongwith the relationship is illustrated below in accordance with BAS 24 :

			Jul'13-June'14	Jul'12-June'13
Name of the Party	Relationship with Company	Nature of Transaction	Transacted Amount in BDT	Transacted Amount in BDT
Md. Rafiqul Islam	Chairman & Shareholder	Remuneration	-	-
		Board Meeting Fee	40,000	45,000
Md. Shofiquil Islam	Managing Director & Shareholder	Remuneration	2,400,000	2,400,000
		Board Meeting Fee	40,000	45,000
			-	-
Md. Toufiquil Islam	Director & Shareholder	Board Meeting Fee	40,000	45,000
			-	-
Md. Toriquil Islam	Director & Shareholder	Board Meeting Fee	40,000	40,000
Md. Azizul Haque	Nominee Director	Board Meeting Fee	40,000	45,000
Aman Cement Mills Ltd.	Common Director	Office Rent	120,000	120,000
Aman Group LTD.	Common Director	Office Rent	1,200,000	1,200,000

27.00 Disclosure of Managerial Remuneration :

27.01 The total amount of remuneration paid to the top five salaried Officers of the company during the year is as follows :

Name	Designation	Jul'13-June'14	Jul'12-June'13
Md. Shofiquil Islam	Managing Director	2,400,000	2,400,000
Naurose Zaheed Rahman	Executive Director (Former)	710,000	3,210,000
Nandan Chandra Dey, FCMA	Company Secretary	257,085	-
G.H.N Ershad	GM - Operation	291,900	-
ANM Ashiqur Rahman, ACMA	Chief Financial Officer	573,230	406,350
Touhidul Ashraf , FCS	Company Secretary (Former)	167,485	1,254,000
Zakir Hossain	GM - Research & Marketing (Former)	173,550	795,600

27.02 Aggregate amount of remuneration paid to all Officers during the accounting year is as follows :

Particulars	Nature of Payment	Jul'13-June'14	Jul'12-June'13
Directors	Board meeting fee	200,000	220,000
Directors	Remuneration	2,400,000	2,400,000
Officers & Executives	Salary, Bonus & Other allowances	28,868,795	28,713,148

28.00 General :

a) Audit Fee : Audit fee of Tk. 69,000 represents only the audit fee inclusive of VAT.

b) PF & Gratuity : The company has no PF & Gratuity Fund scheme as such no provision has been made in the Financial statements as at 30.6.2014.

C) The figure has been rounded off to the nearest Taka.

d) Capacity of production :

Capacity Utilization during the year is as under :

The Actual production increased from the last year. Details of production capacity and utilization are as follows:

Description of Products	Installed Capacity (MT)		Actual Production		Capacity Utilization	
	Jun-14	Jun-13	Jun-14	Jun-13	Jun-14	Jun-13
Poultry , Fish & Cattle Feed	105,000	105,000	86,378	83,339	82.27%	79.37%

The production is 79.37% of the installed capacity as detailed below:

	2014	2013
1) Capacity 105,000 MT from July 2013 to June 2014 = 12 month	105,000	105,000
Weighted average capacity of production	105,000	105,000
Actual production	86,378	83,339
Percentage of actual production to weighted average capacity	82.27%	79.37%

e) No. of Employees:

Salary Range (Monthly)	Officers & Staffs		Worker (permanent)	Total
	Head Office	Factory		
Not Less than Taka 3,000/=	45	78	110	233
Less than taka 3,000/=	-	-	-	-
Total	45	78	110	233

f) Events after the Balance Sheet Date : No material events had occurred after the balance sheet date to the date of issue of these financial statements, which could effect the values stated in the financial statements.

g) Capital Expenditure Contract : There is no capital Expenditure contract executed during the year except, land purchase agreement (Baina Contract) of Tk. 23,000,000 out of which advance paid Tk. 3,000,000 only as shown in note # 7.

h) WPPF: The company considered and operating WPPF @ 5% on it's profit according to Bangladesh Labour Law 2006.

i) Contingent Liabilities & Capital Commitments :

There is no claim against the company not acknowledged as debt and no un-availed credit facilities, other than those in the normal course of business, available to the company on 30 June, 2014.

AMAN FEED LIMITED
Property Plant & Equipments
As at June 30, 2014

Annexure - A

P A R T I C U L A R S	C O S T			Rate of Depreciation	D E P R E C I A T I O N			Written down value as at 30.06.2014
	Opening Balance as at 30.06.2013	Addition During the year	Total as at 30.06.2014		Opening Balance as at 01.07.2013	Charged During the Year	Total as at 30.06.2014	
Land & Land Development	170,400,000	3,845,500	174,245,500	-	-	-	-	174,245,500
Building & Civil Construction	348,069,968	189,091,378	537,161,346	2.5%	28,035,267	12,728,152	40,763,419	496,397,927
Plant & Machinery	289,930,966		289,930,966	15%	118,978,107	25,642,929	144,621,036	145,309,930
Vehicle	15,698,401		15,698,401	15%	11,108,910	688,424	11,797,334	3,901,067
Furniture & Fixture	1,625,393		1,625,393	10%	669,717	95,568	765,285	860,108
Office Equipment	1,555,326		1,555,326	15%	921,114	95,132	1,016,246	539,080
Computer & IT Equipment	1,027,420		1,027,420	20%	447,105	116,063	563,168	464,252
Balance as on 30.06.2014	828,307,474	192,936,878	1,021,244,352		160,160,220	39,366,267	199,526,487	821,717,865
Balance as on 30.06.2013	643,218,816	185,088,658	828,307,474		120,612,956	39,547,264	160,160,220	668,147,254

(a) COST :

Allocation of Depreciation :	2013-2014	2012-2013
Manufacturing 95%	37,397,953	37,569,901
Other than Manufacturing 5%	1,968,313	1,977,363
	39,366,267	39,547,264

AMAN FEED LIMITED

Statement of Inventory Movement

For the year ended 30 June 2014

Annexure - B**FINISHED GOODS :***Quantity in MT*

Items	Opening Balance as on 01.07.2013	Production during the year	Sales during the year	Closing Balance as at 30.06.2014
Broiler Feed	702	43,149	43,371	480
Layer Feed	348	34,595	34,625	318
Fish Feed	192	5,277	5,129	340
Cattle Feed	42	3,357	3,327	71
Total Quantity (MT)	1,284	86,378	86,453	1,209

RAW MATERIALS :*Quantity in MT*

Items	Opening Balance as on 01.07.2013	Purchased during the year	Consumption during the year	Closing Balance as at 31.06.2014
Maize	15,424	51,575	50,096	16,903
Wheat & Wheat Flour	1,243	5,789	5,747	1,285
Rice Polish & Bran	2,243	12,272	11,475	3,040
Meat & Bone Meal	1,461	8,143	7,929	1,675
Fishmeal & Dry Fish	1,147	3,796	3,550	1,393
Oilcake & Soya bean Extract.	20,462	20,741	22,524	18,679
Medicine & Chemicals	-	-	-	-
Total Quantity (MT)	41,980	102,317	101,321	42,976

PACKING MATERIALS :*Quantity in Pcs.*

Items	Opening Balance as on 01.07.2013	Purchase during the year	Consumption during the year	Closing Balance as at 31.06.2014
WPP Bag	403,124	2,003,405	1,997,015	409,514
Total Quantity (Pcs.)	403,124	2,003,405	1,997,015	409,514

AMAN FEED LIMITED

Auditors' Report in pursuance of Section-135(1) under Para-24(1) of Part II of the Third Schedule of the Companies Act, 1994

We have examined the financial statements of Aman Feed Limited for the years ended June 30, 2014, 2013, 2012 and 2011 audited by Ahmed Zaker & Co., Chartered Accountants and for the year ended June 30, 2010 audited by Atik Khaled & Co., Chartered Accountants in pursuance of section 135 (I) under para 24 (1) of part II of the Third Schedule of the Companies Act 1994.

We, accordingly, confirm the following information has been correctly extracted from the relevant audited financial statements. We report that;

A. Statement of Financial Position

Particulars	Amount in Taka				
	30-Jun-14	30-Jun-13	30-Jun-12	30-Jun-11	30-Jun-10
A. Non Current Assets :	821,717,865	834,359,883	580,205,860	398,587,477	230,832,990
Property, Plant and Equipments	821,717,865	668,147,254	522,605,860	198,187,477	197,532,990
Capital Work in Progress	-	166,212,629	-	143,000,000	-
Investment	-	-	57,600,000	57,400,000	33,300,000
B. Current Assets :	2,376,526,485	2,071,087,821	1,538,978,004	1,119,485,665	903,468,811
Inventories	951,697,925	926,683,574	874,354,543	503,561,139	357,493,020
Accounts Receivable	1,242,960,176	995,760,213	609,325,263	569,372,903	541,677,007
Advance, Deposits & Pre-Payments	137,222,065	53,581,023	35,523,059	35,506,048	537,913
Cash & Cash Equivalents	44,646,319	95,063,011	19,775,140	11,045,575	3,760,871
C.Total Assets (A+B)	3,198,244,350	2,905,447,704	2,119,183,864	1,518,073,142	1,134,301,801
D. Shareholders' Equity and Liabilities:					
Shareholders' Equity :	1,846,260,540	1,548,080,060	1,142,822,783	844,427,242	574,144,884
Share Capital	600,000,000	600,000,000	600,000,000	2,000,000	2,000,000
Retained Earnings	1,134,774,813	836,594,333	542,822,783	842,427,242	572,144,884
Revaluation Surplus	111,485,727	111,485,727	-	-	-
E.Non Current Liabilities:	76,406,661	121,950,207	128,682,389	3,018,677	13,175,347
Long Term Loan	50,538,633	95,401,333	123,167,212	-	13,175,347
Lease Obligation	-	81,389	1,225,036	2,410,980	-
Deferred Tax Liability	25,868,028	26,467,485	4,290,141	607,697	-
F. Current Liabilities & Provisions :	1,275,577,149	1,235,417,438	847,678,692	670,627,222	546,981,570
Short Term Loan	1,198,281,812	1,150,314,382	773,221,901	591,624,939	522,064,415
Accounts Payable	24,325,664	34,425,664	30,933,488	63,639,285	23,262,591
Liabilities for Expenses & Provisions	21,043,845	18,848,791	18,303,602	1,745,308	1,654,564
Provision for current Tax	31,925,828	31,828,601	25,219,701	13,617,690	-
G. Total Liabilities and Shareholders' Equity (D+E+F)	3,198,244,350	2,905,447,704	2,119,183,864	1,518,073,142	1,134,301,801

Place: Dhaka
Date: August 31, 2014

Sd/-
AHMED ZAKER & CO.
Chartered Accountants

POINTS TO BE NOTED:

- A. The Company was incorporated on February 07, 2005 and converted to public limited company on February 22, 2012.
- B. Dividend Declared (Additional disclosure as per requirement from the Bangladesh Securities and Exchange Commission):

Accounting Year/Period	Cash Dividend	Stock Dividend
2008-2009	0%	0%
2009-2010	0%	0%
2010-2011	0%	4900%
2010-2011	0%	500%
2011-2012	0%	0%
2012-2013	0%	0%
2013-2014	0%	0%

- C. The Statement of Assets and Liabilities (Statement of Financial Position) as at 30 June 2014, 2013, 2012, 2011, and 2010 of the Company has been duly certified by us.
- D. The Statement of Operating Result (Statement of Comprehensive Income) as at 30 June 2014, 2013, 2012, 2011, and 2010 of the Company has been duly certified by us.
- E. The Statement of Cash Flows for the Company for the period/year ended 30 June 2014, 2013, 2012, 2011 and 2010 of the Company are enclosed and certified by us.
- F. The Company has no subsidiaries.
- G. No proceeds or part of proceeds of the issue of shares were applied directly or indirectly by the company in the purchase of any other business.
- H. Figures related to previous years have been rearranged wherever considered necessary.

Place: Dhaka
Date: August 31, 2014

Sd/-
AHMED ZAKER & CO.
Chartered Accountants

B. The Statement of Operating Results of Aman Feed Limited is as under:

Particulars	30-Jun-14	30-Jun-13	30-Jun-12	30-Jun-11	30-Jun-10
				Re-stated *	Re-stated *
Sales	2,641,647,263	2,536,309,939	2,032,447,735	1,738,682,784	1,481,362,296
Cost of Goods Sold	(2,076,843,629)	(1,949,547,245)	(1,573,321,682)	(1,336,426,897)	(1,141,275,281)
Gross Profit	564,803,634	586,762,694	459,126,053	402,255,887	340,087,015
Operating Expenses:	(84,040,337)	(85,643,881)	(48,932,106)	(41,076,013)	(37,796,929)
Administrative Expenses	(32,020,353)	(34,733,311)	(20,738,713)	(14,916,323)	(13,563,562)
Selling and Distribution Expenses	(52,019,984)	(50,910,570)	(28,193,393)	(26,159,690)	(24,233,367)
Operating Profit/Loss	480,763,297	501,118,813	410,193,947	361,179,874	302,290,086
Financial Expenses	(159,994,838)	(177,040,251)	(75,290,339)	(61,948,615)	(61,776,935)
Add-Other Income	20,243	915,544	-	250,578	117,500
Profit Before contribution to WPPF	320,788,703	324,994,106	334,903,608	299,481,837	240,630,651
Contribution to WPPF	(15,275,653)	(15,475,910)	(15,947,791)	(14,974,092)	-
Profit Before Tax	305,513,050	309,518,196	318,955,817	284,507,745	240,630,651
Tax Expenses	(7,332,570)	(15,746,646)	(20,560,276)	(14,225,387)	-
Current Tax	(7,932,027)	(13,243,254)	(16,877,832)	(13,617,690)	-
Deferred Tax	599,456	(2,503,392)	(3,682,444)	(607,697)	-
Net Profit After Tax	298,180,480	293,771,550	298,395,541	270,282,358	240,630,651
Earning Per Share	4.97	4.90	4.97	4.50	4.01

Note- The Company changed in the denomination of face value of share from Tk. 100 to Tk. 10 on December 30 , 2011.

Place: Dhaka
Date: August 31, 2014

Sd/-
AHMED ZAKER & CO.
Chartered Accountants

C. The Statement of Cash Flows of Aman Feed Limited is as under :

Particulars	30-Jun-14	30-Jun-13	30-Jun-12	30-Jun-11	30-Jun-10
Cash Flows From Operating Activities :					
Collection from Customers	2,394,447,300	2,149,874,989	1,992,495,375	1,710,986,888	1,297,805,608
Other Income	20,243	915,544	-	250,578	117,500
Cash paid to Suppliers, Employees & Others	(2,277,560,636)	(2,080,427,537)	(1,973,201,415)	(1,512,626,485)	(1,209,931,966)
Cash Generated from Operation	116,906,907	70,362,996	19,293,960	198,610,981	87,991,142
Income Tax Paid	(5,016,603)	(6,640,869)	(5,275,821)	(401,160)	-
Net Cash Provided From Operating Activities	111,890,304	63,722,127	14,018,139	198,209,821	87,991,142
Cash Flows From Investing Activities:					
Acquisition of Property, Plant & Equipment	(3,845,500)	(53,928,979)	(233,376,465)	(15,309,400)	(1,738,775)
Advances against Land Purchase	(1,500,000)	-	-	-	-
Invest for Capital Work in Progress	-	(166,212,629)	-	(143,000,000)	-
(Invest)/Sale of Govt. Bond	-	60,564,648	(200,000)	(24,100,000)	(12,000,000)
Net Cash Used in Investing Activities	(5,345,500)	(159,576,960)	(233,576,465)	(182,409,400)	(13,738,775)
Cash Flows From Financing Activities:					
Interest/Financial Expenses Paid	(159,984,838)	(177,040,251)	(75,290,339)	(61,948,615)	(61,776,935)
Increase / (decrease) Long Term Borrowing	(44,862,700)	(27,765,879)	123,167,212	(18,538,606)	(11,427,908)
Increase / (decrease) Financial Lease	(81,389)	(1,143,647)	(1,185,944)	3,375,342	-
Increase / (decrease) of short Term Borrowing	47,967,430	377,092,481	181,596,962	68,596,162	-
Net Cash provided/(used) in Financing Activities	(156,961,497)	171,142,704	228,287,891	(8,515,717)	(73,204,843)
Net Cash Increase/ (Decrease) in cash & cash equivalents	(50,416,692)	75,287,871	8,729,565	7,284,704	1,047,524
Cash and Cash Equivalents at the Opening of the year	95,063,011	19,775,140	11,045,575	3,760,871	2,713,347
Cash and Cash Equivalents at the Closing of the year	44,646,319	95,063,011	19,775,140	11,045,575	3,760,871

Place: Dhaka
Date: August 31, 2014

Sd/-
AHMED ZAKER & CO.
Chartered Accountants

AMAN FEED LIMITED

Statement of Ratio Analysis

We have examined the following accounting ratios of Aman Feed Limited for the years ended June 30, 2014, 2013, 2012, 2011 and 2010 as submitted by its management. The preparation of these ratios is the responsibility of the company's management and our responsibility is to review them and certify as to whether they have been properly prepared using acceptable principles on the basis of audited financial statements.

Based on our review, we hereby certify that the Company has properly prepared the following ratios for the period/ years as stated below:

Sl. No.	Financial Ratio	Formula	30-Jun-14	30-Jun-13	30-Jun-12	30-Jun-11	30-Jun-10
			Re-stated *				
<u>Liquidity Ratio:</u>							
1	Current Ratio	Current Assets	1.86	1.68	1.82	1.67	1.65
		Current Liability					
2	Quick Ratio	Current Assets-Inventory	1.12	0.93	0.78	0.90	1.00
		Current Liability					
3	Interest Earned Ratio (Times)	Earning Before Interest and Tax(EBIT)	2.91	2.75	5.23	5.59	4.90
		Interest Charged					
4	Debt Equity Ratio (In Times)	Total Liabilities	0.73	0.88	0.85	0.80	0.98
		Total Equity					
<u>Operating Ratio:</u>							
5	Accounts Receivable Turnover	Sales	2.13	2.55	3.33	3.05	2.73
		Receivable					
6	Inventory Turnover	Cost of Goods Sold	2.18	2.10	1.80	2.65	3.19
		Inventory					
7	Asset Turnover	Total Revenue	0.83	0.87	0.93	1.10	1.27
		Total Assets					
<u>Profitability Ratios:</u>							
8	Gross Margin Ratio	(Sales-Cost of Goods Sold)x100	21.38	23.13	22.59	23.14	22.96
		Sales					
9	Operating Income Ratio	Operating Profit X 100	18.20	19.76	20.18	20.77	16.24
		Total Operating Revenue					
10	Net Income Ratio	Profit After Tax X 100	11.29	11.58	14.68	15.55	16.24
		Total Operating Revenue					
11	Return on Assets	Net Profit After Tax X 100	9.77	11.69	16.41	20.38	23.38
		Average Total Assets					
12	Return on Equity	Profit After Tax X 100	17.57	21.83	30.03	38.11	53.02
		Average Shareholders Equity					
13	Earning Per Share (EPS) (Previous years Restated)	Profit After Tax	4.97	4.90	4.97	4.50	4.01
		Weighted Average No. of Shares					

Place: Dhaka
Date: August 31, 2014

Sd/-
AHMED ZAKER & CO.
Chartered Accountants

Auditors' Certificate regarding Plant and Machinery of Aman Feed Limited

According to the available records & documents maintained by the Aman Feed Limited, it appears that all Plant & Machineries of the company were imported in brand new condition. The details of Plant and machineries are as follows:

List of plant and machinery of Aman Feed Limited

Capacity: 10 MT per hour

Description	Quantity	Country of Origin	Amount in USD	Estimated Life Time
Raw material intake hopper with grid	01	Germany	USD 660,950.00	15 Years
Electronic weighing device, comprising	01			
Slide valve, ladder type	01			
Awila Trough chain Conveyor	01			
Awila Bucket Elevator	01			
Cascad magnet with flap for easy cleaning	01			
Rotary pre-cleaner sieve machine, model-50	01			
AWILA Bucket Elevator	01			
Electro-pneumatically operated two way valve	01			
AWILA Trough chain conveyor	01			
AWILA Trough chain conveyor	02			
AWILA Trough chain conveyor	01			
AWILA Trough Chain Conveyor	01			
Slide Valve	08			
AWILA Feed Silo	08			
Grain Silo	01			
Temperature monitoring system for stored grain	01			
Aeration system for flat bottom grain bins	01			
Sweep Auger	01			
Hopper Bin	02			
Level indicator switches	24			
Auger boxes for hopper bin with connector	10			
AWILA dosing screw conveyor tubular type	8			
AWILA Dosing screw conveyor	3			
Container scale	1			
Load cell	1			
AWILA frequency changer	1			
AWILA Dosing computer	1			
AWILA Trough chain conveyor	1			
Extra Infeed Hopper	1			
AWILA Bucket elevator	1			
Prebin for sieve machine for 1 ton batch with empty indicator switch	1			
AWILA through screw conveyor	1			
Rotary sieve machine before hammer mill	1			
Service Bin	1			
Hammer mill in feed device	1			
AWILA Hammer mill	1			
Hammer mill aspiration filter	1			
Service bin	1			
Empty indicator sensor	2			
AWILA Horizontal speed mixer	1			
Micro Mixer	1			
Mixer Dup Bin	1			
Empty Indicator Sensor	1			
AWILA Trough screw conveyor	1			
AWILA Bucket Elevator	2			
Electro-pneumatically operated two way valve	1			
Service bin for pellet press	1			

Full indicator Sensor Switch	1			
Empty indicator sensor	1			
Pellet press feeding screw	2			
AWILA Pellet Press	1			
Pellet Press die	1			
Awila – counter stream Pellet Cooler	1			
Cyclone, Type 250	1			
Air lock	1			
Suction fan	1			
Pellet Crumbler	1			
Pellet Sieve Machine	1			
Electro-pneumatically operated two way Valve	3			
Triple bagging prebin	1			
Full indicator sensor	3			
Empty indicator sensor	3			
Discharge transition	1			
Switching and control panel	1			
Air Compressor	1			
Set of installation material	1			
Spare parts	1			
Fat/Oil addition system	1			

Note: The above mentioned machineries were imported in brand new condition form Germany. Total Value of the said machineries are USD 660,950.00. The said amount is excluding insurance premium, carrying cost, installation cost and other costs.

List of plant and machinery of Aman Feed Limited

Capacity: 5 MT per hour

Description	Quantity	Country of Origin	Amount in BDT	Estimated Life Time
Intake hopper with grip	02	Locally Assembled Clone Machine	BDT 15.00 lac (including installation and supervision)	15 Years
Screw conveyor tubular type	01			
Permanent magnet separator with casting	01			
Hammer mill	01			
Discharge transition between hammer mill	01			
Bucket elevator	01			
Mixer prebin	01			
Discharge slide valve	01			
Horizontal speed mixer	01			
Mixer dump bin	01			
Switching & Control Panel	01			
Air Compressor	01			
Cable & material for electric installation	01			
Machine Tower	01			

Note : The said amount is excluding insurance premium, carrying cost, installation cost and other costs.

List of plant and machinery

Capacity: 20 Tons

Description	Quantity	Country of Origin	Amount in EURO	Estimated Life Time
1.) RAW MATERIAL INTAKE & DISTRIBUTION				
Grid for raw material intake pit 2 set 1500x2000mm	8	Germany	EURO 14,10,000.00	15 years
Intake part for TKF 200, roof hood with guide rail	6			
AWILA Trough chain conveyor, TKF 200	2			
Discharge transition TKF 200-E280	1			
AWILA Bucket Elevator , E280	1			
Down piping system from bucket elevator E280	1			

	1			
<u>CLEANING SECTION</u>	1			
Cascad Magnet with flap for easy cleaning	1			
Shaking-Sieve machine 1500x2000mm				
Down piping system from sieve machine to EI 280				
	1			
<u>STORAGE</u>	1			
AWILA Bucket Elevator , E280-40	2			
Elector-pneumatically operated two way valve, 200	2			
Down piping system from bucket elevator E280-TKF	8			
AWILA Trough chain conveyor , TKF 200	10			
Pn-Slide Valve	10			
Set pipes and transitions slides to bins	10			
AWILA Hopper bin for feedstuff and grain, 40tons	10			
Level indicator switches, wing type (Full indication)	10			
Level indicator switches, wing type (Empty indication)				
Auger boxes for hopper bins with connector 210				
	6			
<u>PROPORTIONING PLANT</u>	4			
AWILA Screw conveyor tubular type S 210, 2,5m	10			
AWILA Screw conveyor tubular type S 210, 2,6m	1			
Set pipes and transitions s210 to scale	4			
Container scale for 2 ton batches	1			
Load cells , set of 4 cells 1,7 to each	1			
Inverter speed control, Model 4,0kW/400, Danfoss	1			
Proportioning and control, system MULTIBATCH	10			
AWILA Trough chain conveyor, TKF 300	1			
Intermediate Floor for TKF 300	1			
Set level slide, Trough extension and outlet flange				
Extra infeed hopper for additives or bypass of scale				
<u>MILLING & MIXING SECTION</u>				
AWILA Bucket Elevator, E 400-100	1			
Electro-pneumatically operated two way valve, 300	1			
Down piping system from bucket elevator E280-Bin	2			
Prebin for sieve machine for 2 ton batch	2			
Empty indicator Sensor/Switch	2			
AWILA Trough screw conveyor model K 260	2			
Inverter speed control, Model 2,2kW/400	2			
Set pipes and transitions K260-Sieve	2			
Shaking-Sieve machine 1500x2000mm	2			
Service bin H.Mill (Prefab but assembled at site)	2			
Empty indicator Screw/Switch	2			
Hammer mill screw feeder, Model K	2			
AWILA Hammer mill, Model AWSK 360 N, 90 KW	2			
Spare hammer blocs on common shaft				
Hammer mill aspiration filter model 20, 3 kW	2			
Service bin Mixer (Prefab but locally assembled)	2			
Empty indicator Sensor/Switch	2			
AWILA Horizontal Speed Mixer , 4000L-2to	2			
Gear Motor 18,5 kW, n2=app.18 rpm,	2			
Large trough shaped discharge gate	2			
Micro Mixer 250 L (on ground assembled)	2			
Mixer dump bin (locally assembled)	2			
Empty indicator Sensor/Switch	2			
AWILA Trough chain conveyor TKF 200	2			

<u>PELLETING PLANT</u>				
AWILA Bucket Elevator E 350-50	2			
Electro-pneumatically operated two way valve, 200	1			
AWILA hopper bin for mash feed, 10 to	2			
Full indicator Sensor/Switch	2			
Empty indicator Sensor/Switch	2			
Pellet press feeding screw conveyor, 3kW	2			
Pellet press Meal Conditioner, 7,5 kW	2			
AWILA Pellet Press Model 520	2			
Electric motor 75 kW/6pole/1000rpm	4			
Pellet press die for pellet press model 520,2,5mm	2			
AWILA – Counter stream Pellet cooler APG 11000	2			
Cyclone, Type 1600	2			
Air-Lock, Type 250, 0,55kW	2			
Suction fan, 18,5 kW	2			
Set suction/exhaust pipes, transitions etc.	2			
AWILA Bucket Elevator , E250-50	2			
AWILA hopper bin for ready feed pellets,10 to	3			
Full indicator Sensor/Switch	3			
Empty indicator Sensor/Switch	3			
Pn-Slide Valve	3			
Electro-pneumatically operated two way valve	1			
Electro-pneumatically operated two way valve	1			
Pellet Crumbler, Model 10 , 11KW	1			
Vibro-Sieve machine 1000 x 1500mm	2			
Sieve machine – classifier 4 fractions	1			
Electro-pneumatically operated two way valve, 200	5			
<u>BAGGING PLANT</u>				
AWILA hopper bin for mash feed,4 to	5			
Full indicator Sensor/Switch	5			
Empty indicator Sensor/Switch	5			
Pn-Slide Valve	5			
Discharge transition/ collecting hopper under 3 bins	2			
Bagging machine, gross type, PN operated	2			
<u>UTILITIES</u>				
Switching & Control Panel	1			
Set of material for mechanical installation	1			

AMAN FEED LIMITED



<u>Spare parts</u>				
Pellet Press die 520C,3,5/45mm				
Pellet Press die 520C,2,5/40mm	4			
Pellet Press die 520C,2,2/40mm	4			
Pellet Press die 520C,4,0/45mm	1			
Complete Roller, assembled (3 set is 6pcs) 520	1			
Pellet cutting knife 520/178	6			
Shear pin for 520	6			
	12			
<u>For Hammer mill AWSK 630</u>				
Screen 2,5mm (1set =2 pcs)				
Screen 3,0mm (1set =2 pcs)	2			
Screen 3,5mm (1set =2 pcs)	2			
Screen 4,0mm (1set =2 pcs)	2			
Doing screw S210	2			
Wear Ring AWILA Pellet Press 520/178	5			
Stiffener Ring for AWILA Pellet press 520/178	2			
Roller Support Plate for AWILA press 520/178	2			
Feed cutting hammers on spindle (1set=6pcs)	1			
Hammer mill rotor AWSK 630	1			
2 Fat/Oil addition systems with pump and automatic flow control meters for two mixers	1			
1 oil tank(5000 Liters) with heating unit for oil	1			

Note: The above mentioned machineries were imported in brand new condition from Germany. Total Value of the said machineries are EURO 14,10,000.00. The said amount is excluding insurance premium, carrying cost, installation cost and other costs.

Place: Dhaka
Date: October 25, 2014

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

AUDITOR'S ADDITIONAL DISCLOSURE ON REVALUATION OF LAND AND LAND DEVELOPMENT OF AMAN FEED LIMITED

Revaluation of Land and Land Development of Aman Feed Limited as at May 2013 was carried out by an independent valuer namely S. H. Khan & Co., Chartered Accountants and apparently report has been prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRSs) and following other applicable laws, rules, regulations and guidelines. We also observed that proper accounting effects, including provisions, tax and other liabilities has been made and revaluation reserve has been created considering the valuation of Land and Land Development in the financial statements.

Place: Dhaka
Date: October 18, 2014

Sd/-
AHMED ZAKER & CO.
Chartered Accountants

MANAGEMENT DISCLOSURE Section: XV

During 2012 paid up capital of the Company has been increased from Tk. 2,000,000 to 6,000,00,000 through issuance of bonus shares. Thus, surplus earnings of the Company have been distributed to the existing Shareholders as such, there is no significant retained earnings remaining for the incoming shareholders to declare dividend in future;

Management Disclosure:

As per the statement of financial position as on 30 June 2014, retained earnings shown Tk. 1,134,774,813 after issuance of bonus shares to the existing shareholders. As per previous performance, the Company earned net profit after tax and Management of the Company will be able to declare sufficient dividend to all its shareholders in future from its existing retained earnings. It may be also mentionable that the Company has more reserve than its paid-up capital.

From the valuation report and the statement of financial position as on 30th June 2013 it appears that value of all land and its development have been revalued and created revaluation surplus of Tk. 111,485,727 although at the time of application for IPO on 24.07.2012 it was not revalued;

Management Disclosure:

The Board of Directors of the Company had decided to revalue the fixed assets. As per Company's Act, 1994, if any company wants to revalue its fixed assets, prior approval from board is necessary. As such, our Company had given approval from its Board on 27 February 2013. As per Board approval, the Company has revalued its land by expert valuer listed with Bangladesh Bank & with Bangladesh Securities and Exchange Commission. After getting revaluation report, we have given revaluation effect in the Financial Statements for the year ended on 30 June 2013 so that the Financial Statements should reflect the actual and fair value of the lands.

Sd/-

Md. Shofiquel Islam
Managing Director
Aman Feed Limited

CREDIT RATING REPORT OF AMAN FEED LIMITED Section: XVI



Credit Rating Report [Surveillance]

Aman Feed Limited

Particulars	Ratings	Remarks
Aman Feed Limited	A ₃	
BDT 80.7 million Long Term Outstanding (LTO)	A ₃ (Lr)	
BDT 20.0 million Cash Credit (Hypo) *	A ₃ (Lr)	Please see Appendix-1 for details
BDT 1,000.0 million Biam&Biam –TR *	A ₃ (Lr)	
BDT 1,100.0 million aggregate non fund based limit	ST-3	
Outlook	Stable	
Particulars	Ratings	Remarks

Lr – Loan Rating; ST – Short Term

(Refer Appendix – 2 for rating history)

* Due to its revolving nature CRAB views Cash Credit and Biam as long term facility

Date of Rating: 24 December 2014

Validity: The entity rating is valid up to 31 December 2015 and the loan ratings are valid up to limit expiry date of respective credit facilities or 31 December 2015 whichever is earlier.

Rating Based on: Audited and Management prepared financial statements up to 30 June 2014 and other relevant quantitative & qualitative information up to the date of rating declaration.

Methodology: CRAB's Corporate Rating Methodology (www.crab.com.bd)

Analysts:

NurElaheeMolla

nur_elahee@crab.com.bd

Razib Ahmed

razib.ahmed@crab.com.bd

■ RATIONALE

Credit Rating Agency of Bangladesh Limited (CRAB) has retained **A₃** (Pronounced Single A Three) rating of Aman Feed Ltd (hereafter also referred to as AFL or the Company), **A₃(Lr)** rating of BDT 80.7 million Long Term Outstanding (LTO), BDT 20.0 million Cash Credit (Hypo) and BDT 1,000.0 Biam&Biam –TR in the Long Term. CRAB has also retained **ST-3** rating of BDT 1,100.0 million non fund based limit in the Short Term.

CRAB affirmed the **A₃** Long-Term Rating of AFL largely because of benefits from the investment in new technology used at its feed mill, resulting in larger volumes and the milling of quality feed varieties at competitive costs. This should support the promotion of its brands of feed varieties and maintaining operating margins. The company has a strong marketing network in the Northern area, as reflected by its high market share; but a low presence in other divisions, thereby exposing it to geographical concentration risk. AFL has comfortable credit metrics; with interest coverage above 2.5x, and leverage– debt to equity below 1.0 x over the last four years and Borrowed Fund to EBITDA below 3.0x.

AFL and its founders have been in the commodity trading and diverse manufacturing industry for long time. The Company had a network of over 250 dealers in 2014 across northern, western and southern Bangladesh and the northern region of the country constitute major markets for the company.

Financial Highlights

	Year ended June 30		
(Mil. BDT)	2014	2013	2012
Net Sales	2,641.6	2,536.3	2,032.4
EBITDA	504.9	526.1	446.2
EBITDA Margin (%)	19.1	20.7	22.0
Net Profit Margin (%)	11.3	11.6	14.7
ROAA (%)	9.8	11.7	16.4
Quick Ratio (x)	1.1	0.9	0.8
Operating Cycle (Days)	321	285	266
Debt to Equity (x)	0.7	0.8	0.8
Borrowed Fund to EBITDA (x)	2.5	2.4	2.0
Cash Flow from Operation	(26.1)	(96.7)	(81.1)
Free Cash Flow	(219.1)	(281.8)	(457.5)
EBIT/Interest (x)	2.9	2.7	5.2

■ PROFILE

AmanFeed Limited, one of the concerns of Aman Group, a public limited Company, started its commercial operation in July 2006. Presently the Company has the facility of producing poultry feed, fish feed and cattle feed having annual production capacity of 105,000 MT. The factory of the Company is located at Ullapara, Sirajgonj.



With relatively comfortable EBITDA margins maintaining around 20% over the last 4 years—which provide a cushion in the event of adverse price movements, and mitigates its risk to some extent relative to other players. Moreover, business risk is partly mitigated by AFL's entry into diversified products such as fish feed (5.9%) and cattle feed (3.2%).

The ratings reflect the company's exposure to currency risk, although it has attempted to mitigate these risks by covering most exposure. CRAB notes that AFL has no major derivative exposure or significant marked-to-market losses on account of adverse currency movements.

The ratings are also constrained by the working capital-intensive nature of the feed mill industry, and by government policies (import duties and inflation related measures) which can have a significant impact on the market.

The feed industry is subject to risks such as intense competition, adverse agro-climatic conditions, change in the consumption preference and regulatory risks pertaining to the successful roll-out of the transgenic technology in food crops. These risks can affect revenue and the overall profitability of feed companies. The industry is a mix of multinational, national, regional and local feed manufacturers. The largest feed millers are present across the country and there are also a number of strong regional and local manufacturers. The vast majority of commercial feed is sold to the commercial grower via dealer. The dealer facilitates these transactions through the supply of credit to the grower. As a consequence of this structure feed company representatives have less contact with the end user of the feed and this contact is left to the dealer.

Apart from industry risks, the ratings are constrained by high working capital needs led by high inventory levels and credit sale. As a result, despite strong Fund Flow from Operation, the company reported negative operating cash flow of BDT 26.1 million in 2014 (2013: negative BDT 96.7million).

AFL has favourable credit risk with around 0.75x debt ratio during the last four years and its liquidity is in pressure with negative free cash flow (FCF) in three out of the last four financial years, with negative FCF of BDT 219.1 million only in 2014. Other factors in FCF remaining stress are the high inventory and debtor-holding period. Meanwhile, debt/EBITDA slightly changed to 2.5x in 2014 (2013: 2.4x) due to marginal drop in EBITDA margin. The funds from operations' (FFO) remain strong over the last 4 years indicating its scope to enhance working capital management efficiency.

Key Rating Drivers

- Maintenance of EBITDA margins above 20.0%, along with leverage— debt to equity below 1.0 x and Borrowed Fund to EBITDA below 2.0x on a sustained basis, could act as a positive ratings trigger.
- Conversely, any large debt-funded capex or margin erosion leading to increased leverage— debt to equity above 1.5x and Borrowed Fund to EBITDA above 3.0x for a sustained period, could act as a negative ratings trigger.
- **Consolidated view:** The Aman Group has 40 years experience in business starting with trading, later in agro input including feed mill, cement, textile and garments sector. AFL shares the group's marketing network and other business resources. For the purpose of this rating, CRAB has combined the business and financial risk profiles of the group.

What Could Trigger a Rating Action

Rising Profitability and Coverage: The ratings could be upgraded if there is an improvement in AFL's EBITDA margins and cash-conversion cycle, leading to interest coverage (EBIT/interest: 2.9x in 2014) of above 2.5x on a sustained basis. **Lower-Than-Expected Revenue:** Interest coverage of below 2.0x on a sustained basis due to lower-than-expected revenue growth, fall in margins and/or an adverse change in the cash conversion cycle may result in a ratings downgrade.

Significant Revenue Increase: The ratings may benefit from any significant increase in revenue due to a better product/revenue mix, from stable operating margins and from a sustained financial leverage (Borrowed Fund to EBITDA) of less than 2.0x. **Deterioration in Leverage:** The ratings may come under pressure from any deterioration in operating margins and/or working capital pressures resulting in an drop in coverage and financial leverage on a sustained basis.



■ COMPANY PROFILE

Aman Feed Limited, one of the concerns of Aman Group, a public limited Company, started its commercial operation in July 2006. Presently the Company has the facility of producing poultry feed, fish feed and cattle feed having annual production capacity of 105,000 MT. The factory of the company is located at Ullapara, Sirajgonj. Total land area is 284 decimals. Additional 142 decimals land in the same area is yet to be registered in the Company name which is expected to be completed after the mutation work. The factory was established with modern machineries imported from Germany. The Company procures raw materials from both local market and international market. The Company achieved ISO: 9001:2000 Certificate and HACCP Certificate.

■ GROUP STRENGTH

Aman Group is one of the largest industrial and business concerns in the northern Bangladesh. Mr. Rafiqul Islam is the founder of the Group. All the Companies belong to the Group have four common directors from the same family. The Group has sound presence in trading business, agro input industry, cement, textile and garments industries. Recently the Group has started commercial operation of Aman Jute Fibrous Ltd and undertaken three new projects which will increase leverage position of the Group in initial years but improve financial strength after three to five years. The Group has several branch offices in different districts for operating the business smoothly under control of the Corporate Office namely Chittagong, Narayanganj, Chapai Nawabgonj (Sonamasjid), Jessore (Noapara), Sirajgonj (Ullapara), Pabna (Nagarbari), Dinajpur (Hili) and Panchagarh (Bangla bandha). In 2007 the sponsors transferred the Group's Corporate Office to Uttara Model Town for controlling the entire activities of the business and industrial units including Registered and Regional office. In 2011, the Group shifted its corporate office to its own premises located at Uttara. The practices of controlling system and transparency along with detailed plan and policy of Corporate Governance assist the sponsors of the group to effectively control all the Companies scattered in different location especially in North Bengal. However the IT infrastructure along with easy and quick flow of information assists the management to effectively control all the companies and making quick decision. Aman Group has its own website and top management of the group and its concerns have their own email access which helps to communicate quickly. However the practice of daily exchange of necessary documents through mailing system also assists the group to bring efficiency in business operation. Aman Group is in the process to implementing customized web based ERP solution, Database Business Applications and Distributed Client Server Application. After implementation of the planned MIS backbone of the group, the efficiency in business operation and internal control system are expected to become more effective.

Several companies in similar industries along with synchronization between trading units and manufacturing companies eventually help the Group to get backward linkage & forward linkage facility and economies of scales from large size of operation. The strong presence of the business units in the northern Bengal area also supports the company to ensure optimum utilization of facilities and operational flexibility.



Table 1

Financial Highlights of Aman Group (Mil. BDT)

Name of the Concern	Reporting Year	Revenue	Profit after tax	Total Assets	Equity	Borrowed fund	BF to E (x)
Aman Cement Mills Ltd	30 Jun 2014	808.1	110.5	2,021.5	1,514.0	314.4	0.2
Aman Feed Ltd	30 Jun 2014	2,641.6	298.2	3,198.2	1,846.3	1,248.8	0.7
Aman Cotton Fibrous Ltd	30 Jun 2014	1,968.8	295.2	3,722.8	2,294.8	1,208.6	0.5
Islam Brothers & Co.	30 Jun 2014	5,589.8	207.4	6,244.0	2,280.7	3,933.6	1.7
Aman Trading Corporation	30 Jun 2014	2,114.5	89.3	2,685.3	1,008.9	1,661.0	1.6
Aman Associates Ltd	30 Jun 2014	4,012.8	128.4	3,930.7	1,267.6	2,659.2	2.1
Juvenile Construction	30 Jun 2014	935.9	73.4	1,119.1	585.8	517.9	0.9
RS & T International	30 Jun 2014	928.9	80.1	1,622.5	787.7	832.4	1.1
Juvenile Trade Int. Ltd	30 Jun 2014	1,120.0	67.2	2,092.7	648.6	1,419.7	2.2
Aman Tex Ltd	30 Jun 2014	3,298.3	366.6	4,346.7	1,832.9	2,001.8	1.1
AnwaraMannan Textile Mills Ltd	30 Jun 2014	3,451.7	229.4	5,646.2	1,278.6	4,223.5	3.3
Aman Cold Storage Ltd	31 Dec. 2013	188.3	33.2	230.0	230.0	0.0	n.a.
Milan Cold Storage Ltd	31 Dec. 2013	217.9	38.4	609.3	487.1	113.9	0.2
Aman Agro Industries Ltd	31 Dec. 2013	211.0	37.1	506.0	293.8	199.4	0.7
A M Cold Storage Ltd	31 Dec. 2013	132.7	14.6	439.0	167.3	271.1	1.6
Aman Seed Storage Ltd	31 Dec. 2013	104.0	8.9	469.5	220.7	245.0	1.1
Aman Poultry & Hatchery Ltd	30 Jun 2014	309.7	60.2	625.0	263.1	205.1	0.8
Aman Plant Tissue Culture Ltd	30 Jun 2013	198.7	59.8	392.5	283.7	33.0	0.1
Aman Jute Fibrous Ltd	30 Jun 2014			819.9	401.0	394.6	1.0
Aman Food Ltd	30 Jun 2013			323.8	10.0	313.6	31.4

Total assets and equity base of the all the Companies belonging to Aman Group revealed the financial strength of the Group and sponsors. Total unused limit of funded and non funded loan also ensures the financial flexibility of the Group to raise the fund if necessary. The Group as a whole collectively earned substantial amount of revenue in previous year having increasing trend and sound profitability position.



Table 2

Bank Liability Position of Aman Group as of 30 November 2014 (Mil. BDT)						
Name of the Concern	Bank Name	Short term funded		Short term non funded		Long term
		Limit	Outstanding	Limit	Outstanding	Outstanding
Aman Cement Mills Ltd	Islami Bank Bd Ltd.	400.0	233.9	400.0		29.7
	Standard Bank Ltd.	30.0	28.8			
Aman Feed Ltd	AB Bank Ltd.	1,000.0	584.1	1,100.0	127.9	68.4
	Standard Bank Ltd.	20.0	16.1			
Aman Cotton Fibrous Ltd	Islami Bank Bd Ltd.	1,100.0	1,040.5	1,100.0	-	187.7
	Standard Bank Ltd.	20.0	10.6			
Islam Brothers & Co.	Bd Commerce Bank Ltd.	250.0	247.0	350.0	73.8	
	Bank Asia Ltd.	1,140.0	1,140.0	1,290.0	603.1	
	AB Bank Ltd.	1,211.4	1,053.4	900.0	96.6	
	Al-ArafahIslami Bank Ltd.	640.0	536.7	750.0	-	
	Standard Bank Ltd.	330.0	309.7	400.0	308.0	
	Social Islami Bank Ltd.	850.0	842.8	1,000.0	316.2	
	United Commercial Bank Ltd.	450.0	433.0	450.0	77.7	
Aman Trading Corporation	Prime Bank Ltd.	1,060.1	988.7		-	
	Brac Bank Ltd.	715.3	581.6	280.0	-	
Aman Associates Ltd	Islami Bank Bd Ltd.	2,544.0	2,366.5	2,544.0	1,044.0	
Juvenile Trade International Ltd.	Social Islami Bank Ltd.	1,000.0	365.6	1,000.0	-	
	The City Bank Ltd.	617.2	575.5			
	Trust Bank Ltd	700.0	623.7	700.0	-	
Juvenile Construction	Exim Bank Ltd.	852.7	812.2	1,052.7	302.7	
RS & T International	Jamuna Bank Ltd.	862.3	842.6			
	Hajj Finance Company Ltd.	50.0	48.5	50.0		
Aman Tex Ltd	Al-ArafahIslami Bank Ltd.	136.0	104.0	1,030.0	686.6	1,364.6
AnwaraMannan Textile Mills Ltd	First Lease Finance & Investment Ltd.					49.9
	Union Capital Ltd.					125.0
	IIDFC (Syndicated Finance)	2,945.0	2,611.6	3,110.0	964.0	1,920.0
Aman Poultry & Hatchery Ltd.	EXIM Bank Ltd.	300.0	171.8	250.0	-	400.0
Aman Jute Fibrous Ltd.	One Bank Ltd	460.0	100.0			414.4
Aman Cold Storge Ltd	Islami Bank Bd Ltd.	125.0	125.0			
Milan Cold Storge Ltd	Islami Bank Bd Ltd.	125.0	125.0			
Aman Agro Industries Ltd	EXIM Bank Ltd.	110.0	110.0			72.2
A M Cold Storage Ltd	Bank Asia Ltd.	100.0	100.0			137.0
Aman Seeds Storage Ltd	Islami Bank Bd Ltd.	70.0	70.0	-	-	160.2
Total		20,213.9	17,198.7	17,756.7	4,600.7	4,929.2

■ OPERATION, BUSINESS & FINANCIAL RISK PROFILE

Operation	Industry/Market
Management	Financial
Credit Facility	Collateral

Aman Feed Limited started its commercial operation in July 2006. Due to small size of operation total sales were comparatively low during the initial years. The Company regularly expanded its production capacity over the years upto 2010 and then in 2012 by installing & modifying silo, dumping point, mush unit & others machinery etc. From January 2012 the Company has annual production capacity of 105,500 MT. The Company produced 86,378 MT of feed registering capacity utilization of 82.3% in 2014 which was 79.4% in 2013. Although there is a possibility of further increase in production, the recent challenging situation in the poultry sector and overall market eventually may lessen the growth of demand for poultry feed hence the sale revenue may not substantially increase in the upcoming year. Considering the demand of cattle feed and fish feed the Company produced these two categories of feeds apart from poultry feeds during the last two years. The diversified product mix eventually lessens the business risk of the Company. In 2014 the Company sold BDT 2,641.6 million comprising BDT 2,403.0 million poultry feed (77,997 MT), BDT 155.2 million fish feed (5,129 MT) and BDT 83.5 million cattle feed (3,327 MT). The long experience of the management of the Group in related sector including agriculture & trading, quality of factory set up along with equipped laboratory and forward linkage facility will help the Company to mitigate business risk.

Table 3

Performance of the Business			
	2014	2013	2012
Net Sales (Mil. BDT)	2,641.6	2,536.3	2,032.4
EBITDA (Mil. BDT)	504.87	526.11	446.2
EBITDA Margin (%)	19.1	20.7	22.0
Installed Capacity (MT)	105,000	105,000	88,500*
Total Production (MT)	86,378	83,339	64,173
Capacity Utilization (%)	82.3	79.4	72.5
Sales (MT)	86,453	83,079	64,177

* Production capacity in December 2011 was 72,000 MT which increased to 105,000 MT from January 2012. 88,500 MT is weighted average production capacity.

The Company is exposed to volatility of both product price derived from demand and raw materials price. The principal sponsors and management of the Company have long experience in trading business which may support to mitigate business risk derived from price volatility of raw materials. Location of the factory at Sirajgonj is suitable to transport the raw materials and finished goods as almost all the customers belong to greater North Bengal. Moreover substantial volume of raw material storing facilities in different location having a strategy of keeping inventory for around three months eventually helps the Company in efficient inventory management.

The technological risk of the Company is comparatively low as the factory is almost newly established with German machineries having PLC system and sufficient power supply. The management is also well experienced with the technology and operation of a feed mill. The Company purchases almost entire required raw materials from abroad to ensure the quality of products which are also ensured through equipped laboratory. The facilities of quality control and the practices of assessment eventually support the Company to produce quality products.

The Company sold the feeds giving priority to greater Rajshahi although it also sells in different areas including Gazipur, Tangail and Mymensingh, mainly through dealers. M/s Shohug Poultry, Chandina, is the largest customer (BDT 228.6 million in 2014) followed by M/s. Talukder Traders, Sagordighi (BDT 190.3 million). The Company has around 250 dealers apart from few individual customers having on average 45 to 60 days credit facility. An associated company, Aman Poultry & Hatchery Ltd, having annual production capacity of 8.5 million pcs DOC may support as a backward linkage facility for the Company at distress situation. Although customer diversification and geographical diversification may eventually lessen the business risk, significant affect of Influenza may reduce the growth by affecting the poultry sector.

Operation	Industry/ Market
Management	Financial
Credit Facility	Collateral

The poultry and fish industry is an important sub-sector contributing significantly to our national economy and food security. The poultry industry, in particular, is one of the fastest growing and most promising industries in Bangladesh. Since 1995, a significant annual average growth rate in the commercial poultry is achieved, and the growth rate in backward poultry farming is not high but country's commercial poultry sector gained 15–20% annual average growth rate during this period. Its steady growth results in attaining country's economic growth which also contributes to improve the nutritional status.

Feed mill plays an important role in the supply of commercial feed to poultry, livestock and fish farming. Feed mills generally distribute their products as "complete feed" to poultry, fish and livestock industry. In the immediate past, commercial poultry, livestock and fish farming expanded at a faster rate in Bangladesh resulting in a large scale demand for commercial feed round the year. However in recent period due to natural calamities and disease the poultry sector are facing challenges to ensure sustainable growth which was also reflected in the price trend of both chicken and eggs due to huge demand in the market with the growth of population, rapid urbanization, changed life style and food habits. Though the feed industry is increasing but it is unable to meet the demand of feed supplies which the poultry farms presently require.

For a poultry farm, at least 65% to 70% of the total expenditure goes for the procurement of poultry feed. Poultry feed is prepared with the mixture of different micro-nutrients apart from wheat, maize and others where most of the ingredients are imported which eventually causes increase in price of feeds manufactured by the local companies. Apart from conventional materials like fish meal and rice bran are in short of supply. However in most of the cases the feeds are still prepared in an unscientific manner in the country. Quality assurance keeping the price competitive is a vital challenge for the local feed manufacturing companies. Few large companies are playing vital role in meeting the demand of quality feed requirement in the poultry sector. Considering the growth of industry and huge market vacuum the dependency on imported feed and establishment of foreign companies have been increasing over the years increasing challenge for the local feed manufacturing companies.

Operation	Industry/ Market
Management	Financial
Credit Facility	Collateral

The Company is owned by four individual shareholders and three institutional shareholders. All the four individual shareholders belong to the same family and the three institutions are also owned by the members belong to the same family. Mr. Rafiqul Islam, key promoter of the Aman Group and head of the overall management of the Group, is presently holding 14.5% shares of the Company. The shareholding position of the Company largely changed during the last two years. The Company was converted from private limited company into public limited company in February 2012. Mr. Toriqul Islam is holding highest number of shares (18.6 million) among four individual share holders and three companies belong to the same Group are equally holding 1.8 million share each. A group of senior experienced executives assist the Managing Director to look after all the Companies of the Group. The financial control and strategic decision are done from Head Office. The overall activities of the factory are monitored by General Manager. Most of the senior officers in the factory have been changed during the last three years and experienced professional personnel having long experience have been appointed at the factory level. The Company has improved its reporting structure and system during the last year which is reflected in the quick flow of information. The sales and marketing activities are done through dealers all over the country which is also looked after by the sales team of the Company.

Operation	Industry/ Market
Management	Financial
Credit Facility	Collateral

The revenue sources of the Company are the sale of feeds of different categories. Total sales of the Company marginally increased to BDT 2,641.6 million in 2014 by 4.2% after substantial sales growth of 24.8% in 2013. Sales growth was very high in 2013 due to capacity expansion. Sales growth in 2014 was comparatively low which was mainly derived from increase in sales quantity when the average price was almost same. The revenue growth will continue in the upcoming year although the growth rate may not bounce back to its previous trend as there was no capacity expansion during the last year and overall market condition. Due to the stable selling price the gross profit margin marginally declined to 21.4% in 2014 from 23.1% in 2013 although overall profitability position (net profit margin in 2014 was 11.3% and 11.6% in 2013) remained almost same following the improved operational efficiency and decline in financial expense.

The operating cycle became prolonged for long inventory processing period to support expanded capacity and delay in receivable collection period to enhance the credit terms; hence the liquidity position of the Company was quite stringent which was further affected by negative cash flow position. Due to the above mentioned reasons and capacity expansion the borrowed fund increased during the last two years although following the repayment of term loan borrowed fund remained almost stable. The equity of the Company increased to BDT 1,846.3 million in 2014 from BDT 1,548.1 million resulted in slight improved debt ratio of 0.7x in 2014 from 0.8x in 2014. Following the stable revenue growth and profitability position along with stable borrowed fund the coverage indicators also remain stable during the last two years.

Aman Feed Ltd has a plan to raise its capital by issuing 20 million ordinary shares through Initial Public Offering (IPO) subject to approval from regulatory authority. AFL expects to raise fund by issuing 20 million ordinary shares with premium against face value of BDT 10.0 per shares. The Company has a plan to repay long term loan with interest, to enhance production capacity and to meet increased working capital requirement among others.

Operation	Industry/ Market
Management	Financial
Credit Facility	Collateral

Presently Aman Feed Limited has banking relationship with three banks. During the last two years the Company increased its borrowed fund to support the capacity expansion. The Company has satisfactory track record of honoring debt obligation. Details bank liability position of the Company is given in appendix – 1.

Operation	Industry/ Market
Management	Financial
Credit Facility	Collateral

Collateral given to AB Bank Ltd covers, among others, registered mortgage along with RIGPA of 271.5 decimals project land located at Ullapar, Sirajgonj, 1st charge created with RJSC on entire fixed assets of the company including capital machinery and equipment, furniture and fixture, and floating assets like raw materials, work in process, finished goods held on the company go-down favoring AB Bank Ltd.



APPENDIX – 1: CREDIT FACILITIES OF AMAN FEED LTD.

Details of Credit Facilities of Aman Feed Ltd as of 30 November 2014 (Mil. BDT)						
Loan Type	Funded/Non Funded	Bank	Nature of Facility	Limit	Outstanding	Limit Expiry
Long Term	Funded	AB Bank Ltd	HPSM		73.4	20.08.2016
		AB Bank Ltd	HPSM		7.3	30.09.2017
		Total Long Term			80.7	
Short Term	Funded	AB Bank Ltd	Biam TR	900.0	484.1	31.07.2015
			Biam	100.0	100.0	31.07.2015
		Standard Bank Ltd.	Cash Credit (Hypo)	20.0	16.0	31.08.2015
		Total Short Term Funded		1,020.0	600.1	
Short Term	Non Funded	AB Bank Ltd	LC	1,100.0	240.0	31.07.2015
		Total Short Term Non Funded		1,100.0	240.0	

APPENDIX – 2: RATING HISTORY

Date of Rating: 12 December 2013

Particulars	Ratings
Aman Feed Limited	A ₃
BDT 127.9 million Long Term Outstanding (LTO)	A ₃ (Lr)
BDT 20.0 million Cash Credit (Hypo) *	A ₃ (Lr)
BDT 1,050.0 million Biam&Biam –TR *	A ₃ (Lr)
BDT 600.0 million Aggregate fund based limit	ST–3
BDT 2,000.0 million aggregate non fund based limit	ST–3
Outlook	Stable

Lr – Loan Rating; ST – Short Term

* Due to its revolving nature CRAB views Cash Credit and Biam as long term facility

Date of Rating: 29 December 2012

Particulars	Ratings
Aman Feed Limited	A ₃
BDT 150.0 million Long Term Outstanding (LTO)	A ₃ (Lr)
BDT 20.0 million Cash Credit (Hypo) *	A ₃ (Lr)
BDT 500.0 million Biam&Biam –TR *	A ₃ (Lr)
BDT 322.0 million Aggregate fund based limit	ST–3
BDT 750.0 million aggregate non fund based limit	ST–3
Outlook	Stable

Lr– Loan rating; ST–Short Term

* Due to revolving nature CRAB views CC (Hypo) as Long Term Facility



APPENDIX – 3: FINANCIAL HIGHLIGHTS OF AMAN FEED LIMITED

Financial Highlights of Aman Feed Ltd					
		--Year ended June 30--			
(Mil. BDT)		2014	2013	2012	2011
Earnings & Stability	Net Sales	2,641.6	2,536.3	2,032.4	1,738.7
	Sales Growth (%)	4.2	24.8	16.9	17.4
	CoGS as % of Sales	78.6	76.9	77.4	76.9
	EBITDA	504.9	526.1	446.2	361.1
	EBITDA Growth (%)	(4.0)	17.9	23.6	14.1
	EBITDA Margin (%)	19.1	20.7	22.0	20.8
	Net Profit after tax	298.2	293.8	298.4	270.3
Net profit after tax growth (%)		1.5	(1.5)	10.4	12.3
Profitability	Gross Profit Margin (%)	21.4	23.1	22.6	23.1
	Operating Profit Margin (%)	18.2	19.8	20.2	20.8
	Net Profit Margin (%)	11.3	11.6	14.7	15.5
	Return on Average Asset (%)	9.8	11.7	16.4	20.4
	Return on Average Equity (%)	17.6	21.8	30.0	38.1
Liquidity	Current Ratio (x)	1.9	1.7	1.8	1.7
	Quick Ratio (x)	1.1	0.9	0.8	0.9
	Inventory +AR to TA (%)	68.6	66.2	70.0	70.7
	Net Working Capital to TA (%)	70.5	65.1	68.2	67.8
	Inventory Turnover Ratio (x)	2.2	2.2	2.3	3.1
	Average Inventory Processing Period (Days)	166	169	160	118
	Receivable Turnover Ratio (x)	2.4	3.2	3.4	3.1
	Average Receivable Collection Period (Days)	155	116	106	117
	Payable Turnover Ratio (x)	70.7	59.7	33.3	30.8
	Average Payable Payment Period (Days)	6	7	11	12
	Operating Cycle (Days)	321	285	266	235
Cash Conversion Cycle (Days)		315	278	255	223
Leverage & Capital Structure	Equity Capital	1,846.3	1,548.1	1,142.8	844.4
	Total Borrowed Fund	1,248.8	1,245.8	897.6	594.0
	Total Long Term Debt	50.5	95.5	124.4	2.4
	EBITDA	504.9	526.1	446.2	361.1
	Fund Flow from Operation (FFO)	337.5	333.3	350.4	284.9
	Cash Flow from Operation (CFO)	(26.1)	(96.7)	(81.1)	130.3
	Retained Cash Flow (RCF)	(26.1)	(96.7)	(81.1)	130.3
	Free Cash Flow (FCF)	(219.1)	(281.8)	(457.5)	115.0
	Debt to Equity (x)	0.7	0.8	0.8	0.7
	Borrowed Fund/EBITDA (x)	2.5	2.4	2.0	1.6
	FFO/Debt (%)	27.0	26.8	39.0	48.0
	CFO/Debt (%)	(2.1)	(7.8)	(9.0)	21.9
	RCF/Debt (%)	(2.1)	(7.8)	(9.0)	21.9
	FCF/Debt (%)	(17.5)	(22.6)	(51.0)	19.4



CRAB RATING SCALES AND DEFINITIONS –Long Term (Corporate)

Long Term Rating	Definition
AAA Triple A	Companies rated in this category have extremely strong capacity to meet financial commitments. These companies are judged to be of the highest quality, with minimal credit risk.
AA₁, AA₂, AA₃* Double A	Companies rated in this category have very strong capacity to meet financial commitments. These companies are judged to be of very high quality, subject to very low credit risk.
A₁, A₂, A₃ Single A	Companies rated in this category have strong capacity to meet financial commitments, but are susceptible to the adverse effects of changes in circumstances and economic conditions. These companies are judged to be of high quality, subject to low credit risk.
BBB₁, BBB₂, BBB₃ Triple B	Companies rated in this category have adequate capacity to meet financial commitments but more susceptible to adverse economic conditions or changing circumstances. These companies are subject to moderate credit risk. Such companies possess certain speculative characteristics.
BB₁, BB₂, BB₃ Double B	Companies rated in this category have inadequate capacity to meet financial commitments. Have major ongoing uncertainties and exposure to adverse business, financial, or economic conditions. These companies have speculative elements, subject to substantial credit risk.
B₁, B₂, B₃ Single B	Companies rated in this category have weak capacity to meet financial commitments. These companies have speculative elements, subject to high credit risk.
CCC₁, CCC₂, CCC₃ Triple C	Companies rated in this category have very weak capacity to meet financial obligations. These companies have very weak standing and are subject to very high credit risk.
CC Double C	Companies rated in this category have extremely weak capacity to meet financial obligations. These companies are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.
C Single C	Companies rated in this category are highly vulnerable to non-payment, have payment arrearages allowed by the terms of the documents, or subject of bankruptcy petition, but have not experienced a payment default. Payments may have been suspended in accordance with the instrument's terms. These companies are typically in default, with little prospect for recovery of principal or interest.
D (Default)	D rating will also be used upon the filing of a bankruptcy petition or similar action if payments on an obligation are jeopardized.

****Note:** CRAB appends numerical modifiers 1, 2, and 3 to each generic rating classification from AA through CCC. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.*



CRAB RATING SCALES AND DEFINITIONS
LONG-TERM RATING: LOANS/FACILITIES FROM BANKS/FIS
(All loans/facilities with original maturity exceeding one year)

RATINGS	DEFINITION
AAA (Lr) (Triple A) Highest Safety	Loans/facilities rated AAA (Lr) are judged to offer the highest degree of safety, with regard to timely payment of financial obligations. Any adverse changes in circumstances are unlikely to affect the payments on the loan facility.
AA (Lr)* (Double A) High Safety	Loans/facilities rated AA (Lr) are judged to offer a high degree of safety, with regard to timely payment of financial obligations. They differ only marginally in safety from AAA (Lr) rated facilities.
A (Lr) Adequate Safety	Loans/facilities rated A (Lr) are judged to offer an adequate degree of safety, with regard to timely payment of financial obligations. However, changes in circumstances can adversely affect such issues more than those in the higher rating categories.
BBB (Lr) (Triple B) Moderate Safety	Loans/facilities rated BBB (Lr) are judged to offer moderate safety, with regard to timely payment of financial obligations for the present; however, changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal than for issues in higher rating categories.
BB (Lr) (Double B) Inadequate Safety	Loans/facilities rated BB (Lr) are judged to carry inadequate safety, with regard to timely payment of financial obligations; they are less likely to default in the immediate future than instruments in lower rating categories, but an adverse change in circumstances could lead to inadequate capacity to make payment on financial obligations.
B (Lr) High Risk	Loans/facilities rated B (Lr) are judged to have high risk of default; while currently financial obligations are met, adverse business or economic conditions would lead to lack of ability or willingness to pay interest or principal.
CCC (Lr) Very High Risk	Loans/facilities rated CCC (Lr) are judged to have factors present that make them very highly vulnerable to default; timely payment of financial obligations is possible only if favourable circumstances continue.
CC (Lr) Extremely High Risk	Loans/facilities rated CC (Lr) are judged to be extremely vulnerable to default; timely payment of financial obligations is possible only through external support.
C (Lr) Near to Default	Loans/facilities rated C (Lr) are currently highly vulnerable to non-payment, having obligations with payment arrearages allowed by the terms of the documents, or obligations that are subject of a bankruptcy petition or similar action but have not experienced a payment default. C is typically in default, with little prospect for recovery of principal or interest. C (Lr) are typically in default, with little prospect for recovery of principal or interest.
D (Lr) Default	Loans/facilities rated D (Lr) are in default or are expected to default on scheduled payment dates.

****Note:** CRAB appends numerical modifiers 1, 2, and 3 to each generic rating classification from AA through CCC. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.*

**SHORT-TERM CREDIT RATING: LOANS/FACILITIES OF BANKS/FIS***(All loans/facilities with original maturity within one year)*

RATING	DEFINITION
ST-1 Highest Grade	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is very strong.
ST-2 High Grade	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is strong; however, the relative degree of safety is lower than that for issues rated higher.
ST-3 Adequate Grade	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is adequate; however, the issues are more vulnerable to the adverse effects of changing circumstances than issues rated in the two higher categories.
ST-4 Marginal	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is marginal; and the issues are quite vulnerable to the adverse effects of changing circumstances.
ST-5 Inadequate Grade	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is minimal, and it is likely to be adversely affected by short-term adversity or less favorable conditions.
ST-6 Lowest Grade	This rating indicates that the loans/facilities are expected to be in default on maturity or is in default.

© Copyright 2013, CREDIT RATING AGENCY OF BANGLADESH LIMITED ("CRAB"). All rights reserved. ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY COPYRIGHT LAW AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT CRAB'S PRIOR WRITTEN CONSENT. All information contained herein is obtained by CRAB from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, such information is provided "as is" without warranty of any kind and CRAB, in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability or fitness for any particular purpose of any such information. Under no circumstances shall CRAB have any liability to any person or entity for (a) any loss or damage in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance or contingency within or outside the control of CRAB or any of its directors, officers, employees or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication or delivery of any such information, or (b) any direct, indirect, special, consequential, compensatory or incidental damages whatsoever (including without limitation, lost profits), even if CRAB is advised in advance of the possibility of such damages, resulting from the use of or inability to use, any such information. The credit ratings and financial reporting analysis observations, if any, constituting part of the information contained herein are, and must be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY CRAB IN ANY FORM OR MANNER WHATSOEVER. Each rating or other opinion must be weighed solely as one factor in any investment decision made by or on behalf of any user of the information contained herein, and each such user must accordingly make its own study and evaluation of each security and of each issuer and guarantor of, and each provider of credit support for, each security that it may consider purchasing, holding or selling.

IPO APPLICATION PROCESS

Section: XVII

Step-1 (Applicant)

1. An applicant for public issue of securities shall submit application/buy instruction to the Stockbroker/ Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e. The subscription closing date), which shall be the **25th (twenty fifth) working day** from the date of publication of abridged version of prospectus.
2. The application/buy instruction may be submitted in prescribed paper or electronic form, which shall contain the Customer ID, Name, BO Account Number, Number of Securities applied for, Total Amount and Category of the Applicant. At the same time:
 - a. Other than non-resident Bangladeshi (NRB) and Foreign applicants shall make the application money and service charge available in respective customer account maintained with the Stockbroker/Merchant Banker. No margin facility, advance or deferred payment is permissible for this purpose. In case the application is made through a margin account, the application money shall be deposited separately and the Stockbroker/Merchant Banker shall keep the amount segregated from the margin account, which shall be refundable to the applicant, if become unsuccessful.
 - b. Non-resident Bangladeshi (NRB) and Foreign applicants shall submit bank drafts (FDD), issued in favor of the Issuer for an amount equivalent to the application money, with their application to concerned Stockbroker/Merchant Banker. The draft (FDD) shall be issued by the Bank where the applicant maintains NITA/Foreign Currency account debiting the same account. No banker shall issue more than two drafts from any NITA/Foreign Currency account for any public issue. At the same time, the applicant shall make the service charge available in respective customer account maintained with the Stockbroker/Merchant Banker.

Step-2 (Intermediary)

3. The Stockbroker/Merchant Banker shall maintain a separate bank account only for this purpose namely "Public Issue Application Account". The Stockbroker/Merchant Banker shall:
 - a. post the amount separately in the customer account (other than NRB and Foreign applicants), and upon availability of fund, block the amount equivalent to the application money;
 - b. accumulate all the application/buy instructions received up to the cut-off date, deposit the amount in the "Public Issue Application Account" maintained with its bank within the **first banking hour of next working day** of the cut-off date. In case of application submitted by the Stock-dealer or the Merchant Banker's own portfolio, the application amount should also be transferred to the "Public Issue Application Account";
 - c. instruct the banker to block the account for an amount equivalent to the aggregate application money and to issue a certificate in this regard.
4. Banker of the Stockbroker/Merchant Banker shall block the account as requested for, issue a certificate confirming the same and handover it to the respective Stockbroker/Merchant Banker.
5. For Non-resident Bangladeshi (NRB) and Foreign applicants, the Stockbroker/Merchant Banker shall hold the bank drafts (FDD) submitted by the applicants in their custody with a list containing the draft information against the respective applicant's particulars.
6. The Stockbroker/Merchant Banker shall prepare category wise lists of the applicants containing Customer ID, Name, BO Account Number and Number of Securities applied for, and within **03 (three) working days** from the cut-off date, send it to the respective Stock Exchange in electronic (text format with tilde '~' separator) format and the certificate(s) issued by its banker.
7. **On the next working day**, the stock exchanges shall provide the Issuer with the information received from the Stockbroker/Merchant Bankers. Stock Exchanges shall verify and preserve the bankers' certificates in their custody.
8. The application/buy instructions shall be preserved by the Stockbroker/Merchant Bankers **up to 6 months** from listing of the securities with exchange.

Step-3 (Issuer)

9. The Issuer shall prepare consolidated list of the applications and send the applicants' BOIDs in electronic (text) format in a CDROM to CDBL for verification. The Issuer shall post the consolidated list of applicants on its website. CDBL shall verify the BOIDs as to whether the BO accounts of the applicants are active or not.
10. **On the next working day**, CDBL shall provide the Issuer with an updated database of the applicants containing BO Account Number, Name, Addresses, Parents' Name, Joint Account and Bank Account Information along with the verification report.
11. After receiving verification report and information from CDBL, the Issuer shall scrutinize the applications, prepare category wise consolidated lists of valid and invalid applications and submit report of final status of subscription to the Commission and the stock exchanges **within 10 (ten) working days** from the date of receiving information from the stock exchanges.
12. The Issuer and the issue manager shall conduct category wise lottery with the valid applications **within 03 (three) working days** from the date of reporting to the Commission and the Stock Exchanges, if do not receive any observation from the Commission or the Stock Exchanges.
13. The Issuer and issue manager shall arrange posting the lottery result on their websites **within 06 (six) hours** and on the websites of the Commission and Stock Exchanges **within 12 (twelve) hours** of lottery.
14. **Within 02 (two) working days** of conducting lottery, the Issuer shall:

- a. Send category wise lists of the successful and unsuccessful applicants in electronic (text format with tilde '~' separator) format to the respective Stock Exchange.
- b. send category wise lists of unsuccessful applicants who are subject to penal provisions as per conditions of the Consent Letter issued by the Commission in electronic (text format with tilde '~' separator) format to the respective Stock Exchange mentioning the penalty amount against each applicant.
- c. issue allotment letters in the names of successful applicants in electronic format with digital signatures and send those to respective Stock Exchange in electronic form.
- d. send consolidated allotment data (BOID and number of securities) in electronic text format in a CDROM to CDBL to credit the allotted shares to the respective BO accounts.

Step-4 (Intermediary)

- 15. On the next working day,** Stock Exchanges shall distribute the information and allotment letters to the Stockbroker/Merchant Bankers concerned in electronic format and instruct them to:
 - a. remit the amount of successful (other than NRB and Foreign) applicants to the Issuer's respective Escrow account opened for subscription purpose and unblock the amount of unsuccessful applicants;
 - b. send the bank drafts (FDD) submitted by successful NRB and Foreign applicants to the Stock Exchange and return the drafts submitted by unsuccessful applicants;
 - c. send the penalty amount of other than NRB and Foreign applicants who are subject to penal provisions to the Issuer's respective Escrow Accounts along with a list and unblock the balance application money;
 - d. send the drafts (FDD) submitted by unsuccessful NRB and Foreign applicants who are subject to penal provisions, to the respective Stock Exchange, along with a list.
- 16. On the next working day** of receiving the documents from the Stock Exchanges, the Stockbrokers/Merchant Bankers shall request its banker to:
 - a. release the amount blocked for unsuccessful (other than NRB and Foreign) applicants;
 - b. remit the aggregate amount of successful applicants and the penalty amount of unsuccessful (other than NRB and foreign) applicants who are subject to penal provisions to the respective 'Escrow' account of the Issuer opened for subscription purpose.
- 17. On the same day** the Stockbrokers/Merchant Bankers shall:
 - a. send the drafts (FDD) submitted by successful NRB and Foreign applicants to the Stock Exchange concerned and return the drafts submitted by unsuccessful NRB and Foreign applicants;
 - b. send the drafts (FDD) submitted by unsuccessful NRB and Foreign applicants who are subject to penal provisions to the respective Stock Exchange separately along with a list of the applicants.
- 18. On the next working day** of receiving request from the Stockbrokers/Merchant Bankers, their bankers shall unblock the amount blocked in the account(s) and remit the amount as requested for to the Issuer's 'Escrow' account.
- 19. Simultaneously,** the Stockbrokers/Merchant Bankers shall release the application money in the customer accounts; inform the successful applicants about allotment of securities and the unsuccessful applicants about releasing their blocked amounts. The unblocked amounts of unsuccessful applicants shall be placed as per their instructions. The Stockbroker/Merchant Banker shall be entitled to recover the withdrawal charges, if any, from the applicant who wants to withdraw the application money, up to an amount of Tk. 5.00 (five) per withdrawal.
- 20. On the same day,** Stock Exchanges shall send the drafts submitted by successful NRB and Foreign applicants and also by unsuccessful NRB and Foreign applicants who are subject to penal provisions, to the Issuer.
- 21. In case of drafts (FDD) submitted by successful NRB or Foreign applicant for any amount excess to the value of securities to be allotted or by unsuccessful NRB and Foreign applicants who are subject to penal provisions, refund of the balance amount shall be made by the Issuer to the applicant through bank drafts issued in the same currency within 7 (seven) working days** of receiving the drafts from Stock Exchange.

Miscellaneous:

- 22.** The Issuer and Issue Manager(s) shall jointly ensure compliance of the above.
- 23.** The bank draft (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of abridged version of prospectus.
- 24.** Amount deposited and blocked in the "Public Issue Application Account" shall not be withdrawn or transferred during the blocking period. Amount deposited by the applicants shall not be used by the Stockbrokers/Merchant Bankers for any purpose other than public issue application.
- 25.** The Issuer shall pay the costs related to data transmission, if claimed by the Stock Exchange concerned.
- 26.** The Stockbrokers/Merchant Bankers shall be entitled to a service charge of 5.00 (taka five) only per application irrespective of the amount or category. The service charge shall be paid by the applicant at the time of submitting application.
- 27.** The Stockbroker/Merchant Banker shall provide the Issuer with a statement of the remittance and drafts sent.
- 28.** The Issuer shall accumulate the penalty amount recovered and send it to the Commission through a bank draft/payment order issued in favor of the Bangladesh Securities and Exchange Commission.

LIST OF THE STOCKBROKERS / MERCHANT BANKERS TO RECEIVE IPO APPLICATION

DSE STOCKBROKERS				DSE STOCKBROKERS				DSE STOCKBROKERS			
Sl. No.	Name of TREC Holder Companies	TREC No.		Sl. No.	Name of TREC Holder Companies	TREC No.		Sl. No.	Name of TREC Holder Companies	TREC No.	
1	A B Ispahani Securities Ltd.	1		80	Al-Haj Securities & Stocks Ltd.	93		159	Habibur Rahman Securities Ltd.	187	
2	S & H Equities Ltd.	2		81	SIBL Securities Ltd	94		160	Globe Securities Limited.	189	
3	Shyamol Equity Management Ltd.	3		82	Salta Capital Ltd.	95		161	Eminent Securities Limited	191	
4	Phoenix Securities Limited	4		83	Jamal Ahmed Securities Ltd.	97		162	IFIC Securities Ltd.	192	
5	Harun Securities Ltd.	5		84	Dhanmondi Securities Ltd.	98		163	DBL Securities Limited	193	
6	A. K. Khan Securities Ltd.	6		85	Country Stock (Bangladesh) Ltd.	99		164	Parkway Securities Limited	194	
7	Apex Investment Limited	7		86	ARC Securities Ltd.	100		165	Jahan Securities Ltd.	195	
8	Crest Securities Ltd.	8		87	Dayton Holdings Ltd.	101		166	M & Z Securities Ltd.	196	
9	International Leasing Securities Limited	9		88	Howlader Equity Services Ltd.	102		167	MTB Securities Ltd.	197	
10	Khwaja Equity Services Limited	10		89	Prime Islami Securities Ltd.	104		168	Coast To Coast Securities Ltd.	198	
11	BRAC EPL Stock Brokerage Ltd.	11		90	Ali Securities Co. Ltd.	105		169	Stock & Bond Limited.	199	
12	Pasha Capital Ltd.	12		91	Island Securities Ltd.	106		170	Total Communication Ltd.	200	
13	MAH Securities Ltd.	13		92	Islami Bank Securities Ltd.	107		171	AB Securities Ltd.	201	
14	DMR Securities Services Ltd.	14		93	Remons Investment & Securities Ltd.	108		172	Prilink Securities Ltd.	202	
15	ACE Capital Management Services Ltd.	16		94	Unique Share Management Ltd.	109		173	NBL Securities Limited	203	
16	Adil Securities Limited	17		95	Etiihad Securities Ltd.	110		174	Synthia Securities Ltd.	204	
17	Greenland Equities Ltd.	18		96	Surma Securities Holding Co. Ltd.	111		175	Modern Equity Limited	206	
18	Azam Securities Limited	19		97	Nouvelle Securities Ltd.	112		176	United Enterprises & Co. Ltd.	207	
19	BDBL Securities Ltd.	20		98	CMSL Securities Limited.	113		177	Oshadhi Securities Ltd.	208	
20	Royal Capital Ltd.	21		99	Ahmed Iqbal Hasan Securities Ltd.	114		178	Mondol Securities Ltd.	209	
21	A. R. Chowdhury Securities Ltd.	22		100	NabiulKarim Securities Ltd.	115		179	Wifang Securities Ltd.	210	
22	Ershad Securities Ltd.	23		101	Murshed Securities Ltd.	116		180	AD Holdings Limited	213	
23	Vision Capital Management Ltd.	24		102	A N F Management Company Ltd.	117		181	Pubali Bank Securities Limited.	214	
24	Arena Securities Ltd.	25		103	Saad Securities Ltd.	118		182	Mika Securities Ltd.	215	
25	EBL Securities Limited.	26		104	Dragon Securities Ltd.	119		183	Sharp Securities Limited	216	
26	SAR Securities Ltd.	27		105	Sheltech Brokerage Limited	120		184	Rasti Securities Consultant Ltd.	217	
27	Sadeque Finance Management Ltd	28		106	SCL Securities Limited.	121		185	BRB Securities Ltd.	220	
28	Kazi Firoz Rashid Securities Ltd.	29		107	K-Securities and consultants Ltd	122		186	A. L. Securities Ltd.	222	
29	BD Finance Securities Ltd.	30		108	Shahed Securities Limited	123		187	Mercantile Bank Securities Limited	224	
30	ETBL Securities & Exchange Ltd.	31		109	Rose Securities Ltd.	125		188	Shohrab Securities & Trade Ltd.	225	
31	Bulbul Securities Ltd.	32		110	Dynamic Securities Consultants Ltd.	126		189	Fareast Stocks & Bonds Ltd.	226	
32	Ibrahim Securities Ltd.	33		111	R N I Securities Ltd.	128		190	United Financial Trading Co. Ltd	227	
33	B & B Enterprise Limited	34		112	ICB Securities Trading Company Limited	129		191	Modern Securities Ltd.	229	
34	Rashid Investment Services Ltd.	35		113	Thea Securities Ltd.	130		192	Expo Traders Ltd.	230	
35	Daulatunnessa Equities Limited.	37		114	Harpoon Securities Ltd.	131		193	Akij Securities Ltd.	231	
36	Quayum Securities Ltd.	38		115	LankaBangla Securities Ltd.	132		194	Popular Life Insurance Company Ltd.	232	
37	Haji Ahmad Brothers Securities Ltd.	41		116	DSFM Securities Ltd	133		195	ShahjalalIslami Bank Securities Ltd.	233	
38	Rapid Securities Ltd.	42		117	Moshihor Securities Ltd.	134		196	AIBL Capital Market Services Ltd.	234	
39	AB & Co. Ltd.	43		118	Kazi Equities Limited	135		197	PHP Stocks & Securities Ltd.	235	
40	M-Securities Ltd.	44		119	Securities Broking & Management Services Ltd.	136		198	Premier Bank Securities Ltd.	236	
41	Federal Securities And Investment Ltd	45		120	Alliance Securities & Management Ltd.	137		199	Bank Asia Securities Limited	237	
42	SAHCO Securities Ltd.	46		121	Al-Hajajahanara Securities Ltd.	138		200	IDFC Securities Limited	238	
43	Khurshid Securities Ltd.	47		122	ALOCO Securities Ltd.	139		201	Dhaka Securities Ltd	239	
44	Aries Securities Ltd.	48		123	Midway Securities Ltd.	142		202	A N W Securities Ltd.	240	
45	Al-Muntaha Trading Co. Ltd.	49		124	K.H.B. Securities Ltd.	143		203	One Securities Ltd.	241	
46	Imtiyaz Husain Securities Ltd.	50		125	City Brokerage Limited	145		204	Trust Bank Securities Ltd.	242	
47	S B Securities Ltd.	51		126	Cosmopolitan Traders (Pvt) Ltd.	146		205	DLIC Securities Ltd.	243	
48	M. Zubair Securities Ltd.	52		127	Joytun Securities Intl. Ltd.	148		206	NLI Securities Ltd.	244	
49	Mian Abdur Rashid Securities Limited	53		128	ShakilRizvi Stock Limited	149		207	BD Sunlife Securities Ltd.	248	
50	UGC SECURITIES LTD.	54		129	Bali Securities Ltd.	153		208	Sterling Stocks & Securities Ltd.	249	
51	Alpha Equities Ltd.	56		130	Indicate Securities Consultants Ltd.	154					
52	Hasan Securities Ltd.	57		131	EMES Securities Ltd.	155					
53	IDLC Securities Ltd.	58		132	Standard Bank Securities Ltd.	156					
54	Green Delta Securities Ltd.	59		133	Gateway Equity Resources Ltd.	157					
55	Global Securities Ltd.	60		134	Investment Promotion Service Ltd.	158					
56	NCCB Securities and Financial Services Ltd	61		135	Peace Securities Ltd	159					
57	Reliance Brokerage Services Ltd.	62		136	Anwar Securities Ltd.	160					
58	Shahjahan Securities Ltd.	64		137	Trustee Securities Ltd.	162					
59	ASENZ Securities Ltd.	65		138	SES Company Limited.	163					
60	E- Securities Ltd.	66		139	Mona Financial Consultancy & Securities Ltd.	164					
61	Sinha Securities Ltd.	67		140	Haji Mohammad Ali Securities Ltd.	165					
62	Popular Equities Limited	68		141	Times Securities Limited	166					
63	Mohammad Talha & Co. Ltd.	69		142	Subvalley Securities Ltd.	168					
64	First Capital Securities Ltd.	70		143	Merchant Securities Limited	169					
65	SBC Securities & Investment Ltd.	71		144	Shah Mohammad Sagir & Co. Ltd	171					
66	H R Securities & Investment Ltd.	72		145	Tobarrak Securities Ltd.	172					
67	HAC Securities Ltd.	74		146	HazratAmanat Shah Securities Ltd.	173					
68	Multi Securities & Services Limited	75		147	T . A . Khan Securities Co. Ltd.	174					
69	Square Securities Management Ltd.	76		148	BLI Securities Limited.	175					
70	R. N. Trading Limited.	78		149	Peoples Equities Ltd.	176					
71	PFI Securities Limited.	79		150	Anchor Securities Limited	177					
72	Tamha Securities Limited	81		151	JKC Securities Ltd.	179					
73	Desa Securities Limited	85		152	Commerce Bank Securities and Investment Ltd.	180					
74	MAM Securities Ltd.	86		153	UCB Capital Management Limited	181					
75	Farida Raquib Securities Ltd.	87		154	Nur-E-Alam Siddique & Company Ltd.	182					
76	Asia Securities Ltd.	88		155	C-Maart Securities Limited.	183					
77	Uniroyal Securities Ltd.	89		156	Razzak Securities Ltd.	184					
78	Md. Fakhrul Islam Securities Ltd.	90		157	Delta Capital Limited.	185					
79	Shahidullah Securities Ltd.	91		158	G M F Securities Ltd.	186					

CSE STOCKBROKERS			CSE STOCKBROKERS			MERCHANT BANKERS		
Sl. No.	Name of TREC Holder Companies	TREC No.	Sl. No.	Name of TREC Holder Companies	TREC No.	Sl. No.	Merchant Banker Name	M. Bank Sl. No.
1	Alpha Securities Ltd.	001	80	Moharam Securities Ltd.	108	1	AAA Finance & Investment Limited.	001
2	ISPI Securities Ltd.	002	81	Sanmar Capital Management Ltd.	109	2	AB Investment Limited	002
3	Meenhar Securities Ltd.	003	82	Starport Securities Ltd.	110	3	AFC Capital Ltd.	003
4	South Asia Securities Ltd.	004	83	Lotus Shares & Securities Ltd.	112	4	AIBL Capital Management Ltd.	004
5	Island Securities Ltd.	005	84	Cordial Securities Ltd.	113	5	Alpha Capital Management Ltd.	005
6	Chittagong Capital Ltd.	006	85	Hassan Shares & Securities Ltd.	114	6	BD Finance Capital Holdings Limited	006
7	British Bengal Securities Ltd.	008	86	Vantage Securities Ltd.	115	7	BLI Capital Limited	007
8	Saya Securities Ltd.	010	87	Megacity Securities Ltd.	116	8	BMSL Investment Ltd.	008
9	First Capital Securities Ltd.	011	88	Hallmark Securities Ltd.	117	9	BRAC EPL Investments Limited	009
10	BRAC EPL Stock Brokerage Ltd.	013	89	IDLC Securities Ltd.	119	10	City Bank Capital Resources Ltd.	010
11	Stock & Security Linkway Ltd.	014	90	Western Security Investment Mgt. Ltd.	120	11	EBL Investments Ltd.	011
12	UCB Capital Management Ltd	015	91	Firstlead Securities Ltd.	122	12	EC Securities Limited	012
13	Adams Securities Ltd.	016	92	Far East Shares & Securities Ltd.	123	13	EXIM Islami Investment Ltd.	013
14	North West Securities Ltd.	019	93	S. N. Securities Ltd.	125	14	FAS Capital Management Ltd.	014
15	EBL Securities Ltd.	021	94	Amin Securities & Consultants Ltd.	128	15	First Securities Services Ltd.	015
16	Salta Capital Ltd.	022	95	Muntaha Shares & Capital Ltd.	129	16	First Security Islami Capital & Investments Ltd.	016
17	Azim Securities Ltd.	023	96	Green Delta Securities Ltd.	130	17	Grameen Capital Management Ltd.	017
18	Uttara Exchange & Securities Ltd.	024	97	Phoenix Securities Ltd.	131	18	Green Delta Capital Ltd.	018
19	Sylhet Metro City Securities Ltd.	025	98	NCCB Securities and Financial Services Ltd.	132	19	ICB Capital Management Ltd.	019
20	Be Rich Ltd.	027	99	City Brokerage Ltd.	133	20	IDLC Investments Ltd.	020
21	RAK Capital Ltd.	028	100	ShahjalalIslami Bank Securities Ltd.	134	21	IIDFC Capital Ltd.	021
22	Nizam's Shares & Securities Ltd.	029	101	Popular Life Insurance Company Ltd.	135	22	IL Capital Ltd.	022
23	PHP Stocks & Securities Ltd.	031	102	Premier Leasing Securities Ltd.	136	23	Imperial Capital Limited	023
24	A.A. Securities Ltd.	032	103	Fareast Stocks & Bonds Ltd.	138	24	Jamuna Bank Capital Management Ltd.	024
25	Synet Securities Ltd.	033	104	AIBL Capital Market Services Ltd.	139	25	Janata Capital and Investment Ltd.	025
26	Pioneer Shares & Securities Ltd.	034	105	SIBL Securities Ltd.	142	26	LankaBangla Investments Ltd.	026
27	Vanguard Shares & Securities Ltd.	036	106	Prime Islami Securities Ltd.	145	27	MTB Capital Ltd.	027
28	Hillcity Securities Ltd.	037	107	Islami Bank Securities Ltd.	146	28	PLFS Investments Ltd.	028
29	S.R. Capital Ltd.	038	108	Jamuna Bank Securities Ltd.	147	29	Prime Bank Investment Ltd.	029
30	Base Capital Ltd.	040	109	One Securities Ltd.	148	30	Prime Finance Capital Management Ltd.	030
31	Remons Investment & Securities Ltd.	042				31	Rupali Investment Ltd.	031
32	United Financial Trading Co. Ltd.	043				32	SBL Capital Management Ltd.	032
33	3A & Company Ltd.	044				33	Sonali Investment Ltd.	033
34	ZATL Securities Ltd.	045				34	Southeast Bank Capital Services Ltd.	034
35	Hefazatur Rahman & Co. Ltd.	046				35	Swadesh Investment Management Limited	035
36	Kishwar Security Investment Ltd.	047				36	Trust Bank Investment Limited	036
37	Impel Shares & Securities Ltd.	049				37	UniCap Investments Limited	037
38	Mirpur Securities Ltd.	050				38	Uttara Finance and Investment Ltd.	038
39	E-Securities Ltd.	052				39	Agrani Equity & Investment Limited	039
40	Royal Capital Ltd.	053				40	Banco Finance and Investment Limited	040
41	Prime Financial Consultants & Equities Ltd.	055				41	BetaOne Investments Limited	041
42	Kabir Securities Ltd.	056				42	CAPM Advisory Limited	042
43	Eastern Shares & Securities Ltd.	058				43	GSP Investments Limited	043
44	Reliance Securities Consultant Ltd.	059				44	RACE Portfolio & Issue Management Limited	044
45	Chittagong Shares & Securities Ltd.	060				45	Royal Green Capital Market Limited	045
46	CMSL Securities Ltd.	061						
47	Prudential Capital Ltd.	062						
48	Associated Capital Securities Ltd.	063						
49	Platinum Securities Ltd.	064						
50	Finvest Services Ltd.	066						
51	Super Shares & Securities Ltd.	067						
52	T.K. Shares & Securities Ltd.	069						
53	Ahmed Securities Services Ltd.	070						
54	Chowdhury Securities Ltd.	073						
55	Raja Securities Ltd.	074						
56	Sohel Securities Ltd.	076						
57	Century Securities Ltd.	079						
58	International Leasing Securities Limited	080						
59	DBL Securities Ltd.	081						
60	UniCap Securities Limited	082						
61	Abacus Securities Ltd.	083						
62	Skys Securities Ltd.	084						
63	Galaxy Capital Ltd.	085						
64	A M Securities and Financial Services Ltd.	086						
65	Purabi Securities Ltd.	087						
66	Reliance Brokerage Services Ltd.	088						
67	D.N. Securities Ltd.	089						
68	LankaBangla Securities Ltd.	091						
69	Square Securities Management Ltd.	092						
70	Holy City Securities Ltd.	093						
71	Inter-Continental Securities Ltd.	094						
72	PFI Securities Ltd.	095						
73	International Securities Co. Ltd.	096						
74	Multi Securities & Services Ltd.	097						
75	EIC Securities Ltd.	098						
76	Ten Stars (Pvt.) Ltd.	100						
77	Mona Financial Consultancy & Securities Ltd.	103						
78	Pubali Bank Securities Ltd.	105						
79	N.C. Securities Ltd.	107						

শেয়ারবাজারে বিনিয়োগ ঝুঁকিপূর্ণ জেনে ও বুঝে বিনিয়োগ করুন।

APPLICATION FOR PUBLIC ISSUE

Date:

Name of applicant	:																
Client Code	:																
BO ID No.	:																
Category of applicant	:																
Name of the Company	:																
Number of Shares	:	 Shares of Tk. each															
Total amount in Tk.	:																
Amount in word	:																

Applicants

Authorized Officer