

**“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”**

**“Investment in capital market involves certain degree of risks. The investors are required to read the prospectus and risk factors carefully, assess their own financial conditions and risk taking ability before making their investment decisions.”**

PUBLIC ISSUE OF 30,000,000 ORDINARY SHARES

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**PROSPECTUS**

**Name of Issuer:**



**Master Feed Agrotec Limited**

**Name of Issue Managers:**



**Asian Tiger Capital Partners Investments Limited**



**NBL Capital & Equity Management Limited**

(a) Preliminary Information and Declarations:

- (i) Name(s), address(s), telephone number(s), web address(s), e-mail(s), fax number(s) and contact persons of the issuer, issue manager(s), underwriter(s), auditors, credit rating company and valuer, where applicable;

Issuer		
Name & Address	Telephone & Fax Number, E-mail, Web Address	Contact Person
<b>Master Feed Agrotec Limited (MFAL)</b> Novel House, 137 (8th Floor), Shantinagar, Dhaka-1217	Tel: +88-02-58317115 Fax: +88-02-58317116 Email: info@masterfeedagrotec.com Web: www.masterfeedagrotec.com	<b>Rakib Uddin</b> Chief Financial Officer
Issue Managers		
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<b>NBL Capital &amp; Equity Management Limited</b> Printers Building (8th Floor), 5 Rajuk Avenue, Dhaka-1000.	Tel: +88-02-47118816, +88-02-47118807 Fax: +88-02-47118805 E-mail: cemd@nblbd.com Web: www.nblceml.com	<b>Kamrun Naher</b> Chief Executive Officer
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Underwriters		
Name & Address	Telephone & Fax Number, E-mail, Web Address	Contact Person
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<b>Auditor</b>		
<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>
<b>ARTISAN</b> Chartered Accountants 33 Shah Ali Tower, (5th & 6th Floor), Kawran Bazar Dhaka-1215.	Tel: +88-02-8189883-7 Fax: +88-02-8180187 E-mail: info@artisan-ca.com web: www.artisan-ca.com	<b>AFM Alamgir</b> Chief Executive Partner

The Company has no involvement with Valuer; Credit rating is not applicable for the issuer.

(ii) A person interested to get a prospectus may obtain from the issuer and the issue manager(s).

(iii) **“If you have any query about this document, you may consult the issuer, issue manager and underwriter”**

(iv) "CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE OR OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2015. 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, MANAGING DIRECTOR, CHIEF FINANCIAL OFFICER, COMPANY SECRETARY, ISSUE MANAGER, ISSUE MANAGER'S CHIEF EXECUTIVE OFFICER, UNDERWRITERS, AUDITOR(S), VALUER AND/OR CREDIT RATING COMPANY (IF ANY)."

(v) *'Risks in relation to the First Issue'*

"This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the securities is Tk. 10.00 (ten) and the issue price is Tk. 10.00, i.e. the face value. The issue price has been determined and justified by the issuer and the issue manager as stated under the paragraph on "Justification of Issue Price" should not be taken to be indicative of the market price of the securities after listing. No assurance can be given regarding an active or sustained trading of the securities or the price after listing."

(vi) *'General Risk'*

"Investment in securities involves a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offer. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended by the Bangladesh Securities and Exchange Commission (BSEC) nor does BSEC guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'risk factors' given on page number(s) 156-164"

(vii) *'Master Feed Agrotec Limited's Absolute Responsibility'*

"The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this prospectus contains all material information with regard to the issuer and the issue, that the information contained in the prospectus are true, fair and correct in all material aspects and are not misleading in any respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."

(b) **Availability of Prospectus**

- (i) **Names, addresses, telephone numbers, fax numbers, website addresses and e-mail addresses and names of contact persons of the institutions where the prospectus and abridged version of prospectus are available in hard and soft forms;**

The Prospectus and abridged version prospectus in hard and soft forms of the Company shall be obtained from the following addresses:

<b>Issuer</b>		
<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>
<b>Master Feed Agrotec Limited (MFAL)</b> Novel House, 137 (8th Floor), Shantinagar, Dhaka-1217	Tel: +88-02-58317115 Fax: +88-02-58317116 Email: info@masterfeedagrotec.com Web: www.masterfeedagrotec.com	<b>Rakib Uddin</b> Chief Financial Officer
<b>Issue Managers</b>		
<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>
<b>NBL Capital &amp; Equity Management Limited</b> Printers Building (8th Floor), 5 Rajuk Avenue, Dhaka-1000.	Tel: +88-02-47118816, +88-02-47118807 Fax: +88-02-47118805 E-mail: cemd@nblbd.com Web: www.nblceml.com	<b>Kamrun Naher</b> Chief Executive Officer
<b>Asian Tiger Capital Partners Investments Limited</b> Kazi Heritage (3rd floor), Road # 11, House # 49, Block # H, Banani, Dhaka-1213	Tel: +88-02-9898439 Fax: +88-02-9898439 (Ext-113) E-mail: fuad.hussain@at-capital.com Web: www.at-capital.com	<b>Muhammad Fuad Hussain</b> Managing Director & CEO
<b>Stock Exchanges</b>		
<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>
<b>Dhaka Stock Exchange Limited</b> DSE Library, 9/F Motijheel C/A, Dhaka-1000	Tel: +88-02-9564601, 9576210-18 Fax: +88-02-9564727, +88-02-9569755 E-mail: reasearch@dsebd.org Web: www.dsebd.org	<b>Afzalur Rahaman</b> Manager
<b>Chittagong Stock Exchange Limited</b> CSE Library, CSE Building, 1080, Sheikh Mujib Road Agrabad, Chittagong-4100.	Tel: 031-714632-3 Fax: 031-714101 E-mail: habib.ullah@cse.com.bd Web: www.cse.com.bd	<b>Mohammad Habib Ullah</b> Deputy Manager

Prospectus would also be available on the web sites of BSEC (www.sec.gov.bd) and at the Public Reference Room of the Bangladesh Securities and Exchange Commission (BSEC) for reading and studying.

(ii) **Names and dates of the newspapers where abridged version of prospectus was published.**

Names and dates of the newspapers where abridged version of prospectus was published:

Sl. No.	Name of the Newspaper	Date of Publication
1		
2		
3		
4		

### (iii) Definitions and Acronyms or Elaborations

#### Acronyms or Elaborations:

#### **A**

"Articles" or "Articles of Association" or "AoA"	The Articles of Association of Master Feed Agrotec Limited, as amended
AGM	Annual General Meeting
Allotment	Letter of Allotment of shares
ATCPIL	Asian Tiger Capital Partners Investments Limited

#### **B**

"Board" or "Board of Directors" or "our Board"	The Board of Directors of Master Feed Agrotec Limited, as duly constituted from time to time including any committees thereof
B. A	Bachelor of Arts
B. Com	Bachelor of Commerce
B. Sc	Bachelor of Science
BAS	Bangladesh Accounting Standards
BB	Bangladesh Bank
BBA	Bachelor of Business Administration
BDT	Bangladeshi Taka
BFRS	Bangladesh Financial Reporting Standards
BIDA	Bangladesh Investment Development Authority
BO A/C	Beneficiary Owner's Account
BSEC	Bangladesh Securities and Exchange Commission

#### **C**

CDBL	Central Depository Bangladesh Limited
Certificate	Share Certificate
CFO	Chief Financial Officer
CIB	Credit Information Bureau
CIS	Collective Investment Scheme
Commission	Bangladesh Securities and Exchange Commission
CS	Company Secretary
CSE	Chittagong Stock Exchange Limited

#### **D**

DSE	Dhaka Stock Exchange Limited
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#### **E**

EI	Eligible Investor
E-Mail	Electronic Mail
EPS	Earnings Per Share
Exchanges	Stock Exchanges

#### **F**

FC A/C	Foreign Currency Account
FDR	Fixed Deposit Receipt
FY	Fiscal Year
FCA	Fellow Chartered Accountants

#### **G**

GBP	Great Britain Pound
GP	General Public

<b>I</b>	
IPO	Initial Public Offering
Issue	Public Issue of shares
Issue Managers	NBL Capital & Equity Management Limited and Asian Tiger Capital Partners Investments Limited
Issuer	Master Feed Agrotec Limited
<b>L</b>	
L/C	Letter of Credit
LLM	Master of Laws
<b>M</b>	
“Memorandum” or “Memorandum of Association” or “MoA”	The Memorandum of Association of Master Feed Agrotec Limited, as amended
M. Com	Master of Commerce
M. Sc	Master of Science
M.A	Master of Arts
M.S.S	Master of Social Sciences
MBA	Master of Business Administration
MBS	Master's of Business Studies
MFAL	Master Feed Agrotec Limited
MS-Word	Microsoft word
<b>N</b>	
NAV	Net Asset Value
NBFI	Non-Banking Financial Institution
NBLCEML	NBL Capital & Equity Management Limited
NBR	National Board of Revenue
NRB	Non Resident Bangladeshi
<b>O</b>	
“Our Company”	Master Feed Agrotec Limited, a public limited company incorporated under the Companies Act
Offering Price	Price of the Securities of MFAL
<b>P</b>	
PE	Price to Earnings
<b>R</b>	
RJSC	Registrar of Joint Stock Companies and Firms
<b>S</b>	
Securities	Share of Master Feed Agrotec Limited
Securities Market	The Share Market of Bangladesh
Sponsors	The sponsor shareholders of Master Feed Agrotec Limited
Subscription	Application Money
<b>T</b>	
The Company/Issuer	Master Feed Agrotec Limited, a public limited company incorporated under the Companies Act
<b>U</b>	
UK Pound	United Kingdom Pound
USD	United States Dollar
<b>V</b>	
VAT	Value Added Tax



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# CHAPTER (I)

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## **EXECUTIVE SUMMARY**

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### **(a) About the industry:**

Bangladesh, with its rural and agro-based economy, has always been plagued with problems such as malnutrition, high levels of unemployment, and poverty. With the objective of alleviating the protein deficiency of the people and solving the unemployment problem to some extent, in the last 30 years, private investors have taken up steps to address these issues by setting up commercial livestock, fisheries, and poultry farms. The Feed Mill manufacturing industry has grown consequently to provide backward linkage support to them, especially poultry farms which consume the biggest share of the produced feed.

With a current turnover of BDT 10,000 Crore and a growth rate of 10% per year, the organized and unorganized feed production industry has a great prospect withstanding some challenges as well, such as increasing price in raw materials, adulteration of raw materials, lack of quality control in unorganized sector, high import duty of vaccines. Due to high capital intensiveness, feed production is not coping with the increasing demand and attaining economies of scale has been primary challenge for the industry players.

The major demand driver of the feed industry is the poultry industry and the feed milling industry works as the prime backward linkage industry for these industries. Based on internal estimates, current demand for poultry feed has been estimated to be 5.08 Million MT/year (based on CAGR 10% growth). As the market size and demand for feed are increasing, the demand for the major raw materials, such as corn, maize, Soy-bean, etc. is also expected to rise. However, since Bangladesh is not self-sufficient in producing these raw materials, it has to import major portions of them from neighboring country India. In addition, rising price of Corn and Soy-bean, due to seasonal variation, creates continuous pressure on the market.

As the livestock and fisheries industry has been growing at a steady rate of 20% for the last two decades, the demand for feed has been growing accordingly. However, the supply side has not been able to keep up with the increasing demand. Yearly production of feeds per year is 27,95,040 MT which is inadequate for meeting demand, which have to be imported directly from India and China.

The local production of feed and the raw materials necessary to produce the feed is still inadequate. For example, only 40% of the corn (one of the most vital raw material necessary to produce the feed) is produced locally, the rest (60%) are imported from abroad. Another vital raw material soy-bean is also imported from abroad and the rest are sourced locally.

Among the major feed mill companies in Bangladesh, 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., Aftab Bohumuki Farms Ltd., Narish Poultry Feeds Ltd., Saudi-Bangla Fish Feed Ltd., New Hope Feed Ltd., Aman Feeds Ltd. Master Feed Ltd. National Feed Ltd. Because of capital-intensive industry, small local players are facing a high entry barrier along with achieving economies of scale.

The growth opportunities for the feed market are immense. Feed market works as the backward linkage of the poultry, livestock, and fisheries industries. The major portion of the increasing demand will have to be met by mechanized feed millers whereas the home-mix producers will have to take care of the rest. Ban on importing livestock from India might have a positive impact on demand for feed as domestic cattle farms will have to be built to offset its effect.

Source: <https://www.lightcastlebd.com/insights/2017/06/07/market-insight-bangladesh-feed-industry>

**(b) About the Issuer:**

<b>Incorporation</b>		Incorporated as Private Limited Company on June 20, 2011 & vide reg. no. C-93642/11
<b>Converted Public Limited Company</b>		October 15, 2018
<b>Commencement of Commercial Operation</b>		February 01, 2015
<b>Registered &amp; Head Office</b>		Novel House, 137 (8th Floor), Shantinagar, Dhaka-1217
<b>Factory</b>	Feed & Poultry (R & D)	Shemultola, Sonabo, Boldighat, Sreepur, Gazipur
	Fisheries & Poultry	Akramnagar, Middlebagga, Subarnachar, Noakhali
<b>Nature of Business</b>		Master Feed Agrotec Limited is one of the feeds producing companies in Bangladesh, engaged in producing feed for poultry, fish and cattle. The Principal activities of this Company are manufacturing and marketing of poultry feed, fish feed, cattle feed and also engage farming Poultry and Fish.
<b>Back ground of the Company</b>		The company namely "Master Hatchery and Poultry Feed Limited" was incorporated on 20th June, 2011 vide registration No.C-93642/11 as a private limited company in Bangladesh under the Companies Act, 1994 and converted as a public limited company vide EGM dated 15 October 2018. The Company changed its name through special resolution and with due approval of the Registrar of Joint Stock of Companies and Firms from "Master Hatchery and Poultry Feed Limited" to "Master Feed Agrotec Limited." on 01 July, 2018.

**(c) Financial Information:**

Major financial information of Master Feed Agrotec Limited (MFAL) is as follows:

Sl. No.	Particulars	30-Sep-19	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
1	Revenue	256,188,652	914,580,980	506,226,758	444,365,371	299,265,446	125,211,749
2	Gross Profit	32,790,298	116,797,914	69,020,218	60,486,826	40,209,372	16,677,638
3	Profit Before Tax	20,828,157	74,397,934	38,794,003	28,344,806	15,602,888	2,914,386
4	Net Profit After Tax	17,693,299	61,946,820	33,095,529	24,206,827	11,523,255	2,537,204
5	Total Assets	885,872,912	853,258,702	507,337,962	417,317,879	318,788,844	269,998,909
6	Share Capital	571,505,000	550,000,000	97,450,000	1,000,000	1,000,000	1,000,000
7	Retained Earnings	151,002,934	133,309,635	71,362,815	38,267,286	14,060,459	2,537,204
8	Net Asset Value (NAV) per share	12.64	12.42	17.32	392.67	150.60	35.37
9	Earnings Per Share (Diluted)	0.31	1.08	0.58	0.42	0.20	0.04

**(d) Features of the issue and its objects:**

<b>Offer Price</b>	Tk. 10.00
<b>Number of Shares</b>	30,000,000
<b>Offer Size</b>	Tk. 30,000,000.00
<b>Purpose of Raising Fund</b>	Proceeds from Initial Public Offering (IPO) will be used for Acquisition and Installation of Machineries & Equipment; Building and Other Construction; Fully Automatic Chicken Farm; Working Capital and for IPO Expenses.
<b>Date of Implementation</b>	Within 21 months after receiving IPO fund

**(e) Legal and other Information:**

<b>Name of Certificate/license/ Registration/ NOC</b>	<b>License Issuer/Issuing Authority</b>	<b>Certificate / License No.</b>	<b>Expiry Date</b>
Incorporation	RJSC	20-Jun-2011 & Reg. No. C-93642/2011	N/A
Certificate of Commencement of Business	RJSC	N/A	N/A (Incorporated as a private Ltd. Company)
Trade license	Dhaka South City Corporation	TRAD/DSCC/218613/2019	30-Jun-20
	No. 5, Kawraid Union Parisad, Sreepur, Gazipur	15/2018-2019	30-Jun-20
	No. 5, Chor Jubili Union Parishad, Shobornocho, Noakhali	20197518536002081	30-Jun-20
TIN Certificate	National Board of Revenue	564740342446	N/A
VAT Reg. No.	Customs, Excise & VAT Commissionerate, Dhaka	001763066-0103	N/A
Environment Clearance Certificate	Department of Environment, Gazipur	১৯-২৫৬০৫	26-Jun-20
Boiler License	Department of Explosive	বা: ব: ৫১২০	04-Feb-20
Fire License	Bangladesh Fire Service & Civil Defense, Dhaka	এডি/ঢাকা/৪০৮৪৩/১৮	30-Jun-20
Fish Feed manufacturing license Cat-I	Ministry of Fisheries and Livestock	৩৩.০১.০০০০.১১২.৯৯.৩২৭(অংশ-৫).১৭-১৫৪০	30-Jun-20
Registration certificate from BIDA	Bangladesh Investment Development Authority	L-01221108865-H	N/A

**(f) Promoters' background:**

At the time of incorporation following persons were the subscribers to the memorandum:

Sl. No.	Name of Promoter	Present Status
1	Md. Kabir Hossain	Managing Director
2	Asma Akter Sumie	Chairman

Their background is stated below:

**Md. Kabir Hossain, Managing Director**

Md. Kabir Hossain, Managing Director of the Company. He was born in January 01, 1982 in an illustrious family. His father is Fazlul Haq and mother is Mahafuja Begum. He is an Entrepreneur and businessman of distinction is the Managing Director of the Company. He is a Bachelor of Commerce. His strong vision of backward linkage, helped National grow to be one of the biggest integrated agribusinesses company within the country. 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 is well renowned for his philanthropic work in the locality. He has vast knowledge in feed and fisheries business & has been working in this field for about 15 years. His experience in the business and industrial sector is wide and diversified, which ranges from commodity trade to management and operation of large industrial units.

**Asma Akter Sumie, Chairman**

Mrs. Asma Akter Sumie, Chairman of the Company. She was born in November 04, 1988 in an illustrious family. His father is Nurul Amin and mother is Salina Akter and spouse is Md. Kabir Hossain. She is an Entrepreneur and businessman of distinction is the Chairman of the Company. She is a Bachelor of Business Administration from the National University. She became a successful business man within a short time of his business career by dint of his sincerity, honesty, hard labor and dynamic leadership.

**(g) Capital structure and history of capital raising:**

The Company intends to issue 30,000,000 ordinary shares of Tk. 10.00 each at par through Initial public offering (IPO) totaling to Tk. 300,000,000.00 subject to regulatory approvals.

Particulars	No. of Shares	Face Value (Tk.)	Issue Price (Tk.)	Amount in Taka
Authorized Capital	100,000,000	10.00	10.00	1,000,000,000
<b>Before IPO:</b>				
Paid up capital	57,150,500	10.00	10.00	571,505,000
<b>After IPO:</b>				
To be issued through IPO	30,000,000	10.00	10.00	300,000,000
<b>Paid up capital (Post IPO)</b>	<b>87,150,500</b>	<b>10.00</b>	<b>10.00</b>	<b>871,505,000</b>

The Company has raised its paid-up capital in following phases:

Particulars of Allotment	Date of Allotment	Form of Consideration (No. of Shares)			Face Value of Share (Tk.)	Paid-up Capital
		In cash	Other than in cash	Bonus		
1 <sup>st</sup> (subscriber to the Memorandum & Articles of Association at the time of incorporation)	20-Jun-11	10,000	-	-	100.00	1,000,000
2 <sup>nd</sup>	28-Jun-18	9,645,000	-	-	10.00	96,450,000
3 <sup>rd</sup>	26-Apr-19	12,296,000	-	-	10.00	122,960,000
4 <sup>th</sup>	27-Apr-19	32,959,000	-	-	10.00	329,590,000
5 <sup>th</sup>	25-Sep-19	2,150,500	-	-	10.00	21,505,000
<b>Total</b>					<b>10.00</b>	<b>571,505,000</b>

Notes: The Company has changed the face value of its ordinary share from Tk. 100.00 to Tk. 10.00 by passing a special resolution in its extraordinary general meeting held on June 28, 2018 and necessary amendments in capital clause of the Memorandum and Articles of Association were made accordingly.

**(h) Summary of Valuation Report of securities:**

Particulars	Amount (in Tk.)
Method 1: Net Asset Value (NAV) per share/Equity based valuation	12.64
Method 2: Historical Earnings based valuation	12.80
Method 3: Average market price of similar stock based valuation	24.98

**(i) Others:**

- a) Declaration by the issuer as required by Rule 3 (2) (c) of the Bangladesh Securities & Exchange Commission (Public Issue) Rules, 2015:

**DECLARATION OF MATERIAL CHANGES**

We, the Issuer, declare that we did not make any material changes including raising of paid-up capital after the date of audited financial statements as included in the prospectus.

Sd/-

**Md. Kabir Hossain**

Managing Director

- b) Declaration by the issue manager as required by Rule 3 (2) (d) of the Bangladesh Securities & Exchange Commission (Public Issue) Rules, 2015:

**ISSUE MANAGERS DECLARATION IN CONNECTION WITH ISSUER**

We, the Issue Managers, declare that we do not have any connection with the Issuer, nor any connected persons of us are connected with the Issuer. Moreover, we do not have any connection with the connected persons of the Issuer nor hold any securities thereof.

Sd/-

**Kamrun Naher**

Chief Executive Officer

**NBL Capital & Equity Management  
Limited**

Sd/-

**Muhammad Fuad Hussain**

Managing Director & CEO

**Asian Tiger Capital Partners Investments  
Limited**

## CHAPTER (II)

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# **CONDITIONS IMPOSED BY THE COMMISSION**

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#### **DISCLOSURE IN RESPECT OF ISSUANCE OF SECURITY IN DEMAT FORM:**

As per provisions of the Depository Act, 1999 and regulations made there under, share of the Company will be issued in dematerialized form only and for this purpose Master Feed Agrotec Limited will sign an agreement with the Central Depository Bangladesh Limited (CDBL). Therefore, all transfers, transmissions, splitting or conversions will take place on the CDBL system and any further issuance of shares (including rights and bonus) will also 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 3,00,00,000 ordinary shares of Tk. 10.00 each at par totaling to **Tk. 30,00,00,000.00 (Taka Thirty Crore only)** following the Securities and Exchange Ordinance, 1969, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the Depository Act, 1999 and rules 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 **2 (two) working days** of issuance of this consent letter. The issuer shall post the full prospectus, vetted by Commission, in the issuer's website and shall also put on the websites of the Commission, stock exchanges, and the issue manager, within **3 (three) 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 the Commission, the stock exchanges and the issue manager a diskette containing the text of the vetted prospectus in "MS -Word" format.
3. The company shall submit **40 (Forty)** copies of the printed prospectus to the Commission for official record within **5 (Five) working days** from the date of publication of the abridged version of the prospectus in the newspaper.
4. The issuer company and the issue manager shall ensure transmission of the prospectus and its abridged version for NRBs through email to the Bangladesh Embassies and Missions abroad within **5 (Five) working days** from the date of publication of the abridged version of the prospectus in the newspaper. A compliance report shall be submitted in this respect to the Commission jointly by the issuer and the Issue Manager within **2 (Two) working days** from the date of said transmission of the prospectus.
5. 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)** 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."

6. All applicants shall apply for minimum market lot of 500 shares worth Taka 5,000/- (Taka five thousand only) or its multiples.
7. The IPO shall stand cancelled in case of under-subscription in any category above 35%. In such an event, the issuer and issue manger shall inform the Commission within 2 (two) working days and release the subscription money within 10 (ten) working days after receiving verification report from CDBL and the information from exchanges regarding subscription.
8. **20% of the securities reserved for other general public shall be reserved for কতিপয় ক্ষুদ্র বিনিয়োগকারী. In case of under-subscription under any of sub-categories of eligible investor's category or general public category, the unsubscribed portion shall be added to other sub-category of the same category. In case of over subscription in the general public category, the issuer and the issue manager shall jointly conduct an open lottery. In case of over subscription in the eligible investor's category, securities shall be allotted on pro-rata basis. No eligible investors shall apply for more than 2% (two percent) of the total securities reserved for the eligible investors.**
9. 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 submits 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.
10. 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.
11. **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.**
12. The company shall furnish the list of allottees to the Commission and the stock exchange(s) simultaneously in which the shares will be listed, within **24 (Twenty Four) hours** of allotment.
13. **Shares not allotted at the time of according this consent, but allotted after listing, in favor of sponsors, directors or shareholders having 10% or more shares, other than alternative investment fund, through stock dividends, shall be subject to a lock-in period of 02 (two) years from the date of issuance of the prospectus.**
14. **If any share of Sponsors/Directors/Promoters is in paper format, it shall be handed over to securities custodian registered with the Commission and shall remain held till completion of lock-in period and the name of the securities custodian shall be furnished to the Commission jointly by the issuer and issue manager, along with a confirmation thereof from the custodian, within one week of listing of the shares with the stock exchange(s). Or they (shares of Sponsors/ Directors/ Promoters) can be demated**

and shall remain in lock-in under CDBL system and issuer shall submit a dematerialization confirmation report generated by CDBL and attested by Managing Director of the company along with the lock-in confirmation to the Commission 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 the Commission.

15. The company shall not declare any dividend/bonus shares before listing of its capital with any Exchange from the date of this consent for raising of capital.
16. The company shall not engage itself into any merger/amalgamation or acquisition activities without taking "No Objection" from the Commission, on the scheme of the said merger/amalgamation or acquisition, as recommended by the Board of Directors, before approval by the shareholders in General Meeting.
17. The company shall submit environment clearance certificate for proposed increased production capacity and proposed expansion of its infrastructures before utilization of IPO proceeds.

## **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 the concerned Stockbroker/Merchant Banker. A Non-resident Bangladeshi (NRB) and Foreign applicant may also submit a single draft against 02(two) applications made by him/her, i.e. one in his/her own name and the other jointly with another person. The draft (FDD) shall be issued by the Bank where the applicant maintains Foreign Currency account debiting the same account **and provide the customer with a certificate mentioning the FC account number which has been debited to issue the FDD. The applicant shall also submit the certificate with their application.** No banker shall issue more than two drafts from any 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.

- c. **Eligible investors shall submit application through the electronic subscription system of the exchange(s) and deposit the full amount intended to subscribe by the method as determined by the exchange(s).**

### **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;
  - 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 prepare 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 to the respective Exchange, the lists of applicants in electronic (text format with tilde '~' separator) format, the certificate(s) issued by its banker, the drafts **and certificates** received from Non-resident Bangladeshi (NRB) and Foreign applicants and a copy of the list containing the draft information.
7. **On the next working day**, the Exchanges shall provide the Issuer with the information received from the Stockbroker/Merchant Bankers, the drafts **and certificates** submitted by Non-resident Bangladeshi (NRB) and Foreign applicants and the list containing the draft information. 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 and websites of the Exchanges. 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 Exchanges **within 10 (ten) working days** from the date of receiving information from the 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 Exchanges, if do not receive any observation from the Commission or the 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 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 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 Commission and Exchanges 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 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**, 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 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;
16. **On the next working day** of receiving the documents from the Exchanges, the Stockbrokers/Merchant Banker 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 applicants (other than NRB and foreign) who are subject to penal provisions to the respective 'Escrow' accounts of the Issuer opened for subscription purpose.

17. **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.
18. **Simultaneously**, the stockbrokers/Merchant Bankers shall release the application money blocked in the customer accounts; inform the successful applicants about allotment of securities and the unsuccessful applicants about releasing their blocked amounts and send documents to the Exchange evidencing details of the remittances made to the respective 'Escrow' accounts of the Issuer. 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.
19. All drafts submitted by NRB or Foreign applicants shall be deposited in the Issuer's respective 'Escrow' accounts and refund shall be made by the Issuer by refund warrants through concerned stockbroker or merchant banker or transfer to the applicant's bank account **(FC account which has been debited to apply by NRB or foreign applicants)** through banking channel within 10 (ten) working days from the date of lottery.

**Miscellaneous:**

20. The Issuer, Issue Manager, Stockbrokers and Merchant Bankers shall ensure compliance of the above.
21. The bank drafts (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of abridged version of prospectus.
22. 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.
23. The Issuer shall pay the costs related to data transmission, if claimed by the Exchange concerned up to an amount of Tk. 2,00,000.00 (taka two lac) for a public issue.
24. The Stockbroker/Merchant Bankers shall be entitled to a service charge of Tk.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.
25. The Stockbroker/Merchant Banker shall provide the Issuer with a statement of the remittance and drafts sent.
26. 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.
27. The concerned Exchange are authorized to settle any complaints and take necessary actions against any Stockbroker/Merchant Banker in case of violation of any provision of the public issue application process with intimation to the Commission.

### PART-C

1. The issue manager shall carefully examine and compare the published prospectus and its abridged version on the date of publication with the copies vetted by the Commission. If any discrepancy 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 the Commission and the stock exchanges concerned. In this regard, the issue manager shall submit a compliance report to the Commission within 5 working days from the date of such publications.
2. The fund collected through Public Offering shall not be utilized prior to listing with Exchange(s) 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.
3. 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 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. The issuer shall simultaneously post the status report in its websites of the Exchanges. In the event of any irregularity or inconsistency, the Commission may employ or engage any person to examine whether the issuer has utilized the proceeds for the purpose disclosed in the prospectus.
4. While auditing the utilization of IPO proceeds, the auditors will perform their jobs under the following terms of reference (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 condition (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 published prospectus;
  - d. Whether utilization of IPO proceeds is accurate and for the purpose of the company as mentioned/specified in the published prospectus; and
  - e. The auditors should also confirm that:(i) assets have been procured/imported/constructed maintaining proper/required procedure as well as at reasonable price; and (ii) auditors' report has been made on verification of all necessary documents/papers/vouchers in support of IPO proceeds making reconciliation with Bank Statement.
5. All transactions, excluding petty cash expenses, shall be effected by crossed cheques or bank transfers.
6. Proceeds of the public offering shall not be transferred to any other bank account before listing with the Exchange(s). The proceeds shall not be used for any purpose other than those specified in the prospectus without any valid ground. **Any deviation in respect of time or purpose of utilization must have prior approval of the shareholders in the general meeting through a Board approved agenda thereon and due notification to the shareholders and if approved by the shareholders, the meeting resolution shall be submitted to the Commission and the Exchanges along with reasonable explanations.**

7. 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 Rules 13 of the Securities and Exchange Rules, 1987.
8. 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. As per provision of the Depository Act, 1999 & Regulations made thereunder, shares will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the depository system of Central Depository Bangladesh Ltd. (CDBL) and any further issuance of shares (including rights/bonus) will be made in dematerialized form only.
2. The issuer and the issue manager shall ensure due compliance of all the above conditions, the 'Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015' and the listing regulations of the exchanges.
3. 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.



## CHAPTER (III)

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# **DECLARATION AND DUE DILIGENCE CERTIFICATES**

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**DECLARATION ABOUT THE RESPONSIBILITY OF THE DIRECTORS, INCLUDING THE CEO OF THE ISSUER IN RESPECT OF THE PROSPECTUS**

**[Rule 4 (1)(d)]**

This prospectus has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy 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 actions against any or all of us as it may deem fit.

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

Sd/-  
**Asma Akter Sumie**  
Chairman

Sd/-  
**Md. Kabir Hossain**  
Managing Director

Sd/-  
**Rafiqul Alam**  
Director

Sd/-  
**Shahida Akter Sumi**  
Director

Sd/-  
**Sheikh Karimuzzaman**  
Independent Director

Date: January 20, 2020

**DUE DILIGENCE CERTIFICATE BY ISSUE MANAGER**  
**(NBL CAPITAL & EQUITY MANAGEMENT LIMITED)**

**[Rule 4 (1) (d)]**

**To**

**The Bangladesh Securities and Exchange Commission**

**Sub:** Public Issue of 30,000,000 Ordinary Shares of Tk. 300,000,000.00 by Master Feed Agrotec Limited.

**Dear Sir,**

We, the issue manager to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above mentioned public issue, visited the premises of the issuer and interviewed the Chairperson, Directors and key management personnel of the issuer in connection with the finalization of the prospectus pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer, 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.

**WE CONFIRM THAT:**

- (a) The prospectus filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the Government have been duly complied with;
- (c) The disclosures made in prospectus are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the prospectus are registered with the Commission and that till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfill their underwriting commitments;
- (f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;

- (g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the prospectus;
- (h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well informed decision;
- (i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the IPO for any further inspection by the Commission;
- (j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 containing details such as the rule number, its text, the status of compliance, page numbers of the prospectus where the rules has been complied with and our comments, if any;
- (k) We also declare that we have managed the public issue of following issuers in the last 05 (five) years:

<u>Serial No</u>	<u>Issue Month/Year</u>	<u>Issue Price</u>	<u>Dividend Payment History</u>
1	M.L. Dyeing Limited (June-2018)	10.00	20% 2018 B, 5% 2019 C & 15% 2019 B

**Place:** Dhaka  
**Date:** January 20, 2020

Sd/-  
**Kamrun Naher**  
 Chief Executive Officer  
**NBL Capital & Equity Management Limited**

**DUE DILIGENCE CERTIFICATE BY ISSUE MANAGER**  
**(ASIAN TIGER CAPITAL PARTNERS INVESTMENTS LIMITED)**

**[Rule 4 (1) (d)]**

**To**

**The Bangladesh Securities and Exchange Commission**

**Sub:** Public Issue of 30,000,000 Ordinary Shares of Tk. 300,000,000.00 by Master Feed Agrotec Limited.

**Dear Sir,**

We, the issue manager to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above mentioned public issue, visited the premises of the issuer and interviewed the Chairperson, Directors and key management personnel of the issuer in connection with the finalization of the prospectus pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer, 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.

**WE CONFIRM THAT:**

- (a) The prospectus filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the Government have been duly complied with;
- (c) The disclosures made in prospectus are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the prospectus are registered with the Commission and that till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfill their underwriting commitments;
- (f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;

- (g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the prospectus;
- (h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well informed decision;
- (i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the IPO for any further inspection by the Commission;
- (j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 containing details such as the rule number, its text, the status of compliance, page numbers of the prospectus where the rules has been complied with and our comments, if any;
- (k) We also declare that we have managed the public issue of following issuers in the last 05 (five) years:

<u>Serial No</u>	<u>Issue Month/Year</u>	<u>Issue Price</u>	<u>Dividend Payment History</u>
1	Intraco Refueling Station Limited (February-2018)	10.00	5% 2018 C, 5% 2018 B, 10% 2019 B

For the Issue Manager

Sd/-

**Muhammad Fuad Hussain**  
Managing Director & CEO

**Place:** Dhaka  
**Date:** January 20, 2020

**Asian Tiger Capital Partners Investments Limited**

**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER**  
**(ALPHA CAPITAL MANAGEMENT LIMITED)**  
**[Rule 4 (1)(d)]**

**To**  
**The Bangladesh Securities and Exchange Commission**

**Sub:** Public Offer of 30,000,000 Ordinary Shares of Tk. 300,000,000.00 by Master Feed Agrotec Limited.

**Dear Sir,**

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

- (1) We, while underwriting the above mentioned 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) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 255,500,000 (Twenty five crore and Fifty Five Lac) and we have the capacity to underwrite a total amount of Tk. 1,277,500,000 (One hundred twenty Seven crore Seventy Five Lac) as per relevant legal requirements. We have committed to underwrite for up to Tk. 35,000,000.00 (Three Crore Fifty Lac Only) for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us: (Name of issue and amount underwritten)

Sl.	Name of the Company	Amount Underwritten (in Tk.)
1.	Express Insurance Limited	15,000,000
2.	Ratanpur Steel Re-rolling Mills Limited	28,500,000
3.	Golden Harvest Agro Industries Limited	531,823,420
	<b>Total</b>	<b>575,323,420</b>

- (c) 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;

- (d) 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
- (e) This underwriting commitment is unequivocal and irrevocable.

**For the Underwriter:**

Sd/-

**Noor Ahamed FCA**

CEO & Managing Director

**Alpha Capital Management Limited**

Place: Dhaka;

Date: January 20, 2020



**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER**  
**(BMSL INVESTMENT LIMITED)**

**[Rule 4 (1)(d)]**

**To**  
**The Bangladesh Securities and Exchange Commission**

**Sub:** Public Offer of 30,000,000 Ordinary Shares of Tk. 300,000,000.00 by Master Feed Agrotec Limited.

**Dear Sir,**

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

- (1) We, while underwriting the above mentioned 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) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 42,00,00,000 (Forty Two Crore Only) and we have the capacity to underwrite a total amount of Tk. 210,00,00,000 (Two Hundred Ten Crore Only) as per relevant legal requirements. We have committed to underwrite for up to Tk. 35,000,000 (Three Crore Fifty Lac only) for the upcoming issue.
- (a) At present, the following underwriting obligations are pending for us: (Name of issue and amount underwritten)

Sl	Name of the company	Amount Underwritten (In Tk.)
1	Delta Hospital Ltd	4,000,000.00
2	Lub-rref (Bangladesh) Ltd.	30,000,000.00
3	Al-Faruque Bags Ltd.	35,000,000.00
4	Bonito Accessories Industries Ltd.	35,000,000.00
5	Oryza Agro Industries Limited	21,875,000.00
6	Anik Trims Ltd.	35,000,000.00
7	AB Bank Ltd.	50,000,000.00
8	Ratanpur Steel Re-Rolling Mills Ltd.	28,500,000.00
9	Dragon Sweater and Spinning Ltd.	200,000,000.00
<b>Total</b>		<b>439,375,000.00</b>

- (b) 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;

- (c) 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
- (d) This underwriting commitment is unequivocal and irrevocable.

**For the Underwriter:**

Sd/-

**Md. Riyad Matin**

Managing Director

**BMSL Investment Limited**

Place: Dhaka;

Date: January 19, 2020

**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER**  
**(IIDFC CAPITAL LIMITED)**  
**[Rule 4 (1)(d)]**

**To**  
**The Bangladesh Securities and Exchange Commission**

**Sub:** Public Offer of 30,000,000 Ordinary Shares of Tk. 300,000,000.00 by Master Feed Agrotec Limited.

**Dear Sir,**

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

- (1) We, while underwriting the above mentioned 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) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 600,000,000 (Taka Sixty Crore Only) and we have the capacity to underwrite a total amount of Tk. 3,000,000,000 (Taka Three Hundred Crore Only) as per relevant legal requirements. We have committed to underwrite for up to **Tk. 35,000,000.00 (Three Crore Fifty Lac Only)** for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us: (Name of issue and amount underwritten)

Sl. No.	Name of The Company	Amount Underwritten (Taka)
1	Infinity Technology International Limited	35,000,000.00
2	AB Bank Limited (Rights Share Offer)	280,000,000.00
3	Dragon Sweater & Spinning Limited (Rights Share Offer)	30,000,000.00
4	Achia Sea Foods Limited	14,000,000.00
5	Ratanpur Steel Re-Rolling Mills Limited. (Rights Share Offer)	11,390,880.00
6	Onetex Limited	20,000,000.00
7	MedRx Life Science Ltd.	10,000,000.00
8	Mir Akhter Hossain Limited	10,000,000.00
9	JMI Hospital Requisite Manufacturing Limited	10,000,000.00
<b>Total</b>		<b>420,390,880.00</b>

- (c) 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;

- (d) 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
- (e) This underwriting commitment is unequivocal and irrevocable.

**For the Underwriter:**

Sd/-

**Mohammad Saleh Ahmed**  
Chief Executive Officer  
**IIDFC Capital Limited**

Place: Dhaka;

Date: January 20, 2020

## CHAPTER (IV)


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### **ABOUT THE ISSUER**

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- (a) **Name of the issuer, dates of incorporation and commencement of its commercial operations, its logo, addresses of its registered office, other offices and plants, telephone number, fax number, contact person, website address and e-mail address;**

**Particulars of the Company:**

<b>Particulars</b>		<b>Description</b>
Name of the Issuer		: Master Feed Agrotec Limited (MFAL)
Dates of Incorporation		: June 20, 2011
Commencement of its Commercial Operations		: February 01, 2015
Logo		: 
Registered & Corporate office		: Novel House, 137 (8th Floor), Shantinagar, Dhaka-1217 Tel: +88-02-58317115 Fax: +88-02-58317116
Factory	Feed & Poultry (R & D)	: Shemultola, Sonabo, Boldighat, Sreepur, Gazipur Cell: +8801847348115
	Fisheries & Poultry	: Akramnagar, Middlebagga, Subarnachar, Noakhali Cell: +8801847348111
Contact Person		: Rakib Uddin Chief Financial Officer
Website Address		: <a href="http://www.masterfeedagrotec.com">www.masterfeedagrotec.com</a>
E-mail Address		: <a href="mailto:info@masterfeedagrotec.com">info@masterfeedagrotec.com</a>

- (b) **The names of the sponsors and directors of the issuer:**

**Name of the Sponsors and Directors:**

**Sponsors:**

<b>Sl. No</b>	<b>Sponsors</b>
1	Md. Kabir Hossain
2	Asma Akter Sumie

**Directors:**

<b>Sl. No.</b>	<b>Name</b>	<b>Position</b>
1	Asma Akter Sumie	Chairman
2	Md. Kabir Hossain	Managing Director
3	Rafiqul Alam	Director
4	Shahida Akter Sumi	Director
5	Sheikh Karimuzzaman	Independent Director

- (c) **The name, logo and address of the auditors and registrar to the issue, along with their telephone numbers, fax numbers, contact persons, website and e-mail addresses:**

**Particulars of Auditor and Registrar to the Issue:**



**Auditor:**

Particulars		Description
Name	:	<b>ARTISAN</b> Chartered Accountants
Logo	:	
Address	:	33 Shah Ali Tower, (5th & 6th Floor), Kawran Bazar Dhaka-1215.
Telephone Number	:	Tel: +88-02-8189883-7
Fax Number	:	Fax: +88-02-8180187
Contact Person	:	<b>AFM Alamgir</b> Chief Executive Partner
Website Address	:	www.artisan-ca.com
E-mail Address	:	info@artisan-ca.com

Registrar to the Issue is not applicable for Master Feed Agrotec Limited.

- (d) **The name(s) of the stock exchanges where the specified securities are proposed to be listed.**

**Name of the Stock Exchanges where the Securities to be listed:**

Stock Exchanges	<b>Dhaka Stock Exchange Limited</b> 9/F Motijheel C/A, Dhaka 1000.		Tel: +88-02-9564601, 9576210-18 Fax: +88-02-9564727, +88-02-9569755
	<b>Chittagong Stock Exchange Ltd.</b> CSE Building, 1080, Sheikh Mujib Road Chittagong 4100.		Tel: +880-2-9513911-15 Fax: +880-2-9513906


## CHAPTER (V)

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# **CORPORATE DIRECTORY OF THE ISSUER**

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Name of the Company	:	Master Feed Agrotec Limited (MFAL)
Logo	:	
Nature of Business	:	Master Feed Agrotec Limited is one of the feeds producing companies in Bangladesh, engaged in producing feed for poultry, fish and cattle. The Principal activities of this Company are manufacturing and marketing of poultry feed, fish feed, cattle feed and also engage farming Poultry and Fish.
Date of Incorporation	:	June 20, 2011
Commencement of its Commercial Operations	:	February 01, 2015
Authorized Capital	:	Tk. 1,000,000,000 divided into 100,000,000 Ordinary Share of Tk. 10.00 each
Paid up Capital	:	Tk. 571,505,000 divided into 57,150,500 Ordinary Share of Tk. 10.00 each
Registered & Head Office	:	Novel House, 137 (8th Floor), Shantinagar, Dhaka-1217 Tel: +88-02-58317115 Fax: +88-02-58317116 Email: info@masterfeedagrotec.com Web: www.masterfeedagrotec.com
Factory	:	<b>Feed &amp; Poultry (R &amp; D)</b> Shemultola, Sonabo, Boldighat, Sreepur, Gazipur Cell: +8801847348115 <b>Fisheries &amp; Poultry</b> Akramnagar, Middlebagga, Subarnachar, Noakhali Cell: +8801847348111
Board of Directors	:	5 Directors.
Auditors	:	ARTISAN Chartered Accountants 33 Shah Ali Tower, (5th & 6th Floor), Kawran Bazar Dhaka-1215. Tel: +88-02-8189883-7 Fax: +88-02-8180187 E-mail: info@artisan-ca.com web: www.artisan-ca.com
Tax Consultants & Legal Advisors	:	<b>S.M Kamrul Islam</b> Advocate Bangladesh Supreme Court. Room No. 216 (Annex Hall), Supreme Court Bar Association Building Ramna, Dhaka -1000. Tel: +8801720205170 E-mail: advocatemilon@yahoo.com
Banker for IPO	:	Southeast Bank Limited
Banker of the Company	:	Agrani Bank Limited
Compliance Officer	:	<b>Rakib Uddin</b> Chief Financial Officer

## CHAPTER (VI)

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### **DESCRIPTION OF THE ISSUER**

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**(a) Summary:**

- (i) **The summary of the industry and business environment of the issuer. The summary shall not be one-sided or biased to highlight the issuer or the issue;**

**Summary of the industry:**

Bangladesh, with its rural and agro-based economy, has always been plagued with problems such as malnutrition, high levels of unemployment, and poverty. With the objective of alleviating the protein deficiency of the people and solving the unemployment problem to some extent, in the last 30 years, private investors have taken up steps to address these issues by setting up commercial livestock, fisheries, and poultry farms. The Feed Mill manufacturing industry has grown consequently to provide backward linkage support to them, especially poultry farms which consume the biggest share of the produced feed.

With a current turnover of BDT 10,000 Crore and a growth rate of 10% per year, the organized and unorganized feed production industry has a great prospect withstanding some challenges as well, such as increasing price in raw materials, adulteration of raw materials, lack of quality control in unorganized sector, high import duty of vaccines. Due to high capital intensiveness, feed production is not coping with the increasing demand and attaining economies of scale has been primary challenge for the industry players.

The major demand driver of the feed industry is the poultry industry and the feed milling industry works as the prime backward linkage industry for these industries. Based on internal estimates, current demand for poultry feed has been estimated to be 5.08 Million MT/year (based on CAGR 10% growth). As the market size and demand for feed are increasing, the demand for the major raw materials, such as corn, maize, Soy-bean, etc. is also expected to rise. However, since Bangladesh is not self-sufficient in producing these raw materials, it has to import major portions of them from neighboring country India. In addition, rising price of Corn and Soy-bean, due to seasonal variation, creates continuous pressure on the market.

As the livestock and fisheries industry has been growing at a steady rate of 20% for the last two decades, the demand for feed has been growing accordingly. However, the supply side has not been able to keep up with the increasing demand. Yearly production of feeds per year is 27,95,040 MT which is inadequate for meeting demand, which have to be imported directly from India and China.

The local production of feed and the raw materials necessary to produce the feed is still inadequate. For example, only 40% of the corn (one of the most vital raw material necessary to produce the feed) is produced locally, the rest (60%) are imported from abroad. Another vital raw material soy-bean is also imported from abroad and the rest are sourced locally.

Among the major feed mill companies in Bangladesh, 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., Aftab Bohumuki Farms Ltd., Narish Poultry Feeds Ltd., Saudi-Bangla Fish Feed Ltd., New Hope Feed Ltd., Aman Feeds Ltd. Master Feed Ltd. National Feed Ltd. Because of capital-intensive industry, small local players are facing a high entry barrier along with achieving economies of scale.

The growth opportunities for the feed market are immense. Feed market works as the backward linkage of the poultry, livestock, and fisheries industries. The major portion

of the increasing demand will have to be met by mechanized feed millers whereas the home-mix producers will have to take care of the rest. Ban on importing livestock from India might have a positive impact on demand for feed as domestic cattle farms will have to be built to offset its effect.

Source: <https://www.lightcastlebd.com/insights/2017/06/07/market-insight-bangladesh-feed-industry>

#### **Business environment:**

The Issuer's business environment is conducive to the business as we have good supply of raw materials. The Company has skilled labors as well. The wage of labor is reasonable also. Government policy is favorable to the sector. Overall, it is a business-friendly situation.

#### **(ii) Summary of consolidated financial, operating and other information.**

This information is not applicable for Master Feed Agrotec Limited since it has no subsidiary company nor does operate under any holding company.

#### **(b) General Information:**

##### **(i) Name and address, telephone and fax numbers of the registered office, corporate head office, other offices, factory, business premises and outlets of the issuer;**

Particulars		Description
Name		: Master Feed Agrotec Limited (MFAL)
Registered & Corporate office		: Novel House, 137 (8th Floor), Shantinagar, Dhaka-1217 Tel: +88-02-58317115 Fax: +88-02-58317116
Factory	Feed & Poultry (R & D)	: Shemultola, Sonabo, Boldighat, Sreepur, Gazipur Cell: +8801847348115
	Fisheries & Poultry	: Akramnagar, Middlebagga, Subarnachar, Noakhali Cell: +8801847348111
Outlets of the issuer		: The issuer company has no outlets.

##### **(ii) The board of directors of the issuer;**

Sl. No.	Board of Director	Designation
1	Asma Akter Sumie	Chairman
2	Md. Kabir Hossain	Managing Director
3	Rafiqul Alam	Director
4	Shahida Akter Sumi	Director
5	Sheikh Karimuzzaman	Independent Director

(iii) **Names, addresses, telephone numbers, fax numbers and e-mail addresses of the chairman, managing director, whole time directors, etc. of the issuer;**

Sl.	Name & Address	Telephone and Fax No. & E-mail Address
1	Name: <b>Asma Akter Sumie</b> Position: Chairman Address: 1255, Mohammad Bagh, Rayerbagh, Kadamtoli, Dhaka	Tel: +88-02-58317115 Fax: +88-02-58317116 E-mail: chairman@masterfeedagrotec.com
2	Name: <b>Md. Kabir Hossain</b> Position: Managing Director Address: 1255, Mohammad Bagh, Rayerbagh, Kadamtoli, Dhaka	Tel: +88-02-58317115 Fax: +88-02-58317116 E-mail: md@masterfeedagrotec.com
3	Name: <b>Rafiqul Alam</b> Position: Director Address: 182, Faidabad Main Road, Dokkhinkhan, Uttara, Dhaka	Tel: +88-02-58317115 Fax: +88-02-58317116 E-mail: rafiq@masterfeedagrotec.com
4	Name: <b>Shahida Akter Sumi</b> Position: Director Address: House: 01, Road: College Road, Aynusbagh, PO: Dakhin Khan, Dakhin Khan, Dhaka-1230	Tel: +88-02-58317115 Fax: +88-02-58317116 E-mail: sumi@masterfeedagrotec.com
5	Name: <b>Sheikh Karimuzzaman</b> Position: Independent Director Address: House No. 357, Kawlar Main Road, Namapara, Dakhkhinkhan, Dhaka-1229	Tel: +88-02-58317115 Fax: +88-02-58317116 E-mail: skzamanb@gmail.com

\* Md. Kabir Hossain, Managing Director is the only whole time Director who receive remuneration from the Company.

(iv) **Names, addresses, telephone numbers, fax numbers and e-mail addresses of the CFO, company secretary, legal advisor, auditors and compliance officer;**

Sl.	Name & Address	Telephone and Fax No. & E-mail Address
1	<b>Rakib Uddin</b> Chief Financial Officer & Compliance Officer Novel House, 137 (8th Floor), Shantinagar, Dhaka-1217	Tel: +88-02-58317115 Fax: +88-02-58317116 E-mail: cfo@masterfeedagrotec.com
2	<b>Md. Abul Basar</b> Company Secretary Novel House, 137 (8th Floor), Shantinagar, Dhaka-1217	Tel: +88-02-58317115 Fax: +88-02-58317116 E-mail: cs@masterfeedagrotec.com
3	<b>S.M Kamrul Islam</b> <b>Advocate</b> <b>Bangladesh Supreme Court.</b> Tax Consultants & Legal Advisors Room No. 216 (Annex Hall), Supreme Court Bar Association Building Ramna, Dhaka -1000.	Tel: +8801720205170 Fax: No Fax Number E-mail: advocatemilon@yahoo.com
4	<b>ARTISAN</b> Chartered Accountants 33 Shah Ali Tower, (5th & 6th Floor), Kawran Bazar Dhaka-1215.	Tel: +88-02-8189883-7 Fax: +88-02-8180187 E-mail: info@artisan-ca.com

- v) **Names, addresses, telephone numbers, fax numbers, contact person, website addresses and e-mail addresses of the issue manager(s), registrar to the issue etc.;**

<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>
<b>NBL Capital &amp; Equity Management Limited</b> Printers Building (8th Floor), 5 Rajuk Avenue, Dhaka-1000.	Tel: +88-02-47118816, +88-02-47118807 Fax: +88-02-47118805 E-mail: cemd@nblbd.com Web: www.nblceml.com	<b>Kamrun Naher</b> Chief Executive Officer
<b>Asian Tiger Capital Partners Investments Limited</b> Kazi Heritage (3rd floor), Road # 11, House # 49, Block # H, Banani, Dhaka-1213	Tel: +88-02-9898439 Fax: +88-02-9898439 (Ext-113) E-mail: fuad.hussain@at-capital.com Web: www.at-capital.com	<b>Muhammad Fuad Hussain</b> Managing Director & CEO

**Registrar to the issue:**

The Company is going to IPO under Fixed Price Method. So, no registrar to the issue is required as per amendments to the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015.

- (vi) **The following details of credit rating, where applicable:**

- The names of all the credit rating agencies from which credit rating has been obtained;**
- The details of all the credit ratings obtained for the issue and the issuer;**
- The rationale or description of the ratings (s) so obtained, as furnished by the credit rating agency(s);**
- Observations and risk factors as stated in the credit rating report.**

As per Section 3 of Credit Ratings Companies Rules, 1996, no credit rating report is required by the Company. Moreover, as per Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the issuer/issue has been rated by a credit rating company registered with the Commission for book-building method only.

(vii) Following details of underwriting:

- a) The names, addresses, telephone numbers, fax numbers, contact persons and e-mail addresses of the underwriters and the amount underwritten by them;

Name & Address	Telephone & Fax Number, E-mail, Web Address	Contact Person	Amount Underwritten
<b>Alpha Capital Management Limited</b> Eastern Arzoo Complex (7 <sup>th</sup> Floor), 61, Bijoy Nagar, Dhaka-1000.	Tel: +88-02-8315373 Fax: +88-02-8316547 E-mail: alpha.acml@gmail.com Web: www.acmlbd.com	<b>Md. Rakib Sadi</b> Head of Issue Management	35,000,000
<b>BMSL Investment Limited</b> Shareef Mansion (4th Floor) 56-57 Motijheel C/A Dhaka-1000.	Tel: +88-02-9577651, +88-02-9570624, +88-02-9565183 Fax: +88-02-47117218 E-mail: info@bmslinvestment.com Web: www.bmslinvestment.com	<b>Md. Riyad Matin</b> Managing Director	35,000,000
<b>IIDFC Capital Limited</b> Eunoos Trade Center (Level 7), 52-53 Dilkusha C/A, Dhaka 1000.	Tel: +88-02-9514637-8 Fax: +88-02-9514641 E-mail: icl@iidfc.com Web: www.iidfc.com	<b>Mohammad Saleh Ahmed</b> Chief Executive Officer	35,000,000
<b>Total</b>			<b>105,000,000</b>

**b) Declaration by the underwriters that they have sufficient resources as per the regulatory requirements to discharge their respective obligations;**

**Declaration by the Underwriter(s)**

We are one of the underwriters of the Initial Public Offering (IPO) of Master Feed Agrotec Limited. We will underwrite BDT 35,000,000 for the upcoming issue on a firm commitment basis.

In this connection, we hereby declare that: We have sufficient resources as per the regulatory requirements to discharge our respective obligations.

For the Underwriter(s):

Sd/-  
**Noor Ahamed FCA**  
CEO & Managing Director  
**Alpha Capital Management Limited**

Place: Dhaka;  
Date: January 20, 2020

Sd/-  
**Md. Riyad Matin**  
Managing Director  
**BMSL Investment Limited**

Place: Dhaka;  
Date: January 19, 2020

Sd/-  
**Mohammad Saleh Ahmed**  
Chief Executive Officer  
**IIDFC Capital Limited**

Place: Dhaka;  
Date: January 20, 2020

**c) Major terms and conditions of the underwriting agreements.**

As per guideline of Bangladesh Securities and Exchanges Commission, 35% of total securities shall have to be underwritten on a firm commitment basis by the underwriter(s), subject to the major terms stated below:

- (i) The IPO shall stand cancelled if at least 65% of the IPO is not subscribed.
- (ii) In case of under subscription, underwriters shall take the under-subscribed securities up to 35% of the IPO.
- (iii) Notwithstanding anything contained in the agreement in case of inconsistency between the provision of the agreement and the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the Public Issue Rules shall prevail.
- (iv) Prior to publication of the prospectus, the Company shall have obtained consent from the Bangladesh Securities and Exchange Commission permitting the issue as described in Article 2.01 and providing for payment of underwriting commission 0.50% (zero point five zero percent) on the amount underwritten.
- (v) The Issuer 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 **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.



(vi) 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 Underwriters to the Commission.

In the case of failure by the underwriter to pay for the shares within the stipulated time, the Company/Issuer will be under no obligation to pay any underwriting commission under this Agreement.

**(c) Capital Structure:**

- (i) **Authorized, issued, subscribed and paid up capital (number and class of securities, allotment dates, nominal price, issue price and form of consideration);**

Particulars of Allotment	Date of Allotment	Form of Consideration (No. of Shares)			Face Value of Share (Tk.)	Paid-up Capital
		In cash	Other than in cash	Bonus		
1 <sup>st</sup> (subscriber to the Memorandum & Articles of Association at the time of incorporation)	20-Jun-11	10,000	-	-	100.00	1,000,000
2 <sup>nd</sup>	28-Jun-18	9,645,000	-	-	10.00	96,450,000
3 <sup>rd</sup>	26-Apr-19	12,296,000	-	-	10.00	122,960,000
4 <sup>th</sup>	27-Apr-19	32,959,000	-	-	10.00	329,590,000
5 <sup>th</sup>	25-Sep-19	2,150,500	-	-	10.00	21,505,000
<b>Total</b>					<b>10.00</b>	<b>571,505,000</b>

Notes: The Company has changed the face value of its ordinary share from Tk. 100.00 to Tk. 10.00 by passing a special resolution in its extraordinary general meeting held on June 28, 2018 and necessary amendments in capital clause of the Memorandum and Articles of Association were made accordingly.

- (ii) **Size of the present issue, with break-up (number of securities, description, nominal value and issue amount);**

Particulars			Percentage	No. of Ordinary Shares	Nominal Value	Issue price	Issue Amount (Taka)
Initial Public Offering through Fixed Price Method	Eligible investors (EI)	EI excluding mutual funds and CIS	30%	9,000,000	10.00	10.00	90,000,000
		Mutual Funds and CIS	10%	3,000,000			30,000,000
	General public (GP)	GP excluding NRB*	50%	15,000,000			150,000,000
		NRB	10%	3,000,000			30,000,000
		<b>Total</b>	<b>100%</b>	<b>30,000,000</b>			<b>300,000,000</b>

**GP excluding NRB\*:** 15,000,000 Ordinary shares will be reserved for General Public and Small Affected Investors.

- (iii) **Paid up capital before and after the present issue, after conversion of convertible instruments (if any) and share premium account (before and after the issue);**

The Company has no convertible instruments and share premium account.

Particulars	Amount in BDT
Paid up capital before the present issue	571,505,000
Paid up capital after the present issue	871,505,000
Paid up capital after conversion of convertible instruments (if any)	N/A
Share premium account before the present issue	N/A
Share premium account after the present issue	N/A

- (iv) **Category wise shareholding structure with percentage before and after the present issue and after conversion of convertible instruments (if any);**

The paid-up capital of the Company is Tk. 571,505,000.00. The Company intends to issue 30,000,000 ordinary shares of Tk. 10.00 each at an issue price of Tk. 10.00 through Initial public offering (IPO) totaling to Tk. 300,000,000.00 under Fixed Price Method subject to regulatory approvals. The Company has no convertible instrument.

**Category wise shareholding structure with percentage before and after the present issue is as follows:**

Sl.	Category of Shareholders	No. of Ordinary Shares Hold		Percentage of Holding	
		Pre-IPO	Post-IPO	Pre-IPO	Post-IPO
1	Director & Sponsor	26,150,000	26,150,000	45.76%	30.01%
2	Institutional	2,211,000	11,211,000	3.87%	12.86%
3	Mutual Funds and CIS	-	3,000,000	0.00%	3.44%
4	Individual	28,789,500	43,789,500	50.37%	50.25%
5	Non Resident Bangladeshis (NRBs)	-	3,000,000	0.00%	3.44%
<b>Total</b>		<b>57,150,500</b>	<b>87,150,500</b>	<b>100.00%</b>	<b>100.00%</b>

- (v) **Where shares have been issued for consideration in other than cash at any point of time, details in a separate table, indicating the date of issue, persons to whom those are issued, relationship with the issuer, issue price, consideration and valuation thereof, reasons for the issue and whether any benefits have been accrued to the issuer out of the issue;**

The Company did not issue any of its ordinary shares for consideration in other than cash at any point of time.

- (vi) **Where shares have been allotted in terms of any merger, amalgamation or acquisition scheme, details of such scheme and shares allotted;**

The Company has not allotted any shares in terms of any merger, amalgamation or acquisition scheme.

- (vii) **Where the issuer has issued equity shares under one or more employee stock option schemes, date-wise details of equity shares issued under the schemes, including the price at which such equity shares were issued;**

The issuer has not issued equity shares under one or more employee stock option schemes.

- (viii) **If the issuer has made any issue of specified securities at a price lower than the issue price during the preceding two years, specific details of the names of the persons to whom such specified securities have been issued, relation with the issuer, reasons for such issue and the price thereof;**

The issuer has not made any issue of specified securities at a price lower than the issue price during the preceding two years.

- (ix) **The decision or intention, negotiation and consideration of the issuer to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue;**

The Company has no decision or intention, negotiation and consideration to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue.

- (x) The total shareholding of the sponsors and directors in a tabular form, clearly stating the names, nature of issue, date of allotment, number of shares, face value, issue price, consideration, date when the shares were made fully paid up, percentage of the total pre and post issue capital, the lock in period and the number and percentage of pledged shares, if any, held by each of them;

Name & Position	Nature of Issue	Date of Allotment and Acquisition & date of shares fully paid-up	No. of shares	Face Value & Issue Price	Consideration	Pre IPO %	Post IPO %	Lock in Period*	Number & % of pledge of shares
<b>Name: Asma Akter Sumie</b> <b>Position:</b> Chairman	Ordinary	20-Jun-11	30,000	10.00	Cash	4.55%	2.98%	3 Yrs	No Pledge
		28-Jun-18	300,000		Cash				
		27-Apr-19	2,270,000		Cash				
		<b>Total</b>	<b>2,600,000</b>						
<b>Name: Md. Kabir Hossain</b> <b>Position:</b> Managing Director	Ordinary	20-Jun-11	70,000	10.00	Cash	25.81%	16.92%	3 Yrs	No Pledge
		28-Jun-18	4,400,000		Cash				
		27-Apr-19	8,430,000		Cash				
		25-Sep-19	1,850,000		Cash				
		<b>Total</b>	<b>14,750,000</b>						
<b>Name: Rafiqul Alam</b> <b>Position:</b> Director	Ordinary	28-Jun-18	200,000	10.00	Cash	12.34%	8.09%	3 Yrs	No Pledge
		27-Apr-19	6,850,000		Cash				
		<b>Total</b>	<b>7,050,000</b>						
<b>Name: Shahida Akter Sumi</b> <b>Position:</b> Director	Ordinary	28-Jun-18	1,400,000	10.00	Cash	3.06%	2.01%	3 Yrs	No Pledge
		20-Oct-18	200,000		Cash				
		25-Sep-19	150,000		Cash				
		<b>Total</b>	<b>1,750,000</b>						
<b>Name: Sheikh Karimuzzaman</b> <b>Position:</b> Independent Director	Ordinary	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The Company split its share from Tk. 100.00 to Tk. 10.00 on June 28, 2018.

[\*From the first trading day of the securities]

\*Independent Director Sheikh Karimuzzaman does not hold any share of the Company.

- (xi) **The details of the aggregate shareholding of the sponsors and directors, the aggregate number of specified securities purchased or sold or otherwise transferred by the sponsor and/or by the directors of the issuer and their related parties within six months immediate preceding the date of filing the prospectus;**

**Aggregate shareholding of the Sponsors and Directors:**

Sl.	Name of Sponsor & Director	Number of Ordinary Shares Held	Face Value & Issue Price	Date of acquisition	Percentage	
					Pre-IPO	Post-IPO
1	Asma Akter Sumie	2,600,000	10.00	20-Jun-11	4.55%	2.98%
2	Md. Kabir Hossain	14,750,000	10.00	20-Jun-11	25.81%	16.92%
3	Rafiqul Alam	7,050,000	10.00	28-Jun-18	12.34%	8.09%
4	Shahida Akter Sumi	1,750,000	10.00	28-Jun-18	3.06%	2.01%
5	Sheikh Karimuzzaman	-	10.00	N/A	0.00%	0.00%
<b>Total</b>		<b>26,150,000</b>			<b>45.76%</b>	<b>30.01%</b>

**Transfer of specified securities by the sponsor or by the directors of the issuer:**

No specific securities purchased or sold or otherwise transferred within six months immediate preceding the date of filing the prospectus by the sponsors and/or by the directors of the issuer and their related parties.

- (xii) **The name and address of any person who owns, beneficially or of record, 5% or more of the securities of the issuer, indicating the amount of securities owned, whether they are owned beneficially or of record, and the percentage of the securities represented by such ownership including number of equity shares which they would be entitled to upon exercise of warrant, option or right to convert any convertible instrument;**

Sl.	Name of the Shareholders	Relationship	Number of Shares Held	Pre IPO %
1	Md. Kabir Hossain	Managing Director	14,750,000	25.81%
2	Rafiqul Alam	Director	7,050,000	12.34%

There is no event or intent of exercising warrant, option or right to convert any convertible instrument.

- (xiii) **The number of securities of the issuer owned by each of the top ten salaried officers, and all other officers or employees as group, indicating the percentage of outstanding shares represented by the securities owned.**

There is no employee in Master Feed Agrotec Limited who holds any shares of the Company except the following:

Sl.	Name of the Shareholders	Position	Number of Shares Held	Pre IPO %
1	Md. Kabir Hossain	Managing Director	14,750,000	25.81%
2	Mizanur Rahman Mridha	Executive Director	500,000	0.87%
3	Md. Abul Basar	Shareholder	91,000	0.16%

**(d) Description of Business:**

- (i) The date on which the issuer company was incorporated and the date on which it commenced operations and the nature of the business which the company and its subsidiaries are engaged in or propose to engage in;**

The Company Namely "Master Hatchery and Poultry Feed Limited" Was Incorporated on 20th June, 2011 Vide Registration No.C-93642/11 And Subsequently Converted into a Public Limited Company on October 15, 2018 With Registrar of Joint Stock Companies and Firms in Bangladesh Under the Companies Act 1994.

The Company Changed its Name Through Special Resolution and with Due Approval of the Registrar of Joint Stock of Companies and Firms from "Master Hatchery and Poultry Feed Limited" to "Master Feed Agrotec Limited." on 01 July, 2018.

The Principal activities of this Company are manufacturing and marketing of poultry feed, fish feed, cattle feed and also engage farming Poultry and Fish.

There is no Subsidiary Company of MFAL.

- (ii) Location of the project;**

**Registered Office:**

The Registered Office of the Company is Situated at Novel House, 137 (8<sup>th</sup> Floor), Shantinagar, Dhaka.

**Location of the Factory:**

There is a signboard to indicate Factory Location and in the factory premises we found well-displayed signboard.

Feed Mill	Sonabo, Shemultola, Sreepur, Gazipur, Dhaka
Poultry Farm	Sonabo, Shemultola, Sreepur, Gazipur, Dhaka
	Akramnagar, Middlebagga, Subarnachar, Noakhali
Fisheries	Akramnagar, Middlebagga, Subarnachar, Noakhali

**(iii) Plant, machinery, technology, process, etc.**

**Plant, machinery:**

Master Feed Agrotec Limited set up modern latest model and brand new fish feed, poultry feed and cattle feed plant. Among the major equipment deployed Boiler, Generator, feed plant, including raw material receiving system, Grinding System Batching & mixing system, pulverizing, second mixing system, Extruding and drying system, coating and cooling system, Bagging system, Pelleting system are worthy of mention.

**Technology:**

Production process of the Company is fully technology based where full process are controlled by control panel. So high technical and experience person are hired to support the overall business.

**Process:**

Total process of production is fully organized. There are various process used in full production system including weighting, Damping, cleaning, Mixing, Crashing/Pulverizing, 2nd mixing, Pellet/Extrusion, Drying, Cooling, Screening, Weighting & packing. All process are controlled by technical person and monitored by the management team.

**(iv) Details of the major events in the history of the issuer, including details of capacity or facility creation, launching of plant, products, marketing, change in ownership and/or key management personnel etc.;**

History of the issuer	Master Feed Agrotec Limited was incorporated as a Private Limited Company on 20th June, 2011 Vide Registration No.C-93642/11.
	Converted into a Public Limited Company on October 15, 2018.
Launching of plant	On February 01, 2015
Capacity (Quantity)	Feed Mill Unit: 12,012 M. Ton; Poultry Unit: 68 M. Ton & Fisheries Unit: 28 M. Ton
Capital raise (Last)	Tk. 21,505,000 (Cash consideration) on Sep 25, 2019.
Products	Master Feed Agrotec Limited Produces and Distributes Feeds that are Used for Broiler, Layer and Sonali Chicken. The Company Also Produces Fish Feed, Cattle Feed and Produce Chicken and Fish.
Market for the product	Throughout the Country in the local market.
Change in ownership/key management personnel	<p>The following ownership/key management personnel has been appointed;</p> <ol style="list-style-type: none"><li>1. On 22-Sep-19, Sheikh Karimuzzaman appointed as Independent Director.</li><li>2. On 30-Jun-19, Shahida Akter Sumi appointed as Director;</li><li>3. On 01-Jun-19, Md. Sharif Uddin Biswas appointed as General Manager (Factory);</li><li>4. On 01-Oct-18, Mizanur Rahman Mridha appointed as Executive Director;</li><li>5. On 18-Sep-18, Rafiqul Alam appointed as Director;</li><li>6. On 1-Jul-18, Abu Khair Md. Umar Razzak Mondol appointed as AGM (Sales and Marketing) and Rakib Uddin appointed as Chief Financial Officer;</li></ol>



	7. On 14-Apr-18, Md. Abul Basar appointed as Company Secretary;
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- (v) **Principal products or services of the issuer and markets for such products or services. Past trends and future prospects regarding exports (if applicable) and local market, demand and supply forecasts for the sector in which the product is included with source of data;**

**Principal products:**

Master Feed Agrotec Limited Produces and Distributes Feeds that are Used for Broiler, Layer and Sonali Chicken. The Company Also Produces Fish Feed, Cattle Feed and Produce Chicken and Fish.

**Market for such Products:**

The Company distributes its products throughout the Country in the local market.

**Past trends and future prospects regarding exports:**

Last 5 years' sales of Master Feed Agrotec Limited:

(Amount in BDT)

Particulars	01 Jul 2019 to 30 Sep 2019	01 Jul 2018 to 30 Jun 2019	01 Jul 2017 to 30 Jun 2018	01 Jul 2016 to 30 Jun 2017	01 Jul 2015 to 30 Jun 2016	01 Feb 2015 to 30 Jun 2015
Revenue	256,188,652	914,580,980	506,226,758	444,365,371	299,265,446	125,211,749

**Local market, demand and supply forecasts for the sector:**

Furthermore, as our protein consumption is very low compared to other countries, our internal growth scope is also huge. 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
USA	86
Australia	86
UK	56
Malaysia	38
Thailand	26
Pakistan	38
India	16
Srilanka	12
Bangladesh	4.5

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.

**Data Source:** Monthly Business Review of Volume 11 | Issue 10 October 2015 - IDLC Finance Limited

- (vi) If the issuer has more than one product or service, the relative contribution to sales and income of each product or service that accounts for more than 10% of the company's total revenues;

Sl. No.	Name of Products	For the period ended Sep 30, 2019		For the year ended Jun 30, 2019	
		Revenue (Tk.)	Percentage	Revenue (Tk.)	Percentage
1	Feed	239,644,521	93.542%	873,219,652	95.48%

- (vii) Description of associates, subsidiary and holding company of the issuer and core areas of business thereof;

Master Feed Agrotec Limited has no associates, subsidiary and holding company.

- (viii) How the products or services are distributed with details of the distribution channel. Export possibilities and export obligations, if any;

Master Feed Agrotec Limited has established a proven distribution network all over Bangladesh. The Company appointed over 61 Dealers at various area of Bangladesh based on demand and prospective market. Marketing Executives are frequently visiting prospective dealer, farms and describing about product quality and supplying procedure to the farmers. Dealer placing firm purchase order for various feeds order to company's marketing department. Marketing department preparing delivery order (DO) as per dealer request and forward the same to factory for delivery.

Distribution of products of the Company is as follows:



#### Export possibilities and export obligations:

The Company does not have any export possibilities and export obligation.

- (ix) Competitive conditions in business with names, percentage and volume of market shares of major competitors;

MFAL has a number of competitors and these as follows:

The principal activities of the company are manufacturing and marketing of fish feed & Poultry feed. Major competitors of the Company are as follows:

Sl. No.	Name of major Competitors
1	Aman Feed Limited
2	National Feed Mills Limited
3	Quality Feed Limited
4	Paragon Feed Mill Limited
5	Nourish Poultry & Hatchery Ltd.
6	Provita Feed Mill Limited
7	New Hope Feed Mill (BD) Ltd.
8	Kazi Feed Limited
9	ACI -Godrej Agrovat (Pvt) Ltd.
10	Aftab Feed Products Limited
11	Advance Poultry & Fish Feed Ltd.
12	C.P. Bangladesh Company Ltd.
13	Oryza Agro Industries Limited

Apart from this, as per annual report of the listed companies and audited financial statements of Master Feed Agrotec Limited, the revenue amounts are presented below:

*Amount in BDT (Million)*

Sl.	Name of the Company	Revenue	Period	Year End
1	Master Feed Agrotec Limited	256.19	1-Jul-19 to 30-Sep-19	30 June
2	Aman Feed Ltd.	1,955.99	1-Jul-19 to 30-Sep-19	30 June
3	National Feed Mills Ltd.	211.65	1-Jul-19 to 30-Sep-19	30 June

*There is no data available regarding market shares of the respective listed company in their annual report.*

**(x) Sources and availability of raw materials, names and addresses of the principal suppliers and contingency plan in case of any disruption;**

Master Feed Agrotec Limited procures its raw materials from domestic sources. The Company has some trusted suppliers of its raw materials as under:

Sl.	Name of Principal Suppliers	Name of Raw Materials	Address
1	M/s. Modina Trading Corporation	Maize, Soya bean Cake (De-oiled) etc.	Shiuly Villa, D-14/4, Bank Coloni, Savar, Dhaka.
2	M/s. Agro Traders	Maize, Soya bean Cake (De-oiled), Rape Seed Cake etc.	House-58, Road-13, Sector-12, Uttara, Dhaka.
3	M/s. Islam Traders	Maize, Soya bean Cake (De-oiled) etc.	Sreepur, Gazipur.
4	M/s. Kings Agro	Maize, Soya bean Cake (De-oiled), Rape Seed Cake etc.	Elephant Road, Dhanmondi, Dhaka.
5	M/s. Konabari Traders	Maize, Soya bean Cake (De-oiled), Soybean Oil, Tush etc.	Konabari, Gazipur.
6	M/s. Sikder Enterprise	Maize, Soya bean Cake (De-oiled), Soybean Oil, Rape Seed Cake etc.	West Gomatoli, Shikdar Bazar, Hazi Shayed Manson.
7	M/s. Anisha Trading Corporation	Maize, Soya bean Cake (De-oiled) etc.	Arambag, Motijheel, Dhaka.
8	M/s. Cedar Bangladesh Limited	Maize, Dry Fish, Soya bean Cake (Full Fat) etc.	Chowrasta, Gazipur.
9	M/s. BAXTER	Phytase Enzyme, Methionine, Poultry Meal, Coccidiostat, Gut Care (ButyMax), Broiler Vit. Premix, DCP etc.	House N0-195, Road No-10, DOHS Mirpur, Dhaka-1216
10	M/s. NOVERTIS	Di-Calcium Phosphate, Growth Promotor, Gut Care (ButyMax), Methionine, Broiler Vit. Premix, Fish Meal, Limestone etc.	Chandina, Comilla.
11	M/s. Chittagong Traders	Maize, Soya bean Cake (De-oiled), Soya bean Cake (Full Fat) etc.	Joydebpur, Gazipur
12	M/s. Redisha Agrotech	Soybean Oil, Soya bean Cake (De-oiled) etc.	House: 01, Aynusbag, College Road, Dakshinkhan, Dhaka-1230
13	M/s. Inspire International	Maize, Re-Process Feed, Soya bean Cake (Full Fat) etc.	Bangla Motor, Dhaka-1208
14	M/s. Doctors International	Fish Meal, Poultry Meal, Medicine items etc.	House-27, Road-13, Sector-12, Uttara, Dhaka.
15	M/s. Hoovers Agrovets Ltd.	Re-Process Feed, Fish Meal, Medicine items etc.	2/6 Mymensingh Road, (1st Floor) Behind PG Hospital, Shahbag, Dhaka-1000
16	M/s. Islam Enterprise	Soya bean Cake (De-oiled), Soya bean Cake (Full Fat), Rice Polish, DORB etc.	35/D, Gonak Tolly Lane, Pellkhana, Dhaka - 1205
17	M/s. Advent Pharma Limited	Poultry Meal, Corn DDGS, DORB, Fish Oil, Soybean Oil, Medicine items etc.	Green Homes, House-10/7, Flat-2B, Block-A, Iqbal Road, Mohammadpur, Dhaka-1207
18	M/s. Win Poultry Feeds Ltd.	Soya bean Cake (Full Fat), Soya bean Cake (De-Oiled),	House: 27, Road: 19, Sector: 13, Uttara, Dhaka-1230

19	M/s. S. M. Trading	Soya bean Cake (De-oiled), Soybean Oil, Poultry Meal etc.	Ghatail Bazar, Ghatail, Tangail.
20	M/s. Smriti Store	Maize, Soya bean Cake (De-oiled) etc.	Jayenabazar, Sreepur, Gazipur.
21	M/s. Satata Enterprise	Poultry Meal, Soya bean Cake (De-oiled), Maize etc.	Guthail Bazar, Islampur, Zamalpur.
22	M/s. Afifa Medicine Corner	Poultry Meal, Soya bean Cake (De-oiled), Soya bean Cake (Full Fat) etc.	Anowara Complax, Dhaka Road, Mawna Chowrasta, Sreepur, Gazipur
23	M/s. Bormi Store	Wheat, Rape Seed Cake, Broken Rice, Soybean Oil, Salt, Rice Polish, etc.	Lalmiah Market Nayanpur Bazar, Sreepur, Gazipur.
24	M/s. Al-Amin Poultry Feed	Maize, Soya bean Cake (De-Oiled) etc.	Mawna Caurasta, Sreepur, Gazipur.
25	M/s. Ideal Krishibid Plus Limited.	Maize, Soya bean Cake (De-Oiled), Soya bean Cake (Full Fat) etc.	Mouchak Tower, Siddeshwari Circular Road, Malibag Moor, Dhaka-1217
26	M/s. Aden Trade Ltd.	Soya bean Cake (De-Oiled), Rice Polish etc.	181/7, Jafranbag Residential Area, Boro Moghbazar, Dhaka-1217.
27	M/s. T.F Enterprise	Maize, Soya bean Cake (De-Oiled) etc.	317/2, Baro Moghbazar, Ramna, Dhaka-1217
28	M/s. Resha Poultry and Dairy medicine-1	Vaccine Items	Mowna Chowrasta, Sreepur, Gazipur.
29	M/S. Afifa Medicine Corner	Medicine items.	Mowna Chowrasta, Sreepur, Gazipur.
30	M/s. Noozahan Poultry and Fish feeds	Broiler Chicks.	Charjubilee. Subarnachar, Noakhali.
31	M/s. Maa Poultry Care and medicine	Broiler Chicks, Minnow, Medicine items etc.	Collage Road, Jainabazar, Sreepur, Gazipur.
32	M/S. Maa Poultry and Fish feed	Fish items etc.	BRTC Gate, Sonapur, Noakhali.
33	S A Enterprise	Corn DDGS, Wheat Flour, Rice Polish, Medicine items etc.	Manan Nagar, Shadar, Noakhali.
34	Al-Madeena Enterprise	Bag	Bhuighar, Fatulla, Narayoungong.

#### **Contingency Plan in case of any disruption:**

As number of suppliers of raw materials are plenty in the market, if one supplier fails to provide raw material there are always other suppliers available. Therefore, there is no possibility of disruption.

- (xi) **Sources of, and requirement for, power, gas and water; or any other utilities and contingency plan in case of any disruption;**

**Factory Location:** Shemultola, Sonabo, Boldighat, Sreepur, Gazipur.

Utilities	Requirement	Source
Power	500 KVA	Mymensingh Palli Bidyut Samity connection-500 KVA and One Diesel Generator (500 KVA)
Gas	-	No need for operational purposes.
Water	-	Two Submergible motor pumps

**Factory Location:** Akramnagar, Middlebagga, Subarnachar, Noakhali.

Utilities	Requirement	Source
Power	45 KVA	Noakhali Palli Bidyut Samity connection-45 KVA and One Diesel Generator (30 KW)
Gas	-	No need for operational purposes.
Water	-	Deep Tube-Well

**Contingency Plan in case of any disruption:**

To tackle the disruption of utilities, Company has installed generator as mentioned in above.

- (xii) **Names, address(s), telephone number, web address, e-mail and fax number of the customers who account for 10% or more of the company's products or services with amount and percentage thereof;**

Master Feed Agrotec Limited has no customers who who account for 10% or more of the company's products or service.

- (xiii) **Names, address(s), telephone number, web address, e-mail and fax number of the suppliers from whom the issuer purchases 10% or more of its raw material or finished goods with amount and percentage thereof;**

Master Feed Agrotec Limited has no suppliers who supply 10% or more of its raw material or finished goods.

- (xiv) **Description of any contract which the issuer has with its principal suppliers or customers showing the total amount and quantity of transaction for which the contract is made and the duration of the contract. If there is not any of such contract, a declaration is to be disclosed duly signed by CEO or MD, CFO and Chairman on behalf of Board of Directors;**

**Contract with Principal suppliers or customers**

The Company has no contract with principal suppliers.

**Declaration regarding Contract with Principal suppliers**

We, on behalf of the Board of Directors certify that Master Feed Agrotec Limited did not enter into any contract with its principal suppliers.

Sd/-  
**Md. Kabir Hossain**  
Managing Director

Sd/-  
**Rakib Uddin**  
Chief Financial Officer

Sd/-  
**Asma Akter Sumie**  
Chairman

on behalf of Board of Directors

Dated: January 20, 2020  
Dhaka

### Contract with Principal customers

The Company has contracts with principal customers, details of which are given below:

Sl.	Name of the Customer	Address	Agreed Amount Q.ty (M.Ton)	Agreed Amount Tk.	Deed Duration
1	M/s. Doud Pur Poultry Feed	Kutub Bazar, Mirzapur, Tangail.	400	16,800,000	1 Year
2	M/s. Trast Agro	Kapasias Bazar, Gazipur.	350	14,700,000	1 Year
3	M/s. Mayer Doua Poultry Feed	Chatkhil Sadar Road, Chatkhil, Noakhali.	350	14,700,000	1 Year
4	M/s. Pronoti Poultry Feed	Eliotgonj Dokhin Bazar, Chandina, Comilla.	250	10,500,000	1 Year
5	M/s. Bhai Bhai Poultry Farms	Dobaria Bazar, Debiddar, Comilla.	250	10,500,000	1 Year
6	M/s. Arpa Poultry Farms	Nimshar Bazar College Road, Debiddar, Comilla.	200	8,400,000	1 Year
7	M/s. Jahirul Islam Poultry Feed.	Borat Natun Bazar, Dabidduar, Comilla.	250	10,500,000	1 Year
8	M/s. Khan Poultry	Chandina Bazar, 334 Chandina, Comilla.	150	6,300,000	1 Year
9	M/s. Rajib Poultry	125 Paoi Bazar, Chandina, Comilla.	150	6,300,000	1 Year
10	M/s. Harun Poultry & Fish Feeds	GC Market, 170 Hazi Link, Chittagong.	200	8,400,000	1 Year
11	M/s. Sagata International	120 Laksam Bazar, Comilla.	200	8,400,000	1 Year
12	M/s. Jhurul Islam Poultry	Supnagar, Dumuria, Comilla.	200	8,400,000	1 Year
13	M/s. Full Poultry	Azadnagar Bazar, Ramgati, Noakhali.	350	14,700,000	1 Year
14	M/s. Sharif Poultry Corner	138 Marina, Nodi Bangla Market, Shatmata, Bogura.	150	6,300,000	1 Year
15	M/s. Zehad Enterprise	64 Gopalpur, Tongi.	150	6,300,000	1 Year
16	M/s. Asad Enterprise	118 Nodi Bangla Market First Floor, Shatmata, Bogura.	150	6,300,000	1 Year
17	M/s. Khamary Feed Ltd.	382/C, 1st Floor, Mymensingh Road, Dighirchala, Gazipur-1702.	150	6,300,000	1 Year
18	M/s. Mahin Poultry	42 Datta Building In front of Town Hall, Magura.	200	8,400,000	1 Year
19	M/s. Shahid Poultry House	Ghatail Bazar, Ghatail, Tangail.	150	6,300,000	1 Year
20	M/s. Janata Poultry House	20 Bhuapur, Bhuapur, Tangail.	150	6,300,000	1 Year
21	M/s. Sonabo Fish & Poultry	Koarid Bazar, Sripur, Gazipur.	150	6,300,000	1 Year
22	M/s. Sakib Poultry	Taragonj Bazar, Nalitabari, Sripur.	200	8,400,000	1 Year

23	M/s. Digonta Poultry & Fisheries	23 Jamtali, Gopalpur, Tangail.	150	6,300,000	1 Year
24	M/s. Sonali Poultry House	12 Borkoit Bazar, Chandina, Comilla.	150	6,300,000	1 Year
25	M/s. Suruj Poultry	Etobarpur Dokhin Bazar, Chandina, Comilla.	150	6,300,000	1 Year
26	M/s. Arnob Poultry	Sanokpara bazar, Bhuapur, Tangail.	150	6,300,000	1 Year
27	M/s. Al-Hasan Poultry Feed	Pathurghata Bazar, Mirzapur, Tangail.	150	6,300,000	1 Year
28	M/s. Agrajatra Poultry	20 Doulatganj Bazar, Laksam, Comilla.	150	6,300,000	1 Year
29	M/s. Ashfak Poultry Feeds	Shakwa Bazar, Mirzapur, Tangail.	200	8,400,000	1 Year
30	M/s. Bhai Bhai Fisheries & Feed House.	Vill: Araihaazar, PO: Araihaazar, Zila: Narayanganj.	150	6,300,000	1 Year
31	M/s. Boldighaat Poultry	Halishahar, Housing State, Chittagong	150	6,300,000	1 Year
32	M/s. Bakku Poultry Feed	Biral Bazar, Biral, Dinajpur	150	6,300,000	1 Year
33	M/s. Bikolpo Poultry and Fisheries	Jhawail Bazar, Gopalpur, Tangail, Dhaka 1900	150	6,300,000	1 Year
34	M/s. Maa Enterprise	Trishal, Mymensingh.	200	8,400,000	1 Year
35	M/s. Pure Poultry and Fish Feed Ltd.	Road-01, Sector-12, Uttara, Dhaka-1230.	150	6,300,000	1 Year
36	M/s. Janani Poultry	Taragunj Dukhin Bazar, Nalitabari, Sherpur.	200	8,400,000	1 Year
37	M/s. Hazi Traders	Memberbari, Gazipur.	150	6,300,000	1 Year
38	M/s. Zarin Poultry	Shokhipur Bazar, Kaliakair, Gazipur.	150	6,300,000	1 Year
39	M/s. Enam Traders	Mawna, Sreepur, Gazipur.	150	6,300,000	1 Year
40	M/s. Fatema Poultry	Kaftan Bazar, Comilla Shader, Comilla.	150	6,300,000	1 Year
41	M/s. Mama Bhagne Traders	Bhyanpur, Tangail.	150	6,300,000	1 Year
42	M/s. Joynab Poultry Complex	Luksham, Comilla.	150	6,300,000	1 Year
43	M/s. Imtiyaz Poultry	Nather phatuya uttar Bazar, Laksham, Comilla.	200	8,400,000	1 Year
44	M/s. Kader Poultry	Shemoltoula, Sonabo, Srepur, Gazipur.	150	6,300,000	1 Year
45	M/s. Nourish Poultry and Hatchery Ltd.	House-405, Road-27(old), Dhanmondi, Dhaka.	150	6,300,000	1 Year
46	M/s. Al Madeena Poultry Farm.	Char Ramiz, Ramgati, Laxmipur, Noakhali.	150	6,300,000	1 Year
47	M/s. Sneha Trading Corporation	363, Chuknagar Bazar, Dumuria, Khulna.	200	8,400,000	1 Year
48	M/s. Safara Agro Industries	House # 06, Road # 03, Block # J Baridhara, Dhaka.	600	25,200,000	1 Year
49	M/s. Freedom Agro Industries Ltd.	House # 27, Road # 03, Sector # 05, Uttara, Dhaka.	700	29,400,000	1 Year



50	M/s. Sun Agro Industries	16 Miles, Dinajpur.	600	25,200,000	1 Year
51	M/s. Al Sawdia Poultry	Matubhuyan Road, Crishnu Rampur, Dagon Bhuiya, Feni.	550	23,100,000	1 Year
52	M/s. Bismillah Poultry	Mannan Nagar, Noakhali.	650	27,300,000	1 Year
53	M/s. Rasel Enterprise	Baburhat, Motlob, Chadpur.	600	25,200,000	1 Year
54	M/s. Mondol Poultry	Bibirpukur Bazar, Khulna, Bogura.	600	25,200,000	1 Year
55	M/s. F and P Traders	Mirgonj Bazar, Ramgonj, Laxmipur.	600	25,200,000	1 Year
56	M/s. Salsabil Poultry	Baliya Bazar, Chadpur Sadar, Chadpur.	600	25,200,000	1 Year
57	M/s. Masud Poultry	Benukhali, Hakim Munshir Bazar, Nobabgonj, Dhaka.	600	25,200,000	1 Year
58	M/s. Maula Poultry Complex	Sarkarhat, Hathazari, Chittagong.	600	25,200,000	1 Year
59	M/s. Surma Poultry	Raipur, Laxmipur	600	25,200,000	1 Year
60	M/s. Adarsha Poultry	Islamganj, Noakhali	600	25,200,000	1 Year
61	M/s. Maa Babar Dowa	BNP Bazar, Mawna, Gazipur.	600	25,200,000	1 Year

**(xv) Description of licenses, registrations, NOC and permissions obtained by the issuer with issue, renewal and expiry dates;**

The Company neither obtained any Patent Right/Trademarks nor signed any royalty agreement with any party. However, MFAL has several regulatory licenses and certificates in order to continue its operations. The table shows list of licenses:

<b>Name of Certificate/license/ Registration/ NOC</b>	<b>License Issuer/Issuing Authority</b>	<b>Certificate / License No.</b>	<b>Expiry Date</b>
Incorporation	RJSC	20-Jun-2011 & Reg. No. C-93642/2011	N/A
Certificate of Commencement of Business	RJSC	N/A	N/A (Incorporated as a private Ltd. Company)
Trade license	Dhaka South City Corporation	TRAD/DSCC/218613/2019	30-Jun-20
	No. 5, Kawraid Union Parisad, Sreepur, Gazipur	15/2018-2019	30-Jun-20
	No. 5, Chor Jubili Union Parishad, Shobornocho, Noakhali	20197518536002081	30-Jun-20
TIN Certificate	National Board of Revenue	564740342446	N/A
VAT Reg. No.	Customs, Excise & VAT Commissionerate, Dhaka	001763066-0103	N/A
Environment Clearance Certificate	Department of Environment, Gazipur	১৯-২৫৬০৫	26-Jun-20
Boiler License	Department of Explosive	বা: ব: ৫১২০	04-Feb-20
Fire License	Bangladesh Fire Service & Civil Defense, Dhaka	এডি/ঢাকা/৪০৮৪৩/১৮	30-Jun-20
Fish Feed manufacturing license Cat-I	Ministry of Fisheries and Livestock	৩৩.০১.০০০০.১১২.৯৯.৩২৭(অংশ-৫).১৭-১৫৪০	30-Jun-20
Registration certificate from BIDA	Bangladesh Investment Development Authority	L-01221108865-H	N/A

**(xvi) Description of any material patents, trademarks, licenses or royalty agreements;**

The Company neither obtained any Patent Right/Trademarks nor signed any royalty agreement with any party. However, it has several regulatory licenses and certificate in order to continue its operation.

**(xvii) Number of total employees and number of full-time employees;**

Employee position of the company as at September 30, 2019:

Salary (Monthly)	Officer & Staff		Worker	Total Employees
	Factory	Head Office		
Number of employees whose salary below Tk. 3,000 per month	-	-	-	-
Number of employees whose salary above Tk. 3,000 per month	72	43	74	189
<b>Total:</b>	<b>72</b>	<b>43</b>	<b>74</b>	<b>189</b>

MFAL has no part-time employee.

**(xviii) A brief description of business strategy;**

Business strategy is defined as long-term business planning. In general, company follows any of the two strategies, i.e. Cost Leadership or Product Differentiation. In our case, we would like to follow cost leadership because economic of scale will give us an edge over our competitors. It will enhance our efficiency as well. How strategy will be implemented is subject to confidentiality, given the competitors lock horns with one another. The ways of strategies, in short, are as follows.

1. **Increase Fixed Assets:** The Company is in planning to invest in fixed assets in order to expand its existing business.
2. **Economic Scale:** With a view to spreading the fixed cost over more units company is trying to increase economic of scale.
3. **Cost Minimizing:** In a competitive market, the company is in effort to minimize the cost so that profit can be maximized.
4. **Market Penetration:** In order to get more market share, the Company is trying to be cost effective to grab more market share.

(xix) A table containing the existing installed capacities for each product or service, capacity utilization for these products or services in the previous years, projected capacities for existing as well as proposed products or services and the assumptions for future capacity utilization for the next three years in respect of existing as well as proposed products or services. If the projected capacity utilization is higher than the actual average capacity utilization, rationale to achieve the projected levels.

With regard to above, a table is presented in the following page:

**Total actual capacity and its utilization:**

Product	Unit	Installed Capacity			Capacity utilization for this Products			Actual Capacity Utilization (%)		
		30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-17	30-Jun-18	30-Jun-19
Feed Mill Unit	(M. Ton)	24,024.00	24,024.00	48,048.00	17,192.00	18,328.00	29,744.00	71.56%	76.29%	61.90%
Poultry Unit	(M. Ton)	-	-	269.84	-	-	229.26	0.00%	0.00%	84.96%
Fisheries Unit	(M. Ton)	-	-	110.00	-	-	30.42	0.00%	0.00%	27.66%

**Projected capacity and its utilization:**

Product	Unit	Installed Capacity			Capacity utilization for this Products			Actual Capacity Utilization (%)		
		30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-20	30-Jun-21	30-Jun-22
Feed Mill Unit	(M. Ton)	48,048.00	48,048.00	82,368.00	32,718.40	35,990.24	56,790.24	68.10%	74.90%	68.95%
Poultry Unit	(M. Ton)	269.84	1,660.00	1,992.00	256.97	1,620.99	1,949.17	95.23%	97.65%	97.85%
Fisheries Unit	(M. Ton)	110.00	150.00	200.00	105.48	145.80	195.52	95.89%	97.20%	97.76%

**Assumptions for future capacity utilization:**

Product	Assumption indicator	Assumption's Basis	Assumptions Years		
			30-June-20	30-June-21	30-June-22
Feed Mill Unit	Capacity Increase	Capacity will be increased as new machineries will be introduced.	0.00%	0.00%	71.43%
Poultry Unit			0.00%	515.19%	20.00%
Fisheries Unit			0.00%	36.36%	33.33%

**Rationale to achieve the projected levels:**

The Company has projected that the capacity utilization will increase. As the total market is increased day by day and market share of the company is increasing. Hence, the management of the Company thinks that the projected capacity is attainable.

**(e) Description of Property:**

The written down value of Property, Plant & Equipment's owned by the company as per audited accounts as on 30 September, 2019 are stated below:

<b>Sl. No.</b>	<b>Particulars</b>	<b>Written Down value as at 30.09.2019</b>
1	Land	10,727,233
2	Land development	7,992,141
3	Pond (Excavation)	42,238,680
4	Building and other construction	101,481,190
5	Plant and machinery	122,894,830
6	Truck scale	4,568,286
7	Electric sub-station	7,079,632
8	Lab equipment's	560,496
9	Diesel generator	2,761,694
10	Deep tube-well and submersible pump	3,557,877
11	Vehicle	4,296,931
12	Bicycle	458,951
13	Fire equipment	481,274
14	Furniture and fixture	4,017,394
15	Office equipment	1,845,177
16	Software	305,692
<b>Total</b>		<b>315,267,478</b>

**(i) Location and area of the land, building, principal plants and other property of the company and the condition thereof;**

The entire above mentioned assets are located at rented registered & head office: Novel House, 137 (8th Floor), Shantinagar, Dhaka-1217 and factory: Shemultola, Sonabo, Boldighat, Sreepur, Gazipur & Akramnagar, Middlebagga, Subarnachar, Noakhali. All of the above-mentioned Property, Plant & Equipment's is in working condition.

<b>Particulars</b>	<b>Location &amp; Area</b>	<b>Condition of the Property</b>
Land	Shemultola, Sonabo, Boldighat, Sreepur, Gazipur & Akramnagar, Middlebagga, Subarnachar, Noakhali	Good condition
Land development	Shemultola, Sonabo, Boldighat, Sreepur, Gazipur	Good condition
Pond (Excavation)	Akramnagar, Middlebagga, Subarnachar, Noakhali	Good condition
Building and other construction	Shemultola, Sonabo, Boldighat, Sreepur, Gazipur & Akramnagar, Middlebagga, Subarnachar, Noakhali	Good condition
Plant and machinery	Shemultola, Sonabo, Boldighat, Sreepur, Gazipur	Working in good condition
Truck scale	Shemultola, Sonabo, Boldighat, Sreepur, Gazipur	Working in good condition
Electric sub-station	Shemultola, Sonabo, Boldighat, Sreepur, Gazipur & Akramnagar, Middlebagga, Subarnachar, Noakhali	Working in good condition

Lab equipment's	Shemultola, Sonabo, Boldighat, Sreepur, Gazipur	Working in good condition
Diesel generator	Shemultola, Sonabo, Boldighat, Sreepur, Gazipur & Akramnagar, Middlebagga, Subarnachar, Noakhali	Working in good condition
Deep tube-well and submersible pump	Shemultola, Sonabo, Boldighat, Sreepur, Gazipur & Akramnagar, Middlebagga, Subarnachar, Noakhali	Working in good condition
Vehicle	Novel House, 137 (8th Floor), Shantinagar, Dhaka-1217	Running
Bicycle	Shemultola, Sonabo, Boldighat, Sreepur, Gazipur & Akramnagar, Middlebagga, Subarnachar, Noakhali	Running
Fire equipment	Shemultola, Sonabo, Boldighat, Sreepur, Gazipur	Working in good condition
Furniture and fixture	Novel House, 137 (8th Floor), Shantinagar, Dhaka-1217	Running
Office equipment	Novel House, 137 (8th Floor), Shantinagar, Dhaka-1217	Running
Software	Novel House, 137 (8th Floor), Shantinagar, Dhaka-1217	Running

**(ii) Whether the property is owned by the company or taken on lease;**

All the above-mentioned assets of the Company are in its own name except rented registered & corporate office at Novel House, 137 (8th Floor), Shantinagar, Dhaka-1217.

(iii) Dates of purchase, last payment date of current rent (খাজনা) and mutation date of lands, deed value and other costs including details of land development cost, if any and current use thereof;

Land:

Deed No.	Date of purchase	Mutation date	Last payment date of current rent (খাজনা)/Premium	R.S./B.S. Dag No.	Deed Value In Tk.	Land development & Other Cost in Tk.	Area of Land (Decimal)	Current use
11813	21/07/2011	04/09/2011	13/10/2019	3105, 3106, 3108, 3109, 3111, 1592-04	2,250,000	9,965,283	163.50	Factory Building (Shed), Hatchery (Shed), Sub-Station, Generator Room, Boiler Room, Office & Truck Scale, Internal Road, open developed land and Poultry Shed for Research and Development
1580	17/07/2018	05/01/2020	20/01/2020	1354, 1350, 3626,3625, 1246, 1245/3, 1245/1, 1371/1	5,082,000		942.00	Ponds, Poultry Shed, Office, Staff and worker Houses, RM Warehouse
1581	17/07/2018	05/01/2020	20/01/2020	3645, 3642, 3654, 3641, 3627, 3650, 3632, 3635, 3628, 1244, 3639, 1354, 1245/2	2,915,000		540.00	
					<b>10,247,000</b>		<b>1,645.50</b>	

- (iv) The names of the persons from whom the lands has been acquired or proposed to be acquired along with the cost of acquisition and relation, if any, of such persons to the issuer or any sponsor or director thereof;

Deed No.	Name of the persons from whom the land has been acquired	Cost of acquisition	Relations
11813	Md. Jalal Uddin Master	2,250,000	No relation
1580	Sheikh Nurun Nabi, Faruk Ahmed, Mahfuz Ullah	5,082,000	
1581		2,915,000	

- (v) Details of whether the issuer has received all the approvals pertaining to use of the land, if required;

The Company has received all the approvals pertaining to use of the land from No. 5, Kawraid Union Parisad, Sreepur, Gazipur.

- (vi) If the property is owned by the issuer, whether there is a mortgage or other type of charge on the property, with name of the mortgagee;

163.50 demals of land, Imported & local machineries; Inventory are mortgaged to Agrani Bank Limited against long term and short term borrowings.

- (vii) If the property is taken on lease, the expiration dates of the lease with name of the lessor, principal terms and conditions of the lease agreements and details of payment;

No Property is taken by the Company under lease agreement.



**(viii) Dates of purchase of plant and machineries along with sellers name, address, years of sale, condition when purchased, country of origin, useful economic life at purchase and remaining economic life, purchase price and written down value;**

Particulars	Year of Purchase	Sellers Name	Address	Year of Sales	Condition When Purchase	Country of Origin	Useful Economic Life	Remaining Useful Life	Purchases Price (USD)	Purchases Price (BDT)	Written Down Value
Boiler Machinery	2013	Lee Engineers	Plot- 05, Road- 12, Rupnagar R/A, Pallabi, Mirpur, Dhaka- 1216	N/A	Brand New	Local	10	5.34		7,067,940	4,332,954
Incubator Machine	2013	Catena System Solution	Lake Drive Road, House- 100, Sector- 07, Uttara, Dhaka- 1230	N/A	Brand New	India	10	5.34		17,666,856	10,830,550
Generator 500KVA	2013	Delta Power Ltd.	256/3 Hoatkholo Road, Postogola, Dhaka	N/A	Brand New	UK	6.67	2.00		3,650,550	1,719,515
Generator 20KVA	2014	Paradise Scientific Company	31, Shahid Nazrul Islam Sarak, Hatkhola, Dhaka	N/A	Brand New	China	6.67	2.00		261,260	123,061
Hit Exchanger	2014	Hussainy Enterprise	230, Nawabpur Road, Dhaka- 1100.	N/A	Brand New	China	10	5.34		245,000	150,195
Tool box	2014	Hussainy Enterprise	230, Nawabpur Road, Dhaka- 1100.	N/A	Brand New	China	10	5.34		233,500	143,146
Blower Machine	2014	Hussainy Enterprise	230, Nawabpur Road, Dhaka- 1100.	N/A	Brand New	China	10	5.34		12,400	7,602
Auto Battery Charger	2014	Hussainy Enterprise	230, Nawabpur Road, Dhaka- 1100.	N/A	Brand New	China	10	5.34		78,400	48,063
Cutting Machine	2014	Hussainy Enterprise	230, Nawabpur Road, Dhaka- 1100.	N/A	Brand New	China	10	5.34		85,500	52,415
Drilling Machine	2014	Hussainy Enterprise	230, Nawabpur Road, Dhaka- 1100.	N/A	Brand New	China	10	5.34		82,400	50,515
Exhaust Fan	2014	Hussainy Enterprise	230, Nawabpur Road, Dhaka- 1100.	N/A	Brand New	China	10	5.34		72,800	44,630
Welding Machine	2014	Rashid Enterprise	House- 79, Block- J, Chairman Bari, Banani Dhaka- 1213.	N/A	Brand New	China	10	5.34		65,000	39,848
Line Filter	2014	Rashid Enterprise	House- 79, Block- J, Chairman Bari,	N/A	Brand New	Italy	10	5.34		44,000	26,974

			Banani Dhaka- 1213.								
Air Compressor	2014	Rashid Enterprise	House- 79, Block- J, Chairman Bari, Banani Dhaka- 1213.	N/A	Brand New	China	10	5.34		341,000	209,048
Machineries for Animal & Fish Feed Plant (1)	2013, 2014 & 2015	Jiangsu Muyang Group Com. Ltd., Engineers Steel Zone., Lee Engineers, Hussainy Enterprise	1, Muyang Road, Hanjiang Econ. Devp Zone Yangzhou, Jiangso 225127, China., Bushra Bhaban (East of Chowrasta Central Mosque), Chandona- Chowrasta, Gazipur City, Gazipur., Plot # 05, Road # 12, Rupnagar R/A, Pallabi, Mirpur, Dhaka- 1216., 230, Nawabpur Road, Dhaka- 1100.	N/A	Brand New	China	10	5.34	\$422,727.11	66,945,979	41,040,793
Spare Parts (Dies)	2018	D. H. Euro Hi-Tech Co. Limited	House- 32, Road- 28, Sector- 07, Uttara, Dhaka- 1230.	N/A	Brand New	Korea	10	8.50		17,119,000	14,646,374
Machineries for Animal & Fish Feed Plant (2)	2013, 2014, 2015, 2018 and 2019	Jiangsu Muyang Group Com. Ltd., Gafargaon Machinery Store, Sarker Machinery Store, Mozadded International, R N International, M/S. Shaibal Enterprise, Ferrotech Engineering	1, Muyang Road, Hanjiang Econ. Devp Zone Yangzhou, Jiangso 225127, China., 10 & 26, Madan Lane, (Zinnat Market), Nawabpur, Dhaka- 1100., 25/E, Madan Lane, (Sarker Machinery Market), Nawabpur, Dhaka- 1100., 26, Madan Lane, (Zinnat Market), Nawabpur, Dhaka-1100., 96-97, Kazi Machinery Market, Nababpur Road, Dhaka- 1100., Al-jafar Electric & Electronics Market,	N/A	Brand New	China	10	9.46	\$111,065.89	52,879,182	50,074,050

			Shop # B-8,9, 137, Nawabpur Road, Dhaka., House # 26, Road # 16, Sector # 14, Uttara, Dhaka- 1230.								
CNG Trolley with Cylinder	2019	Mozadded International	26, Madon Pal Lane, Nawabpur, Dhaka- 1100.	N/A	Brand New	China	10	9.83		1,140,000	1,120,636
Weight Scale	2019	Scale Museum	1 No. Bongshal, Nawabpur, Dhaka- 1100.	N/A	Brand New	Local	10	9.88		38,000	37,532
Sewing Machine	2019	Hussainy Enterprise, Samadan Machinerise and Repairing Shop	230, Nawabpur Road, Dhaka- 1100., 244, Nawabpur Road, Mullik Market, Dhaka- 1100.	N/A	Brand New	Local	10	9.88		40,000	39,507
Generator 30KW	2019	Sarker Machinery Store	25/E, Madon Pal Lane, Nawabpur, Dhaka- 1100.	N/A	Brand New	UK	6.67	6.15		840,000	775,938
Generator 15KVA	2019	Sarker Machinery Store	25/E, Madon Pal Lane, Nawabpur, Dhaka- 1100.	N/A	Brand New	China	6.67	6.15		155,000	143,179
Deep Tube Well	2019	RFL Plastics Ltd.	105, Middle Badda, Dhaka- 1212.	N/A	Brand New	Local	10	9.51		2,824,369	2,688,121
submersible pump (factory unit)	2019	RFL Plastics Ltd.	105, Middle Badda, Dhaka- 1212.	N/A	Brand New	Local	10	9.72		447,500	434,877
submersible pump (Breeder Unit)	2019	RFL Plastics Ltd.	105, Middle Badda, Dhaka- 1212.	N/A	Brand New	Local	10	9.72		447,500	434,878
Electric Sub-Station (Gazipur)	2019	Power Safe	House 33/1, Green Road, Dhaka- 1205.	N/A	Brand New	Local	10	9.01		6,224,130	5,621,285
Electric Sub-Station (Noakhali)	2019	Power Safe	House 33/1, Green Road, Dhaka- 1205.	N/A	Brand New	Local	10	9.77		1,492,700	1,458,347
Truck Scale	2019	Metaphor Systems International	Anower Tower (4th Floor), 7-8, Nawabpur Road, Dhaka- 1100.	N/A	Brand New	Local	10	9.28		4,915,720	4,568,286
Lab Equipment's	2019	Paradise Scientific Company	31, Shahid Nazrul Islam Sarak, Hatkhola, Dhaka	N/A	Brand New	Local	10	9.33		600,020	560,496
<b>Total as on 30 September 2019</b>									<b>\$533,793.00</b>	<b>186,015,706</b>	<b>141,422,815</b>

- (ix) **Details of the machineries required to be bought by the issuer, cost of the machineries, name of the suppliers, date of placement of order and the date or expected date of supply, etc.**

No machineries are required to be bought by the issuer except machineries to be bought from IPO proceeds, the details of which are below:

Sl.	Description	Date of Placement of Order	Date or Expected Date of Supply
1	10T/H Poultry, Fish and Cattle Feed Mill Plant:	After receiving IPO Fund	Within 18 Months After receiving IPO Fund
2	Machine Tower (Steel Structure)		

- (x) In case the machineries are yet to be delivered, the date of quotations relied upon for the cost estimates given shall also be mentioned;

There are no machineries which are yet to be delivered.

- (xi) If plant is purchased in brand new condition then it should be mentioned;

All plants and machineries of the Company were purchased in brand new condition.

**AUDITOR'S CERTIFICATE REGARDING PURCHASED IN BRAND NEW CONDITION OF MACHINERIES**

We do hereby declare that all the plants and machineries of Master Feed Agrotec Limited were purchased in brand new condition. There are no re-conditioned or second-hand machineries installed in the Company.

Place: Dhaka;  
Dated: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants

- (xii) Details of the second hand or reconditioned machineries bought or proposed to be bought, if any, including the age of the machineries, balance estimated useful life, etc. as per PSI certificates of the said machineries as submitted to the Commission;

The Company neither purchased any second hand or reconditioned machineries nor any plan to purchase in future.

- (xiii) A physical verification report by the issue manager(s) regarding the properties as submitted to the Commission;

**PHYSICAL VERIFICATION REPORT**

of

**MASTER FEED AGROTEC LTD.**

This is to Certify That We Have Visited the Registered Office and All Factories of Master Feed Agrotec Limited on December 02 and 05, 2019 and We Have Found the Registered Office and Factory as Details Bellow:

**Visited and Accompanied by:**

Particulars		Name & Designation	Company
Visited by	:	<b>Kamrun Naher</b> Chief Executive Officer	NBL Capital & Equity Management Limited
	:	<b>Muhammad Fuad Hussain</b> Managing Director & CEO	Asian Tiger Capital Partners Investments Limited
Accompanied by	:	<b>Mizanur Rahman Mridha</b> Executive Director	Master Feed Agrotec Limited
	:	<b>Md. Sharif Uddin Biswas</b> General Manager (Factory)	
	:	<b>Md. Saiful Islam</b> Manager (Fisheries)	

**Company Overview:**

The Company Namely “Master Hatchery and Poultry Feed Limited” Was Incorporated on 20th June, 2011 Vide Registration No.C-93642/11 And Subsequently Converted into a Public Limited Company on October 15, 2018 With Registrar of Joint Stock Companies and Firms in Bangladesh Under the Companies Act 1994.

The Company Changed its Name Through Special Resolution and with Due Approval of the Registrar of Joint Stock of Companies and Firms from “Master Hatchery and Poultry Feed Limited” to “Master Feed Agrotec Limited.” on 01 July, 2018

The Principal activities of this Company are manufacturing and marketing of poultry feed, fish feed, cattle feed and also engage farming Poultry and Fish.

There is no Subsidiary Company of MFAL.

The Authorized and Paid-Up Capital of The Company is as Follows:

Authorized Capital : Tk. 1,000,000,000.00  
Paid Up Capital : Tk. 571,505,000.00  
Proposed IPO Size : Tk. 300,000,000.00 (3 Crore Shares @ Tk. 10.00 Each)  
IPO Size (In Share) : 30,000,000 Shares

**Registered Office:**

The Registered Office of the Company is Situated at Novel House, 137 (8th Floor), Shantinagar, Dhaka.

**Location of the Factory:**

There is a signboard to indicate Factory Location and in the factory premises we found well-displayed signboard.

Feed Mill	Sonabo, Shemultola, Sreepur, Gazipur, Dhaka
Poultry Farm	Sonabo, Shemultola, Sreepur, Gazipur, Dhaka
	Akramnagar, Middlebagga, Subarnachar, Noakhali
Fisheries	Akramnagar, Middlebagga, Subarnachar, Noakhali

**Nature of Business**

The Principal activities of this Company are manufacturing and marketing of poultry feed, fish feed, cattle feed and also engage farming Poultry and Fish.

**Products:**

Master Feed Agrotec Limited Produces and Distributes Feeds that are Used for Broiler, Layer and Sonali Chicken. The Company Also Produces Fish Feed, Cattle Feed and Produce Chicken and Fish.

**Description of Property:**

We Have Identified the Properties of Master Feed Agrotec Limited are as Follows:

- 1) **Land:** We Have Found 163.50 Decimals of Land at Sonabo, Shemultola, Sreepur, Gazipur, Dhaka and 1,482.00 Decimals of Land at Akramnagar, Middlebagga, Subarnachar, Noakhali.

Deed No.	R.S./B. S. Dag No.	Area of Land (Decimal)	Current Status
11813	3105, 3106, 3108, 3109, 3111, 1592-04 <b>Location:</b> Sonabo, Shemultola, Sreepur, Gazipur.	131.50	In the said dag no. there is a Factory Building (Shed), Hatchery (Shed), Sub-Station, Generator Room, Boiler Room, Office & Truck Scale, Internal Road. There is also open land as well and the whole area has been demarcated with fence.
	1592- 04 <b>Location:</b> Sonabo, Shemultola, Sreepur, Gazipur.	32	The area is demarcated with fence. The Poultry Shed is used for Research and Development.
1580	1354, 1350, 3626,3625, 1246, 1245/3, 1245/1, 1371/1 <b>Location:</b> Akramnagar, Middlebagga, Subarnachar, Noakhali.	942	The total area is demarcated with road. Inside the area, there are Ponds, Poultry Shed, Office, Staff and worker Houses, RM Warehouse.
1581	3645, 3642, 3654, 3641, 3627, 3650, 3632, 3635, 3628, 1244, 3639, 1354, 1245/2 <b>Location:</b> Akramnagar, Middlebagga, Subarnachar, Noakhali.	540	
<b>Total:</b>		<b>1,645.50</b>	

2) **Building & Civil Construction:**

**Details of the Building's Status are Discussed Below:**

**Feed Mill:** Sonabo, Shemultola, Sreepur, Gazipur, Dhaka:

Building	Total Building Area	Building Type
	Each Floor (Sft)	(Brick/Tin/Prefabricated Steel)
Factory Shed	15,160 Sft	Civil Construction of Factory Building I.E. Heavy Foundation, RCC Short Column, Grade Beam, 8ft Brick Wall & RCC Floor Casting & 25ft Height Steel Structure Building I.E. I - Sections (Columns, Rafters, Joist. Portal Bracing). C-Section (Purlin & Girt) Roof Sheet, 17ft Wall Sheet and Sheeting Accessories I.E. (Ridge Capping, Eave Gutter, Flashing, Trims, End Stop, Down Pipe, Canopy Etc., and Fitting & Fixing Charge of Roof and Wall Sheeting Including Capping, Flashing, Gutter, Down Pipe, Etc.
		Civil Construction of Machine Tower Building I.E. Heavy

		Foundation, RCC Column, Grade Beam, 18ft RCC Vertical Wall, Plaster, RCC Floor Casting & 56ft Height Steel Structure Shed I.E. I - Sections (Columns, Rafters, Joist. Portal Bracing). C-Section (Purlin & Girt), Roof Sheet, 31ft Wall Sheet and Sheeting Accessories I.E. (Ridge Capping, Eave Gutter, Flashing, Trims, End Stop, Down Pipe, Canopy Etc.
Office Room, Toilet And Bath Room	1,170 Sft	RCC-Floor Slab, Tin Shade Roof, RCC-Pillar, Brick Wall, Plaster, Wall Paint, Inside Wall- Plastic Paint, Outside Wall- Weather Coat.
Sub-Station & Generator Room	870 Sft	Prefabricated Steel Frame, RCC-Floor Slab, Brick Wall, Plaster, Inside Wall- Plastic Paint, Outside Wall- Weather Coat.
Boiler Room	520 Sft	RCC-Floor Slab, Tin Shade Roof, RCC-Pillar, Brick Wall, Plaster, Wall Paint, Inside Wall- Plastic Paint, Outside Wall- Weather Coat.
Kitchen & Dinning	280 Sft	RCC-Floor Slab, Tin Shade Roof, RCC-Pillar, Brick Wall, Plaster, Wall Paint, Inside Wall- Plastic Paint, Outside Wall- Weather Coat.
Extended Ware House	9,600 Sft	Civil Construction of Extended Ware House Building I.E. Foundation, RCC Short Column, Grade Beam, 10ft Brick Wall, Plaster, RCC Floor Casting & 22ft Height Steel Structure Shed I.E. I - Sections (Columns, Rafters, Joist. Portal Bracing). C-Section Purlin, Roof Sheet, 12ft Wall Sheet and Sheeting Accessories I.E. (Ridge Capping, Eave Gutter, Flashing, Trims, End Stop, Down Pipe, Canopy Etc., And Fitting & Fixing Charge of Roof and Wall Sheeting Including Capping Etc.
Laboratory Room	360 Sft	RCC-Floor Slab, Tin Shade Roof, RCC-Pillar, Brick Wall, Plaster, Wall Paint, Inside Wall- Plastic Paint, Outside Wall- Weather Coat.
Security Guard Room (Main Gate) and Truck Scale Operator Room	240 Sft	RCC-Floor Slab, Tin Shade Roof, RCC-Pillar, Brick Wall, Plaster, Wall Paint, Inside Wall- Plastic Paint, Outside Wall- Weather Coat.

**Poultry & Hatchery:** Sonabo, Shemultola, Sreepur, Gazipur, Dhaka:

<b>Buildings</b>	<b>Use of building</b>	<b>TYPE (brick/tin/prefabricated steel)</b>
Hatchery Shed	7,000 Sft	RCC-Floor Slab, Tin Shade Roof, RCC-Pillar, Brick Wall, Plaster, Wall Paint, Inside wall- Plastic Paint, Outside Wall- Weather Coat.
Poultry Shed – A1	3,000 Sft	RCC-Floor Slab, GP sheet roof, RCC Pillar, Brick wall (Half) & GI Net wall (Half), GP sheet Door.
Poultry Shed – A2	3,000 Sft	RCC-Floor Slab, GP sheet roof, RCC Pillar, Brick wall (Half) & GI Net wall (Half), GP sheet Door.
Poultry Shed – A3	2,200 Sft	RCC-Floor Slab, GP sheet roof, RCC Pillar, Brick wall (Half) & GI Net wall (Half), GP sheet Door.



**Poultry Farm:** Akramnagar, Middlebagga, Subarnachar, Noakhali.

Building	Total Building area (each floor) SFT	TYPE (brick/tin/prefabricated steel)
Poultry Shed – A1	3,240 Sft	RCC-Floor Slub, GP sheet roof, RCC Pillar, Brick wall (Half) & GI Net wall (Half), GP sheet Door.
Poultry Shed – A2	3,600 Sft	RCC-Floor Slub, GP sheet roof, RCC Pillar, Brick wall (Half) & GI Net wall (Half), GP sheet Door.
Poultry Shed – A3	3,600 Sft	RCC-Floor Slub, GP sheet roof, RCC Pillar, Brick wall (Half) & GI Net wall (Half), GP sheet Door.
Poultry Shed – A4	1,840 Sft	RCC-Floor Slub, GP sheet roof, RCC Pillar, Brick wall (Half) & GI Net wall (Half), GP sheet Door.
Poultry Shed – A5	1,440 Sft	RCC-Floor Slub, GP sheet roof, RCC Pillar, Brick wall (Half) & GI Net wall (Half), GP sheet Door.

**Fisheries:** Akramnagar, Middlebagga, Subarnachar, Noakhali.

Building	Total Building area (each floor) SFT	TYPE (brick/tin/prefabricated steel)
Office, Dining and Residence	900 Sft	RCC-Floor Slub, RCC-Slub, RCC Pillar, Brick wall, Tin Shed Roof, Tiles-Floor, Wooden Door, Grill Window, Foam-Ceiling.
RM Warehouse	650 Sft	RCC-Floor Slub, RCC-Pilar, RCC slab with beam, Top Roof, Brick wall with Plaster, Inside & outside wall lime wash, RCC-Stair, Grill in Window, Steel Door.
Kitchen and Worker House	850 Sft	RCC-Floor Slub, Tin Shed Roof, Brick wall (Half) & Tin wall (Half), Wooden Door, RCC Stair.
Feed Store Room	1200 Sft	RCC-Floor Slub, Tin Shed Roof, Brick wall (Half) & Tin wall (Half), Wooden Door, RCC Stair.
Worker Residence-1	900 Sft	RCC-Floor Slub, Tin Shed Roof, Brick wall (Half) & Tin wall (Half), Wooden Door, RCC Stair.
Worker Residence-2	260 Sft	RCC-Floor Slub, Tin Shed Roof, Brick wall (Half) & Tin wall (Half), Wooden Door, RCC Stair.
Worker Residence-3	490 Sft	RCC-Floor Slub, Tin Shed Roof, Brick wall (Half) & Tin wall (Half), Wooden Door, RCC Stair.

**3) Plant & Machinery, Office Equipment and Other Assets:**

After Visiting the Factory Site, we are Absolutely Convincing with their Reports. The machineries list are as follows:

Name of Machinery	No. of Machinery (Pcs/Set)
Boiler Machinery	1 Set
Incubator Machine	3 Set
Generator 500KVA	1 Set
Generator 20KVA	1 Set
Hit Exchanger	1 Set
Tool box	1 Set
Blower Machine	1 Set
Auto Battery Charger	1 Set

Cutting Machine	1 Set
Drilling Machine	1 Set
Exhaust Fan	1 Set
Welding Machine	1 Set
Line Filter	2 Set
Air Compressor	3 Set
Machineries for Animal & Fish Feed Plant	2 Set
Spare Parts (Dies)	39 Set
CNG Trolley with Cylinder	2 Set
Weight Scale	3 Set
Sewing Machine	3 Set
Generator 30KW	1 Set
Generator 15KVA	1 Set
Deep Tube Well	1 Set
submersible pump	2 Set
Electric Sub-Station	2 Set
Truck Scale	1 Set
Lab Equipment's	1 Set

Besides These Assets, We Have Also Found Other Assets Like Computer, Furniture, Bicycle, Electric Fan are Available in All Project Area and Fire Equipment's are Available Only in Sonabo, Shemultola, Sreepur, Gazipur, Dhaka.

It is Also Mentionable Here that During Our Visit, We Also Checked Inventory Register and Roster (Workers' Duty Register) and Found Total 189 Numbers of Employees and Workers. We also Noticed that All Machineries of MFAL are in Good Condition and Running Well.

#### **Signboard:**

The Signboard of The Company is Displayed at the Registered Office and Factory Premises and There is no Other Office/Factory within the Said Factory Premises.

Sd/-

**Kamrun Naher**

Chief Executive Officer

**NBL Capital & Equity Management Limited**

Sd/-

**Muhammad Fuad Hussain**

Managing Director & CEO

**Asian Tiger Capital Partners Investments Limited**

- (xiv) If the issuer is entitled to any intellectual property right or intangible asset, full description of the property, whether the same are legally held by the issuer and whether all formalities in this regard have been complied with;**

The Company has no intellectual property right or intangible asset.

- (xv) Full description of other properties of the issuer;**

Sl. No.	Particulars	Written Down value as at 30.09.2019
1	Truck scale	4,568,286
2	Electric sub-station	7,079,632
3	Lab equipment's	560,496
4	Diesel generator	2,761,694
5	Deep tube-well and submersible pump	3,557,877
6	Vehicle	4,296,931
7	Bicycle	458,951

8	Fire equipment	481,274
9	Furniture and fixture	4,017,394
10	Office equipment	1,845,177
11	Software	305,692

**(f) Plan of Operation and Discussion of Financial Condition:**

The issuer's revenue and results from operation, financial position and changes in financial position and cash flows for the last three years:

Particulars	30-Sep-19	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
<b>RESULTS FROM OPERATION</b>						
Revenue	256,188,652	914,580,980	506,226,758	444,365,371	299,265,446	125,211,749
Cost of Goods Sold	223,398,354	797,783,066	437,206,540	383,878,545	259,056,074	108,534,111
<b>Gross Profit</b>	<b>32,790,298</b>	<b>116,797,914</b>	<b>69,020,218</b>	<b>60,486,826</b>	<b>40,209,372</b>	<b>16,677,638</b>
Operating Expenses	8,366,466	27,862,225	17,581,233	20,072,655	12,440,931	9,469,106
<b>Profit from Operation</b>	<b>24,423,832</b>	<b>88,935,689</b>	<b>51,438,985</b>	<b>40,414,171</b>	<b>27,768,441</b>	<b>7,208,532</b>
Other Income	172,839	1,228,729	496,864	556,983	1,198,600	515,560
Financial Expenses	2,727,106	12,046,587	13,141,846	12,626,348	13,364,153	4,809,705
<b>Profit before Contribution to WPPF</b>	<b>21,869,565</b>	<b>78,117,831</b>	<b>38,794,003</b>	<b>28,344,806</b>	<b>15,602,888</b>	<b>2,914,386</b>
Contribution to WPPF	1,041,408	3,719,897	0	0	0	0
<b>Profit Before Tax</b>	<b>20,828,157</b>	<b>74,397,934</b>	<b>38,794,003</b>	<b>28,344,806</b>	<b>15,602,888</b>	<b>2,914,386</b>
Income Tax Expenses	3,134,858	12,451,114	5,698,474	4,137,979	4,079,633	377,182
<b>Net Profit After Tax</b>	<b>17,693,299</b>	<b>61,946,820</b>	<b>33,095,529</b>	<b>24,206,827</b>	<b>11,523,255</b>	<b>2,537,204</b>
Particulars	30-Sep-19	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
<b>CHANGES IN FINANCIAL POSITION</b>						
Non-Current Assets	323,936,962	327,360,106	248,031,502	203,304,338	187,656,201	200,802,794
Deferred Revenue Expenditure	-	-	-	-	2,599,108	5,198,213
Current Assets	561,935,950	525,898,596	259,306,460	214,013,541	128,533,535	63,997,902
<b>Total Assets</b>	<b>885,872,912</b>	<b>853,258,702</b>	<b>507,337,962</b>	<b>417,317,879</b>	<b>318,788,844</b>	<b>269,998,909</b>
Shareholders' Equity	722,507,934	683,309,635	168,812,815	39,267,286	15,060,459	3,537,204
Non-Current Liabilities	78,863,560	90,914,458	244,543,779	226,808,864	193,513,747	182,644,048
Current Liabilities	84,501,418	79,034,609	93,981,368	151,241,729	110,214,638	83,817,657
<b>Total Equity and Liabilities</b>	<b>885,872,912</b>	<b>853,258,702</b>	<b>507,337,962</b>	<b>417,317,879</b>	<b>318,788,844</b>	<b>269,998,909</b>
Particulars	30-Sep-19	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
<b>CHANGES IN CASH FLOWS</b>						
Net Cash from Operating Activities	(18,256,576)	(186,768,258)	2,351,902	(1,257,615)	(17,041,418)	5,105,350
Net Cash Used in Investing Activities	(2,179,840)	(86,208,114)	(72,077,994)	(29,231,210)	(2,722,339)	(42,283,551)
Net Cash Flows from Financing Activities	7,858,500	285,341,500	72,350,000	32,050,000	20,000,000	37,284,865

(a) Internal and external sources of cash;

Particulars	30-Sep-19	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
<b>Internal Sources of Cash</b>						
Share Capital	571,505,000	550,000,000	97,450,000	1,000,000	1,000,000	1,000,000
Retained Earnings	151,002,934	133,309,635	71,362,815	38,267,286	14,060,459	2,537,204
<b>Sub-Total</b>	<b>722,507,934</b>	<b>683,309,635</b>	<b>168,812,815</b>	<b>39,267,286</b>	<b>15,060,459</b>	<b>3,537,204</b>
<b>External Sources of Cash</b>						
Long Term Borrowings Net of Current Portion	65,760,448	66,262,486	76,921,425	47,047,730	48,793,898	60,201,048
Share Money Deposit	-	12,146,500	159,793,000	174,493,000	142,443,000	122,443,000
Short Term Borrowings	14,314,691	14,314,691	18,700,000	14,995,808	14,995,808	14,995,808
Current Portion of Long Term Borrowings	18,757,946	18,255,908	16,378,575	13,153,318	11,407,150	-
<b>Sub-Total</b>	<b>98,833,085</b>	<b>110,979,585</b>	<b>271,793,000</b>	<b>249,689,856</b>	<b>217,639,856</b>	<b>197,639,856</b>
<b>Grand Total</b>	<b>821,341,019</b>	<b>794,289,220</b>	<b>440,605,815</b>	<b>288,957,142</b>	<b>232,700,315</b>	<b>201,177,060</b>

**(b) Any material commitments for capital expenditure and expected sources of funds for such expenditure;**

The Company has not yet made any material commitment for capital expenditure except for those that are mentioned in Chapter (XXII) under the head 'Use of Proceeds' from IPO fund.

**(c) Causes for any material changes from period to period in revenues, cost of goods sold, other operating expenses and net income;**

The company's revenue and other income as well as operating expenses and net income have continued to change due to increasing production by adding new machine and increase sales volume.

Particular	30-Sep-19	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
Revenue	256,188,652	914,580,980	506,226,758	444,365,371	299,265,446	125,211,749
Cost of Goods Sold	223,398,354	797,783,066	437,206,540	383,878,545	259,056,074	108,534,111
Operating Expenses	8,366,466	27,862,225	17,581,233	20,072,655	12,440,931	9,469,106
Net Profit After Tax	17,693,299	61,946,820	33,095,529	24,206,827	11,523,255	2,537,204

**Causes for changes:**

**Revenues:**

30-Jun-2016: Revenue was increased by 139.01% from 2015 to 2016, due to 5 months sales was incurred in 2015.

30-Jun-2017: Revenue was increased by 48.48% in 2017 from 2016.

30-Jun-2018: Revenue was increased by 13.92% in 2018 from 2017, This is normal business growth.

30-Jun-2019: Revenue was increased by 80.67% in 2019 from 2018. due to Poultry and fisheries unit was added with existing business line. Besides the company installed new machinery as a result production capacity has been increased.

**Cost of goods sold:**

30-Jun-2016: Cost of goods sold of the company has been increased 2016 from 2015 due to increased of sales.

30-Jun-2017: Cost of goods sold of the company has been increased 2017 from 2016 due to increase of sales.

30-Jun-2018: Cost of goods sold of the company has been increased 2018 from 2017 due to increase of sales.

30-Jun-2019: Cost of goods sold of the company has been increased 2018 from 2017 due to increase of sales.

**Other operating expenses:**

The company have incurred business administrative and selling distribution expense during the last five years which in regulars and relevant with production and sales.

**Net income:**

The growth of net profit after Tax in consistent with the growth of revenue. No unusual change has been occurred during the last five years on the above matters.

**(d) Any seasonal aspects of the issuer's business;**

MFAL supplies its products to its regular buyers, who provide sufficient purchase orders to work throughout the year. As a result, no seasonal aspects adversely affect the business of MFAL.

**(e) Any known trends, events or uncertainties that may have material effect on the issuer's future business;**

At present, there are no known trends, events and/or uncertainties that shall have a material impact on the company's future business except for those which are naturally beyond control of human being.

The business operation of the Company may be affected by the following uncertainties:

- I. Political unrest
- II. Natural disaster.

**(f) Any assets of the company used to pay off any liabilities;**

None of the assets of the company has been used to pay off any liabilities of the company.

**(g) Any loan taken from or given to any related party or connected person of the issuer with details of the same;**

The Company did not take or give any loan from or to any related party or connected person of the issuer from its inception.

**(h) Any future contractual liabilities the issuer may enter into within next one year, and the impact, if any, on the financial fundamentals of the issuer;**

The Company has no plan to enter into any contractual liability within next one year which may affect financial fundamentals of the issuer.

**(i) The estimated amount, where applicable, of future capital expenditure;**

The Company has no plan for capital expenditure except for those mentioned in the 'Use of Proceeds' in Chapter (XXII) of this prospectus.

**(j) Any VAT, income tax, customs duty or other tax liability which is yet to be paid, including any contingent liabilities stating why the same was not paid prior to the issuance of the prospectus. Updated income tax status for the last 5 years or from commercial operation, which is shorter;**

**VAT:** There is no VAT liability of the Company as on 30 September, 2019.

**Customs Duty or other tax liabilities:** There is no customs duty Liability of the Company as on 30 September, 2019.

**Income Tax:** The TIN number of the company is 564740342446/Circle-45 (Companies), Taxes Zone-03, Dhaka. Following are the details of income tax related information of the Company:

Accounting year	Assessment Year	Assessment Status
30-Jun-15	2015-2016	As per certificate given by DCT dated 21.11.19 of Taxes Circle-45 (Companies), Taxes Zone-3, Dhaka, the Company's income tax assessment has been completed for the assessment year 2015-2016 and there is no outstanding tax liabilities.
30-Jun-16	2016-2017	As per certificate given by DCT dated 21.11.19 of Taxes Circle-45 (Companies), Taxes Zone-3, Dhaka, the Company's income tax assessment has been completed for the assessment year 2016-2017 and there is no outstanding tax liabilities.
30-Jun-17	2017-2018	As per certificate given by DCT dated 21.11.19 of Taxes Circle-45 (Companies), Taxes Zone-3, Dhaka, the Company's income tax assessment has been completed for the assessment year 2017-2018 and there is no outstanding tax liabilities.
30-Jun-18	2018-2019	As per certificate given by DCT dated 05.03.19 of Taxes Circle-45 (Companies), Taxes Zone-3, Dhaka, the Company submitted the return for the assessment year 2018-2019 (Under Section 82BB of I.T.O 1984) and the assessment for the assessment year 2018-2019 has been completed under section 82BB.
30-Jun-19	2019-2020	Submission under process



- (k) **Any financial commitment, including lease commitment, the company had entered into during the past five years or from commercial operation, which is shorter, giving details as to how the liquidation was or is to be affected;**

The Company has no operating/financial lease obligation with anyone. However, the Company has taken loan from Agrani Bank Ltd. which is as follows:

**Loans:**

<b>Name of Bank</b>	<b>Sanction Amount</b>	<b>Purpose of Loan</b>	<b>Sanction Date</b>	<b>Expiry Date</b>	<b>Installment-Quarterly</b>	<b>Outstanding at 30 Sep, 2019</b>	<b>Mortgage /Lien</b>
Agrani Bank Ltd.	9.43 Crore	Project	Dec 24, 2017	May 24, 2023	6,760,522	84,518,394	163.50 demals of land, Imported & local machineries; Inventory
	1.87 Crore	CC Hypo	Dec 24, 2017	May 24, 2020	2,362,730	14,314,691	

- (I) **Details of all personnel related schemes for which the company has to make provision for in future years;**

**Employees' Benefit**

The Company's employee benefits include the following:

**a) Short Term Employee Benefits:**

Short-term employee benefits include salaries, festival bonuses etc. that fall due within 12 months from the end of the period in which the employees provide their services.

**b) Workers Profit Participation Fund (WPPF):**

The company has created a fund for workers "Workers profit participation fund (WPPF)" as per Bangladesh Labour Act, 2006 (Amendment 2013) by 5% of profit after charging such expenses.

(m) **Break down of all expenses related to the public issue;**

The following amount to be paid to the Issue Managers, Underwriters and other costs are as follows:

Sl.	Particulars	Basis	Amount in BDT (approx.)	
<b>A.</b>	<b>MANAGERS TO THE ISSUE FEES</b>			3,450,000
1	Managers to the Issue fee	Maximum 2% (two percent) of the public offer amount	3,000,000	
2	VAT against Issue Management Fees	15% of issue management fees	450,000	
<b>B.</b>	<b>FEES RELATED TO LISTING WITH THE STOCK EXCHANGES</b>			4,186,020
3	Draft prospectus scrutiny fee for DSE & CSE	Fixed	100,000	
4	DSE and CSE Annual Fee	@ 0.05% on Tk. 100 Crore of paid-up capital and 0.02% on the rest amount of paid-up capital; (minimum Tk. 50 thousand and Maximum Tk. 6 lacs for each exchanges	871,505	
5	Fees related to Listing with the stock exchanges	@ 0.25% on Tk. 10 Crore and 0.15% on the rest amount of paid up capital range; (minimum 50 thousand and maximum Tk. 1 crore for each exchanges)	2,814,515	
6	Data Transmission Fee for DSE & CSE	Fixed	400,000	
<b>C.</b>	<b>BSEC FEES</b>			1,250,000
7	Application fee	Fixed	50,000	
8	Consent fee	fee @ 0.40% on entire offer	1,200,000	
<b>D.</b>	<b>IPO RELATED FEES</b>			803,750
9	Underwriting Commission (0.50%)	Commission @ 0.50% on Underwritten Amount	525,000	
10	VAT against Underwriting Commission	15% of Underwriting Commission	78,750	
11	Auditors Certification fees	At Actual	200,000	
<b>E.</b>	<b>CDBL FEES AND EXPENSES</b>			739,226
12	Security Deposit	At Actual	500,000	
13	Documentation fee	At Actual	2,500	
14	Annual fee	At Actual	100,000	
15	Connection Fee (TK. 500 per month* 12)	At Actual	6,000	
16	Initial Public Offering fee	@.015% of issue size+.015% of Pre-IPO paid up capital	130,726	

<b>F.</b>	<b>PRINTING AND POST PUBLIC OFFER EXPENSES</b>			8,441,004
17	Publication of prospectus	Estimated (to be paid at actual)	650,000	
18	Abridge Version of Prospectus and Notice in 4 daily news paper	Estimated (to be paid at actual)	600,000	
19	Notice for prospectus, Lottery, Refund etc. in 4 daily news paper	Estimated (to be paid at actual)	250,000	
20	Lottery related expenses including BUET fee	Estimated (to be paid at actual)	800,000	
21	Data Processing and Share Software Charge	Estimated (to be paid at actual)	5,890,000	
22	Stationary & Other Expenses	Estimated (to be paid at actual)	251,004	
<b>Grand Total</b>				<b>18,870,000</b>

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

- (n) **If the issuer has revalued any of its assets, the name, qualification and experiences of the valuer and the reason for the revaluation, showing the value of the assets prior to the revaluation separately for each asset revalued in a manner which shall facilitate comparison between the historical value and the amount after revaluation and giving a summary of the valuation report along with basis of pricing and certificates required under the revaluation guideline of the Commission;**

Master Feed Agrotec Limited has not made any revaluation of its asset.

- (o) **Where the issuer is a holding or subsidiary company, full disclosure about the transactions, including its nature and amount, between the issuer and its subsidiary or holding company, including transactions which had taken place within the last five years of the issuance of the prospectus or since the date of incorporation of the issuer, whichever is later, clearly indicating whether the issuer is a debtor or a creditor;**

The Company has no subsidiary nor it is operated under a holding company nor does it has any associate company. Hence, no transaction has taken place.

- (p) **Financial Information of Group Companies and Companies under common ownership by more than 50%: following information for the last three years based on the audited financial statements, in respect of all the group companies of the issuer, wherever applicable, along with significant notes of auditors:**

Particulars	Name of Companies
(1) Date of Incorporation	There is no Group Companies and Companies under common ownership by more than 50%
(2) Nature of Business	
(3) Equity Capital	
(4) Reserves (In Crore)	
(5) Sales (In Crore)	
(6) Profit after Tax (In Crore)	
(7) Earnings Per Share & Diluted Earnings Per Share	
(8) Net Asset Value	
(9) The highest and lowest market price of shares during the preceding six months with disclosures for changes in capital structure during the period, if any securities of the group are listed with any exchange	
(10) Information regarding significant adverse factors relating to the group	
(11) Any of the group companies has become sick or is under winding up	
(12) The related business transactions within the group and their significance on the financial performance of the issuer	
13) Sales or purchase between group companies or subsidiaries or associate companies when such sales or purchases exceed in value in the aggregate ten percent of the total sales or purchases of the issuer and also material items of income or expenditure arising out of such transactions	

- (q) **Where the issuer is a banking company, insurance company, non-banking financial institution or any other company which is regulated and licensed by another primary regulator, a declaration by the board of directors shall be included in the prospectus stating that all requirements of the relevant laws and regulatory requirements of its primary regulator have been adhered to by the issuer;**

Not applicable.

- (r) **A report from the auditors regarding any allotment of shares to any person for any consideration otherwise than cash along with relationship of that person with the issuer and rationale of issue price of the shares;**

**A report from the auditors regarding any allotment of shares to any person for any consideration otherwise than cash along with relationship of that person with the issuer and rationale of issue price of the shares**

We do hereby declare that all the plants and machineries of **Master Feed Agrotec Limited** were purchased in brand new condition. There are no re-conditioned or second-hand machineries installed in the Company.

Place: Dhaka;  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants

- (s) **Any material information, which is likely to have an impact on the offering or change the terms and conditions under which the offer has been made to the public;**  
There is no material information, which is likely to have an impact on the offering or change the terms and conditions under which the offer has been made to the public
- (t) **Business strategies and future plans - projected financial statements shall be required only for companies not started commercial operation yet and authenticated by Chairman, two Directors, Managing Director, CFO, and Company Secretary;**

#### **Business strategies**

Business strategy is defined as long-term business planning. In general, company follows any of the two strategies, i.e. Cost Leadership or Product Differentiation. In our case, we would like to follow cost leadership because economic of scale will give us an edge over our competitors. It will enhance our efficiency as well. How strategy will be implemented is subject to confidentiality, given the competitors lock horns with one another. The ways of strategies, in short, are as follows.

1. **Increase Fixed Assets:** The Company is in planning to invest in fixed assets in order to expand its existing business.
2. **Economic Scale:** With a view to spreading the fixed cost over more units company is trying to increase economic of scale.
3. **Cost Minimizing:** In a competitive market, the company is in effort to minimize the cost so that profit can be maximized.
4. **Market Penetration:** In order to get more market share, the Company is trying to be cost effective to grab more market share.

### Future plans

In persuasion of aforesaid Strategies MFAL and its experienced team have been working insistently keeping in consideration future as well MFAL has a planned for Acquisition and Installation of Machineries & Equipment; Building and Other Construction; Fully Automatic Chicken Farm; Working Capital by using IPO proceeds.

(u) Discussion on the results of operations shall inter-alia contain the following:

- 1) A summary of the past financial results after adjustments as given in the auditor's report containing significant items of income and expenditure;

Particulars	30-Sep-19	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
Non-Current Assets	323,936,962	327,360,106	248,031,502	203,304,338	187,656,201	200,802,794
Current Assets	561,935,950	525,898,596	259,306,460	214,013,541	128,533,535	63,997,902
Shareholders' Equity	722,507,934	683,309,635	168,812,815	39,267,286	15,060,459	3,537,204
Non-Current Liabilities	78,863,560	90,914,458	244,543,779	226,808,864	193,513,747	182,644,048
Current Liabilities	84,501,418	79,034,609	93,981,368	151,241,729	110,214,638	83,817,657
Revenue	256,188,652	914,580,980	506,226,758	444,365,371	299,265,446	125,211,749
Gross Profit	32,790,298	116,797,914	69,020,218	60,486,826	40,209,372	16,677,638
Profit Before Tax	20,828,157	74,397,934	38,794,003	28,344,806	15,602,888	2,914,386
Net Profit After Tax	17,693,299	61,946,820	33,095,529	24,206,827	11,523,255	2,537,204

- 2) A summary of major items of income and expenditure;

#### Major items of income:

Particulars	30-Sep-19	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
Revenue	256,188,652	914,580,980	506,226,758	444,365,371	299,265,446	125,211,749
Profit from Operation	24,423,832	88,935,689	51,438,985	40,414,171	27,768,441	7,208,532

#### Major items of Expenditure:

Particulars	30-Sep-19	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
Cost of Goods Sold	223,398,354	797,783,066	437,206,540	383,878,545	259,056,074	108,534,111
Operating Expenses	8,366,466	27,862,225	17,581,233	20,072,655	12,440,931	9,469,106
Financial Expenses	2,727,106	12,046,587	13,141,846	12,626,348	13,364,153	4,809,705

- 3) The income and sales on account of major products or services;

The income and sales on account of major products or services are as follows:

Sl. No.	Name of Products	For the period ended Sep 30, 2019		For the year ended Jun 30, 2019	
		Revenue (Tk.)	Percentage	Revenue (Tk.)	Percentage
1	Feed	239,644,521	93.54%	873,219,652	95.48%
2	Poultry	6,305,266	2.46%	28,669,823	3.13%
3	Fisheries	10,238,865	4.00%	12,691,505	1.39%

- 4) In case, other income constitutes more than 10% of the total income, the breakup of the same along with the nature of the income, i.e., recurring or non-recurring;

The Company's other income is not more than 10% of the total income.



- 5) **If a material part of the income is dependent upon a single customer or a few major customers, disclosure of this fact along with relevant data. Similarly, if any foreign customer constitutes a significant portion of the issuer's business, disclosure of the fact along with its impact on the business considering exchange rate fluctuations;**

The Company's income is not dependent upon a single customer or a few major customers nor foreign customer.

- 6) **In case the issuer has followed any unorthodox procedure for recording sales and revenues, its impact shall be analyzed and disclosed.**

The issuer has not followed any unorthodox procedure for recording sales and revenues.

- (v) **Comparison of recent financial year with the previous financial years on the major heads of the profit and loss statement, including an analysis of reasons for the changes in significant items of income and expenditure, inter-alia, containing the following:**

Particulars	30-Sep-19	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
Revenue	256,188,652	914,580,980	506,226,758	444,365,371	299,265,446	125,211,749
Operating Expenses	8,366,466	27,862,225	17,581,233	20,072,655	12,440,931	9,469,106
Profit Before Tax	20,828,157	74,397,934	38,794,003	28,344,806	15,602,888	2,914,386
Net Profit After Tax	17,693,299	61,946,820	33,095,529	24,206,827	11,523,255	2,537,204

**Analysis of reasons for the changes in significant items of income and expenditure:**

**Revenues:**

30-Jun-2016: Revenue was increased by 139.01% from 2015 to 2016, due to 5 months sales was incurred in 2015.

30-Jun-2017: Revenue was increased by 48.48% in 2017 from 2016.

30-Jun-2018: Revenue was increased by 13.92% in 2018 from 2017, This is normal business growth.

30-Jun-2019: Revenue was increased by 80.67% in 2019 from 2018. due to Poultry and fisheries unit was added with existing business line. Besides the company installed new machinery as a result production capacity has been increased.

**Cost of goods sold:**

30-Jun-2016: Cost of goods sold of the company has been increased 2016 from 2015 due to increased of sales.

30-Jun-2017: Cost of goods sold of the company has been increased 2017 from 2016 due to increase of sales.

30-Jun-2018: Cost of goods sold of the company has been increased 2018 from 2017 due to increase of sales.

30-Jun-2019: Cost of goods sold of the company has been increased 2018 from 2017 due to increase of sales.

**Other operating expenses:**

The company have incurred business administrative and selling distribution expense during the last five years which in regulars and relevant with production and sales.

**Net income:**

The growth of net profit after Tax is consistent with the growth of revenue. No unusual change has been occurred during the last five years on the above matters.

- 1) **Unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.**

There is no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.

- 2) **Significant economic changes that materially affect or are likely to affect income from continuing operations;**

There are no significant economic changes that materially affect or are likely to affect income from continuing operations.

- 3) **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations;**

At present, there are no known trends, events and/or uncertainties that shall have a material impact on the company's future business except for those which are naturally beyond control of human being.

The business operation of the Company may be affected by the following uncertainties:

- i. Political unrest
- ii. Natural disaster

- 4) **Future changes in relationship between costs and revenues, in case of events such as future increase in labor or material costs or prices that will cause a material change are known;**

We are aware of the fact that future is always uncertain that affect business. It is expected that labor and material price will go up in future because of inflation and other factors. However, revenue is always adjusted and follows the trend in line with production cost. Hence, any change in cost will be reflected in sales price.

- 5) **The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices;**

There is no material increase in sales volume or revenue due to increased sales volume, introduction of new products or services or increased sales prices.

6) **Total turnover of each major industry segment in which the issuer operated;**

Year	Revenue
2016-2017	5,554,939,679
2017-2018	6,478,134,268

**Source:** Annual Report

*Revenue is calculated by using revenue of 2 similar companies such as Aman Feed Limited & National Feed Mill Limited.*

7) **Status of any publicly announced new products or business segment;**

The Company did not announce new products or business segment.

8) **The extent to which the business is seasonal.**

MFAL supplies its products to its regular buyers, who provide sufficient purchase orders to work throughout the year. As a result, no seasonal aspects adversely affect the business of MFAL.

(w) **Defaults or rescheduling of borrowings with financial institutions or banks, conversion of loans into equity along with reasons thereof, lock out, strikes and reasons for the same etc. during the history of operation of the company;**

**Rescheduling of borrowings with banks:**

The Company has one time reschedule its borrowing with Agrani Bank Limited due to not start off its operation on time because of unavailability of electricity connection.

**conversion of loans into equity along with reasons thereof, lock out, strikes and reasons for the same etc. during the history of operation of the company**

There is no history of conversion of loan into equity, lock out and strikes.

(x) **Details regarding the changes in the activities of the issuer during the last five years which may had a material effect on the profits or loss, including discontinuance of lines of business, loss of agencies or markets and similar factors;**

There were no changes in the activities of the Company during the last two years and had not any material effect on the profits or loss, including discontinuance of lines of business, loss of agencies or markets and similar factors.

(y) **Injunction or restraining order, if any, with possible implications;**

There was no injunction or restraining order.

(z) **Technology, market, managerial competence and capacity built-up;**

**Technology**

Production process of the Company is fully technology based where full process are controlled by control panel. So high technical and experience person are hired to support the overall business.

**Market**

Bangladesh, with its rural and agro-based economy, has always been plagued with problems such as malnutrition, high levels of unemployment, and poverty. With the objective of alleviating the protein deficiency of the people and solving the unemployment problem to some extent, in the last 30 years, private investors have taken up steps to address these issues by setting up commercial livestock, fisheries,

and poultry farms. The Feed Mill manufacturing industry has grown consequently to provide backward linkage support to them, especially poultry farms which consume the biggest share of the produced feed.

With a current turnover of BDT 10,000 Crore and a growth rate of 10% per year, the organized and unorganized feed production industry has a great prospect withstanding some challenges as well, such as increasing price in raw materials, adulteration of raw materials, lack of quality control in unorganized sector, high import duty of vaccines. Due to high capital intensiveness, feed production is not coping with the increasing demand and attaining economies of scale has been primary challenge for the industry players.

The major demand driver of the feed industry is the poultry industry and the feed milling industry works as the prime backward linkage industry for these industries. Based on internal estimates, current demand for poultry feed has been estimated to be 5.08 Million MT/year (based on CAGR 10% growth). As the market size and demand for feed are increasing, the demand for the major raw materials, such as corn, maize, Soy-bean, etc. is also expected to rise. However, since Bangladesh is not self-sufficient in producing these raw materials, it has to import major portions of them from neighboring country India. In addition, rising price of Corn and Soy-bean, due to seasonal variation, creates continuous pressure on the market.

As the livestock and fisheries industry has been growing at a steady rate of 20% for the last two decades, the demand for feed has been growing accordingly. However, the supply side has not been able to keep up with the increasing demand. Yearly production of feeds per year is 27,95,040 MT which is inadequate for meeting demand, which have to be imported directly from India and China.

The local production of feed and the raw materials necessary to produce the feed is still inadequate. For example, only 40% of the corn (one of the most vital raw material necessary to produce the feed) is produced locally, the rest (60%) are imported from abroad. Another vital raw material soy-bean is also imported from abroad and the rest are sourced locally.

Among the major feed mill companies in Bangladesh, 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., Aftab Bohumuki Farms Ltd., Narish Poultry Feeds Ltd., Saudi-Bangla Fish Feed Ltd., New Hope Feed Ltd., Aman Feeds Ltd. Master Feed Ltd. National Feed Ltd. Because of capital-intensive industry, small local players are facing a high entry barrier along with achieving economies of scale.

The growth opportunities for the feed market are immense. Feed market works as the backward linkage of the poultry, livestock, and fisheries industries. The major portion of the increasing demand will have to be met by mechanized feed millers whereas the home-mix producers will have to take care of the rest. Ban on importing livestock from India might have a positive impact on demand for feed as domestic cattle farms will have to be built to offset its effect.

### **Managerial competence**

All the members of the management team of the Company are highly qualified, trained & skilled professionals, well experienced and extremely devoted. The management team is led by Mr. Md. Kabir Hossain, Director & Managing Director and acts for the best interest of the Company. The expert team of Master Feed Agrotec Limited, which consists of and a good number of professionals from various disciplines, are seasoned and experienced enough to use the facilities for service to fulfill the

demand of target customers. Successive strong financial performance is the result of unwavering commitment of the promoters, management efficiency, employees' sincerity, use of appropriate technology, among others.

### **Capacity builds up**

To cope up with the continuous growing market demand and strengthening long term sustainability, Master Feed Agrotec Limited continuously invest and deploy resources. The broad aspect of the overall target is to increase sales to build up a target profit. Skilled, experienced, and motivated human resources are the strength and contributor to the success of Master Feed Agrotec Limited. We want to invest more to enhance the internal capacity to benefit our customers.

#### **(aa) Changes in accounting policies in the last three years;**

The management of the Company has introduced WPPF in 2018.

#### **(bb) Significant developments subsequent to the last financial year: A statement by the directors whether in their opinion there have arisen any circumstances since the date of the last financial statements as disclosed in the prospectus and which materially and adversely affect or is likely to affect the trading or profitability of the issuer, or the value of its assets, or its ability to pay its liabilities within the next twelve months;**

##### **A statement by the directors:**

In our opinion, there have no such circumstances arisen since the date of the last financial statements as disclosed in the prospectus which materially and adversely affect or is likely to affect the trading or profitability of the Master Feed Agrotec Ltd. or the value of its assets, or its ability to pay its liabilities within the next twelve months.

Sd/-

**Asma Akter Sumie**  
Chairman

Sd/-

**Md. Kabir Hossain**  
Managing Director

Sd/-

**Rafiqul Alam**  
Director

Sd/-

**Shahida Akter Sumi**  
Director

Sd/-

**Sheikh Karimuzzaman**  
Independent Director

#### **(cc) If any quarter of the financial year of the issuer ends after the period ended in the audited financial statements as disclosed in the prospectus, unaudited financial statements for each of the said quarters duly authenticated by the CEO and CFO of the issuer;**

Audited financial statements for the period ended September 30, 2019 are incorporated in the prospectus.

#### **(dd) Factors that may affect the results of operations.**

There are no such factors that may affect the results of operations.

## CHAPTER (VII)

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# **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION**

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(a) **Overview of business and strategies:**

**Overview of business:**

The Company Namely "Master Hatchery and Poultry Feed Limited" Was Incorporated on 20th June, 2011 Vide Registration No.C-93642/11 And Subsequently Converted into a Public Limited Company on October 15, 2018 With Registrar of Joint Stock Companies and Firms in Bangladesh Under the Companies Act 1994.

The Company Changed its Name Through Special Resolution and with Due Approval of the Registrar of Joint Stock of Companies and Firms from "Master Hatchery and Poultry Feed Limited" to "Master Feed Agrotec Limited." on 01 July, 2018.

The Principal activities of this Company are manufacturing and marketing of poultry feed, fish feed, cattle feed and also engage farming Poultry and Fish.

There is no Subsidiary Company of MFAL.

**Strategies:**

Business strategy is defined as long-term business planning. In general, company follows any of the two strategies, i.e. Cost Leadership or Product Differentiation. In our case, we would like to follow cost leadership because economic of scale will give us an edge over our competitors. It will enhance our efficiency as well. How strategy will be implemented is subject to confidentiality, given the competitors lock horns with one another. The ways of strategies, in short, are as follows.

1. **Increase Fixed Assets:** The Company is in planning to invest in fixed assets in order to expand its existing business.
2. **Economic Scale:** With a view to spreading the fixed cost over more units company is trying to increase economic of scale.
3. **Cost Minimizing:** In a competitive market, the company is in effort to minimize the cost so that profit can be maximized.
4. **Market Penetration:** In order to get more market share, the Company is trying to be cost effective to grab more market share.

(b) **SWOT ANALYSIS:**

**Strengths**

1. **Strong Management:** The Company has good management to run the company efficiently.
2. **Modern Machineries:** The Company has been using modern machineries that smooth our operation.
3. **Technology:** The Company has latest tools and technologies to support production.
4. **Dedicated Workforce:** The Company has dedicated human resources.

**Weaknesses**

1. **Low Financial Position:** The Company needs more finance to be competitive over its rivals.
2. **Inefficient Workforce:** Our workforces are not skilled in comparison with companies.

## Opportunity

1. **High Demand:** The product demand is high across the country.
2. **Suppliers Availability:** There are many suppliers. Hence, company has bargaining power over supplier to purchase raw material cheaply.
3. **Easy Bank Loan:** For working capital, there is an easy bank loan facility for the company.

## Threat

1. **Intense Competition:** There is high rivalry among the competitors to get the market share.
2. **Raw Materials:** At least 60% to 70% raw materials are imported to produce feed. Any disorder with regard to getting raw material may affect feed production.

(c) **Analysis of the financial statements of last five years with reason(s) of fluctuating revenue or sales, other income, total income, cost of material, finance cost, depreciation and amortization expense, other expense; changes of inventories, net profit before & after tax, EPS etc.**

Particulars	30-Sep-19	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
Revenue	256,188,652	914,580,980	506,226,758	444,365,371	299,265,446	125,211,749
Other Income	172,839	1,228,729	496,864	556,983	1,198,600	515,560
<b>Total Income</b>	<b>256,361,491</b>	<b>915,809,709</b>	<b>506,723,622</b>	<b>444,922,354</b>	<b>300,464,046</b>	<b>125,727,309</b>
Cost of Materials	223,398,354	797,783,066	437,206,540	383,878,545	259,056,074	108,534,111
Financial Expenses	2,727,106	12,046,587	13,141,846	12,626,348	13,364,153	4,809,705
Depreciation Expense	5,602,984	17,782,410	13,292,131	13,583,071	14,450,644	7,763,557
Amortization Expense	-	-	-	-	-	-
Others Expense	8,366,466	27,862,225	17,581,233	20,072,655	12,440,931	9,469,106
Changes of Inventories	16,190,386	117,534,320	23,395,756	65,181,549	20,557,626	18,153,748
Profit Before Tax	20,828,157	74,397,934	38,794,003	28,344,806	15,602,888	2,914,386
Net Profit After Tax	17,693,299	61,946,820	33,095,529	24,206,827	11,523,255	2,537,204
EPS	0.31	1.93	1.57	1.38	0.80	0.21

## Reason of Fluctuation

### Revenue:

30-Jun-2016: Revenue was increased by 139.01% from 2015 to 2016, due to 5 months sales was incurred in 2015.

30-Jun-2017: Revenue was increased by 48.48% in 2017 from 2016.

30-Jun-2018: Revenue was increased by 13.92% in 2018 from 2017, This is normal business growth.

30-Jun-2019: Revenue was increased by 80.67% in 2019 from 2018. due to Poultry and fisheries unit was added with existing business line. Besides the company installed new machinery as a result production capacity has been increased.

### Total Income:

Since revenue was increased so naturally total income was increased.



**Cost of Materials:**

30-Jun-2016: Cost of goods sold of the company has been increased 2016 from 2015 due to increased of sales.

30-Jun-2017: Cost of goods sold of the company has been increased 2017 from 2016 due to increase of sales.

30-Jun-2018: Cost of goods sold of the company has been increased 2018 from 2017 due to increase of sales.

30-Jun-2019: Cost of goods sold of the company has been increased 2018 from 2017 due to increase of sales.

**Finance Cost and Bank charge:**

The Company has taken long term loan from bank for procure of plant and machinery to increase capacity and also taken short term loan from bank to support business working capital.

**Depreciation and Amortization:**

The depreciation and amortization on property plant on equipment has increased steady on the basis of addition.

**Other Expenses:**

The company have incurred business administrative and selling distribution expense during the last five years which in regulars and relevant with production and sales.

**Charges of Inventory:**

The inventory shows, Raw-materials, Packing materials, spare parts, work in process and finished goods. As the production and Sales increased from 2015 to 2019 subsequently inventory have been increased to meet the demand.

**Net profit before and after Tax and earning per share:**

The growth of net profit after Tax is consistent with the growth of revenue. No unusual change has been occurred during the last five years on the above matters.

Earnings per share are properly calculated through using weighted average number of ordinary share for each year.

**(d) Known trends demands, commitments, events or uncertainties that are likely to have an effect on the company's business:**

At present, there are no known trends, events and/or uncertainties that shall have a material impact on the company's future business except for those which are naturally beyond control of human being.

The business operation of the Company may be affected by the following uncertainties:

- i. Political unrest
- ii. Natural disaster

(e) **Trends or expected fluctuations in liquidity:**

There are no trends or expected fluctuations in liquidity.

(f) **Off-balance sheet arrangements those have or likely to have a current or future effect on financial condition:**

There are no off-balance sheet arrangements those have or likely to have a current or future effect on financial condition.

## CHAPTER (VIII)

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# **DIRECTORS AND OFFICERS**

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(a) Name, Father's name, age, residential address, educational qualification, experience and position of each of the directors of the company and any person nominated or represented to be a director, showing the period for which the nomination has been made and the name of the organization which has nominated him:

SL	Name of Director, Father's Name, Age & Experience		Residential Address	Educational Qualification	Name of the Institutions and Duration for Nominated Director
1	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b>	<b>Asma Akter Sumie</b> Chairman Nurul Amin 31 Years 9 Years	1255, Mohammad Bagh, Rayerbagh, Kadamtoli, Dhaka	BBA	-
2	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b>	<b>Md. Kabir Hossain</b> Managing Director Fazlul Haq 38 Years 15 Years	1255, Mohammad Bagh, Rayerbagh, Kadamtoli, Dhaka	B. Com	-
3	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b>	<b>Rafiqul Alam</b> Director Abdur Rashid 40 Years 18 Years	182, Faidabad Main Road, Dokkshinkhan, Uttara, Dhaka	M.S.S (Economics)	-

4	<b>Name:</b>	<b>Shahida Akter Sumi</b>	House: 01, Road: College Road, Aynusbagh, PO: Dakhin Khan, Dakhin Khan, Dhaka-1230	M. Sc	-
	<b>Position:</b>	Director			
	<b>Father's Name:</b>	S M Saiful Islam			
	<b>Age:</b>	38 Years			
	<b>Experience:</b>	9 Years			
5	<b>Name:</b>	<b>Sheikh Karimuzzaman</b>	House No. 357, Kawlar Main Road, Namapara, Dakhkhinkhan, Dhaka-1229	LLM, MA	3 Yrs. (From 22-Sep-2019 to 21-Sep-2022)
	<b>Position:</b>	Independent Director			
	<b>Father's Name:</b>	Late Alhaj Sheikh Abdul Hamid			
	<b>Age:</b>	51 Years			
	<b>Experience:</b>	24 Years			

- (b) The date on which he first became a director and the date on which his current term of office shall expire:

SL.	Name of the Director	Position	Date of first Directorship	Date of Expiration of Current term
1	Asma Akter Sumie	Chairman	22-Jun-11	9th AGM in 2020
2	Md. Kabir Hossain	Managing Director	22-Jun-11	9th AGM in 2020
3	Rafiqul Alam	Director	18-Sep-18	10th AGM in 2021
4	Shahida Akter Sumi	Director	30-Jun-19	10th AGM in 2021
5	Sheikh Karimuzzaman	Independent Director	22-Sep-19	11th AGM in 2022

- (c) If any director has any type of interest in other businesses, names and types of business of such organizations. If any director is also a director of another company or owner or partner of any other concern, the names of such organizations:

Sl.	Name of Director	Designation in MFAL	Directorship/Ownership with Other Companies	
			Companies	Position
1	Asma Akter Sumie	Chairman	Master Computer Limited	Chairman
2	Md. Kabir Hossain	Managing Director	Master Computer Limited	Managing Director
3	Rafiqul Alam	Director	Not involved in other organization	-
4	Shahida Akter Sumi	Director		-
5	Sheikh Karimuzzaman	Independent Director	Advent Pharma Limited	Independent Director

- (d) Statement of if any of the directors of the issuer are associated with the securities market in any manner. If any director of the Issuer company is also a director of any issuer of other listed securities during last three years then dividend payment history and market performance of that issuer:

None of the Directors are involved in securities market and not involved with other listed securities during last three years except followings:

Name of Director	Director of listed securities			
	Company	Dividend payment		Closing Price
		Year	Cash/Bonus	
Sheikh Karimuzzaman	Advent Pharma Limited	30-Jun-19	10% B, 2% C	33.70

- (e) Any family relationship (father, mother, spouse, brother, sister, son, daughter, spouse's father, spouse's mother, spouse's brother, spouse's sister) among the directors and top five officers:

i. Family relationship among directors

Sl.	Name of Director	Designation	Relationship
1	Asma Akter Sumie	Chairman	Wife of Md. Kabir Hossain
2	Md. Kabir Hossain	Managing Director	Husband of Asma Akter Sumie
3	Rafiqul Alam	Director	No family relationship
4	Shahida Akter Sumi	Director	No family relationship
5	Sheikh Karimuzzaman	Independent Director	No family relationship

ii. Family relationship among directors and top five officers of the company:

There is no family relationship exist between directors and top five management officers except mentioned above.

(f) **A very brief description of other businesses of the directors:**

**Asma Akter Sumie**

*Chairman*

Sl. No.	Name of Companies	Date of Incorporation	Nature of Business	Legal Status	Equity capital (Total) in Taka
1	Master Computer Limited	21-Jun-2010	Computer business	Private Limited Company	1,000,000

**Md. Kabir Hossain**

*Managing Director*

Sl. No.	Name of Companies	Date of Incorporation	Nature of Business	Legal Status	Equity capital (Total) in Taka
1	Master Computer Limited	21-Jun-2010	Computer business	Private Limited Company	1,000,000

**Rafiqul Alam**

*Director*

Not involved in other business.

**Shahida Akter Sumi**

*Director*

Not involved in other business.

**Sheikh Karimuzzaman**

*Independent Director*

Sl. No.	Name of Companies	Date of Incorporation	Nature of Business	Legal Status	Equity capital (Total) in Taka
1	Advent Pharma Limited	25-Jan-07	Pharmaceutical company of animal health care	Public Limited Company	830,060,000

(g) **Short bio-data of each director:**

**Asma Akter Sumie**

*Chairman*

Mrs. Asma Akter Sumie, Chairman of the Company. She was born in November 04, 1988 in an illustrious family. His father is Nurul Amin and mother is Salina Akter and spouse is Md. Kabir Hossain. She is an Entrepreneur and businessman of distinction is the Chairman of the Company. She is a Bachelor of Business Administration from the National University. She became a successful business man within a short time of his business career by dint of his sincerity, honesty, hard labor and dynamic leadership.

**Md. Kabir Hossain**

*Managing Director*

Md. Kabir Hossain, Managing Director of the Company. He was born in January 01, 1982 in an illustrious family. His father is Fazlul Haq and mother is Mahafuja Begum. He is an Entrepreneur and businessman of distinction is the Managing Director of the Company. He is a Bachelor of Commerce. His strong vision of backward linkage,

helped National grow to be one of the biggest integrated agribusinesses company within the country. 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 is well renowned for his philanthropic work in the locality. He has vast knowledge in feed and fisheries business & has been working in this field for about 15 years. His experience in the business and industrial sector is wide and diversified, which ranges from commodity trade to management and operation of large industrial units.

**Rafiqul Alam**

Director

Md. Rafiqul Alam, Director of Master Feed Agrotec Limited. He was born in January 15, 1980 in an illustrious family. He completed his M.S.S (Economics) from the Jogonnath University. His father is Abdur Rashid and mother is Shiraz Khatun. He has vast knowledge in feed and fisheries business. He specializes in strategic planning, marketing, budgetary functions, sales management & people development.

**Shahida Akter Sumi**

Director

Shahida Akter Sumi, Director of Master Feed Agrotec Limited. She was born in a well-known business family in 1982. After completion of her Master of Science from National University, she engages himself in business. She is a dynamic and energetic business person with 9 years of business experience in different sectors. He is involved in many cultural activities and social works. He became a successful business person in short time of his business career with his sincerity, honesty and conceptual problem-solving ability.

**Sheikh Karimuzzaman**

Independent Director

Sheikh Karimuzzaman, Independent Director of Master Feed Agrotec Limited. He was born in a well-known family in 1968. He completed his MA in English under Dhaka University, and then he completed LLM under Southeast University and engages himself in professional service (Advocate) in the Supreme Court of Bangladesh. He is a dynamic and energetic person with 24 years of experience in different sectors. He is involved in many cultural activities and social works. He became a successful person in short time of his career with his sincerity, honesty and conceptual problem solving ability.

**(h) Loan status of the issuer, its directors and shareholders who hold 10% or more shares in the paid-up capital of the issuer in terms of the CIB Report of Bangladesh Bank:**

Neither the Company nor any of its Directors or shareholders who hold 10% or more shares in the paid-up capital of the issuer is loan defaulter in terms of the CIB report of Bangladesh Bank.



- (i) **Name with position, educational qualification, age, date of joining in the company, overall experience (in year), previous employment, salary paid for the financial year of the Chief Executive Officer, Managing Director, Chief Financial Officer, Company Secretary, Advisers, Consultants and all Departmental Heads. If the Chairman, any director or any shareholder received any monthly salary than this information should also be included:**

Sl.	Name	Position	Educational Qualification	Age (Yrs.)	Date of Joining	Overall experience	Previous Employment	Salary Paid for the financial year (30.06.19)
1	Md. Kabir Hossain	Managing Director	B. Com	38	20-Nov-11	16	Self employed	1,200,000
2	Mizanur Rahman Mridha	Executive Director	M. Com, MBA	49	01-Oct-18	25	Tung Hai Knitting & Dyeing Limited	1,140,000
3	Md. Rasel Ahmed	Director Operation	M. SC	44	02-Feb-15	18	Freedom Agro Industries Limited	900,000
4	Md. Sharif Uddin Biswas	General Manager (Factory)	B. Sc. Animal Husbandry (Hons), B.A.U, Mymensing	57	01-Jun-19	29	Misham Agro Industries Ltd.	100,000
5	Md. Rashid Ali Bhuiyan	Production Manager	B. A	44	02-Feb-15	13	Relation Computer and Electronics	300,000
6	Md. Abu Hanif	HR & Admin	MBS	37	01-Sep-17	12	Fortune Shoes Ltd.	300,000
7	Rakib Uddin	Chief Financial Officer	MBS, CA (CC)	32	01-July-18	8	Root Group of Companies	300,000
8	Md. Abul Basar	Company Secretary	MBS	30	14-Apr-18	8	Meghna Bank Ltd.	300,000
9	Abu Khair Md. Umar Razzak Mondol	AGM (Sales and Marketing)	M.A	47	1-Jul-18	26	Biswas Poultry and Fish Feed	600,000

The Company has no permanent advisor and consultant.

- (j) **Changes in the key management persons during the last three years. Any change otherwise than by way of retirement in the normal course in the senior key management personnel particularly in charge of production, planning, finance and marketing during the last three years prior to the date of filing the information memorandum. If the turnover of key management personnel is high compared to the industry, reasons should be discussed:**

The following changes have been made in the senior key management personnel during the last three years:

<b>Name of the employee</b>	<b>Position/Designation</b>	<b>Date of Joining/Resigned</b>	<b>Remarks</b>
Sheikh Karimuzzaman	Independent Director	22-Sep-19	Newly appointed
Md. Sharif Uddin Biswas	General Manager (Factory)	01-Jun-19	Newly appointed
Mizanur Rahman Mridha	Executive Director	01-Oct-18	Newly appointed
Rakib Uddin	Chief Financial Officer	01-July-18	Newly appointed
Abu Khair Md. Umar Razzak Mondol	AGM (Sales and Marketing)	1-Jul-18	Newly appointed
Md. Abul Basar	Company Secretary	14-Apr-18	Newly appointed
Md. Abu Hanif	HR & Admin	01-Sep-17	Newly appointed

- (k) **A profile of the sponsors including their names, father's names, age, personal addresses, educational qualifications, and experiences in the business, positions or posts held in the past, directorship held, other ventures of each sponsor and present position:**

<b>Name, Father's Name, Age &amp; Personal Address</b>		<b>Educational Qualification</b>	<b>Experience</b>	<b>Position/Post</b>		<b>Holding in other Venture</b>
			<b>(Years)</b>	<b>Past</b>	<b>Present</b>	
<b>Name:</b>	<b>Asma Akter Sumie</b>	BBA	9 Years	Sponsor & Chairman	Sponsor & Chairman	Master Computer Limited
<b>Father's Name:</b>	Nurul Amin					
<b>Age:</b>	31 Years					
<b>Personal Address:</b>	1255, Mohammad Bagh, Rayerbagh, Kadamtoli, Dhaka					
<b>Name:</b>	<b>Md. Kabir Hossain</b>	B. Com	15 Years	Sponsor & Managing Director	Sponsor & Managing Director	Master Computer Limited
<b>Father's Name:</b>	Fazlul Haq					
<b>Age:</b>	38 Years					
<b>Personal Address:</b>	1255, Mohammad Bagh, Rayerbagh, Kadamtoli, Dhaka					

- (l) **If the present directors are not the sponsors and control of the issuer was acquired within five years immediately preceding the date of filing prospectus details regarding the acquisition of control, date of acquisition, terms of acquisition, consideration paid for such acquisition etc.**

The following directors are not the sponsors of the Company and control of the issuer was acquired in following manner:

Name	Acquisition of Control	Date of Acquisition	Terms of Acquisition	Consideration paid for such Acquisition
Rafiqul Alam	18-Sep-18	28-Jun-18	N/A	Cash
Shahida Akter Sumi	30-Jun-19	28-Jun-18	N/A	Cash
Sheikh Karimuzzaman	22-Sep-19	-	-	Appoint as an Independent Director

- (m) **If the sponsors or directors do not have experience in the proposed line of business, the fact explaining how the proposed activities would be carried out or managed:**

All the directors have adequate knowledge to carry out this line of business.

- (n) **Interest of the key management persons:**

There is no other interest with the key management persons except remuneration/salary received by them.

- (o) **All interests and facilities enjoyed by a director, whether pecuniary or non-pecuniary:**

Facilities whether pecuniary or non-pecuniary enjoyed by the Directors will remain unchanged during the publication period of the Prospectus.

- (p) **Number of shares held and percentage of share holding (pre issue):**

Sl.	Name of Director	Position	Number of Shares Held	% Pre-IPO
1	Asma Akter Sumie	Chairman	2,600,000	4.55%
2	Md. Kabir Hossain	Managing Director	14,750,000	25.81%
3	Rafiqul Alam	Director	7,050,000	12.34%
4	Shahida Akter Sumi	Director	1,750,000	3.06%
5	Sheikh Karimuzzaman	Independent Director	-	0.00%
<b>Total</b>			<b>26,150,000</b>	<b>45.76%</b>

- (q) **Change in board of directors during last three years:**

Sl.	Name of Director	Date of Joining	Date of retirement	Present Status as on 30.06.2019
1	Rafiqul Alam	18-Sep-18	10th AGM in 2021	Director
2	Shahida Akter Sumi	30-Jun-19	10th AGM in 2021	Director
3	Sheikh Karimuzzaman	22-Sep-19	11th AGM in 2022	Independent Director

- (r) **Director's engagement with similar business:**

None of the Directors are involve with similar business.

## CHAPTER (IX)

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# **CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

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(a) **TO WHOM IT MAY CONCERN**

This is to certify that the Financial Statements of Master Feed Agrotec Limited furnished for our audit does not have any transaction during the last five years, or any proposed transaction, between the issuer and any of the following persons:

- (i) Any director or sponsor or executive officer of the issuer;
- (ii) Any person holding 5% or more of the outstanding shares of the issuer;
- (iii) Any related party or connected person of any of the above persons;

Except the transactions described in the following table:

Name	Nature of Transaction	Amount in (BDT)											
		September 30, 2019		June 30, 2019		June 30, 2018		June 30, 2017		June 30, 2016		June 30, 2015	
		Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued
Mr. Md. Kabir Hossain	Remuneration	300,000	100,000	1,200,000	100,000	-	-	-	-	-	-	-	-
	Board Meeting Fee	4,000	-	20,000	-	-	-	-	-	-	-	-	-
Mrs. Asma Akter Sumie	Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
	Board Meeting Fee	4,000	-	20,000	-	-	-	-	-	-	-	-	-
Mr. Rafiqul Alam	Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
	Board Meeting Fee	4,000	-	16,000	-	-	-	-	-	-	-	-	-
Mrs. Shahida Akter Sumi	Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
	Board Meeting Fee	4,000	-	-	-	-	-	-	-	-	-	-	-

Place: Dhaka;  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants

- (b) **Any transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by 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 or 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;**

There is no transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by 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 or 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 except the transaction mentioned in CHAPTER (IX) (a).

- (c) **Any loans either taken or given from or to any director or any person connected with the director, clearly specifying details of such loan in the prospectus, and if any loan has been taken from any such person who did not have any stake in the issuer, its holding company or its associate concerns prior to such loan, rate of interest applicable, date of loan taken, date of maturity of loan. and present outstanding of such loan.**

No such loan was taken or given from or to Directors or any person connected with the Directors of Master Feed Agrotec Limited.

## CHAPTER (X)

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# **EXECUTIVE COMPENSATION**

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- (a) The total amount of remuneration or salary or perquisites paid to the top five salaried officers of the issuer in the last accounting year and the name and designation of each such officer:**

SL	Name	Designation	Remuneration/salaries (Tk.)
			For the year ended 30.06.2019
1	Md. Kabir Hossain	Managing Director	1,200,000
2	Mizanur Rahman Mridha	Executive Director	1,140,000
3	Md. Rasel Ahmed	Director Operation	900,000
4	Abu Khair Md. Umar Razzak Mondol	AGM (Sales and Marketing)	600,000
5	Rakib Uddin	Chief Financial Officer	300,000
	Md. Abul Basar	Company Secretary	300,000
	Md. Abu Hanif	HR & Admin	300,000
	Md. Rashid Ali Bhuiyan	Production Manager	300,000

- (b) Aggregate amount of remuneration paid to all directors and officers as a group during the last accounting year:**

SL.	Particulars	Nature of Transaction	Amount (in Taka)
			For the year ended 30.06.2019
1	Directors	Remuneration	-
2	Managing Director	Remuneration	1,200,000
3	Directors	Board Meeting Fee	56,000
4	Officers and staffs	Salary and Allowances	24,966,740

- (c) If any shareholder director received any monthly salary or perquisite or benefit it must be mentioned along with date of approval in AGM or EGM, terms thereof and payments made during the last accounting year:**

Md. Kabir Hossain, Managing Director is received Tk. 1,200,000.00 for the year ended June 30, 2019. This remuneration was approved in the Annual General Meeting dated December 28, 2018.

- (d) The board meeting attendance fees received by the director including the managing director along with date of approval in AGM or EGM:**

The board meeting attendance fees received by the director including the managing director which was approved in the Annual General Meeting dated December 28, 2018.

- (e) Any contract with any director or officer providing for the payment of future compensation:**

There is no such contract between the Company and any of directors or officers regarding any future compensation to be made to them.

- (f) If the issuer intends to substantially increase the remuneration paid to its directors and officers in the current year, appropriate information regarding thereto:**

The Company has no plan for substantially increasing remuneration to its directors and/or officers except for those that are paid as annual increment to their salaries.

- (g) Any other benefit or facility provided to the above persons during the last accounting year:**

No other benefit or facility provided to the above persons during the last accounting year.



## CHAPTER (XI)

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### **OPTIONS GRANTED TO DIRECTORS, OFFICERS AND EMPLOYEES**

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Master Feed Agrotec Limited did not grant any options to its directors, officers and/or any other employees for the purpose of issuing shares.

## CHAPTER (XII)

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# **TRANSACTION WITH THE DIRECTORS AND SUBSCRIBERS TO THE MEMORANDUM**

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- (a) The names of the directors and subscribers to the memorandum, the nature and amount of anything of value received or to be received by the issuer from the above persons, or by the said persons, directly or indirectly, from the issuer during the last five years along with the description of assets, services or other consideration received or to be received;**

**Benefits from the Company during last five years:**

The Directors and subscribers to the memorandum of association have not received any benefits except remuneration by Managing Director, Md. Kabir Hossain and board meeting fees by all directors.

- (b) If any assets were acquired or to be acquired within next two financial years from the aforesaid persons, the amount paid for such assets and the method used to determine the price shall be mentioned in the prospectus, and if the assets were acquired by the said persons within five years prior to transfer those to the issuer, the acquisition cost thereof paid by them.**

**Directors and Subscribers' Assets to the Company:**

Directors and subscribers to the memorandum have not transferred any asset to the Company in the last five years. Besides, in the last five years the issuer Company has not received any assets or other considerations from its Directors and subscribers to the memorandum except fund against allotment of shares.

## CHAPTER (XIII)

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# **OWNERSHIP OF THE COMPANY'S SECURITIES**

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a) The names, addresses, BO ID Number of all shareholders of the company before IPO, indicating the amount of securities owned and the percentage of the securities represented by such ownership, in tabular form:

Sl.	Name of the Shareholders	Position	Address	BO IDs	Number of Shares Held	Pre IPO %
1	Md. Kabir Hossain	Managing Director	1255, Mohammad Bagh, Rayerbagh, Kadamtoli, Dhaka	1202020003170664	14,750,000	25.81%
2	Asma Akter Sumie	Chairman	1255, Mohammad Bagh, Rayerbagh, Kadamtoli, Dhaka	1202020003172358	2,600,000	4.55%
3	Rafiqul Alam	Director	182, Faidabad Main Road, Dokkshinkhan, Uttara, Dhaka	1202020003215584	7,050,000	12.34%
4	Shahida Akter Sumi	Director	House: 01, Road: College Road, Aynusbagh, PO: Dakhin Khan, Dakhin Khan, Dhaka-1230	1202020003186634	1,750,000	3.06%
5	Freight Care Aviation Services Ltd.	Shareholder	20, Kamal Ataturk Avenue, Banani, Dhaka	1204030053490019	2,000,000	3.50%
6	Istiaq Rahman Imran	Shareholder	1/A Sonargaon Janapath (6th Floor), Section # 07, Uttara, Dhaka	1605120058729712	1,500,000	2.62%
7	Jayanta Kumar Podder	Shareholder	6/A/1, Segun Bagicha, Ground Floor, Dhaka	1605550066704530	1,251,000	2.19%
8	Farmers Hopes Limited	Shareholder	Plot # 167, Fakirkhali Road, Barith, Badda, Dhaka-1212	1605860064386069	1,149,000	2.01%
9	Monira Akter	Shareholder	House # 19, Road # 07, Block # C, Niketon, Dhaka	1205890044239351	1,100,000	1.92%
10	Md. Farid Ahmed	Shareholder	Flat: B-7, Firoza Rose, 12 Eskaton Road, Dhaka-1000	1203110016614018	1,010,000	1.77%
11	EBL Securities Ltd.	Shareholder	59, Motijheel C/A (1st Floor), Dhaka	1201950000015755	1,000,000	1.75%
12	Mst. Touhida Shirin	Shareholder	House-24, Road-1/3, Mushi Para, Gaibanda Sadar, Gaibanda, Rajshahi-5700	1203040061488231	1,000,000	1.75%
13	Homayra Binte Wali	Shareholder	40 Hazinagar Ideal Road, Sharulia, Deamra, Dhaka-1361	1202830048324805	701,000	1.23%
14	SM AL Jubayer Ahmed	Shareholder	22 Doktor Gole, Malibagh, Dhaka	1203040062626201	660,000	1.15%
15	Asif Iqbal Chowdhury	Shareholder	House # B-58/7-5, Road # A.G.B. Koloni Ideal Jone, Dhaka-1000.	1605550059758671	524,000	0.92%
16	Neaz Rahman Shaqib	Shareholder	House # 37 (A-3), Road # 01, Banani DOHS, Dhaka Cantanment, Dhaka	1604630054980351	520,000	0.91%
17	Md. Towhidul Islam	Shareholder	45 Kemal Ataturk Avenue, Banani, Dhaka-1213	1203040064936717	501,000	0.88%

18	BDBL Securities Ltd	Shareholder	BDBL Bhaban (Level-16), 12 Kawran Bazar, Dhaka	1202180045048887	500,000	0.87%
19	Md. Sayadur Rahman	Shareholder	609/C, Khilgaon, Dhaka	1205590062012841	500,000	0.87%
20	Md. Shamsul Alam	Shareholder	40/A, Dilu Road, New Eskaton, Ramna, Dhaka	1205590052168963	500,000	0.87%
21	Mizanur Rahman Mridha	Shareholder	House-06, Road-03, Block-D, Banasree, Rampura, Dhaka	1202020052156281	500,000	0.87%
22	Rozina Akhter	Shareholder	40/A, Dilu Road, New Eskaton, Ramna, Dhaka	1205590063078472	500,000	0.87%
23	Salena Akther	Shareholder	3/E, New Baily Road, Ramna, Dhaka-1217	1201480064561845	500,000	0.87%
24	Shams Mahmud	Shareholder	House-7, Road-117, Gulshan-1, Dhaka	1204090017402131	500,000	0.87%
25	Wajhi Ahmed	Shareholder	House # 44-A1, Road # 11-A, Zigatola, Dhanmondi, Dhaka	1202830062612835	500,000	0.87%
26	Shanzida Akhter Khanam	Shareholder	3, Kabi Jashim Uddin Road, Komlapur, Dhaka-1217	1605550061065189	498,000	0.87%
27	Hafiza Khanam	Shareholder	1/A Sonargaon Janapath (6th Floor), Section # 07, Uttara, Dhaka	1202930058729739	490,000	0.86%
28	Md. Ensan Ali Sheikh	Shareholder	1/A Sonargaon Janapath (6th Floor), Section # 07, Uttara, Dhaka-1230	1202930058729803	490,000	0.86%
29	Md. Jahangir Alam	Shareholder	House-26, Road-18, Sector-7, Uttara, Dhaka	1203570019874091	401,000	0.70%
30	Md. Hamid Ullah Khan	Shareholder	House # 529/C, Khilgaon, Dhaka-1219	1605550061066092	400,000	0.70%
31	EBL Investment Ltd. (Puji Account)	Shareholder	59, Motijheel C/A (1st Floor), Dhaka	1605640064841131	300,000	0.52%
32	Md. M. U. Pramanik	Shareholder	Reneta Ltd. Gazipur Depo, Gazipur	1603700061482620	300,000	0.52%
33	Mohammad Towfiqul Islam	Shareholder	Flat # 5A, 112/KA, Central Road, Dhanmondi, Dhaka	1204090053883178	300,000	0.52%
34	Sarker Abdullah Al Shafee	Shareholder	At: A-7, Navana Baily Star, 9, Naw Ratan Colony, New Baily Road, Dhaka	1202540023633139	300,000	0.52%
35	Shafiul Azam	Shareholder	House-97, Vill-Donia Rasulpur, Po-Donia Jatrabari, Dhaka-1236	1605550064974741	264,500	0.46%
36	Shahida Alam	Shareholder	Zirwat Apartments, House # SWG-2/B, (1st Floor), Road # 5, Gulshan-1, Dhaka-1212	1605640068667589	251,000	0.44%
37	Md. Ahasanul Haque	Shareholder	House No. 07, Road No. 03, Section - 10, Uttara, Dhaka	1601880058149691	250,000	0.44%
38	Md. Mahbubul Alam	Shareholder	MetroNet Bangladesh Limited, PBL Tower (13th Floor), 17 New, Gulshan North Avenue, Gulshan 2, Dhaka-1212	1203040004499405	250,000	0.44%

39	Md. Mizanur Rahman	Shareholder	731 Monipur, Mirpur, Dhaka	1203140042666704	250,000	0.44%
40	Ahmed Farabi Chowdhury	Shareholder	House: 59, Kazal Shah R/A, Block: D, Sylhet Sadar, Sylhet-3100	1202550060664473	201,000	0.35%
41	FAAS Asset Management Ltd.	Shareholder	105/A, Kakrail, Dhaka	1202610064842514	200,000	0.35%
42	Md. Anwarul Azim	Shareholder	Katalia, Kashinagar, Chaddagram, Comilla	1605640057426625	200,000	0.35%
43	Md. Shahjalal	Shareholder	Flat # A-11, Tower: 01, BTI Premier Plaza, 90/Cha North Badda, Dhaka-1212.	1202830043148504	200,000	0.35%
44	Mir Intesar Bin Labib	Shareholder	House: 89, Kalabagan, 2nd Lane, Apt.: A-9, Dhaka-1205	1202790000047201	200,000	0.35%
45	Mohammad Towhidul Islam	Shareholder	112/Ka, Central Road, Dhanmondi, Dhaka-1205	1202830055707558	200,000	0.35%
46	Monir Hossain	Shareholder	209/3/G Lalbagh Road, BDR 2 No. Gate, Dhaka-1211	1205150062613301	200,000	0.35%
47	Monira Akter	Shareholder	House-06, Road-03, Block-D, Banasree, Rampura, Dhaka-1219	1202020046567084	200,000	0.35%
48	Nazme Zaha	Shareholder	17/A-B, Apt # B-7, Kabi Jashimuddin Road, North Kamalapur, Dhaka	1204780064424971	200,000	0.35%
49	Sabrina Shabnam Rabbi	Shareholder	House # 37, 5 No. Nazir Road, Old Cant. Bazar, Dhaka Cantonment, Dhaka-1206	1201710033880868	200,000	0.35%
50	Sajja Sultana	Shareholder	House # H-4 (2nd Floor), Pallabi, Pallabi Extention, Mirpur, Dhaka-1216	1202020003191620	200,000	0.35%
51	Sazzador Rahman	Shareholder	28, Arjotpara, Mohakhali, Dhaka	1201480066435595	200,000	0.35%
52	Tania Huq Pranti	Shareholder	House # 252/10, Road # 06, Mohammadia Housing Ltd., Mohammadpur, Dhaka	1203040065739873	200,000	0.35%
53	Salina Akther	Shareholder	House: 1255, South Mohammadbag, Kadamtali, Merajbag, Dhaka	1202020003166506	191,000	0.33%
54	Md. Khalilur Rahman	Shareholder	Roseberry, Flat No. A6, 159 Baro MoghBazar, Doctor Goli, Dhaka	1204220056420388	190,000	0.33%
55	Biz UNI Link Services Ltd.	Shareholder	Rabeya Commercial Complex (5th Floor), Plot-33, Block-Kha, Section-6, Mirpur-10, Dhaka-1216	1605650064958124	151,000	0.26%
56	Md. Noor Nabi	Shareholder	House: 1272, South Mohammadbag, Kadamtali, Dhaka	1203020033105535	151,000	0.26%

57	Mohammed Nuruzzaman Mridha Pavel	Shareholder	House: 2, West Dharmagonj, P.O.: Nayernagar, PS: Narayangonj Sadar, Narayangonj	1202020049723708	151,000	0.26%
58	Md. Foysal Ahmed	Shareholder	22/7 Bijli Moholla, Mohammadpur, Dhaka	1203040058175818	150,000	0.26%
59	Md. Habibullah	Shareholder	House-32, Road-02, Block-C, Banasree, Rampura, Dhaka-1219	1204480020700554	150,000	0.26%
60	Md. Syadur Rahman	Shareholder	Appt: Fragrance Sheuli, Flat # A3, Block-B, Malibagh Chowdhury Para, Rampura, Dhaka-1219	1602110067732990	150,000	0.26%
61	Mohammad Ali	Shareholder	Audit and Internal Control, Dhaka Bank Ltd., Sara Tower (3rd Floor), 11/A Toyenbee Circular Road, Dhaka	1204090019954586	150,000	0.26%
62	Mohd. Kawsar Mahmood	Shareholder	Utopia, Flat # B/7, House # 39, Mirpur Road, New Market, Dhaka	1201510068616446	150,000	0.26%
63	Nargis Sultana	Shareholder	House: 16 Ranking Street (2nd Floor), Latif Tower, Wari, Dhaka-1203	1202020046637035	150,000	0.26%
64	Rahman & Associates	Shareholder	House-512, Road-10 (Ground Floor), West Nakhalpara, Tejgaon, Dhaka	1201950064561216	150,000	0.26%
65	Md. Towhidul Alam	Shareholder	House-324 ( 4th Floor), East Nakhal Para, Tejgaon, Dhaka-1215	1605550064974741	148,000	0.26%
66	Akashlina Arno	Shareholder	Flat-7/A, House No-395 & 396, Road-7, Baitul Aman Housing, Adabor, Dhaka	1202180057889991	130,000	0.23%
67	Md. Benzir Ahmed Khan	Shareholder	Flat-3A, House-579, Road-18, Block-F, Bashundhara R/A, Dhaka	1203920025934288	120,000	0.21%
68	Jennira Quddus	Shareholder	Vill: Sen Walia, P.O.: Sen Walia, Savar, Dhaka-1344	1202020003242036	110,000	0.19%
69	Pridip Kumar Roy	Shareholder	Jets Clitoria (7th Floor), 195/2 Tejkunipara, Tejgaon, Dhaka	1201950058558251	110,000	0.19%
70	Rashid Investment Services Ltd.	Shareholder	9/F, Motijheel C/A, Room-601 (5th Floor), DSE Building, Dhaka	1202160045159261	110,000	0.19%
71	ARC Securities Ltd.	Shareholder	158-160, Modhumita Cinema Building (2nd Floor), Motijheel C/A	1202580030051617	101,000	0.18%
72	B & B Enterprise Ltd.	Shareholder	Room: 718, Dhaka Stock Exchange Building, 9/F Motijheel C/A, Dhaka-1000	1202020003166094	101,000	0.18%
73	Kamrun Nahar Sharmin	Shareholder	House-10/1, Naya Paltan, Paltan, Dhaka-1000	1202980004274767	101,000	0.18%



74	Md. Asaduzzaman Mia	Shareholder	Navana Noor Jahan, A-3, 17/A, 17/B, Kabi Jassim Uddin Road, Uttar Kamlapur, Motijheel, Dhaka	1201580000026326	101,000	0.18%
75	Md. Mahamudul Hasan	Shareholder	Vill: Pania, PO: Obuydurnagor, Kaligonj, Satkhira	1202020003164997	101,000	0.18%
76	Mohammad Ali Mia	Shareholder	Flat No-2/5, House: 22, Road: 6, Superior Type Govt. Officer's Quarter, Dhanmondi R/A, Dhaka.	1202020003889271	101,000	0.18%
77	S.M. Mostaque Ahamed Khan	Shareholder	House: Palash, Plot : 5/B, Romna Police Complex, Ramna, Dhaka.	1202020003215517	101,000	0.18%
78	Shireen Hussain	Shareholder	House: 8A/12 KA, Flat: A6, Road:14, Dhanmondi R/A, Dhaka-1209	1206080068299311	101,000	0.18%
79	Anita Sharmin	Shareholder	House # 40, Flat # 3B, Road # 01, Block # A, Niketon, Gulshan-1, Dhaka-1212	1204500058527676	100,000	0.17%
80	A. S. M. Humayun Kabir	Shareholder	9 R. K. Mission Road (2nd Floor), Dhaka	1201690032796104	100,000	0.17%
81	Eshrat Jahan	Shareholder	House-30, Road-03, Block-D, Banasree, Rampura, Dhaka	1205820062637840	100,000	0.17%
82	Fariha Jaigirdar	Shareholder	House-11, Road-4, Block-F, Banani, Dhaka	1201950062467341	100,000	0.17%
83	Hassan O. Rashid	Shareholder	South Bridge Apt. Road No. 8, Gulshan-1, Dhaka	1201950048599426	100,000	0.17%
84	Israt Jahan	Shareholder	Khadiza Bilash, House # 11, Flat # 5B, Khilbaritek School Road, Shahajadpur, Gulshan, Dhaka-1212	1605550065748940	100,000	0.17%
85	Jahir Uddin Babar	Shareholder	West Tengra, Sarulia, Demra, Dhaka-1361	1203680043385309	100,000	0.17%
86	Kazi Amdadul Haque	Shareholder	Vill: Mohadan, PO; Badoipatal, Sharishabari, Jamalpur	1605570062732560	100,000	0.17%
87	Md. Abdul Jalil Mondal	Shareholder	Zero Plns., 73 Central Basaboo, Sabujbagh, Dhaka	1605420047137081	100,000	0.17%
88	Md. Abu Sayed Al Amin Khan	Shareholder	234/1/3 (2nd Floor), Bhuiyanpara, Meradia, Khilgaon, Dhaka-1219	1204500062564746	100,000	0.17%
89	Md. Ahsan Habib Raj	Shareholder	House-650, Professor Para, Natunhat, Jamalgonj Road, Joypurhat-5900	1201950066362251	100,000	0.17%
90	Md. Jahidul Haque	Shareholder	18, South Khilgaon, Dhaka	1202020003182877	100,000	0.17%
91	Md. Khalid Hossain Khan	Shareholder	House # 19, Road # 07, Block # C, Niketon, Dhaka	1205890043555015	100,000	0.17%
92	Md. Saroar Hossain	Shareholder	105/A, Kakrail (3rd Floor), Dhaka	1605550061674266	100,000	0.17%

93	Md. Shariful Islam	Shareholder	333/B South Jatrabari, Dhaka	1202150062658625	100,000	0.17%
94	Md. Tenzir Ahmed Khan	Shareholder	Flat-3A, House-579, Road-18, Block-F, Bashundhara R/A, Dhaka	1203920057147516	100,000	0.17%
95	Mohammad Quyaum	Shareholder	PKSF, Plot:# E/4/B, Agargaon, Adm. Area, Dhaka	1202580004247445	100,000	0.17%
96	S. M. Iftekhar Imam	Shareholder	Canova-C/5, 3/1 Dilu Road, Moghbazar, Dhaka	1202300004237654	100,000	0.17%
97	S. M. Mafijul Islam	Shareholder	338/D/2, Adrosho Bag, North Goran, Khilgaon, Dhaka-1219	1203680018795911	100,000	0.17%
98	Tamanna Prian	Shareholder	86 Indira Road, Flat-B3, Grace Villa, Dhaka-1215	1204220064677696	100,000	0.17%
99	Md. Abul Basar	Shareholder	Vill: Khilbaisa, PO: Khilbaisa, PS: Laxmipur Sadar, Dist: Laxmipur	1204070045189718	91,000	0.16%
100	Abu Syed Md Noman	Shareholder	29, Rasulbagh, Mohakhali, Dhaka	1201480066436027	80,000	0.14%
101	Uttam Kumar Saha	Shareholder	Green Zone Tower, Level-5 (Flat - 507), 1 No. Hatkhola Road, Wari, Dhaka	1205700015559817	70,000	0.12%
102	Zakir Hossain	Shareholder	44/A/2 Azimpur Road, Dhaka-1205	1605610066500080	70,000	0.12%
103	Abu Tahar Md. Khalequzzaman Khan	Shareholder	C/96, Lalkhuti 3rd Colony, Mirpur-1216	1201830065999250	60,000	0.10%
104	Anjan Kumar Saha	Shareholder	32/B/1, Maya Kanan, Basabo, Sabujbag, Dhaka-1214	1203260016896841	51,000	0.09%
105	Bidhan Saha	Shareholder	86/1, West Kandapara, Narsingdi Sadar, Narsindi	1205950063409984	51,000	0.09%
106	Delu Ara Begum	Shareholder	House: 182, Faidabad Main Road, Dakshinkhan, Dhaka-1230	1202020003891171	51,000	0.09%
107	Muhammad Iftekher Hossain	Shareholder	House-GP-JA-53 (3rd Floor), Dream House, Road-02, Mohakhali, Dhaka-1212	1205200062268909	51,000	0.09%
108	Mustafa Salim	Shareholder	UTS Prakason, 127 Aziz Super Marker (2nd Floor), Shahbag, Dhaka-1000	1205950063338988	51,000	0.09%
109	Nandita Rani Saha	Shareholder	37 Gopibag 3rd Lane, Space Hamida, Dhaka-1203	1204570063348851	51,000	0.09%
110	Swapan Kumar Saha	Shareholder	7, R.R. Das Road (3rd Floor), Nitaiganj, Narayanganj.	1204050033787949	51,000	0.09%
111	Abdul Gaffar Dhali	Shareholder	151/4-A, Ananda Bhaban, South Pirer Bagh, Mukti Housing, Mirpur, Dhaka-1216	1205950068656429	50,000	0.09%

112	Delowara Begum	Shareholder	Kalim Ullah Market, Neyamot Kandi, Comilla	1602170061759078	50,000	0.09%
113	Mahbuba Begum	Shareholder	Building-4 (3rd floor), Flat-B-3, 17/A Shantibag, Rajarbag, Paltan, Dhaka-1217	1201700000258308	50,000	0.09%
114	Md. Mahbub Alam	Shareholder	House- 71/B, East Hazipara, Chalim Saheber Bari, Rampura, Dhaka-1219	1201960030743036	50,000	0.09%
115	Md. Mizanur Rahman	Shareholder	58/42/1, North Mugda Para, Dhaka-1214	1201950066517189	50,000	0.09%
116	Md. Mohashin	Shareholder	Ganiraj Bari, Barkait, Srimantapur, Chandiana, Comilla-3510	1201480068636376	50,000	0.09%
117	Md. Moidul Islam	Shareholder	House: 76 (2nd Floor), West Agargaon, P.O: Mohammadpur, Dhaka-1207	1202020003163687	50,000	0.09%
118	Md. Nasim Mostakin	Shareholder	B. R. Powergen Ltd. Dhaka, Square (3rd floor), Sector-01, Uttara, Dhaka-1230	1201950066455945	50,000	0.09%
119	Md. Riaz Haider	Shareholder	Vill: Mativanga, P.O.: Noyakhali, P.S.: Bhandaria, Dist.: Pirojpur-8550	1605550063654091	50,000	0.09%
120	Mohammad Jasim Uddin	Shareholder	Ananda Dara, C/O: Iqbal Hossain Khan, 63/3/B (5th Floor), Samibag, Dhaka	1201960002213144	50,000	0.09%
121	Sharmin Akter	Shareholder	Jomidar Para, Thakurgaon-5100	1205590064120657	50,000	0.09%
122	Papi Rani Roy	Shareholder	126/C, New Exkaton Road, Dhaka-1000	1203940022794859	36,000	0.06%
123	Alauddin Ahmed	Shareholder	House: 204/3, East Dolaipar, Dhaka-1236	1202020003771741	1,000	0.00%
124	Eva Akter	Shareholder	House: 306, Moushair, Dakshinkhan, Dhaka-1230	1202020003891527	1,000	0.00%
125	Mohammad Mohsin	Shareholder	House- 20/18, Tajmohal Road, Block-C, Mohammadpur, Dhaka-1207	1202020003182601	1,000	0.00%
126	Mohammad Sajjad Hossain	Shareholder	House: 399, Road: 6/1, Amlapara, Jamalpur-2000	1202020003165131	1,000	0.00%
127	Mohammedan Sporting Club Ltd.	Shareholder	14/A, Toyenbee Circular Road, Motijheel C/A, Dhaka-1000	1202020003242036	1,000	0.00%
<b>Total</b>					<b>57,150,500</b>	<b>100.00%</b>

b) There shall also be a table showing the name and address, age, experience, BO ID Number, TIN number, numbers of shares held including percentage, position held in other companies of all the directors before the public issue:

Sl.	Name of Director, Address, Age & Experience	No. of Share	%	Position held in Other Organization	
			Pre-IPO	Other Organization	Position
1	<b>Name:</b> Asma Akter Sumie <i>Chairman</i> <b>Address:</b> 1255, Mohammad Bagh, Rayerbagh, Kadamtoli, Dhaka <b>Age:</b> 31 Years <b>Experience:</b> 9 Years <b>BO ID No.:</b> 1202020003172358 <b>TIN No.:</b> 557040542363	2,600,000	4.55%	Master Computer Limited	Chairman
2	<b>Name:</b> Md. Kabir Hossain <i>Managing Director</i> <b>Address:</b> 1255, Mohammad Bagh, Rayerbagh, Kadamtoli, Dhaka <b>Age:</b> 38 Years <b>Experience:</b> 15 Years <b>BO ID No.:</b> 1202020003172358 <b>TIN No.:</b> 295165177392	14,750,000	25.81%	Master Computer Limited	Managing Director
3	<b>Name:</b> Rafiqul Alam <i>Director</i> <b>Address:</b> 182, Faidabad Main Road, Dokkshinkhan, Uttara, Dhaka <b>Age:</b> 40 Years <b>Experience:</b> 18 Years <b>BO ID No.:</b> 1202020003215584 <b>TIN No.:</b> 281372552575	7,050,000	12.34%	Not involved in other organization	-

4	<b>Name:</b> <b>Shahida Akter Sumi</b> <i>Director</i> <b>Address:</b> House: 01, Road: College Road, Aynusbagh, PO: Dakhin Khan, Dakhin Khan, Dhaka-1230 <b>Age:</b> 38 Years <b>Experience:</b> 9 Years <b>BO ID No.:</b> 1202020003186634 <b>TIN No.:</b> 366188489117	1,750,000	3.06%	Not involved in other organization	-
5	<b>Name:</b> <b>Sheikh Karimuzzaman</b> <i>Independent Director</i> <b>Address:</b> House No. 357, Kawlar Main Road, Namapara, Dakhkhinkhan, Dhaka-1229 <b>Age:</b> 51 Years <b>Experience:</b> 24 Years <b>BO ID No.:</b> - <b>TIN No.:</b> 668327204657	-	-	Advent Pharma Limited	Independent Director

**c) The average cost of acquisition of equity shares by the directors certified by the auditors:**

**Master Feed Agrotec Limited** has been allotted in face value & in cash and the average cost of acquisition of equity by the directors is Tk. 10.00 each. Necessary particulars of shareholdings, allotment date and consideration are given below:

Date	Allotment/ Transfer	Asma Akter Sumie	Md. Kabir Hossain	Rafiqul Alam	Shahida Akter Sumi	Sheikh Karimuzzaman	Consideration	Face value of Share (Tk.)
		Chairman	Managing Director	Director	Director	Independent Director		
20-Jun-11	Allotment	30,000	70,000	-	-	-	Cash	10.00
28-Jun-18	Allotment	300,000	4,400,000	200,000	1,400,000	-	Cash	10.00
20-Oct-18	Transfer	-	-	-	200,000	-	Cash	10.00
27-Apr-19	Allotment	2,270,000	8,430,000	6,850,000	-	-	Cash	10.00
25-Sep-19	Allotment	-	1,850,000	-	150,000	-	Cash	10.00
<b>Total</b>		<b>2,600,000</b>	<b>14,750,000</b>	<b>7,050,000</b>	<b>1,750,000</b>	<b>-</b>		

The Company has changed the face value of its ordinary share from Tk. 100.00 to Tk. 10.00 by passing a special resolution in its extraordinary general meeting held on June 28, 2018 and necessary amendments in capital clause of the Memorandum and Articles of Association were made accordingly.

Place: Dhaka;  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants

d) A detail description of capital built up in respect of shareholding (name-wise) of the issuer's sponsors or directors. In this connection, a statement to be included: -

**Asma Akter Sumie**

*Chairman*

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
20-Jun-11	Cash	Ordinary Share	30,000	10.00	10.00	30,000	4.55%	2.98%	Own Source
28-Jun-18	Cash		300,000	10.00	10.00	330,000			
27-Apr-19	Cash		2,270,000	10.00	10.00	2,600,000			

**Md. Kabir Hossain**

*Managing Director*

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
20-Jun-11	Cash	Ordinary Share	70,000	10.00	10.00	70,000	25.81%	16.92%	Own Source
28-Jun-18	Cash		4,400,000	10.00	10.00	4,470,000			
27-Apr-19	Cash		8,430,000	10.00	10.00	12,900,000			
25-Sep-19	Cash		1,850,000	10.00	10.00	14,750,000			

**Rafiqul Alam**

*Director*

Date of Allotment/ Transfer of fully paid- up shares	Consideration	Nature of issue	No. of Equity shares	Face value	Issue Price/Acquisition Price/Transfer Prices	Cumulative no. of Equity shares	% Pre-issue paid up capital	% Post issue paid up capital	Sources of fund
28-Jun-18	Cash	Ordinary Share	200,000	10.00	10.00	200,000	12.34%	8.09%	Own Source
27-Apr-19	Cash		6,850,000	10.00	10.00	7,050,000			

**Shahida Akter Sumi***Director*

<b>Date of Allotment/ Transfer of fully paid- up shares</b>	<b>Consideration</b>	<b>Nature of issue</b>	<b>No. of Equity shares</b>	<b>Face value</b>	<b>Issue Price/Acquisition Price/Transfer Prices</b>	<b>Cumulative no. of Equity shares</b>	<b>% Pre-issue paid up capital</b>	<b>% Post issue paid up capital</b>	<b>Sources of fund</b>
28-Jun-18	Cash	Ordinary Share	1,400,000	10.00	10.00	1,400,000	3.06%	2.01%	Own Source
20-Oct-18	Cash		200,000	10.00	10.00	1,600,000			
25-Sep-19	Cash		150,000	10.00	10.00	1,750,000			

**Sheikh Karimuzzaman***Independent Director*

<b>Date of Allotment/ Transfer of fully paid- up shares</b>	<b>Consideration</b>	<b>Nature of issue</b>	<b>No. of Equity shares</b>	<b>Face value</b>	<b>Issue Price/Acquisition Price/Transfer Prices</b>	<b>Cumulative no. of Equity shares</b>	<b>% Pre-issue paid up capital</b>	<b>% Post issue paid up capital</b>	<b>Sources of fund</b>
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A



**e) Detail of shares issued by the company at a price lower than the issue price:**

All the shares are issued by the Company at face value of Tk. 10.00 before this issue.

**f) History of significant (5% or more) changes in ownership of securities from inception:**

Date	Allotment/Transfer	Md. Kabir Hossain	Rafiqul Alam
		No. of Share	
20-Jun-11	Allotment	70,000	-
28-Jun-18	Allotment	4,400,000	200,000
27-Apr-19	Allotment	8,430,000	6,850,000
25-Sep-19	Allotment	1,850,000	-
<b>Total</b>		<b>14,750,000</b>	<b>7,050,000</b>

## CHAPTER (XIV)

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# **CORPORATE GOVERNANCE**

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**a) A disclosure to the effect that the issuer has complied with the requirements of Corporate Governance Guidelines of the Commission;**

The Company declares that it has been complied with the requirements of the applicable regulations of Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (BSEC) and accordingly constitutes several committees under the board for good governance. A certificate of compliance from competent authority has been incorporated accordingly.

Sd/-

**Md. Kabir Hossain**

Managing Director

**b) A compliance report of Corporate Governance requirements certified by competent authority;**

**Report to the Shareholders of Master Feed Agrotec Limited on compliance on the Corporate Governance Code.**

We have examined the compliance status to the Corporate Governance Code by **Master Feed Agrotec Limited** for the period ended 1<sup>st</sup> July to 31<sup>st</sup> December 2019. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, Dated: 3 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission Except under conditions number 1(7)(a), 1(7)(b), 5(4)(a), 6(1)(b) & 6(1)(c).
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws ; and
- (d) The governance of the company is satisfactory.

**For H. Rahman & Associates**

Sd/-

Md.Hafizur Rahman

Cost & Management Accountants

Place: Dhaka

Dated: 20<sup>th</sup> January 2020

**Master Feed Agrotec Limited**  
**Status of Compliance with the Corporate Governance Code(CGC)**  
**For the period ended 31st December 2019**

Status of compliance with the conditions imposed by the Commission's Notification No.BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

**(Report under Condition No. 9.00)**

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
<b>1</b>	<b>Board of Directors.-</b>			
1(1)	Size of the Board of Directors			
	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not to be less than 5 (five) and more than 20 (twenty).	√	-	The Board is comprised of 5 Directors including Managing Director.
1(2)	Independent Directors			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors;any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	√	-	01 out of 5 directors are appointed as Independent Director
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√	-	
1(2)(b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	√	-	-
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2( two) financial years;	√	-	-
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√	-	-
1(2)(b)(v)	Who is not a member or TREC ( Trading Right Entitlement Certificate) holder,director, or officer of any stock exchange;	√	-	-
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√	-	-
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√	-	-
1(2)(b)(viii)	Who is not an independent director in more than 5 (five) listed companies;	√	-	-
1(2)(b)(ix)	Who has not been convicted by a	√	-	

	court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI);			-
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude.	√	-	-
1(2)(c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	√		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days.	√	-	-
1(2)(e)	The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) term only.	√	-	-
1(3)	Qualification of Independent Director (ID)			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	√	-	-
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association;		-	N/A
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;		-	N/A
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law;		-	N/A
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;		-	N/A
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√	-	-
1(3)(c)	The independent director(s) shall have at least 10( ten) years of experiences	√	-	-

	in any field mentioned in clause (b);			
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.		-	N/A
1(4)	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.-</b>			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√	-	-
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√	-	-
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√	-	-
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/ or Chief Executive officer;	√	-	
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.		-	N/A
1(5)	<b>The Directors' Report to the Shareholders</b>			
1(5)(i)	An industry outlook and possible future developments in the industry;	√	-	-
1(5)(ii)	The Segment-wise or product-wise performance;	√	-	-
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√	-	-
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√	-	-
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);		-	N/A
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√	-	-
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or through any others instruments;	-	-	N/A
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc;	-	-	No such issue arose
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;		-	No such matter to explain
1(5)(x)	A statement of remuneration paid to	√	-	Independent Director has

	the directors including independent directors;			not received any remuneration
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√	-	-
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	√	-	-
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√	-	-
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√	-	-
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√	-	-
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√	-	
1(5)(xvii)	A statement that there is no Significant doubt upon the issuer company's ability to continue as going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√	-	-
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;		-	No such matter to explain
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√	-	-
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	-	-	Business growth and re-investment
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	-	-	N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√	-	-
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);		-	N/A
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial	√	-	No Share held

	Officer, Head of Internal Audit and Compliance their spouses and minor children (name-wise details);			
1(5)(xxiii)(c)	Executives;	√	-	
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details).	√	-	
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-		-	-
1(5)(xxiv)(a)	a brief resume of the director	√	-	-
1(5)(xxiv)(b)	nature of his/her expertise in specific functional areas;	√	-	-
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√	-	-
1(5)(xxv)	<b>A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief disscission of changes in financial statements, among others, focusing on:</b>			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√	-	-
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	-	-	N/A
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of fianacial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√	-	-
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√	-	-
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	√	-	-
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√	-	-
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√	-	-
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per <b>Annexure-A</b> ; and	√	-	-
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this code as required under condition No. 9 shall be disclosed as per <b>Annexure-B</b> and <b>Annexure-C</b> .	√	-	-
1(6)	<b>Meetings of the Board of Directors</b>			
	The company shall conduct its Board	√	-	



	meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.			-
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC), for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	-	√	
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company	-	√	
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company:-</b>	<b>MFAL doesn't have any subsidiary</b>		
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	-	-	N/A
2(b)	At least 1 (one) independent director of the Board of the holding company shall be a director on the Board of the subsidiary company;	-	-	N/A
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	-	-	N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	-	-	N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	N/A
<b>3.</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO) Head of Internal Audit and Compliance (HIAC) and Company Secretary(CS):-</b>			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√	-	-
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√	-	-
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	√	-	-
3(1)(d)	The Board shall clearly define	√	-	

	respective roles, responsibilities and duties of the CFO, the HIAC and the CS;			-
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√	-	-
<b>3(2)</b>	<b>Requirement to attend Board of Director's Meetings</b>			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board;	√	-	-
<b>3(3)</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer(CFO)</b>			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√	-	-
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√	-	-
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent illegal or violation of the code of conduct for the company's Board or its member;	√	-	-
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√	-	-
<b>4.</b>	<b>Board of Director's Committee.- For ensuring good governance in the company, the Board shall have at least following sub-committees:</b>			
4(i)	Audit Committee;	√	-	-
4(ii)	Nomination and Remuneration Committee	√		-
<b>5.</b>	<b>Audit Committee.-</b>			
<b>5(1)</b>	<b>Responsibility to the Board of Directors</b>			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√	-	-
5(1)(b)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√	-	-
5(1)(c)	The Audit Committee shall be responsible to the Board;the duties of the Audit Committee shall be clearly set forth in writing.	√	-	-
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√	-	-
5(2)(b)	The Board shall appoint members of the audit committee who shall benon-executive directors of the company	√	-	-

	excepting Chairperson of the Board and shall include at least 1(one) independent director;			
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10(ten)years of such experience;	√	-	-
5(2)(d)	When the term of service of any Committee members expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;		-	No such issue arose
5(2)(e)	The company secretary shall act as the secretary of the Committee.	√	-	-
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√	-	-
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent director;	√	-	-
5(3)(b)	In the absence of the Chairperson of the audit committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No.5(4)(b) and the reason of absence of the regular chairperson shall be duly recorded in the minutes.		-	No such issue arose
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting(AGM):	√		
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;		√	Two meeting was held after constitution of the audit committee
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√	-	-
5(5)	The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	√	-	-
5(5)(b)	Monitor choice of accounting policies and principles;	√	-	-
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including	√	-	-

	approval of the Internal Audit and Compliance plan and review of the Internal Audit and Compliance Report;			
5(5)(d)	Oversee hiring and performance of external auditors.	√	-	-
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√	-	-
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval;	√	-	-
5.5(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval;	√	-	-
5.5(h)	Review the adequacy of internal audit function;	√	-	-
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√	-	-
5(5)(j)	Review statement of all related party transactions submitted by the management;	√	-	-
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	√	-	-
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	√	-	-
5(5)(m)	Oversee whether the proceeds raised through Initial public Offering (IPO) or Repeat public Offering(RPO) or Rights Share offer have been utilized as per the purpose stated in relevant offer document or prospectus approved by the Commission:	-	-	The company did not raise any capital through IPO or RPO or Rights Share offer
5(6)(a)	<b>Reporting of the Audit Committee</b>			
5(6)	<b>Reporting to the Board of Directors</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√	-	-
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-			
5(6)(a)(ii)(a)	report on conflicts of interests;	-	-	No such Incidence arose
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal internal audit and compliance process or in the financial statements;control system;		-	No such Incidence arose
5(6)(a)(ii)(c)	suspected infringement of laws,regulatory compliances including securities related laws, rules and regulations;		-	No such Incidence arose
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;		-	No such Incidence arose
5(6)(b)	<b>Reporting to the Authorities:-</b>			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the	-	-	No such reportable incidence arose

	management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			
5(7)	Reporting to the Shareholders and General Investors			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√	-	-
<b>6.</b>	<b>Nomination and remuneration Committee(NRC):-</b>	<b>Formed in the Board meeting held on 22 September 2019</b>		
<b>6(1)</b>	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	√		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	-	√	No such case in arise after formation of NRC
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	-	√	Being formulated NRC
<b>6(2)</b>	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√		
6(2)(b)	All member of the Committee shall be non-executive directors;	√		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	-		No such case in arise after formation of NRC
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	-		No such case in arise after formation of NRC
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	-		No such case in arise after formation of NRC
6(2)(g)	The company secretary shall act as the secretary of the Committee;	√		

6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	-		No such case in arise after formation of NRC
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	-		No such case in arise after formation of NRC
<b>6(3)</b>	<b>Chairperson of the NRC</b>			
6(3)(a)	The Board shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	-	-	No such case in arise after formation of NRC
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	√		
<b>6(4)</b>	<b>Meeting of the NRC</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	-	-	No such case in arise after formation of NRC
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	-	-	No such case in arise after formation of NRC
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	-	-	No such case in arise after formation of NRC
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	-	-	No such case in arise after formation of NRC
<b>6(5)</b>	<b>Role of the NRC</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	-	-	No such case in arise after formation of NRC
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	-	-	No such case in arise after formation of NRC
6(5)(b)(i)	Formulating the ceiteria for determining qualifications, positive atteibutes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	-	-	No such case in arise after formation of NRC
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	-	-	No such case in arise after formation of NRC
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	-	-	No such case in arise after formation of NRC
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance	-	-	No such case in arise after formation of NRC

	between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;			
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-	-	No such case in arise after formation of NRC
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	-	-	No such case in arise after formation of NRC
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	-	-	No such case in arise after formation of NRC
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	-	-	No such case in arise after formation of NRC
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	-	-	No such case in arise after formation of NRC
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	-	-	No such case in arise after formation of NRC
<b>7.</b>	<b>External or Statutory Auditors</b>			
7(1)	The issuer shall not engage its external or statutory auditors to perform the following services of the company, namely :--			
7(1) (i)	Appraisal or valuation services or fairness opinions;	√	-	-
7 (1) (ii)	Financial information system design and implementation;	√	-	-
7 (1) (iii)	Book-keeping or other services related to the accounting records or financial statement;	√	-	-
7 (1) (iv)	Broker –dealer services;	√	-	-
7 (1) (v)	Actuarial services;	√	-	-
7 (1) (vi)	Internal audit services or special audit services;	√	-	-
7 (1) (vii)	Any services that the Audit Committee determines.	√	-	-
7 (1) (viii)	Audit or certification services on compliance of corporate governance as required under condition No.9(1);	√	-	-
7 (1) (ix)	Any other service that creates conflict of interest	√	-	-
7(2)	No Partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company;	√	-	-
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√	-	-

8.	Maintaining a website by the Company.-			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	-	-	Has website but it is not linked with stock exchange yet as it is not mandatory before listing.
8(2)	The company shall keep the website functional from the date of listing.	-	-	
8(3)	The company shall make available the detailed disclosures on its website as required under the regulations of the concerned stock exchange(s)	-	-	
9.	Reporting and Compliance of Corporate Governance.-			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√	-	-
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the annual general meeting.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√	-	-

**c) Details relating to the issuer's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committees operate.**

The name of audit committee members and remuneration committee members are as follows:

<b>Audit Committee Members Name</b>	<b>Nomination and Remuneration Committee Members Name</b>
<ul style="list-style-type: none"> <li>• Sheikh Karimuzzaman (Independent Director) Chairman of the Committee</li> <li>• Asma Akter Sumie, Chairman - Member</li> <li>• Rafiqul Alam, Director- Member</li> <li>• Md. Abul Basar, Company Secretary</li> </ul>	<ul style="list-style-type: none"> <li>• Sheikh Karimuzzaman (Independent Director) Chairman of the Committee</li> <li>• Asma Akter Sumie, Chairman - Member</li> <li>• Shahida Akter Sumi, Director - Member</li> <li>• Md. Abul Basar, Company Secretary</li> </ul>



**The terms of reference of the audit committee has been agreed upon as follows:**

- To review all internal and external audit report.
- To recommend the statutory annual audited financial statements to the Board of Directors for approval.
- To review the finding of the internal and external auditors.
- To review and approve the Annual "Audit Plan" of the Internal Audit Department.
- To monitor the implementation of the recommendations of the Internal and External auditors.
- To review the performance of the external auditors and make recommendations to the Board regarding their appointment and fees.
- To review the quarterly, half yearly and annual financial statements before submission to the Board, focusing particularly on.
- To review the company's statement on internal control systems prior to endorsement by the Board.
- The company secretary shall be the secretary of the audit committee.

**The terms of reference of the remuneration committee has been agreed upon as follows:**

- To assist the Board in developing and administering a fair and transparent procedure for setting policy on the remuneration of directors and senior management of the Company
- Determining the remuneration packages
- Review the Annual Confidential Report (ACR) of senior management of the company
- Review and oversee the Company's overall human resources strategy.

## CHAPTER (XV)

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# **VALUATION REPORT OF SECURITIES PREPARED BY THE ISSUE MANAGER**

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The valuation report of securities offered is prepared and justified by the issue managers, NBL Capital & Equity Management Limited and Asian Tiger Capital Partners Investments Limited on the basis of the financial and all other information pertinent to the Issue.

#### Qualitative and Quantitative factors for Valuation:

##### Qualitative Justification:

1. **Strong Management:** The Company has good management to run the company efficiently.
2. **Modern Machineries:** The Company has been using modern machineries that smooth our operation.
3. **Technology:** The Company has latest tools and technologies to support production.
4. **Dedicated Workforce:** The Company has dedicated human resources.

##### Quantitative Justification:

The issue price at Tk. 10.00 each is justified as details below:

Particulars	Amount (in Tk.)
Method 1: Net Asset Value (NAV) per share/Equity based valuation	12.64
Method 2: Historical Earnings based valuation	12.80
Method 3: Average market price of similar stock based valuation	24.98

##### Method 1: Share price on Net Asset Value (NAV)/Equity based valuation

Sl. No.	Particulars	Amount (in Tk.)
a)	Share Capital	571,505,000
b)	Retained Earnings	151,002,934
<b>Total Shareholders' Equity (A)</b>		<b>722,507,934</b>
Number of Share Outstanding as on June 30, 2019 (B)		57,150,500
<b>Net Asset Value per share (without revaluation reserve) as per Audit Report as on September 30, 2019 (A/B)</b>		<b>12.64</b>

##### Method 2: Historical Earnings based value per share

Earnings based Value per share based on Overall Market P/E

Year	No. of Share	Profit after Tax	Weight (%)	Weighted Average Net Profit after Tax
30-Jun-15	100,000	2,537,204	0.0015	3,901
30-Jun-16	100,000	11,523,255	0.0015	17,716
30-Jun-17	100,000	24,206,827	0.0015	37,216
30-Jun-18	9,745,000	33,095,529	0.1498	4,958,351
30-Jun-19	55,000,000	61,946,820	0.8456	52,380,277
<b>Total</b>	<b>65,045,000</b>	<b>133,309,635</b>	<b>1.0000</b>	<b>57,397,460</b>
<b>Weighted Average Profit after Tax</b>				<b>57,397,460</b>
No. of shares outstanding before IPO				57,150,500
<b>Diluted EPS based on weighted Average of Net Profit after Tax</b>				<b>1.00</b>
Overall Market P/E (Considering Lesser P/E of 12.74 & 23.07 is 12.74)				12.74
<b>Earnings based Value per share</b>				<b>12.80</b>

**Calculation of Average Price Earnings of Market & Miscellaneous Sector:**

Particulars	Sep-19	Oct-19	Nov-19	Average
Overall Market P/E	13.36	12.61	12.26	<b>12.74</b>
Miscellaneous Sector P/E	25.06	23.39	20.75	<b>23.07</b>

Considering Lesser P/E of 12.74 & 23.07 is 12.74

Source: DSE Monthly Review.

**Method 3: Average market price of similar stock based valuation**

Month end close price			
Sl.	Date	Aman Feed Limited Limited	National Feed Mills Limited
1	31-Jan-19	50.60	11.60
2	27-Feb-19	48.40	10.80
3	31-Mar-19	43.50	9.20
4	30-Apr-19	42.60	8.90
5	30-May-19	44.40	10.90
6	30-Jun-19	44.10	10.60
7	31-Jul-19	42.30	10.40
8	29-Aug-19	41.60	10.20
9	30-Sep-19	35.20	8.80
10	31-Oct-19	29.20	7.20
11	28-Nov-19	31.60	10.10
12	30-Dec-19	28.20	9.00
<b>Average Price</b>		<b>40.14</b>	<b>9.81</b>
<b>Average Price of these 2 (Two) Stocks</b>			<b>24.98</b>

Source: DSE Monthly Review.

**Average market price of similar stock based valuation (Assumption)**

1. The average month end close price of the peer Company from January 2019 to December 2019 is considered.

**Rationale for choosing these 2 Companies:**

There are thirteen Miscellaneous companies listed in the capital market. Among the thirteen companies MFAL has taken two companies because MFAL's product mix matches to these two companies.

The management of the Company in consultation with the Issue Managers has set the issue price at Tk. 10.00 each at par value.

Sd/-

**Kamrun Nahar**

Chief Executive Officer

**NBL Capital & Equity Management Limited**

Sd/-

**Muhammad Fuad Hussain**

Managing Director & CEO

**Asian Tiger Capital Partners Investments Limited**

## CHAPTER (XVI)

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### **DEBT SECURITIES**

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The Company has not issued or is planning to issue any debt security within six months.

## CHAPTER (XVII)

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# **PARTIES INVOLVED AND THEIR RESPONSIBILITIES**

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Major Parties Involved		Responsibilities of the Parties
(a) Issue Manager(s)	(1) NBL Capital & Equity Management Limited & (2) Asian Tiger Capital Partners Investments Limited;	The Issue Manager(s) is responsible to comply with all the requirements as per Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 including preparation and disclosures made in the prospectus and other responsibilities as mentioned in the due diligence certificate.
(b) Underwriters	(1) Alpha Capital Management Limited; (2) BMSL Investment Limited & (3) IIDFC Capital Limited.	The Underwriter(s) is responsible to underwrite the public offering on a firm-commitment basis as per requirement of Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015. In case of under-subscription in any category by up to 35% in an initial public offer, the unsubscribed portion of securities shall be taken up by the underwriter(s).
(c) Statutory Auditors	<b>ARTISAN</b> Chartered Accountants	Auditors' responsibility is to express an opinion on the financial statements based on the audit. Auditors conducted the audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards required to comply with relevant 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, consider 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.
(d) Cost Auditors		N/A
(e) Valuer		N/A
(f) Credit Rating Company		N/A

## CHAPTER (XVIII)

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# **MATERIAL CONTRACTS**

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**(a) Major agreements entered into by the Issuer:**

The following are material agreements have been entered into by the Company:

1. Underwriting Agreements between the Company and the Underwriters;
  - i. Alpha Capital Management Limited;
  - ii. BMSL Investment Limited &
  - iii. IIDFC Capital Limited.
2. Issue Management Agreement between the Company and;
  - i. NBL Capital & Equity Management Limited &
  - ii. Asian Tiger Capital Partners Investments Limited;

**(b) Material parts of the agreements:**

Contract	Material parts of the agreements	
<b>Underwriting agreements with</b>  (1) Alpha Capital Management Limited; (2) BMSL Investment Limited & (3) IIDFC Capital Limited.	Signing Date:	With Alpha Capital Management Limited; BMSL Investment Limited & IIDFC Capital Limited: <b>19 January, 2020</b>
	Tenure:	This Agreement shall be valid until completion of subscription of shares and unless this Agreement is extended or earlier terminated in accordance with the terms of this Agreement.
	Principal Terms and Condition:	<ol style="list-style-type: none"><li>(i) The IPO shall stand cancelled if at least 65% of the IPO is not subscribed.</li><li>(ii) In case of under subscription, underwriters shall take the under-subscribed securities up to 35% of the IPO.</li><li>(iii) Notwithstanding anything contained in the agreement in case of inconsistency between the provision of the agreement and the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the Public Issue Rules shall prevail.</li><li>(iv) Prior to publication of the prospectus, the Company shall have obtained consent from the Bangladesh Securities and Exchange Commission permitting the issue as described in Article 2.01 and providing for payment of underwriting commission 0.50% (zero point five zero percent) on the amount underwritten.</li><li>(v) The Issuer shall <b>within 10 (Ten) days</b> 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 <b>within 15 (Fifteen) days</b> of the date of said notice and the said amount shall have to be credited into shares subscription account within the said period.</li></ol>

		<p>(vi) In any case <b>within 7 (seven) days</b> after the expiry of the aforesaid <b>15 (fifteen) days</b>, the Company shall send proof of subscription and payment by the Underwriters to the Commission.</p> <p>In the case of failure by the underwriter to pay for the shares within the stipulated time, the Company/Issuer will be under no obligation to pay any underwriting commission under this Agreement.</p>
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Contract	Material parts of the agreements	
<p><b>Issue Management Agreements with</b></p> <p>i. NBL Capital &amp; Equity Management Limited &amp;</p> <p>ii. Asian Tiger Capital Partners Investments Limited</p>	Signing Date:	With Imperial Capital Limited; CAPM Advisory Limited and Rupali Investment Limited: <b>7 November, 2019</b>
	Tenure:	This Agreement shall be valid until completion of subscription of shares and unless this Agreement is extended or earlier terminated in accordance with the terms of this Agreement
	Principal Terms and Condition:	<p>(i) According to Article 2.2; the scope of the services to be rendered by the ISSUE MANAGER to the ISSUER under this agreement shall cover Regulatory Compliance, Underwriting Co-operation and after consent tasks.</p> <p>(ii) According to Article 2.3; The ISSUE MANAGER takes the responsibility to take such steps as are necessary to ensure completion of allotment and dispatch of letters of allotment and refund warrants to the applicants according to the basis of allotment approved by the Bangladesh Securities and Exchange Commission. The ISSUER undertakes to bear all expenses relevant to share application processing, allotment, and dispatch of letters of allotment and refund warrant. The ISSUER shall also bear all expenses related to printing and issuance of share certificate and connected govt. stamps and hologram expenses.</p> <p>(iii) According to Article 3.1; without prejudice ISSUER hereby declares that it agrees to comply with all statutory formalities under Companies Act, Guidelines issued by Bangladesh Securities and Exchange Commission and other relevant status to enable it to make the issue.</p> <p>(iv) According to Article 6.1; The ISSUE MANAGER hereby undertake to keep in strict compliance all information (whether written or oral) proprietary documents and data secured in connection with or as a result of this Agreement (Confidential Information) and shall limit the availability of such information to employees, who have a need to see and use it for the express and limited purpose stated in this Agreement.</p> <p>(v) According to Article 8.1; The Issuer and ISSUE MANAGER shall ensure compliance of the</p>

		Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, The Listing Regulations of Stock Exchanges, The Companies Act, 1994, the Securities and Exchange (Amendment) Act, 2012 and other relevant rules, regulations, practices, directives, guidelines etc.
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**(c) Fees payable to different parties**

Sl.	Name of the Parties	Role	Amount in Tk.	Fees Payable
1	Alpha Capital Management Limited	Underwriters	175,000.00	0.50% on 35% of the Total IPO amount (i.e. Tk. 525,000.00)
	BMSL Investment Limited		175,000.00	
	IIDFC Capital Limited		175,000.00	
	<b>Total</b>		<b>525,000.00</b>	
2	NBL Capital & Equity Management Limited	Issue Manager	1,500,000.00	1% (Two percent) of the public offer amount (i.e. Tk. 3,000,000.00)
	Asian Tiger Capital Partners Investments Limited		1,500,000.00	
	<b>Total</b>		<b>3,000,000.00</b>	

## CHAPTER (XIX)

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# LITIGATIONS, FINE OR PENALTY

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(a) **The following litigations including outstanding litigations against the issuer or any of its directors and fine or penalty imposed by any authority:**

The issuer or any of its directors was not involved in any of the following type of legal proceedings mentioned below;

- (i) **Litigation involving Civil Laws:** No cases filed against the company or any of its directors.
- (ii) **Litigation involving Criminal Laws:** No cases filed against the company or any of its directors.
- (iii) **Litigation involving Securities, Finance and Economic Laws:** No cases filed against the company or any of its directors.
- (iv) **Litigation involving Labor Laws:** No cases filed against the company or any of its directors.
- (v) **Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes or duties):** No cases filed against the company or any of its directors.
- (vi) **Litigation involving any other Laws:** No cases filed against the company or any of its directors.

(b) **Cases including outstanding litigations filed by the Company or any of its directors:**

There is no cases including outstanding case filed by the issuer or any of its directors to any of the following types of legal proceedings mentioned below;

- (i) **Litigation involving Civil Laws:** No cases filed by the company or any of its directors.
- (ii) **Litigation involving Criminal Laws:** No cases filed by the company or any of its directors.
- (iii) **Litigation involving Securities, Finance and Economic Laws:** No cases filed by the company or any of its directors.
- (iv) **Litigation involving Labor Laws:** No cases filed by the company or any of its directors.
- (v) **Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes or duties):** No cases filed by the company or any of its directors.
- (vi) **Litigation involving any other Laws:** No cases filed by the company or any of its directors.

## CHAPTER (XX)

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# **RISK FACTORS AND MANAGEMENT'S PERCEPTIONS ABOUT THE RISKS**

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**(i) Internal risk factors may include, among others:**

- a) **Credit Risk:** This is the risk of default on a debt that may arise because of default by the borrower to pay the loan. In operating any business there is always credit risk lies in the business. As there is always lending and borrowing between parties in the form of money and goods.

**Management Perception:** Master Feed Agrotec Limited has been engaged in producing feeds for poultry, fish and cattle. The Principal activities of this Company are manufacturing, marketing and selling of poultry feed, fish feed, cattle feed and also engage farming Poultry and Fish. The company sells its products in local market against cash sales or credit sales. Around 20% to 30% is credit sales of the total sales. Regarding credit sales, company tries to ensure credit policy so that credit sales are collected efficiently.

- b) **Liquidity Risk:** The risk that a company may be unable to meet short term financial demands. This usually occurs due to the inability to convert its current assets to cash without a loss of capital or income. Liquidity is a common phenomenon of the business.

**Management Perception:** Finance is an arts and science of managing fund so that it can manage working capital in efficient way. Master Feed Agrotec Limited is also doing its level best to manage working capital management in efficient way to maintain liquidity risk. Management is dealing with accounts payable, inventory and accounts receivable efficiently.

- c) **Risk associated with the issuer's interest in subsidiaries, joint ventures and associates:** If the subsidiaries make loss, it affects parent company's balance sheet. In case of associate, there is chance of decline value of investment in associate company. As for joint venture, a joint venture (JV) is a business arrangement in which two or more parties agree to pool their resources for the purpose of accomplishing a specific task. This task can be a new project or any other business activity. In a joint venture (JV), each of the participants is responsible for profits, losses and costs associated with it.

**Management Perception:** Master Feed Agrotec Limited has no subsidiary, associate and joint venture.

- d) **Significant revenue generated from limited number of customers, losing any one or more of which would have a material adverse effect on the issuer:** There is risk involved in having limited number of customer and losing of that particular customer has negative impact on company's sales and cash flow as well.

**Management Perception:** The Management is always keen to find out new buyers which boost up the sales. In the context of Bangladesh, in recent times, farming has been growing across the country. Hence, there is good demand for feeds of poultry, fish and cattle. As a result, the company is not dependent on any particular or limited number of customer.

- e) **Dependency on a single or few suppliers of raw materials, failure of which may affect production adversely:** There is also risk involved in having limited number of suppliers as well. Single or few suppliers may exploit the company by price hike, untimely delivery and low quality of product.

**Management Perception:** In business, having many suppliers of raw materials helps to get competitive advantage of cheaper price of raw materials. Because, having many suppliers help to bargain with suppliers over price. In addition, having many

supplier helps to maintain doing business efficiently. As we hold the views, we are not dependent on a single or few suppliers.

- f) **More than 20% revenue of the issuer comes from sister concern or associate or subsidiary:** Having 20% revenue generation from sister concern or associate or subsidiary makes issuer dependent on others companies. Hence, there is dependency risk.

**Management Perception:** Master Feed Agrotec Limited does not have any sister concerns and associate or subsidiary.

- g) **Negative earnings, negative cash flows from operating activities, declining turnover or profitability, during last five years, if any:** Negative earning and negative operating cash flow is risk the going concern risk for the entity.

**Management Perception:** The Company has been operating business efficiently. In the last 5-year, the company generated profit with profit growth. The company does have any negative earnings. As for cash flow, the company had negative cash flow from operation in the accounting year 2019.

- h) **Loss making associate/subsidiary/group companies of the issuer:** When associate/subsidiary/group companies of the issuer are loss making, it affects the issuer and there is negative impact on cash flow of issuer and Balance Sheet as well.

**Management Perception:** Master Feed Agrotec Limited does not have any associate, subsidiary or group of companies.

- i) **Financial weakness and poor performance of the issuer or any of its subsidiary or associates:** Financial weakness and poor performance of the issuer have negative impact on the company. As a result it will be tough to pay loan interest, debt service and dividend. Future growth will be hampered.

**Management Perception:** Sales is one of the key indicators of success of a business if there is good margin of profit. Master Feed Agrotec Limited has been generating sales growth efficiently.

- j) **Decline in value of any investment:** If investment value decline, it will reduce the profit and assets as well.

**Management Perception:** Master Feed Agrotec Limited does not have any investment.

- k) **Risk associated with useful economic life of plant and machinery, if purchased in second hand or reconditioned:** There is obsolescence risk relating to plant and machinery. If the machinery is purchased in second hand or reconditioned, there high risk of repair and maintenance which has impact on profitability of the company.

**Management Perception:** The machineries that are used for Master Feed Agrotec Limited. are new machineries.

- l) **Adverse effect on future cash flow if interest free loan given to related party or such loans taken from directors may recall:** It is loan given and taken from related party and directors as well. If company gives such loan without interest to related party, there is interest burden for the company if the money was taken as loan. On the other hand, if such loans are taken from directors, it will have an impact on the cash



flow to pay off the loan to the Directors.

**Management Perception:** *There is no as such loan given to related party or loan taken from directors.*

- m) **Potential conflict of interest, if the sponsors or directors of the issuer are involved with one or more ventures which are in the same line of activity or business as that of the issuer and if any supplier of raw materials or major customer is related to the same sponsors or directors:** In these cases there is high chance of compromise among the related companies because of conflict of Interest.

**Management Perception:** *There is no potential conflict of Interest as the company does not have any venture which is in the same line of activity.*

- n) **Related party transactions entered into by the company those may adversely affect competitive edge:** Related party transaction of the issuer creates conflict of interest which reduces the competitive advantage of the issuer.

**Management Perception:** *There is no as such transaction which may adversely affect competitive edge.*

- o) **Any restrictive covenants in any shareholders' agreement, sponsors' agreement or any agreement for debt or preference shares or any restrictive covenants of banks in respect of the loan/ credit limit and other banking facilities:** All information must be known to the potential investor so that investor's interest may not be hampered in future. So, any restrictive covenants, if it goes against potential investors, will make investors in jeopardy.

**Management Perception:** *There are no restrictive covenants in any shareholders' agreement, sponsors' agreement or any agreement relating to debt or preference shares or any restrictive covenants of Banks in respect of loan or credit limit and other banking facilities.*

- p) **Business operations may be adversely affected by strikes, work stoppages or increase in wage demands by employees:** In such case, company's business operation will be hampered.

**Management Perception:** *In business, strike, work stoppages or increase in wage demand is very common and inherent part of the business. Hence, Management is used to dealing with this phenomenon. In relation to wages, the company pays competitive wages among the competitors of us.*

- q) **Seasonality of the business of the issuer:** It is the risk involving that company is not doing business round the year.

**Management Perception:** *Master Feed Agrotec Limited produces feeds for poultry, fish and cattle and sells to farmers through dealers round the year.*

- r) **Expiry of any revenue generating contract that may adversely affect the business:** This is the risk of losing customers affecting future sales.

**Management Perception:** *The Company does not have any revenue generating contract that may adversely affect the business.*

- s) **Excessive dependence on debt financing which may adversely affect the cash flow:** Excessive dependence on debt causes huge interest burden of the company and

high risk of insolvency that may result in bankruptcy.

**Management Perception:** *The Company, at the very beginning, had excessive debt financing. However, at present long-term debt financing is very minimal. .*

- t) **Excessive dependence on any key management personnel absence of whom may have adverse effect on the issuer's business performance:** Excessive dependence on key management affects the business if the management is changed in future, which will create vacuum. Besides, if the key management personnel are of bad intention, excessive dependence will also affect the business.

**Management Perception:** *Corporate Governance is well practiced in our company. The company also has well placed organogram in our company. Hence, any change in the key management can be replaced with other persons.*

- u) **Enforcement of contingent liabilities which may adversely affect financial condition:** It is the future burden of liabilities that the investors will take on their shoulders. Contingent liabilities reduced the assets or create obligation to pay the liabilities.

**Management Perception:** *The Company does not have any contingent liabilities which may adversely affect financial condition.*

- v) **Insurance coverage not adequately protect against certain risks of damages:** Insurance ensures and protects to deal with uncertainty of future material loss/damage. So, insurance coverage is important for the business.

**Management Perception:** *The Company has fire insurance is in place.*

- w) **Absence of assurance that directors will continue its engagement with Company after expiry of lock in period:** Directors run the company with the accumulated finance from public and other financing source. If directors discontinue running the business, there will be negative impact on business and share price as well.

**Management Perception:** *Our directors are involved in the business for long time and they will continue the business after expiry of lock in period.*

- x) **Ability to pay any dividends in future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditure:** Dividend payment is highly dependent on company's ability to generate profit. If company cannot earn good amount of profit from operation, it is unlikely to pay dividend.

**Management Perception:** *The Company has been earning profit and it is a profitable entity. Management is of the belief that the company we will be able to pay dividend.*

- y) **History of non-operation, if any and short operational history of the issuer and lack of adequate background and experience of the sponsors:** If there is any non-operation of the company, it creates negative impression. Apart from this, short operation history indicates company is gathering knowledge and expertise to be competitive in the market.

**Management Perception:** *The Company is in feed-producing business for a few years. There was no non-operation history of the company. The company has employed experienced people to run the business under good leadership in the board.*

- z) **Risks related to engagement in new type of business, if any:** If it is new business, there is risk of viability of the new business.

**Management Perception:** *There is no as such risk as company is not engaged in any new type of business.*

- aa) **Risk in investing the securities being offered with comparison to other available investment options:** If the issue price goes down after floating, there is investment risk for the potential investors.

**Management Perception:** *Master Feed Agrotec Limited. is a profitable entity and business growth will continue in the long run. It is not risky in investing securities in comparison with other available investment option.*

- bb) **Any penalty or action taken by any regulatory authorities for non-compliance with provisions of any law:** *It creates a negative impression on the issuer.*

**Management Perception:** *There are no as such issues arisen in the history of our company.*

- cc) **Litigations against the issuer for Tax and VAT related matters and other government claims, along with the disclosures of amount, period for which such demands or claims are outstanding, financial implications and the status of the case:** *It creates a negative impression on the issuer.*

**Management Perception:** *No, the company did not have any litigation relating to Tax, VAT or other government claims against of our company.*

- dd) **Registered office or factory building or place of operation is not owned by the issuer:** *Factory building should be owned by the company. Otherwise, there is risk of hike in factory rent in the years to come and threat of shifting the factory as well.*

**Management Perception:** *Company's factory is owned and corporate office is rented.*

- ee) **Lack of renewal of existing regulatory permissions/ licenses:** *In this case company is not following the law to renew its all licenses.*

**Management Perception:** *There is no such issue relating to lack of existing regulatory permissions/ licenses.*

- ff) **Failure in holding AGM or declaring dividend or payment of interest by any listed securities of the issuer or any of its subsidiaries or associates:** *Failure in holding AGM or declaring dividend indicates the lack of compliance to the regulatory rules. Failure of payment of interest indicate the poor cash generation to the company to pay interest and debt service. The overall impression will be negative for the company.*

**Management Perception:** *There is no incident of failure in holding AGM or declaring dividend or payment of interest by the issuers.*

- gg) **Issuances of securities at lower than the IPO offer price within one year:** *The management ultimate goal is to maximize the wealth of the company. If share price goes up, it maximizes wealth of the company. On the other hand, if share price goes down, it minimizes the wealth of the company.*

**Management Perception:** *Master Feed Agrotec Limited has not issued securities at*

lower than IPO offer price within one year.

- hh) **Refusal of application for public issue of any securities of the issuer or any of its subsidiaries or associates at any time by the Commission:** If any refusal happened in the above cases, it will create negative impression to the issuer.

**Management Perception:** *There was no refusal of application for public issue of any securities for our company or any of our subsidiaries.*

**(ii) External risk factors may include among others:**

- a) **Interest Rate Risks:** When interest rate fluctuates, it causes interest risk. Companies who have debt financing are exposed to this risk highly.

**Management Perception:** *In our country, right now, government is in effort to reduce interest rate in single digit so that business can thrive. As for Master Feed Agrotec Limited, the Company has loan in small scale. Hence, the company is not highly exposed to Interest rate risk.*

- b) **Exchange Rate Risks:** Foreign exchange risk or currency risk is a financial risk that exists when a financial transaction is denominated in a currency other than that of the base currency of the company. This risk arises when investment's value changed due to the changes in currency exchange rates.

**Management Perception:** *The Company does not import its raw materials from different countries. In the context of Bangladesh, because of Garments and Textiles Industries, Bangladesh Bank is trying to cool the foreign exchange market to be stable so that garments and textile industries are not affected by foreign exchanges risk. Moreover, any adverse impact in foreign exchange has an indirect impact for us, which can be dealt with in selling price.*

- c) **Industry Risks:** Industry risk is related with the factors affecting the company such as Raw Material, labor, demand of the product, government policy to the sector, competitor's rivalry.

**Management Perception:** *Master Feed Agrotec Limited is aware of the above facts. Industry risk is inherent in any kind of business. At the moment industry is favoring for operating business.*

- d) **Economic and Political risks:** This risk can be described as the likelihood that an investment will be affected by macroeconomic conditions such as government regulation, exchange rates, or political stability. In other words, while financing a project, the risk that the output of the project will not produce adequate revenues for covering operating costs and repaying the debt obligations. In a nutshell, economic risk refers to the risk that a venture will be economically unsustainable due to various reasons.

**Management Perception:** *Bangladesh economy is enjoying 7% plus economic growth and expected economic growth by the government is over 8%. As a result, huge development work is underway by the government. Consequently, huge expensive infrastructure has been under construction that will create employment and per capita income is going up as well. As economy is expanding, so is our business viability and profitability.*

**Political risks:** Bangladesh experienced with political unrest for over the years. Political instability hampers the smooth operation of business.

**Management Perception:** Nowadays calm and serene atmosphere is prevailing in our country. There is no political chaos as was at the beginning of 2014. Government is industry friendly and trying to its level best to boost up economic activities in the country.

e) **Market and Technology-related Risks;**

**Market risks:** Master Feed Agrotec Limited is operating in a free market economy regime. The company might have to face stiff competition from its competitors.

**Management perception:** Market risk is dealt with efficiently by the experienced management.

**Technology-related risks:** Technology always plays a vital role for each and every type of business. Innovation of new and cost effective technology can increase productivity and reduce costs of production. On the other hand, obsolete technology may have a negative impact on the business.

**Management perception:** Because of nature of the business Master Feed Agrotec Limited applies the latest technology to deal with its operation. If it does not use latest technology, it will not be able to cope with the competitors.

f) **Potential or existing government regulations:** Potential or existing Govt. regulations may hamper the smooth operation of the industry.

**Management perception:** The Company is enjoying good atmosphere in operating our business. Government regulations are favorable for the company.

g) **Potential or existing changes in global or national policies:** Policies from government has a positive or negative impact on any company along with existing changes in globally.

**Management perception:** Nowadays global and national policies do not change without prior notice. For potential changes in policies, local and global leaders consider different issues including industries opinion. We are optimistic that if any policies change unpredictably, we can improvise with new policies without hampering our smooth operation.

h) **Statutory clearances and approvals those are yet to be received by the issuer:** Statutory clearance and approval is imperative for any business to start off. There are many statutory clearances and approvals need from the regulatory authority in order to be monitored, controlled and guided.

**Management Perception:** Master Feed Agrotec Limited has been running its business for many years. The company has collected all the statutory clearance to operate the business. Hence, there are no as such risks for the Company.

i) **Competitive condition of the business:** Master Feed Agrotec Limited is operating in a free market economy. The company has to face stiff competition from its competitors.

**Management Perception:** Master Feed Agrotec Limited has been in the market over the years. The Company is doing well to be competitive with competitors. Hence, there is always check and balance existed among the rivalry companies.

- j) **Complementary and supplementary products/services which may have an impact on business of the issuer:** Complementary goods or services that are used in conjunction with another goods or services. Usually, the complementary goods have no value when consumed alone, but when combined with another good or service, it adds to the overall value of the offering. A product can be considered a complement when it shares a beneficial relationship with another product offering. Supplementary goods are two goods that are used together. For example, if we have a car, we also need petrol to run the car. Supplementary goods have a negative cross elasticity of demand. For instance, when price of petrol goes up, demand for petrol and cars goes down.

**Management Perception:** *The Company has not faced any challenges relating to supplementary and complementary products and Management are concerned with the issue. In future, if necessary, management may diversify the product to be competitive over the competitors.*

## CHAPTER (XXI)

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### **DESCRIPTION OF THE ISSUE**

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**(a) Issue Size:** Taka 300,000,000.00

**(b) Number of securities to be issued;**

The Company will offer 30,000,000 Ordinary Shares, of these 30,000,000 ordinary shares 30% (i.e. 9,000,000 Ordinary Shares) are reserved for Eligible Investor (EI) excluding mutual funds and CIS and 10% (i.e. 3,000,000 Ordinary Shares) are reserved for Mutual Funds and CIS and 50% (i.e. 15,000,000 Ordinary Shares) to General Public (GP) and ক্ষতিগ্রস্ত ক্ষুদ্র বিনিয়োগকারী excluding NRB and remaining 10% (i.e. 3,000,000 Ordinary Shares) are reserved for NRB.

**(c) Authorized capital and paid-up capital;**

Particular	Amount in Tk.
<b>Authorized Capital</b>	
100,000,000 Ordinary Share of Tk.10.00 each	1,000,000,000.00
<b>Issued, Subscribed and Paid up Capital Before IPO</b>	
57,150,500 Ordinary Shares of Taka 10.00 each	571,505,000.00
<b>Initial Public Offering through Fixed Price Method</b>	
30,000,000 Ordinary Shares of Taka 10.00 each	300,000,000.00
<b>Post IPO Paid up Capital</b>	<b>871,505,000.00</b>

**(d) Face value, premium and offer price per unit of securities;**

Face value per Share	Tk. 10.00 each
Premium	-
Offer Price per Share	Tk. 10.00 each

**(e) Number of securities to be entitled for each category of applicants;**

Particulars			%	No. of Ordinary Shares	Nomin al Value	Issue price	Issue Amount (Taka)
Initial Public Offering through Fixed Price Method	Eligible investors (EI)	EI excluding mutual funds and CIS	30%	9,000,000	10.00	10.00	90,000,000
		Mutual Funds and CIS	10%	3,000,000			30,000,000
	General public (GP)	GP excluding NRB*	50%	15,000,000			150,000,000
		NRB	10%	3,000,000			30,000,000
	<b>Total</b>		<b>100%</b>	<b>30,000,000</b>			<b>300,000,000</b>

**GP excluding NRB\*:** 15,000,000 Ordinary shares will be reserved for General Public and Small Affected Investors.



**(f) Holding structure of different classes of securities before and after the issue;**

Sl.	Category of Shareholders	No. of Ordinary Shares Hold		Percentage of Holding	
		Pre-IPO	Post-IPO	Pre-IPO	Post-IPO
1	Director & Sponsor	26,150,000	26,150,000	45.76%	30.01%
2	Institutional	2,211,000	11,211,000	3.87%	12.86%
3	Mutual Funds and CIS	-	3,000,000	0.00%	3.44%
4	Individual	28,789,500	43,789,500	50.37%	50.25%
5	Non Resident Bangladeshis (NRBs)	-	3,000,000	0.00%	3.44%
<b>Total</b>		<b>57,150,500</b>	<b>87,150,500</b>	<b>100.00%</b>	<b>100.00%</b>

**(g) Objective of the issue including financing requirements and feasibility in respect of enhanced paid-up capital.**

Proceeds from Initial Public Offering (IPO) will be used for Acquisition and Installation of Machineries & Equipment; Building and Other Construction; Fully Automatic Chicken Farm; Working Capital.

Sl.	Particulars	Amount in Tk.
1	Acquisition and Installation of Machineries & Equipment	163,347,385.00
2	Building and Other Construction	27,200,000.00
3	Fully Automatic Chicken Farm (Four Shed, 25,000 chicken per shed)	59,018,976.00
4	Working Capital	31,563,639.00
<b>Total</b>		<b>281,130,000.00</b>

Feasibility report is not required by us since we will expand the existing project.

## CHAPTER (XXII)

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### **USE OF PROCEEDS**

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(a) Use of net proceeds of the offer indicating the amount to be used for each purpose with head-wise break-up;

Sources of Fund:

Particulars	Amount in BDT
Number of Shares issue under Initial Public Offering (IPO)	30,000,000
Issue price -at par	10
<b>Total Amount</b>	<b>300,000,000</b>

Proceeds from Initial Public Offering (IPO) will be used for Acquisition and Installation of Machineries & Equipment; Building and Other Construction; Fully Automatic Chicken Farm; Working Capital and for IPO Expenses.

Sl.	Particulars	Amount in Tk.
1	Acquisition and Installation of Machineries & Equipment	163,347,385.00
2	Building and Other Construction	27,200,000.00
3	Fully Automatic Chicken Farm (Four Shed, 25,000 chicken per shed)	59,018,976.00
4	Working Capital	31,563,639.00
5	IPO Expenses (Detailed Breakdown of IPO Expenses in page number 81-82)	18,870,000.00
<b>Total</b>		<b>300,000,000.00</b>

A. Details of Acquisition and Installation of Machineries & Equipment:

Sl.	Particulars	In USD	Amount in BDT
1	10T/H Poultry, Fish and Cattle Feed Mill Plant:	1,446,783	120,082,989
2	Machine Tower (Steel Structure)	159,812	13,264,396
	Other Charge and installation cost		30,000,000
<b>Total</b>			<b>163,347,385</b>

1. Summary of 10T/H Poultry, Fish and Cattle Feed Mill Plant:

Sl.	Description
(a)	<b><u>RAW MATERIAL RECIEVEING SYSTEM</u></b>
1	Raw Material Receiving System
2	Dust Collector
3	Centrifugal Fan
4	Silencer
5	Chain Conveyor
6	Bucket Elevator
7	Pneumatic Two-way Diverter
8	Drum Precleaner
9	Permanent Magnet Drum
10	Dust Collector
11	Centrifugal Fan
12	Pneumatic Two-way Diverter
13	Raw Material Receiving System
14	Dust Collector
15	Centrifugal Fan
16	Silencer
17	Chain Conveyor
18	Bucket Elevator
19	Pneumatic Two-way Diverter
20	Conical Powder Sifter
21	Dust Collector

22	Centrifugal Fan
23	Permanent Magnet Drum
24	Rotary Distributor
<b>(b)</b>	<b><u>GRINDING SYSTEM</u></b>
1	Grinding Bin
2	High Level Indicator
3	Low Level Indicator
4	Pneumatic Slide Gate
5	Surge Hopper
6	Impeller Feeder
7	Hammer Mill
8	Silencer
9	Centrifugal Fan
10	Dust Collector
11	Settlement Chamber
12	Screw Conveyor
13	Air Lock
14	Bucket Elevator
15	Dust Collector
16	Centrifugal Fan
17	Surge Hopper
18	Rotary Distributor
<b>(c)</b>	<b><u>DOSING &amp; MIXING SYSTEM</u></b>
1	Group Batching Bins
2	High Level Indicator
3	Low Level Indicator
4	Pneumatic Hammer
5	Screw Feeder
6	Screw Feeder
7	Pneumatic Butterfly Valve
8	Batching Scale
9	Pneumatic Hammer(Optional)
10	Pneumatic Flap Valve
11	Pneumatic Butterfly Valve
12	Air Return Duct
13	Pneumatic Butterfly Valve
14	Dust Collector
15	Centrifugal Fan
16	Premix Scale
17	Pneumatic Slide Gate
18	Pneumatic Two-way Diverter
19	Double-shaft Paddle Mixer
20	Surge Hopper
21	Low Level Indicator
22	Pneumatic Hammer
23	Dust Collector
24	Chain Conveyor
25	Bucket Elevator
26	Permanent Magnet Drum
27	Rotary Distributor
<b>(d)</b>	<b><u>PELLETING SYSTEM</u></b>
1	Pelleting Bin
2	High Level Indicator
3	Low Level Indicator

4	Pneumatic Hammer
5	Pneumatic Slide Gate
6	Surge Hopper
7	Pneumatic Hammer
8	High Level Indicator
9	Screw Feeder
10	Paddle Conditioner
11	DDC Conditioner
12	Paddle Conditioner
13	Pellet Mill
14	Steam Control System
15	Automatic Control System
16	Rotary Sealing Valve
17	Countflow Impeller Cooler
18	Silencer
19	Centrifugal Fan
20	Manual Butterfly Valve
21	Cyclone Discharger
22	Air Lock
23	Double Stand Cracker
24	Flow Valve
25	Bucket Elevator
26	Roto-shake Sifter
27	Pneumatic Two-way Diverter
28	Rotary Distributor
<b>(e)</b>	<b><u>PACKING SYSTEM</u></b>
1	Finished Product Bin
2	High Level Indicator
3	Low Level Indicator
4	Pneumatic Hammer
5	Pneumatic Slide Gate
6	Surge Hopper(Optional)
7	Special Valve
8	Single-deck Vibrating Sifter
9	Surge Hopper
10	High Level Indicator
11	Low Level Indicator
12	Packing Scale
13	Sewing Machine
14	Centrifugal Fan
15	Dust Collector
16	Discharging Air Lock
<b>(f)</b>	<b><u>AUXILIARY SYSTEM</u></b>
1	Screw Compressor
2	Freeze Drier Filter
3	Air Storage Tank
4	Gas Tank
5	Intermittent Liquid Adding Scale
6	Oil Tank
7	Piping System of Oil Adding
8	Molasses Adding system
9	Cargo Lift
<b>(g)</b>	<b><u>ELECTRICAL CONTROL SYSTEM</u></b>
1	FULLY COMPUTERISED ELECTRICAL CONTROL SYSTEM

2	CABLES, WIRES, STANDARD CABLE-TRAY AND
3	OTHER AUXILIARY MATERIAL
<b>(h)</b>	<b><u>INSTALLATION SUPERVISION, COMMISSIONING &amp; TRAINING</u></b>
1	INSTALLATION SUPERVISION, COMMISSIONING AND TRAINING
2	On Site Equipments Installation Material

**2. Machine Tower (Steel Structure) – 6,996 sft:**

TYPE	NO.	NAME	UNIT	QTY
STEEL STRUCTURE	1	H steel column	MT	39
	2	H steel beam	MT	12.6
	3	Support	MT	9.2
	4	Steel access ladder	MT	8.4
	5	Checkered steel plate	MT	11.2
	6	High-tensile bolt	SET	616
	7	Guardrail	MT	5.6
	8	W Galvanized sheet	M2	273
STEEL STRUCTURE	1	Roof covering color steel cover	M2	130
	2	Roof covering C type purline	T	4.8
	3	Tieback for Roof covering	MT	0.7
	4	Wall color steel Cover	SQM	115
	5	Bolt	SET	10788
	6	Wall C type purline	MT	13
	7	Tieback for wall	MT	0.8
	8	Purline support	MT	1.2
	9	Wrap angle Plate	M2	470
	10	Bolt to support the purline	SET	1222
	11	Self plugging rivet	SET	11104
	12	Cullis	M2	131
	13	Rainspout	M2	97
DOOR & WINDOWS	1	Aluminum alloys window	M2	62.4
	2	Roller shutter Door	M2	23.4
OTHERS	1	Paint		
	2	Supervision of steel structure installation		
	3	Installation of color steel cover		
	4	Tower crane		
	5	On-site materials		

**B. Details Building and Other Construction:****Building and Other Construction:**

(Completely new building)

Architectural Design, Structural design, Mobilization works, Earth work in excavation, Pile Boring, Pile Casting, Pile Cap Casting, Sand filling in Plinth & foundation works for 11,760 sft (3,920 sft each floor, total number of floor 3)

Sl. No.	Name of Work (Civil Work)	Item Name	Unit	Size	Qty.	Unit Rate (Tk.)	Amount (Tk.)
1	Architectural Design (Cost)-	-	Sft.		11,760	12	141,120
	Drawings including elevation and section of building layout plan of column, beam, brick wall, toilet portion, stair, case, details of doors, windows, parapet and drop walls						
2	Structural Design (Cost)- PEB Steel Structure and secondary Steel Structure	-	Sft.	-	11,760	8	94,080
3	Mobilization works including making labor shed (Site cleaning is the part of the client)		1		Job		80,000
4	Earth work in excavation of all kinds of soils of foundation trenches including leveling, ramming and preparing the base, bailing out water and shoring if necessary including piling up to required height if necessary, cutting earth up to 12'-0" depth by Mechanically or manually, removing the spoils, etc. to a lead not exceeding 60m.		CFT		38,500	15	577,500
5	One layer of brick flat soling in foundation with first class or picked bricks including preparation of bed and filling the interstices with local sand, leveling etc. complete and accepted by the Engineer		SFT		3,230	60	193,800
6	Pile Works: pile boring length; Cum RCC casting	M.S. Rod	Kgs	16mm	35,500	65	2,307,500

	with MS deformed bar Grade-60.		Kgs	10mm	18,900	65	1,228,500
		Cement	Bag	-	2,100	460	966,000
		Sand	Cft	Sylhet sand	3,100	45	139,500
		C. Aggregate	Cft	3/4" Stone	3,650	190	693,500
7	Pile Cap: 144 Cum pile Head Braking 1550 Cum RCC casting with MS deformed bar Grade-60.	M.S. Rod	Kgs	20mm	3,665	65	238,225
			Kgs	16mm	9,200	65	598,000
		Cement	Bag	-	430	475	204,250
		Sand	Cft	Sylhetsand	2,870	45	129,150
		C. Aggregate	Cft	-	1,600	190	304,000
8	Column	M.S. Rod	Kgs	20mm	8,900	65	578,500
			Kgs	16mm	6,200	65	403,000
			Kgs	10mm	4,800	65	312,000
		Sand	Cft	Sylhet sand	968	45	43,560
		C. Aggregate	Cft	3/4" Stone	855	190	162,450
		Cement	Bag	-	285	460	131,100
9	Grade Beam	MS Rod	Kgs	16mm	18,300	65	1,189,500
			Kgs	10mm	7,200	65	468,000
		Cement	Bag	-	1,890	460	869,400
		Brick Chips	Cft	-	6,800	70	476,000
		Sand	Cft	-	4,000	45	180,000
10	Floor Finishing (RCC)	MS Rod	Kgs	12mm	30,900	65	2,008,500
			Kgs	10mm	10,800	65	702,000
		Cement	Bag	-	2,550	460	1,173,000
		Brick Chips	Cft	-	12,300	70	861,000
		Sand	Cft	Sylhet Sand	7,100	45	319,500
11	Floor NCF (Net Cement Finishing)	-	SFT		3,790	100	379,000
12	Supplying, fitting and dixin window grill made of 12 mm x 12 mm M.S. solid bar 5.5" c/c with outer frame of 1.5" x 1/4" F/L/ bar as per design approved and accepted by the Engineer		SFT		2,445	295	721,275
13	Shutter Door		SFT		0	2,000	-
14	Leveling, dressing and compacting for GF		SFT		3,100	15	46,500
15.1	Wooden shuttering for Footing		SFT		2,100	70	147,000
15.2	Wooden shuttering for column		SFT		4,100	70	287,000



15.3	Wooden shuttering for GB		SFT		3,125	70	218,750
15.4	Wooden shuttering for Floor slab		SFT		3,250	70	227,500
16	Floor Tiles		SFT		7,335	180	1,320,300
17	GF Floor Tiles		SFT		0	120	-
18	Aluminum Works (Door & Window)		SFT		2133	295	629,235
19	Paint Works		SFT		25,550	16	408,800
20	Plumbing: PVC & UPVC Pipe, MS Pipe and others accessories						1,060,000
24	Labour rate for staging, fitting, fixing for all kinds of works, any work as and where required up to every 10'-0" height as per instruction of the Engineer-in-charge Up to 2" thick patent stone flooring including compacting, curing etc. all complete.	-		-	-		2,940,000
25	*Fire Protection:	-	-	-	-	-	362,005
	<b>Total Civil Cost</b>						<b>26,520,000</b>
26	Electrical Installation						680,000
	<b>Total Amount of Civil works (BDT)</b>						<b>27,200,000.00</b>

**C. Details of Fully Automatic Chicken Farm (Four Shed, 25,000 chicken per shed):**

Particulars	In USD per shed	Amount in BDT
1. Chicken House	48,632	16,145,824
2. Cage System	129,136	42,873,152
<b>Total</b>		<b>59,018,976</b>

**1. Details of Steel Structure- Chicken House:**

Item	Unit	Qty.
<b>A. Main Steel Frame System</b>		
columns and Beams	ton	14.21
Roof purlin	ton	4.20
Wall purlin	ton	2.10

<b>B. Roof and wall system</b>		
Roof panel	m	1,312.59
Wall panel	m	817.87
Single door	set	4.00
Double door	set	2.00
Aluminum Window	m2	4.00
Edge cover	m	538.00
Fittings & accessories for Roof panel	m2	2,023.93
<b>C. Installation Fittings</b>		
Anchor bolt	pcs	284.00
Ordinary bolt	set	2,747.00

## 2. Cage System:

Breeds	Length	Width	Height	Tiers	Rows	Cell/cage
Commercial chicken	78	13.5	4	4	4	1
Type of cages	Birds/ cell	Birds/ set	Sets/row	Sets/shed	Birds/shed	Total Birds
4-tier 3 row H type cages	28	112	56	224	25088	25088

No.	Item & specifications	Unit	Quantity	Remarks
<b>I</b>	<b>Cage &amp; Drinking System</b>			
1	Cage	set	224	Cage dimension: 120*120*59cm, hot-dip galvanized, GBQ235 low carbon steel wire, 240cm <sup>2</sup> /bird
2	Cage Frame			One-step forming <b>hot galvanized</b> U-shaped steel cage frames, detachable
3	Feeder trough with adjusting plate			<b>New design Generation III NSDCC</b> feeder troughs
4	Square water pipe			Jinmuren customized white thickened square PVC pipes
5	Drop-cup drinker			Steel ball nipple drinker with drop cup
6	Water kettle & feed pan			For day old chick
7	Water pressure regulator			To regulate water pressure
8	Water line lifting system			<b>Adjusting height of water line as chicken grow</b>
9	Fittings			Including pipe and trough joints, blocks, clips, nails and pliers etc.
<b>II</b>	<b>Automation Feeding System</b>			

1	Slidding Feeder	set	4	1. <b>1.0mm Taiwan Yehui galvanized plate</b> , zinc rate 270g/sqm, 2. Including feed evener and feed recoverer 3. Power: 0.75kw/set
2	Railway			25*50 hot galvanized square tube
3	Auger main feed line			φ140 spring auger main feed line
4	Feed silo			15T, hot galvanized plate silo
<b>III</b>	<b>Automation Manure Disposal System</b>			
1	Manure remover	set	4	<b>1. Including front and back frame for each set, 2 motors for each frame 2. 3.0mm Taiwan Yehui galvanized plate, Zinc content 270g 3. Power: 1.5kw/motor</b>
2	Fittings of longitudinal belt			1. Including Baffle, supporting rod, lifting lug 2. Made of galvanized plate 3. 3 ups and 3 downs
3	Manure belt			Polymer material
4	Horizontal&elevating manure delivering system			load manure directly into the truck, all fittings included
<b>IV</b>	<b>Environment control system &amp; accessory equipment</b>			
1	Exhaust fan	set	13	1. 1.4*1.4m push-pull fan 2. Galvanized plate frame 3. Power: 1.1kw/set
2	Cooling pad	m <sup>2</sup>	65	1. Including water pump, PVC pipe, valve and so on 2. Power: 1.5kw/set
3	Cooling pad installation	set	3	Including water pump, PVC pipe, valve and so
4	Cooling pad air deflector	m <sup>2</sup>	65	Aluminum alloy frame
5	Deflector link system	set	2	Manual rocker+automatic
6	Air inlet window	set	73	60*32cm galvanized frame
7	Window link system	set	2	Manual rocker+automatic
8	Automatic water heating hot air stove	set	1	1. Heating cover 1000m <sup>2</sup> 2. 500000kcal/h
9	Microcomputer intelligent environmental control system	set	1	Including Power off missing item protection system, temperature and humidity detection, ammonia gas detection, imported PLC intelligent microcomputer controller
<b>V</b>	<b>Accessory Equipment</b>			
1	Watching utility cart	set	2	Watch chickens, to do epidemic prevention
2	Water line front device and doser	set	2	Imported france doser
3	Lighting system	Line	5	Biospectrum LED lighting
4	Automatic spray disinfection system	Line	5	Automatic spray disinfection system

**(b) Utilization of the total amount of paid-up capital and share premium, if any, including the sponsors' contribution and capital raised of the issuer at the time of submission of prospectus, in details with indication of use of such funds in the financial statements;**

Tk. 1,000,000.00 (Ten Lac), Tk. 96,450,000.00 (Nine Crore Sixty Four Lac Fifty Thousand-Through cash), Tk. 122,960,000.00 (Twelve Crore Twenty Nine Lac Sixty Thousand-Through cash), Tk. 329,590,000 (Thirty Two Crore Ninety Five Lac Ninety Thousand-Through cash) and Tk. 21,505,000 (Two Crore Fifteen Lac Five Thousand- Through cash) has been raised prior to the public issue on dated 22.06.2011, 28.06.2018, 26.04.2019, 27.04.2019 and 25.09.2019 respectively. This fund (Tk. 571,505,000.00) has already deployed by the issuer in the following manner:

Accounting Year	Items	Amount in BDT	Reflected in Cash Flows
30-Jun-2012	Unallocated Revenue Expenditure	1,922,749	In the statement of Cash Flows, this amount is included as cash paid to acquisition of Property, Plant and Equipment, Capital Work in Progress, employees and others in the head of Operating Activities & Investing Activities.
	Preliminary Expenses	89,652	
	Fixed Assets	14,154,333	
	Advance to Gazipur PBS	45,820	
30-Jun-2013	Unallocated Revenue Expenditure	2,073,360	In the statement of Cash Flows, this amount is included as cash paid to employees, others, Cash paid for acquisition of Property, Plant and Equipment and Capital Work in Progress in the head of Operating Activities & Investing Activities.
	Fixed Assets	35,176,502	
30-Jun-2014	Unallocated Revenue Expenditure	2,598,369	In the statement of Cash Flows, this amount is included as cash paid to employees, others, acquisition of Property, Plant and Equipment, Capital Work in Progress in the head of Operating Activities & Investing Activities.
	Fixed Assets	48,094,799	
30-Jun-2015	Fixed Assets	19,285,792	In the statement of Cash Flows, this amount is included as Capital Work in Progress under the head of Cash flows from investing activities.
30-Jun-2016	Working Capital	19,180,410	In the statement of Cash Flows, this amount is included as cash paid to Suppliers, acquisition of Property, Plant and Equipment under the head of Operating Activities & Investing Activities.
	Fixed Assets	821,214	
30-Jun-2017	Working Capital	9,072,336	In the statement of Cash Flows, this amount is included as cash paid to Suppliers, Cash paid for acquisition of Property, Plant and Equipment & Capital Work in Progress under the head of Operating Activities & Investing Activities.
	Fixed Assets	22,977,664	

30-Jun-2018	Working Capital	49,441,190	In the statement of Cash Flows, this amount is included as cash paid to Suppliers, cash paid to Long Term Borrowings, Short Term Borrowings, Financial Expenses, Cash paid for acquisition of Property, Plant and Equipment, Capital Working Progress and Advance against land under the head of Operating Activities, Investing Activities and Financing Activities.
	Bank Loan and Interest Paid	9,400,000	
	Fixed Assets	16,766,920	
30-Jun-2019	Working Capital and Others	242,349,947	In the statement of Cash Flows, this amount is included as cash paid to Suppliers & Others, Payment for Long Term Borrowings, Short Term Borrowings, Financial Expenses, Cash paid for acquisition of Property, Plant and Equipment and Capital Working Progress under the head of Operating Activities, Investing Activities and Financing Activities.
	Bank Loan and Interest Paid	6,500,000	
	Fixed Assets	54,626,889	
30-Sep-2019	Working Capital	16,900,000	In the statement of Cash Flows, this amount is included as cash paid to Suppliers under the head of Operating Activities and rest balance Tk. 27,055 under the head of Cash and Cash Equivalents at the end of the period.
	Cash and Cash Equivalent	27,055	
<b>Total</b>		<b>571,505,000</b>	

- (c) If one of the objects is an investment in a joint venture, a subsidiary, an associate or any acquisition, details of the form of investment, nature of benefit expected to accrue to the issuer as a result of the investment, brief description of business and financials of such venture;**

The Company has no objects to investment in such type of ventures by using Use of IPO proceeds.

- (d) If IPO proceeds are not sufficient to complete the project, then source of additional fund must be mentioned. In this connection, copies of contract to meet the additional funds are required to be submitted to the Commission. The means and source of financing, including details of bridge loan or other financial arrangement, which may be repaid from the proceeds of the issue along with utilization of such funds;**

IPO proceeds are sufficient to complete the project.

- (e) A schedule mentioning the stages of implementation and utilization of funds received through public offer in a tabular form, progress made so far, giving details of land acquisition, civil works, installation of plant and machinery, the approximate date of completion of the project and the projected date of full commercial operation etc. The schedule shall be signed by the Chief Executive Officer or Managing Director, Chief Financial Officer and Chairman on behalf of Board of Directors of the issuer;

Sl. No.	Projects	Progress made so Far	Approximate date of Completion of the projects	Projected date of full commercial operation
1	Land Acquisition	No land is required to be acquired	-	-
2	Acquisition and Installation of Machineries & Equipment	Acquisition and Installation of Machineries & Equipment will be started after receiving of IPO fund	Within 18 months after receiving IPO fund	Within 3 months of the completion of the project
3	Building and Other Construction	Building & Other Construction works will be started after receiving of IPO fund		
4	Poultry Auto Shed	Construction works will be started after receiving of IPO fund		
5	Working Capital	Working Capital Expenses will be incurred after receiving of IPO fund	Within 3 months after receiving IPO fund	-

Sd/-  
**Md. Kabir Hossain**  
Managing Director

Sd/-  
**Rakib Uddin**  
Chief Financial Officer

Sd/-  
**Asma Akter Sumie**  
Chairman,

On behalf of Board

- (f) If there are contracts covering any of the activities of the issuer for which the proceeds of sale of securities are to be used, such as contracts for the purchase of land or contracts for the construction of buildings, the issuer shall disclose the terms of such contracts, and copies of the contracts shall be enclosed as annexure to the prospectus;

There is no such contract yet to be engaged by the Company.

- (g) If one of the objects of the issue is utilization of the issue proceeds for working capital, basis of estimation of working capital requirement along with the relevant assumptions, reasons for raising additional working capital substantiating the same with relevant facts and figures and also the reasons for financing short with long term investments and an item-wise break-up of last three years working capital and next two years projection;

No objects of the issue are utilization of the issue proceeds for working capital.

- (h) Where the issuer proposes to undertake one or more activities like diversification, modernization, expansion, etc., the total project cost activity-wise or project-wise, as the case may be;

The Company has planned to expand its existing projects by acquisition of machinery and Civil Construction, which have been mentioned in Use of IPO proceeds and projects Implementation schedule.

- (i) Where the issuer is implementing the project in a phased manner, the cost of each phase, including the phases, if any, which have already been implemented;**

The Company has planned to implement to the existing projects by using IPO proceeds after receiving the funds, which have been mentioned in Use of IPO proceeds and projects Implementation schedule.

- (j) The details of all existing or anticipated material transactions in relation to utilization of the issue proceeds or project cost with sponsors, directors, key management personnel, associates and group companies;**

There is no existing or anticipated material transaction in relation to utilization of the issue proceeds or project cost with sponsors, directors, key management personnel, associates and group companies.

- (k) Summary of the project appraisal or feasibility report by the relevant professionals not connected with the issuer, issue manager and registrar to the issue with cost of the project and means of finance, weaknesses and threats, if any, as given in the appraisal or feasibility report.**

Feasibility report is not required by us since we will expand the existing project.

## CHAPTER (XXIII)

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### **LOCK-IN**

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- (i) Ordinary shares of the issuer, at the time of according consent to the public issue, shall be subject to lock-in, from the first trading day at the exchange in the following manner:
- (a) shares held by sponsors, directors and shareholders holding 10% (ten percent) or more, for 03 (three) years;
  - (b) in case, any existing sponsor or director of the issuer transfers any share to any person, those transferred shares, for 03 (three) years;
  - (c) shares allotted to any person, before 4 (four) years or more of according consent to the public issue, other than the persons mentioned in clause (a) and (b), for 01 (one) year;
  - (d) shares held by alternative investment funds, for 01 (one) year;
  - (e) shares held by any person, other than the shares mentioned in clause (a), (b), (c) and (d) above, for 02 (two) years.
- (ii) The following table indicates the Lock-In status of the shareholders of Master Feed Agrotec Limited:

Sl.	Name of the Shareholders	Position	BO IDs	Number of Shares			Total Number of Shares	Pre IPO %
				Lock-in period				
				3 Yrs.	2 Yrs.	1 Yr.		
1	Md. Kabir Hossain	Managing Director	1202020003170664	14,750,000	-	-	14,750,000	25.81%
2	Asma Akter Sumie	Chairman	1202020003172358	2,600,000	-	-	2,600,000	4.55%
3	Rafiqul Alam	Director	1202020003215584	7,050,000	-	-	7,050,000	12.34%
4	Shahida Akter Sumi	Director	1202020003186634	1,750,000	-	-	1,750,000	3.06%
5	Freight Care Aviation Services Ltd.	Shareholder	1204030053490019	-	2,000,000	-	2,000,000	3.50%
6	Istiaq Rahman Imran	Shareholder	1605120058729712	-	1,500,000	-	1,500,000	2.62%
7	Jayanta Kumar Podder	Shareholder	1605550066704530	-	1,251,000	-	1,251,000	2.19%
8	Farmers Hopes Limited	Shareholder	1605860064386069	-	1,149,000	-	1,149,000	2.01%
9	Monira Akter	Shareholder	1205890044239351	-	1,100,000	-	1,100,000	1.92%
10	Md. Farid Ahmed	Shareholder	1203110016614018	-	1,010,000	-	1,010,000	1.77%
11	EBL Securities Ltd.	Shareholder	1201950000015755	-	1,000,000	-	1,000,000	1.75%
12	Mst. Touhida Shirin	Shareholder	1203040061488231	-	1,000,000	-	1,000,000	1.75%
13	Homayra Binte Wali	Shareholder	1202830048324805	-	701,000	-	701,000	1.23%
14	SM AL Jubayer Ahmed	Shareholder	1203040062626201	-	660,000	-	660,000	1.15%
15	Asif Iqbal Chowdhury	Shareholder	1605550059758671	-	524,000	-	524,000	0.92%
16	Neaz Rahman Shaqib	Shareholder	1604630054980351	-	520,000	-	520,000	0.91%
17	Md. Towhidul Islam	Shareholder	1203040064936717	-	501,000	-	501,000	0.88%
18	BDBL Securities Ltd	Shareholder	1202180045048887	-	500,000	-	500,000	0.87%
19	Md. Sayadur Rahman	Shareholder	1205590062012841	-	500,000	-	500,000	0.87%
20	Md. Shamsul Alam	Shareholder	1205590052168963	-	500,000	-	500,000	0.87%

21	Mizanur Rahman Mridha	Shareholder	1202020052156281	-	500,000	-	500,000	0.87%
22	Rozina Akhter	Shareholder	1205590063078472	-	500,000	-	500,000	0.87%
23	Salena Akther	Shareholder	1201480064561845	-	500,000	-	500,000	0.87%
24	Shams Mahmud	Shareholder	1204090017402131	-	500,000	-	500,000	0.87%
25	Wajhi Ahmed	Shareholder	1202830062612835	-	500,000	-	500,000	0.87%
26	Shanzida Akhter Khanam	Shareholder	1605550061065189	-	498,000	-	498,000	0.87%
27	Hafiza Khanam	Shareholder	1202930058729739	-	490,000	-	490,000	0.86%
28	Md. Ensan Ali Sheikh	Shareholder	1202930058729803	-	490,000	-	490,000	0.86%
29	Md. Jahangir Alam	Shareholder	1203570019874091	-	401,000	-	401,000	0.70%
30	Md. Hamid Ullah Khan	Shareholder	1605550061066092	-	400,000	-	400,000	0.70%
31	EBL Investment Ltd. (Puji Account)	Shareholder	1605640064841131	-	300,000	-	300,000	0.52%
32	Md. M. U. Pramanik	Shareholder	1603700061482620	-	300,000	-	300,000	0.52%
33	Mohammad Towfiqul Islam	Shareholder	1204090053883178	-	300,000	-	300,000	0.52%
34	Sarker Abdullah Al Shafee	Shareholder	1202540023633139	-	300,000	-	300,000	0.52%
35	Shafiul Azam	Shareholder	1605550064974741	-	264,500	-	264,500	0.46%
36	Shahida Alam	Shareholder	1605640068667589	-	251,000	-	251,000	0.44%
37	Md. Ahasanul Haque	Shareholder	1601880058149691	-	250,000	-	250,000	0.44%
38	Md. Mahbubul Alam	Shareholder	1203040004499405	-	250,000	-	250,000	0.44%
39	Md. Mizanur Rahman	Shareholder	1203140042666704	-	250,000	-	250,000	0.44%
40	Ahmed Farabi Chowdhury	Shareholder	1202550060664473	-	201,000	-	201,000	0.35%
41	FAAS Asset Management Ltd.	Shareholder	1202610064842514	-	200,000	-	200,000	0.35%
42	Md. Anwarul Azim	Shareholder	1605640057426625	-	200,000	-	200,000	0.35%
43	Md. Shahjalal	Shareholder	1202830043148504	-	200,000	-	200,000	0.35%
44	Mir Intesar Bin Labib	Shareholder	1202790000047201	-	200,000	-	200,000	0.35%
45	Mohammad Towhidul Islam	Shareholder	1202830055707558	-	200,000	-	200,000	0.35%
46	Monir Hossain	Shareholder	1205150062613301	-	200,000	-	200,000	0.35%
47	Monira Akter	Shareholder	1202020046567084	-	200,000	-	200,000	0.35%
48	Nazme Zaha	Shareholder	1204780064424971	-	200,000	-	200,000	0.35%
49	Sabrina Shabnam Rabbi	Shareholder	1201710033880868	-	200,000	-	200,000	0.35%
50	Sajia Sultana	Shareholder	1202020003191620	-	200,000	-	200,000	0.35%
51	Sazzador Rahman	Shareholder	1201480066435595	-	200,000	-	200,000	0.35%
52	Tania Huq Pranti	Shareholder	1203040065739873	-	200,000	-	200,000	0.35%
53	Salina Akther	Shareholder	1202020003166506	-	191,000	-	191,000	0.33%
54	Md. Khalilur Rahman	Shareholder	1204220056420388	-	190,000	-	190,000	0.33%
55	Biz UNI Link Services Ltd.	Shareholder	1605650064958124	-	151,000	-	151,000	0.26%

56	Md. Noor Nabi	Shareholder	1203020033105535	-	151,000	-	151,000	0.26%
57	Mohammed Nuruzzaman Mridha Pavel	Shareholder	1202020049723708	-	151,000	-	151,000	0.26%
58	Md. Foysal Ahmed	Shareholder	1203040058175818	-	150,000	-	150,000	0.26%
59	Md. Habibullah	Shareholder	1204480020700554	-	150,000	-	150,000	0.26%
60	Md. Syadur Rahman	Shareholder	1602110067732990	-	150,000	-	150,000	0.26%
61	Mohammad Ali	Shareholder	1204090019954586	-	150,000	-	150,000	0.26%
62	Mohd. Kawsar Mahmood	Shareholder	1201510068616446	-	150,000	-	150,000	0.26%
63	Nargis Sultana	Shareholder	1202020046637035	-	150,000	-	150,000	0.26%
64	Rahman & Associates	Shareholder	1201950064561216	-	150,000	-	150,000	0.26%
65	Md. Towhidul Alam	Shareholder	1605550064974741	-	148,000	-	148,000	0.26%
66	Akashlina Arno	Shareholder	1202180057889991	-	130,000	-	130,000	0.23%
67	Md. Benzir Ahmed Khan	Shareholder	1203920025934288	-	120,000	-	120,000	0.21%
68	Jennira Quddus	Shareholder	1202020003242036	-	110,000	-	110,000	0.19%
69	Pridip Kumar Roy	Shareholder	1201950058558251	-	110,000	-	110,000	0.19%
70	Rashid Investment Services Ltd.	Shareholder	1202160045159261	-	110,000	-	110,000	0.19%
71	ARC Securities Ltd.	Shareholder	1202580030051617	-	101,000	-	101,000	0.18%
72	B & B Enterprise Ltd.	Shareholder	1202020003166094	-	101,000	-	101,000	0.18%
73	Kamrun Nahar Sharmin	Shareholder	1202980004274767	-	101,000	-	101,000	0.18%
74	Md. Asaduzzaman Mia	Shareholder	1201580000026326	-	101,000	-	101,000	0.18%
75	Md. Mahamudul Hasan	Shareholder	1202020003164997	-	101,000	-	101,000	0.18%
76	Mohammad Ali Mia	Shareholder	1202020003889271	-	101,000	-	101,000	0.18%
77	S.M. Mostaque Ahamed Khan	Shareholder	1202020003215517	-	101,000	-	101,000	0.18%
78	Shireen Hussain	Shareholder	1206080068299311	-	101,000	-	101,000	0.18%
79	Anita Sharmin	Shareholder	1204500058527676	-	100,000	-	100,000	0.17%
80	A. S. M. Humayun Kabir	Shareholder	1201690032796104	-	100,000	-	100,000	0.17%
81	Eshrat Jahan	Shareholder	1205820062637840	-	100,000	-	100,000	0.17%
82	Fariha Jaigirdar	Shareholder	1201950062467341	-	100,000	-	100,000	0.17%
83	Hassan O. Rashid	Shareholder	1201950048599426	-	100,000	-	100,000	0.17%
84	Israt Jahan	Shareholder	1605550065748940	-	100,000	-	100,000	0.17%
85	Jahir Uddin Babar	Shareholder	1203680043385309	-	100,000	-	100,000	0.17%
86	Kazi Amdadul Haque	Shareholder	1605570062732560	-	100,000	-	100,000	0.17%
87	Md. Abdul Jalil Mondal	Shareholder	1605420047137081	-	100,000	-	100,000	0.17%
88	Md. Abu Sayed Al Amin Khan	Shareholder	1204500062564746	-	100,000	-	100,000	0.17%
89	Md. Ahsan Habib Raj	Shareholder	1201950066362251	-	100,000	-	100,000	0.17%
90	Md. Jahidul Haque	Shareholder	1202020003182877	-	100,000	-	100,000	0.17%

91	Md. Khalid Hossain Khan	Shareholder	1205890043555015	-	100,000	-	100,000	0.17%
92	Md. Saroar Hossain	Shareholder	1605550061674266	-	100,000	-	100,000	0.17%
93	Md. Shariful Islam	Shareholder	1202150062658625	-	100,000	-	100,000	0.17%
94	Md. Tenzir Ahmed Khan	Shareholder	1203920057147516	-	100,000	-	100,000	0.17%
95	Mohammad Quyaum	Shareholder	1202580004247445	-	100,000	-	100,000	0.17%
96	S. M. Ifthekhar Imam	Shareholder	1202300004237654	-	100,000	-	100,000	0.17%
97	S. M. Mafijul Islam	Shareholder	1203680018795911	-	100,000	-	100,000	0.17%
98	Tamanna Prian	Shareholder	1204220064677696	-	100,000	-	100,000	0.17%
99	Md. Abul Basar	Shareholder	1204070045189718	-	91,000	-	91,000	0.16%
100	Abu Syed Md Noman	Shareholder	1201480066436027	-	80,000	-	80,000	0.14%
101	Uttam Kumar Saha	Shareholder	1205700015559817	-	70,000	-	70,000	0.12%
102	Zakir Hossain	Shareholder	1605610066500080	-	70,000	-	70,000	0.12%
103	Abu Tahar Md. Khalequzzaman Khan	Shareholder	120183006599250	-	60,000	-	60,000	0.10%
104	Anjan Kumar Saha	Shareholder	1203260016896841	-	51,000	-	51,000	0.09%
105	Bidhan Saha	Shareholder	1205950063409984	-	51,000	-	51,000	0.09%
106	Delu Ara Begum	Shareholder	1202020003891171	-	51,000	-	51,000	0.09%
107	Muhammad Iftekher Hossain	Shareholder	1205200062268909	-	51,000	-	51,000	0.09%
108	Mustafa Salim	Shareholder	1205950063338988	-	51,000	-	51,000	0.09%
109	Nandita Rani Saha	Shareholder	1204570063348851	-	51,000	-	51,000	0.09%
110	Swapan Kumar Saha	Shareholder	1204050033787949	-	51,000	-	51,000	0.09%
111	Abdul Gaffar Dhali	Shareholder	1205950068656429	-	50,000	-	50,000	0.09%
112	Delowara Begum	Shareholder	1602170061759078	-	50,000	-	50,000	0.09%
113	Mahbuba Begum	Shareholder	1201700000258308	-	50,000	-	50,000	0.09%
114	Md. Mahbub Alam	Shareholder	1201960030743036	-	50,000	-	50,000	0.09%
115	Md. Mizanur Rahman	Shareholder	1201950066517189	-	50,000	-	50,000	0.09%
116	Md. Mohashin	Shareholder	1201480068636376	-	50,000	-	50,000	0.09%
117	Md. Moidul Islam	Shareholder	1202020003163687	-	50,000	-	50,000	0.09%
118	Md. Nasim Mostakin	Shareholder	1201950066455945	-	50,000	-	50,000	0.09%
119	Md. Riaz Haider	Shareholder	1605550063654091	-	50,000	-	50,000	0.09%
120	Mohammad Jasim Uddin	Shareholder	1201960002213144	-	50,000	-	50,000	0.09%
121	Sharmin Akter	Shareholder	1205590064120657	-	50,000	-	50,000	0.09%
122	Papi Rani Roy	Shareholder	1203940022794859	-	36,000	-	36,000	0.06%
123	Alauddin Ahmed	Shareholder	1202020003771741	-	1,000	-	1,000	0.00%
124	Eva Akter	Shareholder	1202020003891527	-	1,000	-	1,000	0.00%
125	Mohammad Mohsin	Shareholder	1202020003182601	-	1,000	-	1,000	0.00%

126	Mohammad Sajjad Hossain	Shareholder	1202020003165131	-	1,000	-	1,000	0.00%
127	Mohammedan Sporting Club Ltd.	Shareholder	1202020003242036	-	1,000	-	1,000	0.00%
<b>Total</b>				<b>26,150,000</b>	<b>28,181,500</b>	<b>-</b>	<b>57,150,500</b>	<b>100.00%</b>

## CHAPTER (XXIV)

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# **MARKETS FOR THE SECURITIES BEING OFFERED**

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**Stock Exchanges:**

The issuer shall apply to all the relevant exchanges in Bangladesh within seven working days from the date of consent for public offer accorded by the Commission.

**Dhaka Stock Exchange Limited (DSE)**

9/F, Motijheel C/A, Dhaka-1000; and

**Chittagong Stock Exchange Limited (CSE)**

CSE Building, 1080 Sheikh Mujib Road, Chittagong.

**Declaration about Listing of Shares with Stock Exchanges:**

None of the Stock Exchanges, if for any reason, grant listing within 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 exchange, 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 fifteen days, the Company 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 managers, 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 seven days of expiry of the aforesaid fifteen days' time period allowed for refund of the subscription money.

**Trading and Settlement;**

Trading and Settlement Regulation of the stock exchanges will apply in respect of trading and settlement of the shares of the Company.

**THE ISSUE SHALL BE PLACED IN "N" CATEGORY**

## CHAPTER (XXV)

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### **DESCRIPTION OF SECURITIES OUTSTANDING OR BEING OFFERED**

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All types of securities outstanding or being offered with date or proposed date of such issue and to whom those are offered, number of securities and issue or offer price along with the following information:

**(a) Dividend, voting and preemption rights;**

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 rights 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 presents 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 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 Right Issue of shares in terms of the guidelines issued by the BSEC from time to time.

**(b) Conversion and liquidation rights;**

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 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.

**(c) Dividend policy;**

- i. The profit of the Company, subject to any special right relating thereto created or authorized to be created by the Memorandum and subject to the provisions of the Articles of Association, shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively.
- ii. No large 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.
- iii. No dividend shall be payable except out of the profits of the Company or any other undistributed profits. Dividend shall not carry interest as against the Company.
- iv. 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.
- v. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of transfer.
- vi. No limitation in payment of dividend is stipulated in any debt instrument or otherwise.

**(d) Other rights of the securities holders;**

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 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 objective 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 un audited, 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 for the section 84 of the Companies Act 1994.

## CHAPTER (XXVI)

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# **FINANCIAL STATEMENTS**

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- (a) The latest financial statements prepared and audited by any of the Commission's panel of auditors in adherence to the provisions of the Securities and Exchange Rules, 1987, the কোম্পানি আইন, ১৯৯৪, International Financial Reporting and Auditing Standards as adopted in Bangladesh from time to time and any other law as applicable;

**INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
MASTER FEED AGROTEC LIMITED**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of **Master Feed Agrotec Limited** (the "Company"), which comprise the Statement of Financial Position as at 30 September 2019 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 September 2019, and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

**Basis for Opinion**

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

**Key Audit Matters**

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

Description of key audit matters	Our response to key audit matters
<b>Valuation of Property, Plant and Equipment (PPE)</b>	
The carrying value of the PPE amounted to BDT 315,267,478 as at 30 September 2019. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements. Expenditures are capitalized if they create new or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period during which the asset or its significant components will be used. The estimates are based on	Our audit included the following procedures: <ul style="list-style-type: none"> <li>We reviewed the opening balances of PPE which was audited by us including assessed the addition during the period under our audit, checked the related accounting treatment and associated deferred tax as recognized by the company.</li> <li>We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent;</li> <li>We obtained a list of capital expenditures incurred during the period and, on a</li> </ul>

<p>historical experience and market practice and take into consideration the physical condition of the assets.</p>	<p>sample basis, checked whether the items were procured based on internal purchase order that had been properly approved by the responsible individuals;</p> <ul style="list-style-type: none"> <li>• We inspected a sample of invoices and L/C documents to determine whether the classification between capital and operating expenditure was appropriate;</li> <li>• We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market price;</li> <li>• We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the classification from capital in progress to ready for use, with the date of the act of completion of the work.</li> <li>• We performed physical asset verification at the period end, observed procedures of asset acquisition, depreciation and disposal and finally assessed the appropriateness and presentation of disclosures as per relevant accounting standards.</li> </ul> <p><b>[See note number 3.00 and 4.00 for details]</b></p>
<p><b>Valuation of Inventory</b></p>	
<p>The Company had inventory of BDT 261,013,385 at 30<sup>th</sup> September which includes Finished Goods, Raw Materials, and Work in Process etc.</p> <p>Inventory value is measured as follows: Inventories are stated at the lower of cost and net realizable value in accordance with IAS-2 'Inventories'. As result, the management apply judgment in determining the appropriate values for value in use, work-in-progress, values for slow moving or obsolete items and need to apply impairment provision.</p> <p>While excess holding of inventories could impact level of inventories can result in stock outs or irregular supply to the market.</p>	<p>We verified the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:</p> <ul style="list-style-type: none"> <li>• We evaluated the design and implementation of key inventory controls operating across the company's factory and warehouse;</li> <li>• We challenged the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow-moving/obsolete stock are valid and complete.</li> <li>• We reviewed the historical accuracy of inventory provisioning and the level of inventory write- offs during the period;</li> <li>• We attended inventory counts and reconciling the count results to the inventory listing to test the completeness of data;</li> </ul>

	<ul style="list-style-type: none"> <li>We compared the net realizable value, obtained through a detailed review of sales subsequent to the period-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete;</li> <li>We discussed with management about their sales forecasting procedures and ordering of inventories, and inquired about remedial action taken in case of excess or shortage of inventories due to difference in forecast and actual results.</li> </ul> <p><b>[See note number 6.00 for details]</b></p>
<b>Measurement of Deferred Tax Liabilities</b>	
<p>The Company reported net deferred tax liabilities to totaling BDT as at 13,103,112. Significant judgment is required in relation to deferred tax liabilities as their recoverability is dependent on forecasts of future profitability over a number of periods.</p>	<ul style="list-style-type: none"> <li>We obtained an understanding, evaluated the design and tested the operational effectiveness of the company over the recognition and measurement and the assumptions used in estimating the future taxable income.</li> <li>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</li> <li>We involved our tax expertise to assess key assumptions, controls, recognition and measurement of Taxes.</li> <li>Finally, assessed the appropriateness and presentation of disclosure against IAS 12 Income Tax.</li> </ul> <p><b>[See note number 27.00 for details]</b></p>
<b>Revenue Recognition</b>	
<p>At period end the Company reported total revenue of BDT 256,188,652. Revenue is measured net of discounts, incentives and rebates earned by customers on the Company's sales.</p> <p>Within a number of the Company's markets, the estimation of discounts, incentives and rebates recognised based on sales made during the period is material and considered to be complex and judgmental. Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives and rebates.</p> <p>There is also a risk that revenue may be overstated due to fraud through</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>Calculation of discounts, incentives and rebates;</li> <li>Segregation of duties in invoice creation and modification; and</li> <li>Timing of revenue recognition.</li> </ul> <p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> <li>Obtaining supporting documentation for sales transactions recorded either side of period end as well as credit notes issued after the period end date to determine whether revenue was recognised in the correct period;</li> <li>Within a number of the Company's markets, comparing current period</li> </ul>

<p>manipulation of the discounts, incentives and rebates recognised resulting from the pressure of local management may feel to achieve performance targets.</p>	<p>rebate accruals to the prior period and, where relevant, completing further inquiries and testing.</p> <ul style="list-style-type: none"> <li>• Agreeing a sample of claims and rebate accruals to supporting documentation;</li> <li>• Critically assessing manual journals posted to revenue to identify unusual or irregular items; and</li> <li>• Finally assessed the appropriateness and presentation of disclosure against relevant accounting standards.</li> </ul> <p><b>[See note number 18.00 for details]</b></p>
<p><b>Employee Benefits</b></p>	
<p>(a) Short-term employee benefits, such as the following, if expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services:</p> <ul style="list-style-type: none"> <li>(i) wages, salaries and social security contributions;</li> <li>(ii) paid annual leave and paid sick leave;</li> <li>(iii) profit sharing and bonuses; and</li> <li>(iv) non-monetary benefits (such as medical care, housing, cars and free of subsidised goods or services) for current employees;</li> </ul>	<p>The objectives of this standard are to prescribe the accounting and disclosure for employee benefits. The standard requires an entity to recognize;</p> <ul style="list-style-type: none"> <li>(a) a liability when an employee has provided service in exchange for employee benefits to be paid in the future; and</li> <li>(b) an expense when the entity consumes the economic benefit arising from service provided by an employee in exchange for employee benefits.</li> <li>(c) The company has no any other long-term employee benefits, such as following: <ul style="list-style-type: none"> <li>(i) long-term paid absences such as long-service leave or sabbatical leave;</li> <li>(ii) jubilee or other long-service benefits; and</li> <li>(iii) long-term disability benefits; and</li> </ul> </li> <li>(d) Termination benefits</li> </ul>

### Other information

Management is responsible for the other information. The other information comprises all of the information included in the Interim Report other than the financial statements and our auditor's report thereon. The Interim Report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether

the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence



obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

We have not come across any other key audit issue for the period under audit, and as such nothing is reportable.

### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 1987, we also report the following:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- d) The expenditure incurred was for the purposes of the Company's business.

Dated, 12<sup>th</sup> November, 2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
Chartered Accountants  
**AFM Alamgir, FCA**  
(Chief Executive Partner)

**Statement of Financial Position**  
**As at 30 September, 2019**

Particulars	Note	Amount in Taka	
		30 Sept. 2019	30 June 2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>323,936,962</b>	<b>327,360,106</b>
Property, Plant and Equipment	3.00	314,961,786	311,617,081
Intangible Assets	4.00	305,692	321,781
Capital Work-in-Progress	5.00	8,669,484	15,421,244
<b>Current Assets</b>		<b>561,935,950</b>	<b>525,898,596</b>
Inventories	6.00	261,013,385	244,822,999
Trade and Other Receivables	7.00	288,668,383	255,701,462
Advances, Deposits and Prepayments	8.00	7,351,564	7,893,601
Cash and Cash Equivalent	9.00	4,902,618	17,480,534
<b>Total Assets</b>		<b>885,872,912</b>	<b>853,258,702</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Equity</b>		<b>722,507,934</b>	<b>683,309,635</b>
Share Capital	10.00	571,505,000	550,000,000
Retained Earnings	11.00	151,002,934	133,309,635
<b>Non-Current Liabilities</b>		<b>78,863,560</b>	<b>90,914,458</b>
Long Term Borrowings Net of Current Portion	12.00	65,760,448	66,262,486
Share Money Deposit	13.00	-	12,146,500
Deferred Tax Liability	27.00	13,103,112	12,505,472
<b>Current Liabilities</b>		<b>84,501,418</b>	<b>79,034,609</b>
Short Term Borrowings	14.00	14,314,691	14,314,691
Current Portion of Long Term Borrowings	12.00	18,757,946	18,255,908
Trade Payable	15.00	17,906,905	17,589,818
Liabilities for Expenses	16.00	33,521,876	28,874,192
<b>Total Liabilities</b>		<b>163,364,978</b>	<b>169,949,067</b>
<b>Total Equity and Liabilities</b>		<b>885,872,912</b>	<b>853,258,702</b>
<b>Net Asset Value (NAV) per Share</b>	17.00	<b>12.64</b>	<b>12.42</b>

The accounting policies and explanatory notes are an integral part of the financial statements.

Sd/-  
**Chief Financial Officer**

Sd/-  
**Managing Director**

Sd/-  
**Chairman**

Signed in terms of our separate report of same date annexed.

Dated: 12th November, 2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
CHARTERED ACCOUNTANTS

**MASTER FEED AGROTEC LIMITED.**

Shemultola, Sonabo, Sreepur,  
Gazipur.

**ARTISAN**

CHARTERED ACCOUNTANTS

**Statement of Profit or Loss and Other Comprehensive Income**

For the period from 01 July, 2019 to 30 September, 2019

Particulars	Note	Amount in Taka				
		Feed	Poultry	Fisheries	01 Jul. 2019 to 30 Sep. 2019	01 Jul. 2018 to 30 Sep. 2018
Revenue	18.00	239,644,521	6,305,266	10,238,865	256,188,652	207,974,249
Cost of Goods Sold	19.00	209,106,077	5,448,019	8,844,258	223,398,354	181,487,520
<b>Gross Profit</b>		<b>30,538,444</b>	<b>857,247</b>	<b>1,394,607</b>	<b>32,790,298</b>	<b>26,486,729</b>
<b>Operating Expenses</b>		<b>6,826,965</b>	<b>779,356</b>	<b>760,145</b>	<b>8,366,466</b>	<b>7,715,385</b>
Administrative Expenses	21.00	3,229,008	508,687	527,790	4,265,485	4,354,276
Selling and Distribution Expenses	22.00	3,597,957	270,669	232,355	4,100,981	3,361,109
<b>Profit from Operation</b>		<b>23,711,479</b>	<b>77,891</b>	<b>634,462</b>	<b>24,423,832</b>	<b>18,771,344</b>
<b>Other Income</b>	23.00	<b>172,839</b>	<b>-</b>	<b>-</b>	<b>172,839</b>	<b>91,756</b>
<b>Non Operating Expenses</b>						
Financial Expenses	24.00	2,727,106	-	-	2,727,106	3,429,962
<b>Profit Before Tax Contribution to WPPF</b>		<b>21,157,212</b>	<b>77,891</b>	<b>634,462</b>	<b>21,869,565</b>	<b>15,433,138</b>
Contribution to WPPF	25.00	1,007,487	3,709	30,212	1,041,408	734,911
<b>Profit Before Tax</b>		<b>20,149,725</b>	<b>74,182</b>	<b>604,250</b>	<b>20,828,157</b>	<b>14,698,227</b>

<b>Income Tax Expenses</b>		<b>3,002,027</b>	<b>74,182</b>	<b>58,649</b>	<b>3,134,858</b>	<b>2,962,887</b>
Current Tax	<b>26.00</b>	2,508,857	10,809	17,552	2,537,218	1,731,498
Deferred Tax	<b>27.00</b>	493,170	63,373	41,097	597,640	1,231,389
<b>Net Profit After Tax</b>		<b>17,147,698</b>	<b>-</b>	<b>545,601</b>	<b>17,693,299</b>	<b>11,735,340</b>
<b>Earnings per Share</b>	<b>28.00</b>				<b>0.31</b>	<b>0.46</b>

The accounting policies and explanatory notes are an integral part of the financial statements.

Sd/-  
**Chief Financial Officer**

Sd/-  
**Managing Director**

Sd/-  
**Chairman**

Signed in terms of our separate report of same date annexed.

Dated: 12th November, 2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
CHARTERED ACCOUNTANTS

**MASTER FEED AGROTEC LIMITED.**  
Shemultola, Sonabo, Sreepur,  
Gazipur.

**ARTISAN**  
CHARTERED ACCOUNTANTS

**Statement of Changes in Equity**

For the period from 01 July, 2019 to 30 September, 2019

(Amount in Taka)

Particulars	Share Capital	Retained Earnings	Total
<b>Balance as at 01 July, 2019</b>	550,000,000	133,309,635	683,309,635
Issuance of Share Capital	21,505,000	-	21,505,000
Net Profit for the period	-	17,693,299	17,693,299
<b>Balance as at 30 September, 2019</b>	<b>571,505,000</b>	<b>151,002,934</b>	<b>722,507,934</b>

**Statement of Changes in Equity**

For the period from 01 July, 2018 to 30 September, 2018

(Amount in Taka)

Particulars	Share Capital	Retained Earnings	Total
<b>Balance as at 01 July, 2018</b>	97,450,000	71,362,815	168,812,815
Net Profit for the period	-	11,735,340	11,735,340
<b>Balance as at 30 September, 2018</b>	<b>97,450,000</b>	<b>83,098,155</b>	<b>180,548,155</b>

The accounting policies and explanatory notes are an integral part of the financial statements.

Sd/-  
**Chief Financial Officer**

Sd/-  
**Managing Director**

Sd/-  
**Chairman**

Signed in terms of our separate report of same date annexed.

Dated: 12th November, 2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
CHARTERED ACCOUNTANTS

**Statement of Cash Flows**  
For the period from 01 July, 2019 to 30 September, 2019

Particulars	Amount in Taka	
	01 Jul. 2019 to 30 Sep. 2019	01 Jul. 2018 to 30 Sep. 2018
<b>A. Cash flows from Operating Activities</b>		
Received from Customers	223,124,642	181,303,541
Received from Other Income	269,928	91,756
Paid to Suppliers	(225,713,164)	(190,584,661)
Paid to Employees	(9,697,090)	(7,190,489)
Paid to Others	(5,978,648)	(5,064,302)
<b>Cash Generate from Operation</b>	<b>(17,994,332)</b>	<b>(21,444,155)</b>
Income Tax Paid	(262,244)	-
<b>Net Cash from Operating Activities</b>	<b>(18,256,576)</b>	<b>(21,444,155)</b>
<b>B. Cash Flows from Investing Activities</b>		
Acquisition of Property, Plant and Equipment	(1,498,900)	-
Paid for Capital Work in Progress	(680,940)	(37,970,883)
Paid for Parent Stock	-	(378,300)
<b>Net Cash Used in Investing Activities</b>	<b>(2,179,840)</b>	<b>(38,349,183)</b>
<b>C. Cash Flows from Financing Activities</b>		
Received of Share Money Deposits	9,358,500	57,235,000
Financial Expenses Paid	(1,500,000)	-
<b>Net Cash Flows from Financing Activities</b>	<b>7,858,500</b>	<b>57,235,000</b>
<b>Increase/(Decrease) in Cash and Cash Equivalent (A+B+C)</b>	<b>(12,577,916)</b>	<b>(2,558,338)</b>
Cash & Cash Equivalent at the Beginning of the Period	17,480,534	5,115,406
<b>Cash &amp; Cash Equivalent at the End of the Period</b>	<b>4,902,618</b>	<b>2,557,068</b>
<b>Net Operating Cash Flows per Share (NOCFPS)</b>	<b>(0.32)</b>	<b>(0.83)</b>

The accounting policies and explanatory notes are an integral part of the financial statements.

Sd/-  
**Chief Financial Officer**

Sd/-  
**Managing Director**

Sd/-  
**Chairman**

Signed in terms of our separate report of same date annexed.

Dated: 12th November, 2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
CHARTERED ACCOUNTANTS

**Notes, comprising a summary of significant accounting policies  
and other explanatory information**

**For the period ended 30 September, 2019**

**1.00 REPORTING ENTITY:****1.01 Background of the Company:**

The company namely "Master Hatchery and Poultry Feed Limited" was incorporated on 20<sup>th</sup> June, 2011 vide registration No.C-93642/11 as a private limited company in Bangladesh under the Companies Act, 1994 and converted as a public limited company vide EGM dated 15 October 2018.

The Company changed its name through special resolution and with due approval of the Registrar of Joint Stock of Companies and Firms from "Master Hatchery and Poultry Feed Limited" to "Master Feed Agrotec Limited." on 01 July, 2018.

**1.02 Registered Office of the Company:**

The registered office of the Company is situated at Novel House, 137 (8<sup>th</sup> Floor), Shantinagar, Dhaka, factory office of the Company is situated at Shemultola, Sonabo, Boldighat, Sreepur, Gazipur, Bangladesh and fisheries unit of the Company is situated at Akramnagar, Middlebagga, Subarnachar, Noakhali.

**1.03 Nature of the Business:**

Master Feed Agrotec Limited is one of the feeds producing companies in Bangladesh, engaged in producing feed for poultry, fish and cattle. The Principal activities of this Company are manufacturing and marketing of poultry feed, fish feed, cattle feed and also engage farming Poultry and Fish.

**2.00 BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS:****2.01 Statements of Compliance:**

The Financial Statements of the Company are prepared on a going concern basis under historical cost convention and in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Securities and Exchange Rules, 1987, the Companies Act, 1994, Income Tax Ordinance, 1984, Income Tax Rules, 1984, Value Added Tax Act, 1991, Value Added Tax and Supplementary Duty Act, 2012, Labour Act, 2006 (Amendment 2013) and other laws and regulations are applicable for the Company.

**2.02 Going Concern:**

Management have assessed the going concern assumptions during the preparation of the financial statements of the company, Management believe that no events or conditions give rise to doubt about the ability of the company to continue in operation in the foreseeable future. This conclusion is drawn based on knowledge of the company, the estimated economic outlook and related identified risks and uncertainties. It has been concluded that it is reasonable to apply the going concern concept as the underlying assumption for the financial statements.

The company has adequate resources to continue its operation for the foreseeable future. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

**2.03 Accrual Basis:**

The financial statements have been prepared, except cash flow information, using the accrual basis of accounting.

**2.04 Components of the Financial Statements:**

According to IAS 1 Presentation of the Financial Statements the complete set of financial statement includes the following components

- a) Statement of financial position as at 30 September, 2019;
- b) Statement of profit or loss and other comprehensive income for the period from 01 July 2019 to 30 September, 2019;
- c) Statement of changes in equity for the period from 01 July 2019 to 30 September, 2019;
- d) Statement of cash flows for the period from 01 July 2019 to 30 September, 2019; and
- e) Notes, Comprising significant accounting policies and other explanatory information.

**2.05 Accounting Policies and Estimates:**

The preparation of these financial statements is in conformity with IASs and IFRSs which require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis and used for accounting of certain terms such as provision for expenses and depreciation.

**2.06 Responsibility for Preparation and Presentation of Financial Statements:**

The Board of Directors is responsible for the preparation of financial statements under section 183 of the Companies Act, 1994 and in accordance with an applicable financial reporting framework.

**2.07 Statement of Cash Flows:**

Statement of Cash flows has been prepared in accordance with IAS 7 Statement of Cash Flows and the cash flows from the operating activities have been presented under direct method considering the provisions of Paragraph 19 of IAS 7 which provides that "Entities are encouraged to report cash flows from operating activities using the direct method" and as per requirement of the Securities and Exchange Rules, 1987. As per Bangladesh Securities and Exchange Commission notification No. BSEC/CMRRCD/2006158 /208/Admin/81 dated 08 August 2018, Cash Flows from operating activities has been reconciled with net income using the indirect method.

**2.08 Applicable Accounting Standards:**

The following IASs and IFRSs are applicable for the financial statements for the period under review:

**IASs:**

IAS 1	Presentation of Financial Statements;
IAS 2	Inventories;
IAS 7	Statements of Cash flows;
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors;
IAS 10	Events after the Reporting Period;
IAS 12	Income Taxes;
IAS 16	Property, Plant and Equipment;
IAS 19	Employee Benefits;
IAS 23	Borrowing Costs;
IAS 24	Related Party Disclosures;



IAS 32	Financial Instruments: Presentation;
IAS 33	Earnings per Share;
IAS 34	Interim Financial Reporting;
IAS 36	Impairment of Assets;
IAS 37	Provisions, Contingent Liabilities and Contingent Assets;
IAS 38	Intangible Assets;
IFRS 7	Financial Instruments: Disclosures;
IFRS 8	Operating Segments;
IFRS 9	Financial Instruments;
IFRS 13	Fair Value Measurement;
IFRS 15	Revenue from Contracts with Customers.

## **2.09 Property, Plant and Equipment:**

### **2.09.1 Recognition and Measurement**

All property, plant and equipment are stated at cost less accumulated depreciation as per IAS 16 Property, Plant and Equipment. The cost of acquisition of an asset comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its costs can be measured reliably. The cost of the day to day maintaining cost on property, plant and equipment is recognized in the statements of profit or loss and other comprehensive income as incurred.

### **2.09.2 Depreciation:**

Depreciation on property, plant and equipment other than land has been computed during the period using the reducing balance method. Depreciation has been charged on addition when the related property, plant and equipment are available for use as per management intention. Depreciation has charged as following rate:

Name of Assets	Rate	
	30 September, 2019	30 June, 2019
Land	0%	0%
Land Development	2.50%	2.50%
Pond (Excavation)	3%	3%
Building and Other Construction	5%	5%
Plant and Machinery	10%	10%
Truck Scale	10%	10%
Electric Sub-Station	10%	10%
Lab Equipment's	10%	10%
Diesel Generator	15%	15%
Deep tube-well and submersible pump	10%	10%
Vehicle	10%	10%
Bicycle	10%	10%
Fire Equipment	20%	20%
Furniture and Fixture	10%	10%
Office Equipment	15%	15%
Software	20%	20%

### **2.09.3 Retirement and Disposals:**

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized as gain or loss from disposal of asset under other income in the statement of profit or loss and other comprehensive income. Depreciation has been charged on disposal assets up to the date of disposal. There is no such retirement or disposals of assets during the period.

### **2.09.4 Impairment:**

All fixed assets have been reviewed and it was confirmed that no such fixed assets have been impaired during the period and for this reason no provision has been made for Impairment of assets as per, IAS 36 Impairment of Assets.

### **2.10 Intangible Assets:**

Intangible assets is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the company over a period of time and the cost of the asset can be measured reliably as per the IAS 38 Intangible Assets.

### **2.11 Capital Work-in-progress:**

Capital work-in-progress is stated at cost. These are expensed of a capital nature directly incurred in the Building & Other Construction. The asset will be transferred to Property, Plant and Equipment schedule when it is available for use. No depreciation is charged on the capital work-in-progress as per IAS 16 Property, Plant and Equipment.

### **2.12 Borrowing Costs:**

Interest and other cost incurred in the company in connection with the borrowing of fund are recognized as expenses in the period in which they are incurred unless such borrowings cost related to acquisition of Plant and Machinery in progress that are required to be capitalized as per IAS 23 Borrowing Costs.

### **2.13 Revenue Recognition:**

In compliance with the requirements of IFRS 15 Revenue from Contracts with Customers, are recognized under the following steps:

- a) Identify the contact with customer;
- b) Identify the performance obligations in the contact;
- c) Determine the transaction price;
- d) Allocate the transaction price to the performance obligation in the contact;
- e) Recognize revenue when (or as) a performance obligation is satisfied.

We followed all the above five steps and recognize revenue when a performance obligation is satisfied.

### **2.14 Other Income:**

Other income consists of Wastage sales and Interest on FDR.

### **2.15 Inventories:**

In compliance with the requirements of IAS 2 Inventories, the Inventories have been valued at Cost or Net Realizable value whichever is lower, which is consistent with the previous year's practice. Net realizable value is based on estimated selling price in the ordinary course of business less any further cost expected to be incurred to make the sale.

## 2.16 Provisions:

Provisions are recognized in the financial statements in line with the International Accounting Standards IAS 37 Provisions, Contingent liabilities and Contingent Assets, when:

- a) The company has a present obligation (legal or constructive) as a result of a past events;
- b) It is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligations; and
- c) A reliable estimate can be made of the amount of the obligation.

## 2.17 Employees Benefit:

The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19 Employee Benefit.

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

The company's employee benefits include the following:

### a) Short Term Employee Benefits:

Short-term employee benefits include salaries, festival bonuses etc. that fall due within 12 months from the end of the period in which the employees provide their services.

## 2.18 Income Tax:

### Current Tax:

Current tax is the expected tax payable on the taxable income for the financial period, using tax rates enacted or subsequently enacted after the reporting date and any adjustment to tax payable in respect of previous years. As per SRO No-199/2015 Income Tax Ordinance, 1984 (Ord. XXXVI of 1984) Sec 44 and Sub Sec (4) clause (b), reduced Income Tax has been imposed on income from pelleted feed as follows:

Particulars	Tax Rate
On 1st Tk. 10,00,000	3%
Next Tk. 20,00,000	10%
Remaining Income	15%

As per SRO No: 254/2015 Income Tax Ordinance, 1984 (Ord. XXXVI of 1984) Sec 44 and Sub Sec (4) clause (b), reduced Income Tax has been imposed on income from poultry farm as follows:

Particulars	Tax Rate
On 1st Tk. 20,00,000	0%
Next Tk. 10,00,000	5%
Remaining Income	10%

As per SRO No: 255/2015 Income Tax Ordinance, 1984 (Ord. XXXVI of 1984) Sec 44 and Sub Sec (4) clause (b), reduced Income Tax has been imposed on income from fish farm as follows:

Particulars	Tax Rate
On 1st Tk. 10,00,000	0%
Next Tk. 10,00,000	5%
Remaining Income	10%

Tax on Other Income has been charged as per Finance Act, 2019. Tax on profit from operation has been calculated on the basis of above circular.

**Deferred Tax:**

The company recognized deferred tax as per IAS 12 Income Taxes. Deferred tax is recognized for all temporary timing difference arising between the carrying value of assets and liabilities and its tax base values. The rate prevailing at the Financial Position date is used for determining the deferred tax.

**Income Tax Status:**

Income Tax Assessment has been completed for the financial year 2011-2012, 2012-2013, 2013-2014, 2014-2015, 2015-2016, 2016-2017 and 2017-2018. Tax has been paid up to the financial year 2017-2018.

**2.19 VAT:**

As per S.R.O No. 172-AIN/2019/29-VAT, dated: June 13, 2019 and as per 1<sup>st</sup> Schedule of Section 26 of the Value Added Tax and Supplementary Duty Act, 2012 the company's VAT is exempted.

**2.20 Earnings per Share:**

The company calculates Earnings per Share (EPS) in accordance with IAS 33 Earnings per Share which has been shown on the face of the Profit or Loss and other Comprehensive Income.

**Basic Earnings:**

This represents profit or loss at the end of the period attributable to ordinary shareholders of the entity.

**Basic Earnings per Share:**

This has been calculated by dividing profit or loss attributable to ordinary shareholders of the entity by the weighted average number of ordinary shares outstanding during the period.

**2.21 Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset to one entity and a financial liability or equity instrument to another entity as per IFRS 9 Financial Instruments.

**Financial Assets:**

Financial assets of the company include cash and cash equivalents, equity instrument to another entity, trade receivables and other receivables. The company initially recognizes a financial asset in its statement of financial position when, and only when, the company becomes a party to the contractual provision of the instrument. The company derecognize a financial asset when, and only when; the contractual rights to the cash flows from the financial asset expire or transfer the contractual rights to receive the cash flows of the financial asset.

**Financial Liabilities:**

The company initially recognizes a financial liability in its statement of financial position when, and only when, the company becomes a party to the contractual provision of the instrument. The company derecognizes a financial liability from its statement of financial position when, and only when, it is extinguished, that is when the obligation specified in the contract is discharged or cancelled or expires.

**2.22 Cash and Cash Equivalents:**

According to IAS 7 Statement of Cash Flows, cash and cash equivalents comprises cash in hand, short term deposit and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values.

**2.23 Trade Receivables:**

The amount of receivable is lying with various party of the company. Trade receivables have been stated at their nominal value. Trade receivables are accrued in the ordinary course of business. The amounts of trade receivable are secured by debtor's personal security and considered good. Therefore, no provision was made for bad debt during the period. No amount was due by the Directors (including Managing Director) or any other official of the company.

**2.24 Advances, Deposits and Prepayments:**

Advances are initially measured at cost. After initial recognition advances are carried at cost less deduction/ adjustment/ transfer to respective account heads such as property, plant and equipment, inventory or expenses.

Deposits and prepayments are measured at payment value.

**2.25 Events after the Reporting Period:**

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

Adjusting Events - those that provide evidence of conditions that existed at the end of the reporting period.

Non adjusting Events- those that are indicative of conditions that arose after the reporting period.

Management has taken close look whether any events after the reporting period exist that need to take into account during the preparation of financial reports. No event after the reporting period exists and management has prepared the financial reports in accordance.

**2.26 Interim Financial Reporting**

IAS 34 requires that condensed Interim Financial Statements contain at a minimum:

- a condensed statement of financial position;
- a condensed statement or condensed statements of profit or loss and other comprehensive income;
- a condensed statement of changes in equity;
- a condensed statement of cash flows; and
- selected explanatory notes.

These Interim Financial Statements present selected explanatory notes that are intended to assist users in understanding the results of the operations of the company for the current interim period.

**2.27 Workers Profit Participation Fund (WPPF):**

The company has created a fund for workers "Workers profit participation fund (WPPF)" as per Bangladesh Labour Act, 2006 (Amendment 2013) by 5% of net profit before tax after charging such expenses.

**2.28 Authorization date for Issuing Financial Statements**

The financial statements were authorized by the Board of Directors on 12<sup>th</sup> November, 2019.

**2.29 Comparative Information**

Comparative information has been disclosed in the respect of previous period for all numeric information in the financial statements and also the narrative and descriptive

information where it is relevant for understanding of the current period's financial statement.

### **2.30 Operating Segment**

As required by IFRS 8 Operating Segments, if an entity operates business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker and for which discrete financial information is available.

At present the company performing its operation as a three operating segments, where it was only one segment for the period ended 30 September, 2018.

### **2.31 Measurement of Fair Values:**

When measuring the fair value of an asset or a liability, the company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) Level 2: inputs other than quoted prices included in level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### **2.32 Risk Management**

According to IFRS 7 Financial Instruments: Disclosures, an entity shall disclose information that enables users of its financial statements to evaluate the nature and extent of risks arising from financial instruments to which the entity is exposed at the end of the reporting period. The Management of the company are reviewed risk management policies, procedures and systems regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risk for its use of financial instruments.

- (a) Credit risk
- (b) Liquidity risk
- (c) Market risk

#### **(a) Credit Risk**

Credit risk is the risk of a financial loss to the Company if a customer to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables.

#### **Management Perception**

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

**(b) Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations on time.

**Management Perception**

The Company's approach to managing liquidity is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation. The Company has sufficient current assets and cash & cash equivalent to meet expected operational expenses including financial obligations.

**(c) Market Risk**

Market Risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. It reflects interest rate risk, currency risk and other price risks.

**Management Perception**

Management is fully aware of the market risk, and act accordingly. Market of animal health products in Bangladesh is growing rapidly. Moreover, the objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

**2.33 Related Party Transactions**

The objective of IAS 24 Related Party Disclosures is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties. Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions. This has been disclosed in a separate note to the financial statements.

**2.34 Functional and Presentational Currency**

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional and presentational currency. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

**2.35 General:**

- i) The financial Statements have been prepared covering a period from July 01, 2019 to September 30, 2019.

		Amount in Taka	
		30.09.2019	30.06.2019
<b>3.00</b>	<b>Property, Plant and Equipment</b>		
	Details of Property, Plant and Equipment and Depreciation as at 30 September, 2019 are Shown in the <b>Annexure- "A"</b> . The Breakup of the Balance are Shown Below:		
	<b>A. Assets at Cost:</b>		
	Opening Balance	379,406,017	231,208,492
	Add: Addition during the period	8,931,600	148,197,525
	<b>Closing Balance</b>	<b>388,337,617</b>	<b>379,406,017</b>
	<b>B. Accumulated Depreciation:</b>		
	Opening Balance	67,788,936	50,059,745
	Add: Charged during the period	5,586,895	17,729,191
	<b>Closing Balance</b>	<b>73,375,831</b>	<b>67,788,936</b>
	<b>Written Down Value (A-B) as at 30 September, 2019</b>	<b>314,961,786</b>	<b>311,617,081</b>
<b>4.00</b>	<b>Intangible Assets</b>		
	Opening Balance	375,000	-
	Add: Addition during the period	-	375,000
	<b>Closing Balance</b>	<b>375,000</b>	<b>375,000</b>
	<b>B. Accumulated Depreciation:</b>		
	Opening Balance	53,219	-
	Add: Charged during the period	16,089	53,219
	<b>Closing Balance</b>	<b>69,308</b>	<b>53,219</b>
	<b>Written Down Value (A-B) as at 30 September, 2019</b>	<b>305,692</b>	<b>321,781</b>
<b>5.00</b>	<b>Capital Work in Progress</b>		
	<b>A. Building and Other Construction:</b>		
	Opening Balance	13,928,544	33,474,594
	Add: Addition during the period	680,940	914,780
		<b>14,609,484</b>	<b>34,389,374</b>
	Less: Transferred to Property, Plant and Equipment	5,940,000	20,460,830
	<b>Closing Balance</b>	<b>8,669,484</b>	<b>13,928,544</b>
	<b>B. Plant and Machinery:</b>		
	Opening Balance	-	24,579,461
	Add: Addition during the period	-	28,299,721



		-	<b>52,879,182</b>
Less: Transferred to Property, Plant and Equipment		-	52,879,182
<b>Closing Balance</b>		-	-
<b>C. Pond (Excavation):</b>			
Opening Balance		-	-
Add: Addition during the period		-	43,260,853
		-	<b>43,260,853</b>
Less: Transferred to Property, Plant and Equipment		-	43,260,853
<b>Closing Balance</b>		-	-
<b>D. Truck Scale:</b>			
Opening Balance		-	2,675,720
Add: Addition during the period		-	2,240,000
		-	<b>4,915,720</b>
Less: Transferred to Property, Plant and Equipment		-	4,915,720
<b>Closing Balance</b>		-	-
<b>E. Electric Sub-Station:</b>			
Opening Balance		1,492,700	3,375,480
Add: Addition during the period		-	4,341,350
		<b>1,492,700</b>	<b>7,716,830</b>
Less: Transferred to Property, Plant and Equipment		1,492,700	6,224,130
<b>Closing Balance</b>		-	<b>1,492,700</b>
<b>F. Deep Tube-well and Submersible Pump:</b>			
Opening Balance		-	-
Add: Addition during the period		-	3,719,369
		-	<b>3,719,369</b>
Less: Transferred to Property, Plant and Equipment		-	3,719,369
<b>Closing Balance</b>		-	-
<b>Total (A+B+C+D+E+F)</b>		<b>8,669,484</b>	<b>15,421,244</b>
<b>6.00 Inventories</b>			
Work in Process	<b>19.00</b>	7,775,586	7,144,411
Finished Goods	<b>19.00</b>	19,836,886	21,928,474
Raw Materials	<b>19.01</b>	232,788,210	215,113,796
Packing Materials	<b>20.02</b>	359,283	340,215
Spare Parts	<b>20.03</b>	253,420	296,103
<b>Total</b>		<b>261,013,385</b>	<b>244,822,999</b>

#### 6.01 Raw Materials

Particulars	30.09.2019			30.06.2019
	Qty (kg/Pcs)	Rate	Amount (Tk.)	Amount (Tk.)
Base Materials	7,338,555	30.26	222,054,565	205,073,452
Broiler Vit. Premix	8,352	622.00	5,194,723	4,760,334
Broiler Min. Premix	2,304	180.00	414,681	387,793
Toxin Binder	6,099	92.00	561,091	508,404
Antioxidant	2,590	138.00	357,395	331,027
NSP Enzyme	1,171	375.00	439,140	402,804
Phytase Enzyme	1,671	868.00	1,450,131	1,341,404
Poultry and Hatchery Materials	14,583	72.95	1,063,842	1,006,044
Fisheries Materials	28,441	44.04	1,252,642	1,302,534
<b>Total Raw Material</b>	<b>7,403,765</b>		<b>232,788,210</b>	<b>215,113,796</b>

#### 7.00 Trade and Other Receivables

288,668,383	255,701,462
<b>288,668,383</b>	<b>255,701,462</b>

The Amount of Receivable is against Bills as on 30 September, 2019. This is Considered as Good and Realizable and Secured.

#### 7.01 Trade Receivables

Particulars

Trade Receivables (Annexure -"B")

**Total**

288,668,383	255,604,373
<b>288,668,383</b>	<b>255,604,373</b>

**Aging of the Above Balance is as Follows:**

More Than Six Months

Less Than Six Months

-	-
288,668,383	255,604,373
<b>288,668,383</b>	<b>255,604,373</b>

The Classification of Trade Receivables as Required by the Schedule-XI, Part-I, Para -4 of the Companies Act, 1994 are Given Below:

Sl. No.	Particulars	Amount in Taka	
		30.09.2019	30.06.2019
01	Receivables considered good and in respect of which the company is fully secured;	-	-
02	Receivables considered good for which the company holds no security other than the debtor's personal security;	288,668,383	255,604,373
03	Receivables considered doubtful or bad;	-	-
04	Receivables due by directors or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or	-	-

	private companies respectively in which any director is a partner or a director or a member;		
05	Receivables due by companies under the same management;	-	-
06	The maximum amount due by directors or other officers of the company at any time during the period.	-	-
<b>Total:</b>		<b>288,668,383</b>	<b>255,604,373</b>

#### 7.02 Other Receivables

Interest Receivables from FDR

-	97,089
<b>-</b>	<b>97,089</b>

#### 8.00 Advances, Deposits and Prepayments

##### a) Advances :

Advance Income Tax

Advance to Staff against Salary

Advance against Raw Materials

<b>8.01</b>	122,831	106,102
	160,700	198,500
	5,985,375	6,765,842
	<b>6,268,906</b>	<b>7,070,444</b>

##### b) Deposits :

Gazipur Palli Biddut Samity

Security Deposit to Noakhali PBS and Mymensingh PBS-2

Office Rent (Security Deposit)

45,820	45,820
320,000	320,000
420,000	420,000
<b>785,820</b>	<b>785,820</b>

##### c) Prepayments :

Prepaid Insurance Premium

296,838	37,337
<b>296,838</b>	<b>37,337</b>

##### Total (a+b+c)

<b>7,351,564</b>	<b>7,893,601</b>
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#### 8.01 Advance Income Tax

Opening Balance

Add: AIT on Bank Interest Income

Add: AIT at the Time of Car Fitness Renewal

Add: Tax payment for the financial year 2014-2015

Add: Tax payment for the financial year 2015-2016

Add: Tax payment for the financial year 2016-2017

Add: Tax payment for the financial year 2017-2018

Less: Adjustment for the financial year 2014-2015

106,102	8,766
16,729	76,102
-	30,000
14,468	377,182
34,716	1,802,784
196,331	1,146,694
-	3,128,488
(14,468)	(377,182)

Less: Adjustment for the financial year 2015-2016	(34,716)	(1,802,784)
Less: Adjustment for the financial year 2016-2017	(196,331)	(1,146,694)
Less: Adjustment for the financial year 2017-2018	-	(3,137,254)
<b>Closing Balance</b>	<b>122,831</b>	<b>106,102</b>

The Classification of Advance as required by the Schedule XI, Part I, Para 6 of the Companies Act, 1994 are given below:

Sl. No.	Particulars	Amount in Taka	
		30.09.2019	30.06.2019
01	Advances, deposits and prepayments considered good and in respect of which the company is fully secured;	7,190,864	7,695,101
02	Advances, deposits and prepayments considered good for which the company holds no security other than the debtor's personal security;	-	-
03	Advances, deposits and prepayments considered doubtful or bad;	-	-
04	Advances, deposits and prepayments due by directors or other officers of the company or any of them either severally or jointly with any other person or advances, deposits and prepayments due by firms or private companies respectively in which any director is a partner or a director or a member;	-	-
05	Advances, deposits and prepayments due by companies under the same management;	-	-
06	The maximum amount due by directors or other officers of the company at any time during the period.	160,700	198,500
<b>Total:</b>		<b>7,351,564</b>	<b>7,893,601</b>

**9.00 Cash and Cash Equivalent**

Cash in Hand		1,284,917	1,687,541
Cash at Bank	<b>9.01</b>	3,617,701	15,792,993
<b>Total</b>		<b>4,902,618</b>	<b>17,480,534</b>

**9.01 Cash at Bank**

Southeast Bank Ltd., Malibag Branch	22,518	64,188
Southeast Bank Ltd., Principal Branch	4,400	4,400
Southeast Bank Ltd., Malibag Branch	346,870	3,486,563
Shahjalal Islami Bank Ltd., Uttara Branch	1,578	1,578
Shahjalal Islami Bank Ltd., Foreign Exchange Branch	47,973	54,007

	SBAC Bank Ltd., Principal Branch	95,053	1,535,325
	Agrani Bank Ltd., Principal Branch	53	288
	Islami Bank Bangladesh Ltd., Uttara Branch	6,499	6,499
	Islami Bank Bangladesh Ltd., VIP Road Branch	2,925,749	2,992,489
	Pubali Bank Limited, Shantinagar Branch	167,008	-
	Southeast Bank Ltd., Malibag Branch (FDR)	-	7,647,656
		<b>3,617,701</b>	<b>15,792,993</b>
<b>10.00</b>	<b>Share Capital</b>		
	<b>Authorised Capital:</b>		
	100,000,000 Ordinary Shares of Tk.10/- Each	<b>1,000,000,000</b>	<b>1,000,000,000</b>
	<b>Issued, Subscribed &amp; Paid-Up Capital:</b>	<b>571,505,000</b>	<b>550,000,000</b>
	100,000 Ordinary Shares of Tk.10/- Each 2012	1,000,000	1,000,000
	9,645,000 Ordinary Shares of Tk. 10/- Each Fully Paid-Up 2018	96,450,000	96,450,000
	45,255,000 Ordinary Shares of Tk. 10/- Each Fully Paid-Up 2019	452,550,000	452,550,000
	2,150,500 Ordinary Shares of Tk. 10/- Each Fully Paid-Up 2019	21,505,000	-
		<b>571,505,000</b>	<b>550,000,000</b>
	The company split the Face Value of its Share from Tk. 100/- to Tk. 10/- on 28.06.2018		
	<b>The Shareholding Position of the Company is Shown in Annexure -"C"</b>		
<b>11.00</b>	<b>Retained Earnings</b>		
	Opening Balance	133,309,635	71,362,815
	Add: Net Profit After Tax	17,693,299	61,946,820
	<b>Closing Balance</b>	<b>151,002,934</b>	<b>133,309,635</b>
<b>12.00</b>	<b>Long Term Borrowings</b>		
	Agrani Bank Ltd., Principal Branch		
	A/C No- 0200003820864	84,518,394	84,518,394
	Less: Current Portion of Long Term Borrowings	18,757,946	18,255,908
	<b>Long Term Borrowings Net of Current Portion</b>	<b>65,760,448</b>	<b>66,262,486</b>
	This represent the present outstanding balance of the above Long term loans taken for the purchase of Machinery. The above loans are secured by land and plant & machinery.		

<b>13.00</b>	<b>Share Money Deposit</b>		
	Opening Balance	12,146,500	159,793,000
	Add: Deposit during the period	9,358,500	304,903,500
		<b>21,505,000</b>	<b>464,696,500</b>
	Less: Allotment during the period	21,505,000	452,550,000
	<b>Closing Balance</b>	<b>-</b>	<b>12,146,500</b>
<b>14.00</b>	<b>Short Term Borrowings</b>		
	Agrani Bank Ltd., Principal Branch (CC HYPO)	16,786,304	17,086,304
	Less: Interest Payable	2,471,613	2,771,613
		<b>14,314,691</b>	<b>14,314,691</b>
	This represent the present outstanding balance of the above short term loans taken for the purchase of Raw materials. The above loans are secured by Inventory.		
<b>15.00</b>	<b>Trade Payable</b>		
	Creditors for Goods Supply	<b>15.01</b> 17,906,905	17,589,818
	<b>Total</b>	<b>17,906,905</b>	<b>17,589,818</b>
<b>15.01</b>	<b>Creditors for Goods Supply</b>		
	M/s. Modina Trading Corporation	882,515	855,426
	M/s. Agro Traders	701,244	679,856
	M/s. Islam Traders	305,420	234,625
	M/s. Kings Agro	1,024,920	985,683
	M/s. Konabari Traders	196,240	286,453
	M/s. Sikder Enterprise	210,423	281,756
	M/s. Anisha Trading Corporation	260,980	344,588
	M/s. Cedar Bangladesh Limited	496,830	686,637
	M/s. BAXTER	703,620	649,863
	M/s. NOVERTIS	642,380	545,286
	M/s. Chittagong Traders	724,386	454,894
	M/s. Redisha Agrotech	1,211,240	504,563
	M/s. Inspire International	986,420	545,683
	M/s. Doctors International	586,576	502,546
	M/s. Hoovers Agrovat Ltd.	971,380	624,568
	M/s. Islam Enterprise	150,800	244,635
	M/s. Advent Pharma Limited	1,536,000	1,674,600
	M/s. Win Poultry Feeds Ltd.	489,334	594,257
	M/s. S. M. Trading	1,021,423	858,328

	M/s. Smriti Store		322,756	578,644
	M/s. Satata Enterprise		183,458	276,842
	M/s. Afifa Medicine Corner		502,145	785,424
	M/s. Bormi Store		482,456	442,587
	M/s. Al-Amin Poultry Feed		342,857	622,147
	M/s. Ideal Krishibid Plus Limited		722,432	640,280
	M/s. Aden Trade Ltd.		1,013,244	1,504,163
	M/s. T.F Enterprise		1,235,426	1,185,484
	<b>Total</b>		<b>17,906,905</b>	<b>17,589,818</b>
<b>16.00</b>	<b>Liabilities for Expenses</b>			
	Salaries and Allowance		1,768,050	1,647,500
	Director Remuneration		100,000	100,000
	Electricity Bill		236,920	171,098
	Mobile Charges		68,544	67,924
	Internet Bill		1,000	1,000
	Interest Payable on Borrowings	<b>16.01</b>	16,281,252	15,084,265
	Provision for Income Tax	<b>16.02</b>	10,066,699	7,774,996
	Provision for WPPF	<b>16.03</b>	4,761,305	3,719,897
	Audit Fee		125,000	75,000
	Other Payable		113,106	232,512
	<b>Total</b>		<b>33,521,876</b>	<b>28,874,192</b>
<b>16.01</b>	<b>Interest Payable on Borrowings</b>			
	Interest Payable on Long Term Borrowings	<b>16.01.1</b>	13,339,766	12,312,652
	Interest Payable on Short Term Borrowings	<b>16.01.2</b>	2,941,486	2,771,613
	<b>Total</b>		<b>16,281,252</b>	<b>15,084,265</b>
<b>16.01.1</b>	<b>Interest payable on long term borrowings</b>			
	<b>Agrani bank limited, a/c no- 0200003820864</b>			
	Opening balance		12,312,652	8,143,431
	Add: Interest charges		2,227,114	9,861,615
	Add: Bank charges		-	25,000
	Less: Payment made during the period		(1,200,000)	(5,717,394)
	<b>Closing balance</b>		<b>13,339,766</b>	<b>12,312,652</b>

**16.01.2 Interest payable on short term borrowings**  
**Agrani bank limited, a/c no- 0200004324422**

Opening balance	2,771,613	1,453,339
Add: Interest charges	-	2,020,965
Add: Excise duty and others charges	-	12,000
Add: Accrued interest	469,873	-
Less: Payment made during the period	(300,000)	(714,691)
	<b>2,941,486</b>	<b>2,771,613</b>

**16.02 Provision for Income Tax**

Opening Balance	7,774,996	6,463,914
Add: Addition during the period	2,537,218	7,774,996
	<b>10,312,214</b>	<b>14,238,910</b>
Less: Adjustment for the financial year 2014-2015	14,468	377,182
Less: Adjustment for the financial year 2015-2016	34,716	1,802,784
Less: Adjustment for the financial year 2016-2017	196,331	1,146,694
Less: Adjustment for the financial year 2017-2018	-	3,137,254
<b>Closing Balance</b>	<b>10,066,699</b>	<b>7,774,996</b>

**16.03 Liabilities for WPPF**

This is made up as follows:

**Particulars**

Opening Balance	3,719,897	-
Add: Addition during the period	1,041,408	3,719,897
	<b>4,761,305</b>	<b>3,719,897</b>
Less: Payment during the period	-	-
<b>Closing Balance</b>	<b>4,761,305</b>	<b>3,719,897</b>

**17.00 Net Asset Value (NAV) per Share**

This is made up as follows:

**Particulars**

The Computation of NAV is given below:

Total Assets	885,872,912	853,258,702
Less: Current Liabilities	84,501,418	79,034,609
Less: Non-Current Liabilities	78,863,560	90,914,458
<b>Net Assets</b>	<b>722,507,934</b>	<b>683,309,635</b>
No. of Ordinary Shares Outstanding	57,150,500	55,000,000
<b>Net Asset Value (NAV) per Share</b>	<b>12.64</b>	<b>12.42</b>



		Amount in Taka				
		Feed	Poultry	Fisheries	01 Jul. 2019 to 30 Sep. 2019	01 Jul. 2018 to 30 Sep. 2018
<b>18.00</b>	<b>Revenue</b>	<b>239,644,521</b>	<b>6,305,266</b>	<b>10,238,865</b>	<b>256,188,652</b>	<b>207,974,249</b>
	This is made up as follows:					
	<b>Particulars</b>					
	Revenue from Feed Sales	239,644,521	-	-	239,644,521	198,254,331
	Revenue from Poultry Sales	-	6,305,266	-	6,305,266	9,719,918
	Revenue from Fish Sales	-	-	10,238,865	10,238,865	-
	<b>Total</b>	<b>239,644,521</b>	<b>6,305,266</b>	<b>10,238,865</b>	<b>256,188,652</b>	<b>207,974,249</b>
<b>18.01</b>	<b>Revenue from Feed Sales</b>					
	Poultry Feed	194,981,325	-	-	194,981,325	165,878,075
	Fish Feed	41,635,321	-	-	41,635,321	30,228,270
	Cattle Feed	3,027,875	-	-	3,027,875	2,147,986
	<b>Total</b>	<b>239,644,521</b>	<b>-</b>	<b>-</b>	<b>239,644,521</b>	<b>198,254,331</b>
<b>19.00</b>	<b>Cost of Goods Sold</b>					
	Raw Materials Consumed	194,794,486	3,321,091	6,946,601	205,062,178	153,486,382
	Manufacturing Overhead	12,176,461	2,126,928	2,572,374	16,875,763	14,548,907
	<b>Manufacturing Cost</b>	<b>206,970,947</b>	<b>5,448,019</b>	<b>9,518,975</b>	<b>221,937,941</b>	<b>168,035,289</b>
	Add: Work in Process-Opening	688,862	-	6,455,549	7,144,411	1,338,539
	Less: Work in Process-Closing	645,320	-	7,130,266	7,775,586	988,683
	<b>Cost of Goods Manufactured</b>	<b>207,014,489</b>	<b>5,448,019</b>	<b>8,844,258</b>	<b>221,306,766</b>	<b>168,385,145</b>
	Add: Finished Goods-Opening	21,928,474	-	-	21,928,474	39,609,219
	Less: Finished Goods-Closing	19,836,886	-	-	19,836,886	26,506,844
	<b>Cost of Goods Sold</b>	<b>209,106,077</b>	<b>5,448,019</b>	<b>8,844,258</b>	<b>223,398,354</b>	<b>181,487,520</b>
<b>19.01</b>	<b>Raw Materials Consumed</b>					
	Opening Stock of Raw Materials	212,805,218	1,006,044	1,302,534	215,113,796	85,675,300
	Add : Purchase during the period	212,460,994	3,378,889	6,896,709	222,736,592	182,530,359
	Less : Closing Stock of Raw Materials	230,471,726	1,063,842	1,252,642	232,788,210	114,719,277
	<b>Material Consumed</b>	<b>194,794,486</b>	<b>3,321,091</b>	<b>6,946,601</b>	<b>205,062,178</b>	<b>153,486,382</b>

<b>19.01.01</b>	<b>Raw Material Purchased</b>					
	Chicks/ Minnow Purchase	-	782,075	1,158,401	1,940,476	779,850
	Raw Material Purchase	212,460,994	2,596,814	5,738,308	220,796,116	181,750,509
	<b>Total</b>	<b>212,460,994</b>	<b>3,378,889</b>	<b>6,896,709</b>	<b>222,736,592</b>	<b>182,530,359</b>
<b>20.00</b>	<b>Manufacturing Overhead</b>					
	Factory Overhead					
	<b>Total</b>					
<b>20.01</b>	<b>Factory Overhead</b>					
	Wages, Salaries and Allowances	1,322,340	822,550	983,325	3,128,215	2,064,700
	Festival Bonus	440,780	275,650	270,500	986,930	687,500
	Pond Renovation	-	-	496,180	496,180	-
	Tiffin Expenses	32,130	9,939	19,877	61,946	38,921
	Entertainment	39,187	11,620	28,136	78,943	47,102
	Medical Expenses	43,820	4,373	14,852	63,045	45,240
	Electricity, Gas, Power and Fuel	1,649,022	383,639	106,042	2,138,703	974,042
	Mobile Phone Charges	44,110	8,312	14,824	67,246	45,668
	Internet Charges	1,950	2,100	1,950	6,000	3,000
	Amortization of Parent Stock	-	-	-	-	3,155,800
	Packing Materials	3,930,664	-	-	3,930,664	3,500,856
	Spare Parts	167,077	-	-	167,077	166,179
	Insurance	121,998	-	-	121,998	149,348
	Repairs and Maintenance	47,630	15,096	10,213	72,939	64,323
	Miscellaneous Expenses	93,234	63,334	96,160	252,728	133,613
	Depreciation (Annexure -"A")	4,242,519	530,315	530,315	5,303,149	3,472,615
	<b>Total</b>	<b>12,176,461</b>	<b>2,126,928</b>	<b>2,572,374</b>	<b>16,875,763</b>	<b>14,548,907</b>
<b>20.02</b>	<b>Packing Materials</b>					
	Opening Packing Materials	340,215	-	-	340,215	370,281
	Add: Purchase during the period	3,949,732	-	-	3,949,732	3,446,996
	Less: Closing Packing Materials	359,283	-	-	359,283	316,421
	<b>Packing Materials Consumption</b>	<b>3,930,664</b>	<b>-</b>	<b>-</b>	<b>3,930,664</b>	<b>3,500,856</b>
<b>20.03</b>	<b>Spare Parts</b>					
	Opening Spare Parts	296,103	-	-	296,103	295,340
	Add: Purchase during the period	124,394	-	-	124,394	168,948
	Less: Closing Spare Parts	253,420	-	-	253,420	298,109
	<b>Spare Parts Consumption</b>	<b>167,077</b>	<b>-</b>	<b>-</b>	<b>167,077</b>	<b>166,179</b>

**21.00 Administrative Expenses**

Salaries and Allowances	1,622,400	272,500	286,800	2,181,700	1,725,000
Festival Bonus	443,500	90,800	95,600	629,900	485,000
Director Remuneration	240,000	30,000	30,000	300,000	300,000
Office Rent Including VAT	110,400	13,800	13,800	138,000	105,000
Electricity Charges	17,556	2,195	2,195	21,946	20,973
Mobile Phone Charges	51,539	6,442	6,442	64,423	63,352
Internet Charges	4,320	540	540	5,400	3,000
Photocopy and Stationery	51,550	6,444	6,444	64,438	54,524
Newspaper and Periodicals	2,232	279	279	2,790	2,059
Conveyance	80,218	10,027	10,027	100,272	71,761
Fees and Renewals	8,444	1,055	1,056	10,555	1,142,551
Board Meeting Attendance Fee	12,800	1,600	1,600	16,000	8,000
Gas Bill	2,340	292	293	2,925	2,400
Water Bill	4,800	600	600	6,000	4,800
Miscellaneous Expenses	91,148	11,393	11,394	113,935	78,388
Entertainment	57,789	7,224	7,224	72,237	63,109
Service Charges for Generator	22,972	2,871	2,872	28,715	26,540
Vehicle Fuel	82,688	10,336	10,336	103,360	-
Repairs and Maintenance	14,592	1,824	1,824	18,240	14,185
Uniform and Liveries	15,852	1,981	1,981	19,814	16,490
Audit Fees	40,000	5,000	5,000	50,000	18,750
Legal and Professional Fees	12,000	1,500	1,500	15,000	17,250
Amortization of Intangible Assets (Annexure -"A")	12,871	1,609	1,609	16,089	-
Depreciation (Annexure -"A")	226,997	28,375	28,374	283,746	131,144
<b>Total</b>	<b>3,229,008</b>	<b>508,687</b>	<b>527,790</b>	<b>4,265,485</b>	<b>4,354,276</b>

**21.01****21.01 Board Meeting Attendance Fee:**

Name of the Director	No. of Meeting Held	Board Meeting Attend	Fee Per Meeting	Amount in Tk.	Amount in Tk.
Asma Akter Sumie	2	2	2,000	4,000	4,000
Md. Kabir Hossain		2	2,000	4,000	4,000
Rafiqul Alam		2	2,000	4,000	-
Shahida Akter Sumi		2	2,000	4,000	-
<b>Total:</b>				<b>16,000</b>	<b>8,000</b>

<b>22.00</b>	<b>Selling and Distribution Expenses</b>					
	Salaries and Allowances	1,685,600	162,000	105,000	1,952,600	1,693,300
	Festival Bonus	476,200	54,000	35,000	565,200	481,100
	Carrying and Handling Charges (Outward)	986,507	31,658	52,876	1,071,041	736,841
	Business Promotion Expenses	191,324	15,430	28,960	235,714	187,697
	Electricity Charges	5,852	731	732	7,315	8,976
	Mobile Phone Charges	92,124	2,970	4,365	99,459	89,786
	Traveling and Conveyance	160,350	3,880	5,422	169,652	158,809
	Advertisement Expenses	-	-	-	-	4,600
	<b>Total</b>	<b>3,597,957</b>	<b>270,669</b>	<b>232,355</b>	<b>4,100,981</b>	<b>3,361,109</b>
<b>23.00</b>	<b>Other Income</b>					
	Interest Income from FDR	70,204	-	-	70,204	-
	Wastage Sales	102,635	-	-	102,635	91,756
	<b>Total</b>	<b>172,839</b>	<b>-</b>	<b>-</b>	<b>172,839</b>	<b>91,756</b>
<b>24.00</b>	<b>Financial Charges</b>					
	Bank Charges and Others	30,119	-	-	30,119	8,305
	Interest on Short Term Borrowings	469,873	-	-	469,873	505,241
	Interest on Long Term Borrowings	2,227,114	-	-	2,227,114	2,916,416
	<b>Total</b>	<b>2,727,106</b>	<b>-</b>	<b>-</b>	<b>2,727,106</b>	<b>3,429,962</b>
<b>25.00</b>	<b>Contribution to WPPF</b>					
	The break-up of the amount is given below:					
	<b>Particulars</b>					
	Profit before Contribution to WPPF	21,157,212	77,891	634,462	21,869,565	15,433,138
	Contribution to WPPF	<b>1,007,487</b>	<b>3,709</b>	<b>30,212</b>	<b>1,041,408</b>	<b>734,911</b>
	As per Bangladesh Labour Act, 2006 (Amendment 2013) the amount is computed @ 5% net profit before Income Tax.					
<b>26.00</b>	<b>Current Tax</b>					
	Current Tax on Business Income	2,448,363	10,809	17,552	2,476,724	1,699,384
	Current Tax on Other Income @ 35%	60,494	-	-	60,494	32,114
		<b>2,508,857</b>	<b>10,809</b>	<b>17,552</b>	<b>2,537,218</b>	<b>1,731,498</b>
<b>26.01</b>	<b>Calculation on Taxable Income Excluding Other Income</b>					
	Profit Before Tax as per Accounts	20,149,725	74,182	604,250	20,828,157	14,698,227
	Add: Accounting Depreciation	4,482,387	560,299	560,298	5,602,984	3,603,759
	Less: Tax Base Depreciation	(7,770,187)	(971,273)	(971,273)	(9,712,733)	(6,591,570)
	Less: Other Income	(172,839)	-	-	(172,839)	(91,756)
	<b>Taxable Income/(Loss)</b>	<b>16,689,086</b>	<b>(336,792)</b>	<b>193,275</b>	<b>16,545,569</b>	<b>11,618,660</b>

**26.02 Current Tax on Business Income****a) Feed Unit:**

First 10 lac @ 3%

Next 20 lac @ 10%

Rest Amount @ 15%

**Total:****b) Poultry Unit:**

Gross receipt of the period

Revenue

Other income

**Total receipt**

Minimum tax

**c) Fisheries Unit:**

Gross receipt of the period

Revenue

Other income

**Total receipt**

Minimum tax

**Total (a+b+c):****30.09.2019**

250,000

500,000

15,939,086

**16,689,086**

7,500	7,500
50,000	50,000
2,390,863	1,625,221
<b>2,448,363</b>	<b>1,682,721</b>

6,305,266	9,719,918
-	-
6,305,266	9,719,918
<b>10,809</b>	<b>16,663</b>

10,238,865	-
-	-
10,238,865	-
<b>17,552</b>	-
<b>2,476,724</b>	<b>1,699,384</b>

**27.00 Deferred Tax**

Carrying Amount of Property, Plant and Equipment

Less: Tax Base Value

**Temporary Difference****Tax Rate**

Deferred Tax Liability

Less: Opening Deferred Tax Liability

**Deferred Tax Expenses**

252,213,982	31,526,748	31,526,748	315,267,478	206,403,738
177,246,865	22,155,858	22,155,858	221,558,581	141,627,633
<b>74,967,117</b>	<b>9,370,890</b>	<b>9,370,890</b>	<b>93,708,897</b>	<b>64,776,105</b>
<b>15.00%</b>		<b>10.00%</b>		
11,245,068	920,955	937,089	13,103,112	9,060,743
10,751,898	857,582	895,992	12,505,472	7,829,354
<b>493,170</b>	<b>63,373</b>	<b>41,097</b>	<b>597,640</b>	<b>1,231,389</b>

**28.00 Earnings per Share**

a) Net Profit After Tax

b) Weighted Average Number of Ordinary Shares

Outstanding

**Earnings per Share (EPS) (a/b)**

17,693,299	11,735,340
<b>28.01</b>	56,275,684
	25,720,000
<b>0.31</b>	<b>0.46</b>

**28.01 Calculation of Weighted Average Number of Shares**

Particulars	Number of Share	Weight	Weighted Average No. of Shares 30 Sept. 2019
Opening No. of Shares	55,000,000	92/92	55,000,000
Issued from Share Money Deposit (Received during the period September 30, 2019)	1,214,650	92/92	1,214,650
Issued from Share Money Deposit (Received during the period September 30, 2019)	935,850	6/92	61,034
<b>Total</b>	<b>57,150,500</b>		<b>56,275,684</b>

Particulars	Number of Share	Weight	Weighted Average No. of Shares 30 Sept. 2018
Opening No. of Shares	9,745,000	92/92	9,745,000
Issued from Share Money Deposit	15,975,000	92/92	15,975,000
<b>Total</b>	<b>25,720,000</b>		<b>25,720,000</b>

**29.00 Net Operating Cash Flows per Share (NOCFPS)**

This is made up as follows:

**Particulars**

a) Net Operating Cash Flows	(18,256,576)	(21,444,155)
b) Weighted average number of ordinary shares outstanding	56,275,684	25,720,000
<b>Net Operating Cash Flows per Share (NOCFPS) (a/b)</b>	<b>(0.32)</b>	<b>(0.83)</b>

**30.00 Reconciliation of Net Profit with cash flows from Operating Activities:**

Profit before Tax	20,828,157	14,698,227
<b>Adjustment for:</b>		
Depreciation on Property, plant and equipment	5,602,984	3,603,759
Amortization of Parent Stock	-	3,155,800
Financial Expenses	2,696,987	3,421,657
	<b>29,128,128</b>	<b>24,879,443</b>
<b>(Increase)/Decrease in Current Assets:</b>		
(Increase)/Decrease in Trade Receivables	(33,064,010)	(26,670,708)

(Increase)/Decrease Other Receivables	97,089	-
(Increase)/Decrease in Inventory	(16,190,386)	(15,540,654)
(Increase)/Decrease in Advance, Deposit & Prepayments	558,766	(721,102)
<b>Increase/(Decrease) in Current Liabilities:</b>		
Increase/(Decrease) Liabilities for Expenses	117,586	312,313
Increase/(Decrease) in Trade Payable	317,087	(4,438,358)
Increase/(Decrease) in liabilities for contribution to W.P.P.F	1,041,408	734,911
	<b>(17,994,332)</b>	<b>(21,444,155)</b>
Less: Income Tax Paid	(262,244)	-
<b>Net Cash Generated from Operating Activities</b>	<b>(18,256,576)</b>	<b>(21,444,155)</b>

**31.00 Disclosure as per Companies Act, 1994.**

**31.01 Schedule XI, part-II, Para 3, Note- 5 :**

**31.01.1 The requirement of schedule XI, part-II, Para 3 (a) : Turnover**

Particulars	Sept. 30, 2019			
	Feed	Poultry	Fisheries	Total
Turnover in BDT.	239,644,521	6,305,266	10,238,865	256,188,652
Turnover in Quantity (M.Ton)	8,251	57	23	8,331

**31.01.2 The requirement of schedule XI part-II, Para 3 (d) (i) : Raw Materials Consumed**

Particulars	Sept. 30, 2019
Raw Material (Value in BDT.)	205,062,178
Raw Material Quantities (kg)	6,335,950
Raw Material Quantities (Pcs)	177,650

**31.01.3 The requirement of schedule XI part-II, Para 3 (d) (ii) : Finished goods**

Particulars	Sept. 30, 2019
Opening Quantity ( M.Ton)	700.66
Production Quantity ( M.Ton)	8,180
Closing Quantity ( M.Ton)	629.71

**31.01.4 The requirement of schedule XI part-II, Note 5 of Para 3 : Employees**

Employee position of the company as at September 30, 2019:

Salary (Monthly)	Officer & Staff		Worker	Total Employees
	Factory	Head Office		
Number of employees whose salary below Tk. 3,000 per month	-	-	-	-
Number of employees whose salary above Tk. 3,000 per month	72	43	74	189
<b>Total:</b>	<b>72</b>	<b>43</b>	<b>74</b>	<b>189</b>

**31.01.5 Disclosure as per requirement of Schedule XI, Part II, Para 4 :****Payments to Managing Director and Director by the company during the period**

SL No.	Particulars	Sept. 30, 2019
(a)	Managerial remuneration paid or payable during the financial period to the directors, including managing director, a managing agent or manager;	316,000
(b)	Expenses reimbursed to the managing agent;	Nil
(c)	Commission or other remuneration payable separately to a managing agent or his associate;	Nil
(d)	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company;	Nil
(e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial period;	Nil
(f)	Any other perquisites or benefits in cash or in kind;	Nil
(g)	Other allowances and commission including guarantee commission.	Nil
(h)	Pensions etc.-	Nil
	(i) Pensions	Nil
	(ii) Gratuities	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil
	(iv) Compensation for loss of office	Nil
	(v) Consideration in connection with retirement from office.	Nil

**31.01.6 Disclosure as per requirement of Schedule XI, Part II, Para 6 :**

Amount paid to the auditor as fees for service rendered-

(a) as auditor; Nil

(b) as advisor, or in any other capacity, in respect of-

(i) taxation matters; Nil

(ii) company law matters; Nil

(iii) management services; Nil and



(c) in any other manner Nil.

**31.01.7 Disclosure as per requirement of Schedule XI, Part II, Para 7:**

Particulars	Sept. 30, 2019
<b>i) Feed Mill Unit:</b>	
Installed Production Capacity (M. Ton)	12,012
Actual Production (M. Ton)	8,180.17
Capacity Utilization	68%
<b>ii) Poultry Unit:</b>	
Production Capacity (M. Ton)	67.50
Actual Production (M. Ton)	57.25
Capacity Utilization	85%
<b>iii) Fisheries Unit:</b>	
Production Capacity (M. Ton)	27.50
Actual Production (M. Ton)	23.01
Capacity Utilization	84%

**31.01.8 Disclosure as per requirements of Schedule XI, Part II, Para 8 :**

(a) Value of imports calculated on C.I.F basis by the company during the financial period in respect of raw materials, components and spare parts and capital goods were as follows:

Sl. No.	Particulars	Sept. 30, 2019 Import Amount in BDT
(i)	Raw Materials	-
(ii)	Packing Materials	-
(iii)	Components of Spare parts	-
(iv)	Capital Goods	-

(b) The Company did not have any expenditure in foreign currency during the financial period on account of royalty, know-how, professional consultation fees, interest and other matters.

(c) Value of all imported raw materials, spare parts and components consumed during the financial period and the value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption:

Particulars	Total Consumption	Imported Taka	(%)	Local Taka	(%)
Raw Materials	205,062,178	-	0%	205,062,178	100%
Packing Materials	3,930,664	-	0%	3,930,664	100%
Store Items	-	-	0%	-	0%
<b>Total</b>	<b>208,992,842</b>	<b>-</b>		<b>208,992,842</b>	

(d) No amount has been remitted during the period in foreign currencies on account of dividends for non-residents shareholders,

(e) Earnings in foreign exchange classified under the following heads, namely:

- (i) No export made during the period;
- (ii) No royalty , know -how, professional and consultation fees were received;
- (iii) No interest and dividend received;
- (iv) No other income received.

**32.00 As per Paragraph 17, IAS 24 Disclosure of key management personnel compensation are as follows:**

a) Short-Term Employee Benefits;

(i) Remuneration

Name	Relationship with Company	Nature of Transaction	Amount in Taka	
			Sept. 30, 2019	
			Total	Payable
Md. Kabir Hossain	Managing Director	Remuneration	300,000	100,000
<b>Total:</b>			<b>300,000</b>	<b>100,000</b>

(ii) Board meeting fees for the period ended September 30, 2019

Name of the Board of Directors	Designation	Sept. 30, 2019		
		No. of Meeting Held	Board Meeting Attend	Amount in Tk.
Asma Akter Sumie	Chairman	2	2	4,000
Md. Kabir Hossain	Managing Director	2	2	4,000
Rafiqul Alam	Director	2	2	4,000
Shahida Akter Sumi	Director	2	2	4,000
<b>Total:</b>				<b>16,000</b>

(b) Post Employment Benefits : Nil

(c) Other Long Term Benefits : Nil

(d) Termination Benefits and : Nil

(e) Share-Based Payment : Nil

**MASTER FEED AGROTEC LIMITED.**Shemultola, Sonabo, Sreepur,  
Gazipur.**ARTISAN**

CHARTERED ACCOUNTANTS

**Schedule of Property, Plant and Equipment  
As at 30 September, 2019****Annexure - "A"**

Sl. No.	Particulars	Cost			Rate of depreciation (%)	Depreciation			Written Down value as at 30.09.2019	Written Down value as at 30.06.2019
		Balance as on 01.07.2019	Addition during the period	Balance as on 30.09.2019		Balance as on 01.07.2019	Charged during the period	Balance as on 30.09.2019		
1	Land	10,727,233	-	10,727,233	0%	-	-	-	10,727,233	10,727,233
2	Land development	9,485,050	-	9,485,050	2.5%	1,442,644	50,265	1,492,909	7,992,141	8,042,406
3	Pond (Excavation)	43,260,853	-	43,260,853	3%	702,989	319,184	1,022,173	42,238,680	42,557,864
4	Building and other construction	117,071,860	5,940,000	123,011,860	5%	20,282,560	1,248,110	21,530,670	101,481,190	96,789,300
5	Plant and machinery	162,938,957	1,218,000	164,156,957	10%	38,121,361	3,140,766	41,262,127	122,894,830	124,817,596
6	Truck scale	4,915,720	-	4,915,720	10%	230,298	117,136	347,434	4,568,286	4,685,422
7	Electric sub-station	6,224,130	1,492,700	7,716,830	10%	458,710	178,488	637,198	7,079,632	5,765,420
8	Lab equipment's	600,020	-	600,020	10%	25,152	14,372	39,524	560,496	574,868
9	Diesel generator	4,906,810	-	4,906,810	15%	2,037,518	107,598	2,145,116	2,761,694	2,869,292
10	Deep tube-well and submersible pump	3,719,369	-	3,719,369	10%	70,264	91,228	161,492	3,557,877	3,649,105
11	Vehicle	4,580,281	-	4,580,281	10%	173,172	110,178	283,350	4,296,931	4,407,109
12	Bicycle	246,000	240,000	486,000	10%	16,377	10,672	27,049	458,951	229,623
13	Fire equipment	1,362,110	-	1,362,110	20%	855,506	25,330	880,836	481,274	506,604
14	Furniture and fixture	6,157,846	-	6,157,846	10%	2,037,442	103,010	2,140,452	4,017,394	4,120,404
15	Office equipment	3,209,778	40,900	3,250,678	15%	1,334,943	70,558	1,405,501	1,845,177	1,874,835
<b>Sub-Total:</b>		<b>379,406,017</b>	<b>8,931,600</b>	<b>388,337,617</b>		<b>67,788,936</b>	<b>5,586,895</b>	<b>73,375,831</b>	<b>314,961,786</b>	<b>311,617,081</b>

**Intangible Asset**

16	Software	375,000	-	375,000	20%	53,219	16,089	69,308	305,692	321,781
<b>Sub-Total:</b>		<b>375,000</b>	<b>-</b>	<b>375,000</b>		<b>53,219</b>	<b>16,089</b>	<b>69,308</b>	<b>305,692</b>	<b>321,781</b>
<b>Balance as at 30 September, 2019</b>		<b>379,781,017</b>	<b>8,931,600</b>	<b>388,712,617</b>		<b>67,842,155</b>	<b>5,602,984</b>	<b>73,445,139</b>	<b>315,267,478</b>	<b>311,938,862</b>
<b>Balance as at 30 June, 2019</b>		<b>231,208,492</b>	<b>148,572,525</b>	<b>379,781,017</b>		<b>50,059,745</b>	<b>17,782,410</b>	<b>67,842,155</b>	<b>311,938,862</b>	

Allocation of Depreciation		Amount in Tk.
		30 Sept. 2019
Factory overhead		5,303,149
Administrative expenses		299,835
<b>Total:</b>		<b>5,602,984</b>

**Annexure -"B"**

Details of Trade Receivables as required by the XI of the Companies Act, 1994 are given below:

<b>SL. No.</b>	<b>Name of Party</b>	<b>Address</b>	<b>30-Sep-19</b>	<b>30-Jun-19</b>
1	M/s. Doud Pur Poultry Feed	Kutub Bazar, Mirzapur, Tangail.	4,278,175	5,125,450
2	M/s. Trast Agro	Kapasias Bazar, Gazipur.	2,946,185	3,010,110
3	M/s. Mayer Doua Poultry Feed	Chatkhil Sadar Road, Chatkhil, Noakhali.	4,132,095	3,852,600
4	M/s. Pronoti Poultry Feed	Eliotgonj Dokhin Bazar, Chandina, Comilla.	3,190,125	1,913,418
5	M/s. Bhai Bhai Poultry Farms	Dobaria Bazar, Debiddar, Comilla.	3,217,125	2,656,910
6	M/s. Arpa Poultry Farms	Nimshar Bazar College Road, Debiddar, Comilla.	2,066,820	702,000
7	M/s. Jahirul Islam Poultry Feed.	Borat Natun Bazar, Dabidduar, Comilla.	2,842,325	2,413,200
8	M/s. Khan Poultry	Chandina Bazar, 334 Chandina, Comilla.	4,204,630	2,026,150
9	M/s. Rajib Poultry	125 Paoi Bazar, Chandina, Comilla.	1,342,700	1,391,700
10	M/s. Harun Poultry & Fish Feeds	GC Market, 170 Hazi Link, Chittagong.	2,118,100	1,854,450
11	M/s. Sherin Enterprise	Sunabo, Boldegut, Kawrayed, Sreepur, Gazipur.	1,946,720	862,800
12	M/s. Ma Poultry	BRTC Bus Stand, Sonapur, Noakhali.	2,122,014	2,156,950
13	M/s. Sagata International	120 Laksam Bazar, Comilla.	2,682,550	1,199,577
14	M/s. Jhurul Islam Poultry	Supnagar, Dumuria, Comilla.	3,341,985	2,486,200
15	M/s. Sharif Poultry Feed	Krishi Bank Songlogno Main Road, Shariakandi.	1,718,770	1,545,700
16	M/s. Full Poultry	Azadnagar Bazar, Ramgati, Noakhali.	5,274,225	3,620,850
17	M/s. Khan Traders	Shimla Bazar, Vatora, Nandigram, Bogura.	1,856,000	953,600
18	M/s. Siam Poultry	BK Bari Mirzapur, Gazipur Sadar, Gazipur.	2,178,500	1,383,200
19	M/s. Sharif Poultry Corner	138 Marina, Nodi Bangla Market, Shatmata, Bogura.	1,466,860	1,590,120
20	M/s. Zehad Enterprise	64 Gopalpur, Tongi.	1,650,300	1,730,704
21	M/s. Asad Enterprise	118 Nodi Bangla Market First Floor, Shatmata, Bogura.	2,366,740	1,923,300
22	M/s. Khamary Feed Ltd.	382/C, 1st Floor, Mymensingh Road, Dighirchala, Gazipur-1702.	2,196,968	765,000
23	M/s. Mahin Poultry	42 Datta Building In front of Town Hall, Magura.	1,569,060	1,686,270
24	M/s. Shahid Poultry	Ghatail Bazar, Ghatail,	2,863,850	1,067,941

	House	Tangail.		
25	M/s. Janata Poultry House	20 Bhuapur, Bhuapur, Tangail.	2,671,310	1,639,950
26	M/s. Sonabo Fish & Poultry	Koarid Bazar, Sripur, Gazipur.	2,234,770	2,302,280
27	M/s. Sakib Poultry	Taragonj Bazar, Nalitabari, Sripur.	1,403,100	1,254,300
28	M/s. Digonta Poultry & Fisheries	23 Jamtali, Gopalpur, Tangail.	2,042,380	1,472,825
29	M/s. Sonali Poultry House	12 Borkoit Bazar, Chandina, Comilla.	2,763,850	1,866,814
30	M/s. Suruj Poultry	Etobarapur Dokhin Bazar, Chandina, Comilla.	3,155,875	1,548,000
31	M/s. Arnob Poultry	Sanokpara bazar, Bhuapur, Tangail.	2,015,900	1,662,233
32	M/s. Alif Poultry	Shetolpur, Chandina, Comilla.	2,714,995	1,220,700
33	M/s. Amit Poultry	Chatkhil, Noakhali.	1,649,753	429,000
34	M/s. Al-Hasan Poultry Feed	Pathurghata Bazar, Mirzapur, Tangail.	1,880,680	665,700
35	M/s. Agrajatra Poultry	20 Doulatganj Bazar, Laksam, Comilla.	2,155,860	2,438,700
36	M/s. Agrani Poultry	55 Doulotganj, Laksam, Comilla.	1,424,650	499,895
37	M/s. Ashfak Poultry Feeds	Shakwa Bazar, Mirzapur, Tangail.	1,591,100	1,944,978
38	M/s. Bilash Poultry	Tuk Bazar, Kapasia, Gazipur.	1,447,900	2,134,900
39	M/s. Baten Poultry Feed	Madunpur, Naryangong, Dhaka.	1,241,850	810,991
40	M/s. Bhai Bhai Fisheries & Feed House.	Vill: Araihasar, PO: Araihasar, Zila: Narayanganj.	1,779,850	2,368,600
41	M/s. Bhai-Bhon Poultry Firm	Shakhipur, Tangail.	2,667,225	1,216,850
42	M/s. Baitul Poultry	Delduar Dhakhin Bazar, Delduar, Tangail.	2,389,510	438,150
43	M/s. Bonik Poultry	Chaycoat, Chandina, Comilla.	978,150	1,331,578
44	M/s. Boldighaat Poultry	Halishahar, Housing State, Chittagong	2,425,350	1,137,198
45	M/s. Bakku Poultry Feed	Biral Bazar, Biral, Dinajpur	1,026,240	2,589,600
46	M/s. Bicolpo Poultry and Fisheries	Jhawail Bazar, Gopalpur, Tangail, Dhaka 1900	1,303,600	1,768,198
47	M/s. Maa Enterprise	Trishal, Mymensingh.	3,518,230	2,475,300
48	M/s. Imran Traders	Bormi, Sreepur, Gazipur.	2,897,465	714,600
49	M/s. Pure Poultry and Fish Feed Ltd.	Road-01, Sector-12, Uttara, Dhaka-1230.	1,830,050	2,820,886
50	M/s. Jalal Traders	Sherpur, Bogra.	901,300	967,650
51	M/s. Nur Poultry	Mirzapur Bazar, Kapashia, Gazipur.	2,290,050	2,246,100
52	M/s. Janani Poultry	Taragonj Dukhin Bazar, Nalitabari, Sherpur.	2,637,550	1,492,391
53	M/s. Shohag Feed and Chicks	Khulna Sader, Khulna.	1,849,970	1,132,200

54	M/s. Dulamia Poultry	Hamnagor Bazar, Tangail.	-	239,907
55	M/s. Jewel Enterprise	Dohar, Dhaka.	2,275,240	1,528,250
56	M/s. Munia Traders	Memberbari, Gazipur.	-	412,000
57	M/s. Hazi Traders	Memberbari, Gazipur.	1,809,100	1,689,921
58	M/s. Emtiyaz Poultry	Nangulkho Bazar 4/1, Shadur Road, Comilla.	-	319,890
59	M/s. Zarin Poultry	Shokhipur Bazar, Kaliakair, Gazipur.	1,943,100	1,882,941
60	M/s. Enam Traders	Mawna, Sreepur, Gazipur.	1,785,535	1,459,300
61	M/s. Erfan Poultry and Fisheries	Paitka Bazar, Dhanbari, Tangail.	1,377,075	1,248,303
62	M/s. Fatema Poultry	Kaftan Bazar, Comilla Shader, Comilla.	2,369,850	2,103,337
63	M/s. Faruk Poultry	Jurdighi Bazar, Shakhipur, Tangail.	1,328,540	1,711,864
64	M/s. Tamanna Poultry	Moulibe Bazar, Bogra.	1,746,750	569,400
65	M/s. Grameen Poultry	Kushalia, Rajshahi.	1,534,250	2,185,850
66	M/s. Mama Bhagne Traders	Bhyanpur, Tangail.	1,565,450	2,062,211
67	M/s. Trishal Matsha Khamer	Mymensingh Sader, Mymensing.	1,207,508	2,677,100
68	M/s. Tasnin Poultry	Modanpur, Naryanganj.	1,276,915	1,500,950
69	M/s. Joynab Poultry Complex	Luksham, Comilla.	2,324,410	3,488,877
70	M/s. Hannan Poultry	Folda Bazar, Bhuapur, Tangail.	1,246,590	1,795,822
71	M/s. Modern Poultry	Langolcourt, Comilla.	-	627,300
72	M/s. Hakim Poultry	Gubondaupur, Kutbari Road, Comilla.	1,912,760	1,700,400
73	M/s. Imtiyaz Poultry	Nather phatuya uttar Bazar, Laksham, Comilla.	2,309,253	3,960,800
74	M/s. Islam Poultry Feed	Chaddugram Bazar, Chaddugram, Comilla	2,767,775	2,405,700
75	M/s. Belgium Poultry & Fish Feed Co.	House-06, Road-1/B, Nekongo-02, Dhaka-1229.	2,139,350	1,605,300
76	M/s. Jashim Poultry	Ramuohun Bangla Bazar, Chandina, Comilla.	1,648,945	1,210,000
77	M/s. Kalam Poultry	Burat Natun Bazar, Dabiddure, Comilla.	2,584,200	2,609,340
78	M/s. Kader Poultry	Shemoltoula, Sonabo, Srepur, Gazipur.	1,643,942	2,872,000
79	M/s. Karim Poultry and Fisheries	59 Ram Babu Road, Mymensingh.	2,351,425	1,827,450
80	M/s. Nourish Poultry and Hatchery Ltd.	House-405, Road-27(old), Dhanmondi, Dhaka.	4,488,460	3,811,550
81	M/s. Al Madeena Poultry Farm.	Char Ramiz, Ramgati, Laxmipur, Noakhali.	1,776,110	1,150,000
82	M/s. Sneha Trading Corporation	363, Chuknagar Bazar, Dumuria, Khulna.	3,768,000	4,146,950
83	M/s. Safara Agro Industries	House # 06, Road # 03, Block # J Baridhara, Dhaka.	8,584,350	7,165,500
84	M/s. Freedom Agro Industries Ltd.	House # 27, Road # 03, Sector # 05, Uttara, Dhaka.	9,203,050	7,250,355

85	M/s. Sun Agro Industries	16 Miles, Dinajpur.	8,000,170	8,240,180
86	M/s. Al Sawdia Poultry	Matubhuyan Road, Crishnu Rampur, Dagon Bhuiya, Feni.	7,989,915	7,501,900
87	M/s. Bismillah Poultry	Mannan Nagar, Noakhali.	8,654,400	8,493,750
88	M/s. Rasel Enterprise	Baburhat, Motlob, Chadpur.	7,723,080	7,945,950
89	M/s. Mondol Poultry	Bibirpukur Bazar, Khulna, Bogura.	8,275,675	7,757,590
90	M/s. F and P Traders	Mirgonj Bazar, Ramgonj, Laxmipur.	8,355,905	7,643,850
91	M/s. Salsabil Poultry	Baliya Bazar, Chadpur Sadar, Chadpur.	8,306,013	7,411,850
92	M/s. Masud Poultry	Benukhali, Hakim Munshir Bazar, Nobabgonj, Dhaka.	7,657,750	8,051,605
93	M/s. Maula Poultry Complex	Sarkarhat, Hathazari, Chittagong.	8,454,650	7,083,025
94	M/s. Surma Poultry	Raipur, Laxmipur	8,091,505	8,114,150
95	M/s. Adarsha Poultry	Islamganj, Noakhali	7,103,123	7,096,550
96	M/s. Maa Babar Dowa	BNP Bazar, Mawna, Gazipur.	8,626,929	8,536,638
	<b>Total</b>		<b>288,668,383</b>	<b>255,604,373</b>

**MASTER FEED AGROTEC LIMITED**  
Details of Share Holding Position  
For the period ended September 30, 2019

**Annexure -"C"**

Sl. No.	Name of Shareholders	Position	Address	Total (Tk.)	Total No. of Share	Percentage (%)
01	Md. Kabir Hossain	Managing Director	1255, Mohammad Bagh, Rayerbagh, Kadamtoli, Dhaka	147,500,000	14,750,000	25.81%
02	Asma Akter Sumie	Chairman	1255, Mohammad Bagh, Rayerbagh, Kadamtoli, Dhaka	26,000,000	2,600,000	4.55%
03	Rafiqul Alam	Director	182, Faidabad Main Road, Dokkshinkhan, Uttara, Dhaka	70,500,000	7,050,000	12.34%
04	Shahida Akter Sumi	Director	House: 01, Road: College Road, Aynusbagh, PO: Dakhin Khan, Dakhin Khan, Dhaka-1230	17,500,000	1,750,000	3.06%
05	Abdul Gaffar Dhali	Shareholder	151/4-A, Ananda Bhaban, South Pirer Bagh, Mukti Housing, Mirpur, Dhaka-1216	500,000	50,000	0.09%
06	Abu Syed Md Noman	Shareholder	29, Rasulbagh, Mohakhali, Dhaka	800,000	80,000	0.14%
07	Abu Tahar Md. Khalequzzaman Khan	Shareholder	C/96, Lalkhuti 3rd Colony, Mirpur-1216	600,000	60,000	0.10%
08	Ahmed Farabi Chowdhury	Shareholder	House: 59, Kazal Shah R/A, Block: D, Sylhet Sadar, Sylhet-3100	2,010,000	201,000	0.35%
09	Akashlina Arno	Shareholder	Flat-7/A, House No-395 & 396, Road-7, Baitul Aman Housing, Adabor, Dhaka	1,300,000	130,000	0.23%
10	Alauddin Ahmed	Shareholder	House: 204/3, East Dolaipar, Dhaka-1236	10,000	1,000	0.00%
11	Anita Sharmin	Shareholder	House # 40, Flat # 3B, Road # 01, Block # A, Niketon, Gulshan-1, Dhaka-1212	1,000,000	100,000	0.17%
12	Anjan Kumar Saha	Shareholder	32/B/1, Maya Kanan, Basabo, Sabujbag, Dhaka-1214	510,000	51,000	0.09%
13	ARC Securities Ltd.	Shareholder	158-160, Modhumita Cinema Building (2nd Floor), Motijheel C/A	1,010,000	101,000	0.18%
14	Asif Iqbal Chowdhury	Shareholder	House # B-58/7-5, Road # A.G.B. Koloni Ideal Jone, Dhaka-1000.	5,240,000	524,000	0.92%
15	A. S. M. Humayun Kabir	Shareholder	9 R. K. Mission Road (2nd Floor), Dhaka	1,000,000	100,000	0.17%
16	B & B Enterprise Ltd.	Shareholder	Room: 718, Dhaka Stock Exchange Building, 9/F Motijheel C/A, Dhaka-1000	1,010,000	101,000	0.18%



17	BDBL Securities Ltd	Shareholder	BDBL Bhaban (Level-16), 12 Kawran Bazar, Dhaka	5,000,000	500,000	0.87%
18	Bedhan Saha	Shareholder	86/1, West Kandapara, Narsingdi Sadar, Narsindi	510,000	51,000	0.09%
19	Biz UNI Link Services Ltd.	Shareholder	Rabeya Commercial Complex (5th Floor), Plot-33, Block-Kha, Section-6, Mirpur-10, Dhaka-1216	1,510,000	151,000	0.26%
20	Delu Ara Begum	Shareholder	House: 182, Faidabad Main Road, Dakshinkhan, Dhaka-1230	510,000	51,000	0.09%
21	Delowara Begum	Shareholder	Kalim Ullah Market, Neyamot Kandi, Comilla	500,000	50,000	0.09%
22	EBL Investment Ltd. (Puji Account)	Shareholder	59, Motijheel C/A (1st Floor), Dhaka	3,000,000	300,000	0.52%
23	EBL Securities Ltd.	Shareholder	59, Motijheel C/A (1st Floor), Dhaka	10,000,000	1,000,000	1.75%
24	Eshrat Jahan	Shareholder	House-30, Road-03, Block-D, Banasree, Rampura, Dhaka	1,000,000	100,000	0.17%
25	Eva Akter	Shareholder	House: 306, Moushair, Dakshinkhan, Dhaka-1230	10,000	1,000	0.00%
26	Faas Asset Management Ltd.	Shareholder	105/A, Kakrail , Dhaka	2,000,000	200,000	0.35%
27	Fariha Jaigirdar	Shareholder	House-11, Road-4, Block-F, Banani, Dhaka	1,000,000	100,000	0.17%
28	Farmers Hopes Limited	Shareholder	Plot # 167, Fakirkhali Road, Barith, Badda, Dhaka-1212	11,490,000	1,149,000	2.01%
29	Freight Care Aviation Services Ltd.	Shareholder	20, Kamal Ataturk Avenue, Banani, Dhaka	20,000,000	2,000,000	3.50%
30	Hafiza Khanam	Shareholder	1/A Sonargaon Janapath (6th Floor), Section # 07, Uttara, Dhaka	4,900,000	490,000	0.86%
31	Hassan O. Rashid	Shareholder	South Bridge Apt. Road No. 8, Gulshan-1, Dhaka	1,000,000	100,000	0.17%
32	Homayra Binte Wali	Shareholder	40 Hazinagar Ideal Road, Sharulia, Deamra, Dhaka-1361	7,010,000	701,000	1.23%
33	Israt Jahan	Shareholder	Khadiza Bilash, House # 11, Flat # 5B, Khilbaritek School Road, Shahajadpur, Gulshan, Dhaka-1212	1,000,000	100,000	0.17%
34	Istiaq Rahman Imran	Shareholder	1/A Sonargaon Janapath (6th Floor),	15,000,000	1,500,000	2.62%

			Section # 07, Uttara, Dhaka			
35	Jahir Uddin Babar	Shareholder	West Tengra, Sarulia, Demra, Dhaka-1361	1,000,000	100,000	0.17%
36	Jayanta Kumar Podder	Shareholder	6/A/1, Segun Bagicha, Ground Floor, Dhaka	12,510,000	1,251,000	2.19%
37	Jennira Quddus	Shareholder	Vill: Sen Walia, P.O.: Sen Walia, Savar, Dhaka-1344	1,100,000	110,000	0.19%
38	Kamrun Nahar Sharmin	Shareholder	House-10/1, Naya Paltan, Paltan, Dhaka-1000	1,010,000	101,000	0.18%
39	Kazi Amdadul Haque	Shareholder	Vill: Mohadan, PO: Badoipatal, Sharishabari, Jamalpur	1,000,000	100,000	0.17%
40	Mahbuba Begum	Shareholder	Building-4 (3rd floor), Flat-B-3, 17/A Shantibag, Rajarbag, Paltan, Dhaka-1217	500,000	50,000	0.09%
41	Md. Abdul Jalil Mondal	Shareholder	Zero Plns., 73 Central Basaboo, Sabujbagh, Dhaka	1,000,000	100,000	0.17%
42	Md. Abu Sayed Al Amin Khan	Shareholder	234/1/3 (2nd Floor), Bhuiyanpara, Meradia, Khilgaon, Dhaka-1219	1,000,000	100,000	0.17%
43	Md. Abul Basar	Shareholder	Vill: Khilbaisa, PO: Khilbaisa, PS: Laxmipur Sadar, Dist: Laxmipur	910,000	91,000	0.16%
44	Md. Ahsan Habib Raj	Shareholder	House-650, Professor Para, Natunhat, Jamalgonj Road, Joypurhat-5900	1,000,000	100,000	0.17%
45	Md. Ahasanul Haque	Shareholder	House No. 07, Road No. 03, Section - 10, Uttara, Dhaka	2,500,000	250,000	0.44%
46	Md. Anwarul Azim	Shareholder	Katalia, Kashinagar, Chaddagram, Comilla	2,000,000	200,000	0.35%
47	Md. Asaduzzaman Mia	Shareholder	Navana Noor Jahan, A-3, 17/A, 17/B, Kabi Jassim Uddin Road, Uttar Kamlapur, Motijheel, Dhaka	1,010,000	101,000	0.18%
48	Md. Benzir Ahmed Khan	Shareholder	Flat-3A, House-579, Road-18, Block-F, Bashundhara R/A, Dhaka	1,200,000	120,000	0.21%
49	Md. Ensan Ali Sheikh	Shareholder	1/A Sonargaon Janapath (6th Floor), Section # 07, Uttara, Dhaka-1230	4,900,000	490,000	0.86%
50	Md. Farid Ahmed	Shareholder	Flat: B-7, Firoza Rose, 12 Eskaton Road, Dhaka-1000	10,100,000	1,010,000	1.77%
51	Md. Foysal Ahmed	Shareholder	22/7 Bijli Moholla, Mohammadpur, Dhaka	1,500,000	150,000	0.26%

52	Md. Habibullah	Shareholder	House-32, Road-02, Block-C, Banasree, Rampura, Dhaka-1219	1,500,000	150,000	0.26%
53	Md. Hamid Ullah Khan	Shareholder	House # 529/C, Khilgaon, Dhaka-1219	4,000,000	400,000	0.70%
54	Md. Jahangir Alam	Shareholder	House-26, Road-18, Sector-7, Uttara, Dhaka	4,010,000	401,000	0.70%
55	Md. Jahidul Haque	Shareholder	18, South Khilgaon, Dhaka	1,000,000	100,000	0.17%
56	Md. Khalid Hossain Khan	Shareholder	House # 19, Road # 07, Block # C, Niketon, Dhaka	1,000,000	100,000	0.17%
57	Md. Khalilur Rahman	Shareholder	Roseberry, Flat No. A6, 159 Baro MoghBazar, Doctor Goli, Dhaka	1,900,000	190,000	0.33%
58	Md. Mahamudul Hasan	Shareholder	Vill: Pania, PO: Obuydurnagor, Kaligonj, Satkhira	1,010,000	101,000	0.18%
59	Md. Mahbub Alam	Shareholder	House- 71/B, East Hazipara, Chalim Saheber Bari, Rampura, Dhaka-1219	500,000	50,000	0.09%
60	Md. Mahbubul Alam	Shareholder	MetroNet Bangladesh Limited, PBL Tower (13th Floor), 17 New, Gulshan North Avenue, Gulshan 2, Dhaka-1212	2,500,000	250,000	0.44%
61	Md. Mizanur Rahman	Shareholder	731 Monipur, Mirpur, Dhaka	2,500,000	250,000	0.44%
62	Md. Mizanur Rahman	Shareholder	58/42/1, North Mugda Para, Dhaka-1214	500,000	50,000	0.09%
63	Md. Mohashin	Shareholder	Ganiraj Bari, Barkait, Srimantapur, Chandiana, Comilla-3510	500,000	50,000	0.09%
64	Md. Moidul Islam	Shareholder	House: 76 (2nd Floor), West Agargaon, P.O: Mohammadpur, Dhaka-1207	500,000	50,000	0.09%
65	Md. M. U. Pramanik	Shareholder	Reneta Ltd. Gazipur Depo, Gazipur	3,000,000	300,000	0.52%
66	Md. Nasim Mostakin	Shareholder	B. R. Powergen Ltd. Dhaka, Square (3rd floor), Sector-01, Uttara, Dhaka-1230	500,000	50,000	0.09%
67	Md. Noor Nabi	Shareholder	House: 1272, South Mohammadbag, Kadamtali, Dhaka	1,510,000	151,000	0.26%
68	Md. Riaz Haider	Shareholder	Vill: Mativanga, P.O.: Noyakhali, P.S.: Bhandaria, Dist.: Pirojpur-8550	500,000	50,000	0.09%
69	Md. Saroar Hossain	Shareholder	105/A, Kakrail (3rd Floor), Dhaka	1,000,000	100,000	0.17%
70	Md. Sayadur Rahman	Shareholder	609/C, Khilgaon, Dhaka	5,000,000	500,000	0.87%
71	Md. Shahjalal	Shareholder	Flat # A-11, Tower: 01, BTI Premier Plaza, 90/Cha North Badda, Dhaka-1212.	2,000,000	200,000	0.35%
72	Md. Shamsul Alam	Shareholder	40/A, Dilu Road, New Eskaton, Ramna,	5,000,000	500,000	0.87%

			Dhaka			
73	Md. Shariful Islam	Shareholder	333/B South Jatrabari, Dhaka	1,000,000	100,000	0.17%
74	Md. Syadur Rahman	Shareholder	Appt: Fragrance Sheuli, Flat # A3, Block-B, Malibagh Chowdhury Para, Rampura, Dhaka-1219	1,500,000	150,000	0.26%
75	Md. Tenzir Ahmed Khan	Shareholder	Flat-3A, House-579, Road-18, Block-F, Bashundhara R/A, Dhaka	1,000,000	100,000	0.17%
76	Md. Towhidul Alam	Shareholder	House-324 ( 4th Floor), East Nakhal Para, Tejgaon, Dhaka-1215	1,480,000	148,000	0.26%
77	Md. Towhidul Islam	Shareholder	45 Kemal Atatürk Avenue, Banani, Dhaka-1213	5,010,000	501,000	0.88%
78	Mir Intesar Bin Labib	Shareholder	House: 89, Kalabagan, 2nd Lane, Apt.: A-9, Dhaka-1205	2,000,000	200,000	0.35%
79	Mizanur Rahman Mridha	Shareholder	House-06, Road-03, Block-D, Banasree, Rampura, Dhaka	5,000,000	500,000	0.87%
80	Mohammad Ali	Shareholder	Audit and Internal Control, Dhaka Bank Ltd., Sara Tower (3rd Floor), 11/A Toyenbee Circular Road, Dhaka	1,500,000	150,000	0.26%
81	Mohammad Ali Mia	Shareholder	Flat No-2/5, House: 22, Road: 6, Superior Type Govt. Officer's Quarter, Dhanmondi R/A, Dhaka.	1,010,000	101,000	0.18%
82	Mohammad Jasim Uddin	Shareholder	Ananda Dara, C/O: Iqbal Hossain Khan, 63/3/B (5th Floor), Samibag, Dhaka	500,000	50,000	0.09%
83	Mohammad Mohsin	Shareholder	House- 20/18, Tajmohal Road, Block-C, Mohammadpur, Dhaka-1207	10,000	1,000	0.00%
84	Mohammad Sajjad Hossain	Shareholder	House: 399, Road: 6/1, Amlapara, Jamalpur-2000	10,000	1,000	0.00%
85	Mohammad Towfiqul Islam	Shareholder	Flat # 5A, 112/KA, Central Road, Dhanmondi, Dhaka	3,000,000	300,000	0.52%
86	Mohammad Towhidul Islam	Shareholder	112/Ka, Central Road, Dhanmondi, Dhaka-1205	2,000,000	200,000	0.35%
87	Mohammad Quyaum	Shareholder	PKSF, Plot:# E/4/B, Agargaon, Adm. Area, Dhaka	1,000,000	100,000	0.17%
88	Mohammed Nuruzzaman Mridha Pavel	Shareholder	House: 2, West Dharmagonj, P.O.: Nayernagar, PS: Narayangonj Sadar, Narayangonj	1,510,000	151,000	0.26%

89	Mohammedan Sporting Club Ltd.	Shareholder	14/A, Toyenbee Circular Road, Motijheel C/A, Dhaka-1000	10,000	1,000	0.00%
90	Mohd. Kawsar Mahmood	Shareholder	Utopia, Flat # B/7, House # 39, Mirpur Road, New Market, Dhaka	1,500,000	150,000	0.26%
91	Monir Hossain	Shareholder	209/3/G Lalbagh Road, BDR 2 No. Gate, Dhaka-1211	2,000,000	200,000	0.35%
92	Monira Akter	Shareholder	House # 19, Road # 07, Block # C, Niketon, Dhaka	11,000,000	1,100,000	1.92%
93	Monira Akter	Shareholder	House-06, Road-03, Block-D, Banasree, Rampura, Dhaka-1219	2,000,000	200,000	0.35%
94	Mst. Touhida Shirin	Shareholder	House-24, Road-1/3, Mushi Para, Gaibanda Sadar, Gaibanda, Rajshahi-5700	10,000,000	1,000,000	1.75%
95	Muhammad Ifttekher Hossain	Shareholder	House-GP-JA-53 (3rd Floor), Dream House, Road-02, Mohakhali, Dhaka-1212	510,000	51,000	0.09%
96	Mustafa Salim	Shareholder	UTS Prakason, 127 Aziz Super Marker (2nd Floor), Shahbag, Dhaka-1000	510,000	51,000	0.09%
97	Nandita Rani Saha	Shareholder	37 Gopibag 3rd Lane, Space Hamida, Dhaka-1203	510,000	51,000	0.09%
98	Nargis Sultana	Shareholder	House: 16 Ranking Street (2nd Floor), Latif Tower, Wari, Dhaka-1203	1,500,000	150,000	0.26%
99	Nazme Zaha	Shareholder	17/A-B, Apt # B-7, Kabi Jashimuddin Road, North Kamalapur, Dhaka	2,000,000	200,000	0.35%
100	Neaz Rahman Shaqib	Shareholder	House # 37 (A-3), Road # 01, Banani DOHS, Dhaka Cantonment, Dhaka	5,200,000	520,000	0.91%
101	Papi Rani Roy	Shareholder	126/C, New Exkaton Road, Dhaka-1000	360,000	36,000	0.06%
102	Pridip Kumar Roy	Shareholder	Jets Clitoria (7th Floor), 195/2 Tejkunipara, Tejgaon, Dhaka	1,100,000	110,000	0.19%
103	Rahman & Associates	Shareholder	House-512, Road-10 (Ground Floor), West Nakhhalpara, Tejgaon, Dhaka	1,500,000	150,000	0.26%
104	Rashid Investment Services Ltd.	Shareholder	9/F, Motijheel C/A, Room-601 (5th Floor), DSE Building, Dhaka	1,100,000	110,000	0.19%
105	Rozina Akhter	Shareholder	40/A, Dilu Road, New Eskaton, Ramna, Dhaka	5,000,000	500,000	0.87%
106	S. M. Ifttekhar Imam	Shareholder	Canova-C/5, 3/1 Dilu Road, Moghbazar, Dhaka	1,000,000	100,000	0.17%

107	S. M. Mafijul Islam	Shareholder	338/D/2, Adrosho Bag, North Goran, Khilgaon, Dhaka-1219	1,000,000	100,000	0.17%
108	S.M. Mostaque Ahamed Khan	Shareholder	House: Palash, Plot : 5/B, Romna Police Complex, Ramna, Dhaka.	1,010,000	101,000	0.18%
109	SM AL Jubayer Ahmed	Shareholder	22 Doktor Gole, Malibagh, Dhaka	6,600,000	660,000	1.15%
110	Sabrina Shabnam Rabbi	Shareholder	House # 37, 5 No. Nazir Road, Old Cant. Bazar, Dhaka Cantonment, Dhaka-1206	2,000,000	200,000	0.35%
111	Sajja Sultana	Shareholder	House # H-4 (2nd Floor), Pallabi, Pallabi Extention, Mirpur, Dhaka-1216	2,000,000	200,000	0.35%
112	Salena Akther	Shareholder	3/E, New Baily Road, Ramna, Dhaka-1217	5,000,000	500,000	0.87%
113	Salina Akther	Shareholder	House: 1255, South Mohammadbag, Kadamtali, Merajbag, Dhaka	1,910,000	191,000	0.33%
114	Sarker Abdullah Al Shafee	Shareholder	At: A-7, Navana Baily Star, 9, Naw Ratan Colony, New Baily Road, Dhaka	3,000,000	300,000	0.52%
115	Sazzador Rahman	Shareholder	28, Arjotpara, Mohakhali, Dhaka	2,000,000	200,000	0.35%
116	Shafiul Azam	Shareholder	House-97, Vill-Donia Rasulpur, Po-Donia Jatrabari, Dhaka-1236	2,645,000	264,500	0.46%
117	Shahida Alam	Shareholder	Zirwat Apartments, House # SWG-2/B, (1st Floor), Road # 5, Gulshan-1, Dhaka-1212	2,510,000	251,000	0.44%
118	Shanzida Akhter Khanam	Shareholder	3, Kabi Jashim Uddin Road, Komlapur, Dhaka-1217	4,980,000	498,000	0.87%
119	Sharmin Akter	Shareholder	Jomidar Para, Thakurgaon-5100	500,000	50,000	0.09%
120	Shams Mahmud	Shareholder	House-7, Road-117, Gulshan-1, Dhaka	5,000,000	500,000	0.87%
121	Shireen Hussain	Shareholder	House: 8A/12 KA, Flat: A6, Road:14, Dhanmondi R/A, Dhaka-1209	1,010,000	101,000	0.18%
122	Swapan Kumar Saha	Shareholder	7, R.R. Das Road (3rd Floor), Nitaiganj, Narayangonj.	510,000	51,000	0.09%
123	Tamanna Prian	Shareholder	86 Indira Road, Flat-B3, Grace Villa, Dhaka-1215	1,000,000	100,000	0.17%
124	Tania Huq Pranti	Shareholder	House # 252/10, Road # 06, Mohammadia Housing Ltd., Mohammadpur, Dhaka	2,000,000	200,000	0.35%
125	Uttam Kumar Saha	Shareholder	Green Zone Tower, Level-5 (Flat - 507), 1 No. Hatkhola Road, Wari, Dhaka	700,000	70,000	0.12%

126	Wajhi Ahmed	Shareholder	House # 44-A1, Road # 11-A, Zigatola, Dhanmondi, Dhaka	5,000,000	500,000	0.87%
127	Zakir Hossain	Shareholder	44/A/2 Azimpur Road, Dhaka-1205	700,000	70,000	0.12%
<b>Total:</b>				<b>571,505,000</b>	<b>57,150,500</b>	<b>100%</b>

(b) **Information as is required under section 186 of the কোম্পানি আইন, ১৯৯৪ relating to holding company;**

This information is not applicable for MFAL.

(c) **Selected ratios as specified in Annexure-D;**

**Auditor's certificate regarding calculation of EPS and Ratios**

This is to certify that Master Feed Agrotec Limited has maintained the following ratios as computed on the basis of the audited financial statements for period ended September 30, 2019 and for the year ended June 30, 2019, 2018, 2017, 2016 and 2015.

Particulars	30-Sep-19	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
	Ratio					

**I. Liquidity Ratios:**

(i) Current Ratio	6.65	6.65	2.76	1.42	1.17	0.76
(ii) Quick Ratio	3.47	3.46	1.25	0.72	0.81	0.54

**II. Operating Efficiency Ratios:**

(i) Accounts Receivable Turnover Ratio	0.94	4.97	4.62	4.57	4.52	5.62
(ii) Inventory Turnover Ratio	0.88	4.29	3.78	5.38	9.11	11.96
(iii) Asset Turnover Ratio	0.29	1.34	1.09	1.21	1.02	0.93

**III. Profitability Ratios:**

(i) Gross Margin Ratio	12.80%	12.77%	13.63%	13.61%	13.44%	13.32%
(ii) Operating Profit Ratio	9.53%	9.72%	10.16%	9.09%	9.28%	5.76%
(iii) Net Profit Ratio	6.91%	6.77%	6.54%	5.45%	3.85%	2.03%
(iv) Return on Assets Ratio	2.03%	9.11%	7.16%	6.58%	3.91%	1.88%

(v) Return on Equity Ratio	2.52%	14.54%	31.81%	89.11%	123.92%	143.46%
(vi) Earnings Per Share (EPS)	0.31	1.93	1.57	1.38	0.80	0.21
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	11.72%	11.67%	12.79%	12.15%	14.11%	11.96%

#### IV. Solvency Ratios:

(i) Debt to Total Assets Ratio	0.11	0.12	0.22	0.18	0.24	0.28
(ii) Debt to Equity Ratio	0.14	0.14	0.66	1.92	4.99	21.26
(iii) Times Interest Earned Ratio	8.96	7.38	3.91	3.20	2.08	1.50
(iv) Debt Service Coverage Ratio	20.02	5.46	6.54	-	-	-

#### V. Cash Flow Ratios:

(i) Net Operating Cash Flow per Share (NOCFPS)	(0.32)	(5.80)	0.11	(0.07)	(1.19)	0.41
(ii) NOCFPS to EPS Ratio	(1.03)	(3.01)	0.07	(0.05)	(1.48)	2.01

Place: Dhaka  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants



Ratio Calculation													
Particulars	Formula	30-Sep-19		30-Jun-19		30-Jun-18		30-Jun-17		30-Jun-16		30-Jun-15	
		Calculation	Ratio	Calculation	Ratio	Calculation	Ratio	Calculation	Ratio	Calculation	Ratio	Calculation	Ratio
I. Liquidity Ratios:													
(i) Current Ratio	Current Assets/Current Liabilities	561,935,950 84,501,418	6.65	525,898,596 79,034,609	6.65	259,306,460 93,981,368	2.76	214,013,541 151,241,729	1.42	128,533,535 110,214,638	1.17	63,997,902 83,817,657	0.76
(ii) Quick Ratio	(Current Assets-Inventories-Advance, Deposit & Prepayments)/Current Liabilities	293,571,001 84,501,418	3.47	273,181,996 79,034,609	3.46	117,500,588 93,981,368	1.25	109,039,953 151,241,729	0.72	88,876,741 110,214,638	0.81	45,254,134 83,817,657	0.54
II. Operating Efficiency Ratios:													
(i) Accounts Receivable Turnover Ratio	Net Sales/Average Accounts Receivables	256,188,652 272,184,923	0.94	914,580,980 184,043,322	4.97	506,226,758 109,466,819	4.62	444,365,371 97,247,436	4.57	299,265,446 66,253,236	4.52	125,211,749 22,280,027	5.62
(ii) Inventory Turnover Ratio	Cost of Goods Sold /Average Inventory	223,398,354 252,918,192	0.88	797,783,066 186,055,839	4.29	437,206,540 115,590,801	3.78	383,878,545 71,302,149	5.38	259,056,074 28,432,561	9.11	108,534,111 9,076,874	11.96
(iii) Asset Turnover Ratio	Net Sales/Average Total Assets	256,188,652 869,565,807	0.29	914,580,980 680,298,332	1.34	506,226,758 462,327,921	1.09	444,365,371 368,053,361	1.21	299,265,446 294,393,876	1.02	125,211,749 134,999,455	0.93
III. Profitability Ratios:													
(i) Gross Margin Ratio	Gross Profit/Net Sales	32,790,298 256,188,652	12.80%	116,797,914 914,580,980	12.77%	69,020,218 506,226,758	13.63%	60,486,826 444,365,371	13.61%	40,209,372 299,265,446	13.44%	16,677,638 125,211,749	13.32%
(ii) Operating Profit Ratio	Operating Profit/Net Sales	24,423,832 256,188,652	9.53%	88,935,689 914,580,980	9.72%	51,438,985 506,226,758	10.16%	40,414,171 444,365,371	9.09%	27,768,441 299,265,446	9.28%	7,208,532 125,211,749	5.76%
(iii) Net Profit Ratio	Net Profit after Tax/Net Sales	17,693,299 256,188,652	6.91%	61,946,820 914,580,980	6.77%	33,095,529 506,226,758	6.54%	24,206,827 444,365,371	5.45%	11,523,255 299,265,446	3.85%	2,537,204 125,211,749	2.03%
(iv) Return on Assets Ratio	Net Profit after Tax/Average Total Assets	17,693,299 869,565,807	2.03%	61,946,820 680,298,332	9.11%	33,095,529 462,327,921	7.16%	24,206,827 368,053,361	6.58%	11,523,255 294,393,876	3.91%	2,537,204 134,999,455	1.88%
(v) Return on Equity Ratio	Net Profit after Tax/Average Total Shareholders Equity	17,693,299 702,908,785	2.52%	61,946,820 426,061,225	14.54%	33,095,529 104,040,051	31.81%	24,206,827 27,163,873	89.11%	11,523,255 9,298,832	123.92%	2,537,204 1,768,602	143.46%
(vi) Earnings Per Share (EPS)	Net Profit after Tax/Weighted Average Number of Ordinary Shares Outstanding	17,693,299 56,275,684	0.31	61,946,820 32,179,639	1.93	33,095,529 21,018,300	1.57	24,206,827 17,549,300	1.38	11,523,255 14,344,300	0.80	2,537,204 12,344,300	0.21
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	EBITDA/Net Sales	30,026,816 256,188,652	11.72%	106,718,099 914,580,980	11.67%	64,731,116 506,226,758	12.79%	53,997,242 444,365,371	12.15%	42,219,085 299,265,446	14.11%	14,972,089 125,211,749	11.96%
IV.Solvency Ratios:													
(i) Debt to Total Assets Ratio	Total Debt/Total Assets	98,833,085 885,872,912	0.11	98,833,085 853,258,702	0.12	112,000,000 507,337,962	0.22	75,196,856 417,317,879	0.18	75,196,856 318,788,844	0.24	75,196,856 269,998,909	0.28
(ii) Debt to Equity Ratio	Total Debt/Total Equity	98,833,085 722,507,934	0.14	98,833,085 683,309,635	0.14	112,000,000 168,812,815	0.66	75,196,856 39,267,286	1.92	75,196,856 15,060,459	4.99	75,196,856 3,537,204	21.26
(iii) Times Interest Earned Ratio	EBIT/Financial Expenses	24,423,832 2,727,106	8.96	88,935,689 12,046,587	7.38	51,438,985 13,141,846	3.91	40,414,171 12,626,348	3.20	27,768,441 13,364,153	2.08	7,208,532 4,809,705	1.50
(iv) Debt Service Coverage Ratio	Net Operating Profit / Total Debt Service	30,026,816 1,500,000	20.02	106,718,099 19,562,000	5.46	64,731,116 9,900,000	6.54	53,997,242 -	-	42,219,085 -	-	14,972,089 -	-
V. Cash Flow Ratios:													
(i) Net Operating Cash Flow per Share (NOCFPS)	Net Operating Cash Flow/ Number of Ordinary Shares Outstanding	(18,256,576) 56,275,684	(0.32)	(186,768,258) 32,179,639	(5.80)	2,351,902 21,018,300	0.11	(1,257,615) 17,549,300	(0.07)	(17,041,418) 14,344,300	(1.19)	5,105,350 12,344,300	0.41
(ii) NOCFPS to EPS Ratio	Net Operating Cash Flow per Share/EPS	(0.32) 0.31	(1.03)	(5.80) 1.93	(3.01)	0.11 1.57	0.07	(0.07) 1.38	(0.05)	(1.19) 0.80	(1.48)	0.41 0.21	2.01

**Comparison ratios with the industry average ratios of the same periods:**

Master Feed Agrotec Limited		Industry Average*	Remark/Explanation
Particulars	30-Jun-19	30-Jun-19	
	Ratio	Ratio	
I. Liquidity Ratios:			
(i) Current Ratio	6.65	3.17	MFAL's Current Ratio is higher as current assets are higher than the current liabilities.
(ii) Quick Ratio	3.46	1.54	MFAL's Ratio is higher as current assets are higher than the current liabilities.
II. Operating Efficiency Ratios:			
(i) Accounts Receivable Turnover Ratio	4.97	1.88	MFAL's Ratio is satisfactory as collection period is shorter.
(ii) Inventory Turnover Ratio	4.29	1.68	MFAL's Ratio is satisfactory as inventory is sold in shorter time.
(iii) Asset Turnover Ratio	1.34	0.64	MFAL's Ratio is satisfactory with the average industry.
III. Profitability Ratios:			
(i) Gross Margin Ratio	12.77%	15.30%	MFAL's Ratio is satisfactory with the average industry as the ratio of the same nature of the business is almost same.
(ii) Operating Profit Ratio	9.72%	12.05%	MFAL's Ratio is satisfactory with the average industry as the ratio of the same nature of the business is almost same.
(iii) Net Profit Ratio	6.77%	4.66%	MFAL's Ratio is satisfactory with the average industry as the ratio of the same nature of the business is almost same.
(iv) Return on Assets Ratio	9.11%	3.49%	MFAL's Ratio is satisfactory with the average industry.
(v) Return on Equity Ratio	14.54%	6.52%	MFAL's Ratio is satisfactory with the average industry.
(vi) Earnings Per Share (EPS)	1.93	1.95	MFAL's Ratio is satisfactory with the average industry.
(vii) EBITDA Margin	11.67%	13.27%	MFAL's Ratio is satisfactory with the average industry.
IV. Solvency Ratios:			
(i) Debt to Total Assets Ratio	0.12	0.33	MFAL's Ratio is satisfactory with the industry average ratio as debt burden is lower than assets.
(ii) Debt to Equity Ratio	0.14	0.58	MFAL's Ratio is satisfactory as debt burden is lower than equity.
(iii) Times Interest Earned Ratio	7.38	1.95	MFAL's Ratio is satisfactory as operating profit is sufficient to pay financial expense.
(iv) Debt Service Coverage Ratio	5.46	N/A	MFAL's Ratio is satisfactory as net operating profit is sufficient to pay financial expense and long term debt.
V. Cash Flow Ratios:			
(i) Net Operating Cash Flow per Share	(5.80)	3.06	MFAL's Ratio is negative as Net Operating Cash Flow is negative.

(NOCFPS)			
(ii) NOCFPS to EPS Ratio	(3.01)	1.26	MFAL's Ratio is negative as Net Operating Cash Flow is negative.

\* The Industry average ratio is calculated through using the ratio of 2 listed similar companies namely Aman Feed Limited (AFL) and National Feed Mill Limited for the year ended June 30, 2019 (Source: (Source: Annual Report))

Master Feed Agrotec Limited		Industry Average*	Remark/Explanation
Particulars	30-Jun-18	30-Jun-18	
	Ratio	Ratio	
I. Liquidity Ratios:			
(i) Current Ratio	2.76	2.45	MFAL's Current Ratio is higher as current assets are higher than the current liabilities.
(ii) Quick Ratio	1.25	1.16	MFAL's Ratio is higher as current assets are higher than the current liabilities.
II. Operating Efficiency Ratios:			
(i) Accounts Receivable Turnover Ratio	4.62	2.32	MFAL's Ratio is satisfactory as collection period is shorter.
(ii) Inventory Turnover Ratio	3.78	2.09	MFAL's Ratio is satisfactory as inventory is sold in shorter time.
(iii) Asset Turnover Ratio	1.09	0.77	MFAL's Ratio is satisfactory with the industry average ratio.
III. Profitability Ratios:			
(i) Gross Margin Ratio	13.63%	16.18%	MFAL's Ratio is satisfactory with the industry average ratio as the nature of the business is almost similar.
(ii) Operating Profit Ratio	10.16%	13.12%	MFAL's Ratio is satisfactory with the industry average ratio as the nature of the business is almost similar.
(iii) Net Profit Ratio	6.54%	6.98%	MFAL's Ratio is satisfactory with the industry average ratio as the nature of the business is almost similar.
(iv) Return on Assets Ratio	7.16%	5.52%	MFAL's Ratio is satisfactory with the industry average ratio.
(v) Return on Equity Ratio	31.81%	9.34%	MFAL's Ratio is better than the industry average ratio.
(vi) Earnings Per Share (EPS)	1.57	2.59	MFAL's Ratio is satisfactory with the industry average ratio.
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	12.79%	14.44%	MFAL's Ratio is satisfactory with the industry average ratio.
IV. Solvency Ratios:			
(i) Debt to Total Assets Ratio	0.22	0.34	MFAL's Ratio is satisfactory with the industry average ratio as debt burden is lower than assets.
(ii) Debt to Equity Ratio	0.66	0.61	MFAL's Ratio is satisfactory as debt burden is lower than equity.

(iii) Times Interest Earned Ratio	3.91	2.90	MFAL's Ratio is satisfactory as operating profit is sufficient to pay financial expense.
(iv) Debt Service Coverage Ratio	6.54	N/A	MFAL's Ratio is satisfactory as net operating profit is sufficient to pay financial expense and long term debt.
<b>V. Cash Flow Ratios:</b>			
(i) Net Operating Cash Flow per Share (NOCFPS)	0.11	(5.92)	MFAL's Ratio is satisfactory as Net Operating Cash Flow is positive.
(ii) NOCFPS to EPS Ratio	0.07	(0.24)	MFAL's Ratio is satisfactory as Net Operating Cash Flow is positive.

\* The Industry average ratio is calculated through using the ratio of 2 listed similar companies namely Aman Feed Limited (AFL) and National Feed Mill Limited for the year ended June 30, 2018. (Source: Annual Report)

Master Feed Agrotec Limited		Industry Average*	Remark/ Explanation
Particulars	30-Jun-17	30-Jun-17	
	Ratio	Ratio	

#### I. Liquidity Ratios:

(i) Current Ratio	1.42	2.21	MFAL's Current Ratio is satisfactory with the industry average.
(ii) Quick Ratio	0.72	1.11	MFAL's Ratio is satisfactory with the industry ratio.

#### II. Operating Efficiency Ratios:

(i) Accounts Receivable Turnover Ratio	4.57	2.68	MFAL's Ratio is satisfactory as collection period is shorter.
(ii) Inventory Turnover Ratio	5.38	2.58	MFAL's Ratio is satisfactory as inventory is sold in shorter time.
(iii) Asset Turnover Ratio	1.21	0.87	MFAL's Ratio is satisfactory with the industry average ratio.

#### III. Profitability Ratios:

(i) Gross Margin Ratio	13.61%	17.23%	MFAL's Ratio is satisfactory with the industry average ratio as the nature of the business is almost similar.
(ii) Operating Profit Ratio	9.09%	14.18%	MFAL's Ratio is satisfactory with the industry average ratio as the nature of the business is almost similar.
(iii) Net Profit Ratio	5.45%	8.62%	MFAL's Ratio is satisfactory with the industry average ratio as the nature of the business is almost similar.
(iv) Return on Assets Ratio	6.58%	7.24%	MFAL's Ratio is satisfactory with the industry average ratio.
(v) Return on Equity Ratio	89.11%	11.13%	MFAL's Ratio is better than the industry average ratio.
(vi) Earnings Per Share (EPS)	1.38	2.82	MFAL's Ratio is is satisfactory with the industry average ratio.
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA)	12.15%	15.36%	MFAL's Ratio is satisfactory with the industry average ratio.

margin			
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#### IV. Solvency Ratios:

(i) Debt to Total Assets Ratio	0.18	0.28	MFAL's Ratio is satisfactory with the industry average ratio as debt burden is lower than assets.
(ii) Debt to Equity Ratio	1.92	0.44	MFAL's Ratio is higher as debt burden is higher than equity.
(iii) Times Interest Earned Ratio	3.20	4.08	MFAL's Ratio is satisfactory as operating profit is sufficient to pay financial expense.
(iv) Debt Service Coverage Ratio	-	N/A	-

#### V. Cash Flow Ratios:

(i) Net Operating Cash Flow per Share (NOCFPS)	(0.07)	2.32	MFAL's Ratio is negative as Net Operating Cash Flow is negative.
(ii) NOCFPS to EPS Ratio	(0.05)	0.54	MFAL's Ratio is negative as Net Operating Cash Flow is negative.

\* The Industry average ratio is calculated through using the ratio of 2 listed similar companies namely Aman Feed Limited (AFL) and National Feed Mill Limited for the year ended June 30, 2017. (Source: Annual Report)

Master Feed Agrotec Limited		Industry Average*	Remark/ Explanation
Particulars	30-Jun-16	30-Jun-16	
	Ratio	Ratio	

#### I. Liquidity Ratios:

(i) Current Ratio	1.17	2.31	MFAL's Current Ratio is satisfactory as current assets are higher than the current liabilities.
(ii) Quick Ratio	0.81	1.18	MFAL's Ratio is satisfactory as current assets are higher than the current liabilities.

#### II. Operating Efficiency Ratios:

(i) Accounts Receivable Turnover Ratio	4.52	4.28	MFAL's Ratio is satisfactory as collection period is shorter.
(ii) Inventory Turnover Ratio	9.11	3.15	MFAL's Ratio is satisfactory as inventory is sold in shorter time.
(iii) Asset Turnover Ratio	1.02	1.16	MFAL's Ratio is satisfactory with the industry average ratio.

#### III. Profitability Ratios:

(i) Gross Margin Ratio	13.44%	17.32%	MFAL's Ratio is satisfactory with the industry average ratio as the nature of the business is almost similar.
(ii) Operating Profit Ratio	9.28%	14.44%	MFAL's Ratio is satisfactory with the industry average ratio as the nature of the business is almost similar.
(iii) Net Profit Ratio	3.85%	8.43%	MFAL's Ratio is satisfactory with the industry average ratio as the nature of

			the business is almost similar.
(iv) Return on Assets Ratio	3.91%	8.47%	MFAL's Ratio is satisfactory than the industry average ratio.
(v) Return on Equity Ratio	123.92%	13.44%	MFAL's Ratio is better than the industry average ratio.
(vi) Earnings Per Share (EPS)	0.80	3.14	MFAL's Ratio is satisfactory with the industry average ratio.
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	14.11%	14.44%	MFAL's Ratio is satisfactory with the industry average ratio.

#### IV. Solvency Ratios:

(i) Debt to Total Assets Ratio	0.24	0.26	MFAL's Ratio is satisfactory with the industry average ratio as debt burden is lower than assets.
(ii) Debt to Equity Ratio	4.99	0.41	MFAL's Ratio is higher as debt burden is higher than equity.
(iii) Times Interest Earned Ratio	2.08	4.03	MFAL's Ratio is satisfactory as operating profit is sufficient to pay financial expense.
(iv) Debt Service Coverage Ratio	-	N/A	-

#### V. Cash Flow Ratios:

(i) Net Operating Cash Flow per Share (NOCFPS)	(1.19)	1.75	MFAL's Ratio is negative as Net Operating Cash Flow is negative.
(ii) NOCFPS to EPS Ratio	(1.48)	0.41	MFAL's Ratio is negative as Net Operating Cash Flow is negative.

\* The Industry average ratio is calculated through using the ratio of 2 listed similar companies namely Aman Feed Limited (AFL) and National Feed Mill Limited for the year ended June 30, 2016. (Source: Annual Report)

Master Feed Agrotec Limited		Industry Average*	Remark/ Explanation
Particulars	30-Jun-15	30-Jun-15	
	Ratio	Ratio	

#### I. Liquidity Ratios:

(i) Current Ratio	0.76	2.26	MFAL's Current Ratio is lower as current assets are lower than the current liabilities.
(ii) Quick Ratio	0.54	1.15	MFAL's Ratio is lower as current assets are lower than the current liabilities.

#### II. Operating Efficiency Ratios:

(i) Accounts Receivable Turnover Ratio	5.62	2.86	MFAL's Ratio is satisfactory as collection period is shorter.
(ii) Inventory Turnover Ratio	11.96	2.11	MFAL's Ratio is satisfactory as inventory is sold in shorter time.
(iii) Asset Turnover Ratio	0.93	0.79	MFAL's Ratio is satisfactory with the industry average ratio.

#### III. Profitability Ratios:

(i) Gross Margin Ratio	13.32%	17.05%	MFAL's Ratio is satisfactory with the industry average ratio as the nature of
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			the business is almost similar.
(ii) Operating Profit Ratio	5.76%	13.86%	MFAL's Ratio is satisfactory with the industry average ratio as the nature of the business is almost similar.
(iii) Net Profit Ratio	2.03%	8.11%	MFAL's Ratio is satisfactory with the industry average ratio as the nature of the business is almost similar.
(iv) Return on Assets Ratio	1.88%	6.22%	MFAL's Ratio is satisfactory with the industry average ratio.
(v) Return on Equity Ratio	143.46%	10.20%	MFAL's Ratio is better than the industry average ratio.
(vi) Earnings Per Share (EPS)	0.21	3.04	MFAL's Ratio is satisfactory with the industry average ratio.
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	11.96%	14.53%	MFAL's Ratio is satisfactory with the industry average ratio.

#### **IV. Solvency Ratios:**

(i) Debt to Total Assets Ratio	0.28	0.31	MFAL's Ratio is satisfactory with the industry average ratio as debt burden is lower than assets.
(ii) Debt to Equity Ratio	21.26	0.49	MFAL's Ratio is higher as debt burden is higher than equity.
(iii) Times Interest Earned Ratio	1.50	2.68	MFAL's Ratio is satisfactory as operating profit is sufficient to pay financial expense.
(iv) Debt Service Coverage Ratio	-	N/A	-

#### **V. Cash Flow Ratios:**

(i) Net Operating Cash Flow per Share (NOCFPS)	0.41	0.06	MFAL's Ratio is satisfactory as Net Operating Cash Flow is positive.
(ii) NOCFPS to EPS Ratio	2.01	(0.06)	MFAL's Ratio is satisfactory as Net Operating Cash Flow is positive.

\* The Industry average ratio is calculated through using the ratio of 2 listed similar companies namely Aman Feed Limited (AFL) and National Feed Mill Limited for the year ended June 30, 2015 and December 31, 2015 respectively. (Source: Annual Report)

- (d) **Auditors report under Section 135(1), Para 24(1) of Part II of Schedule III of the কোম্পানি আইন, ১৯৯৪. The report shall include comparative income statements and balance sheet and aforementioned ratios for immediate preceding five accounting years of the issuer. If the issuer has been in commercial operation for less than five years, the above mentioned inclusion and submission will have to be made for the period since commercial operation;**

**Auditors' report Under Section-135 (1) and Para-24(1) of Part-II of Schedule-III of the Companies Act, 1994**

We have examined the financial statements of Master Feed Agrotec Limited for the period ended September 30, 2019 and for the year ended June 30, 2019, 2018 and 2017 were audited by us and for the year ended June 30, 2016 and 2015 were audited by Mohammad Ata Karim & Co. In pursuance of Section-135 (1) and Para-24 (1) of Part-II of Schedule-III of the Companies Act, 1994, our report is as under:

**A) Statements of Assets and Liabilities of the Company are as under:**

*Amount in Taka*

Particulars	30-Sep-19	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
<b>ASSETS</b>						
<b>Non-Current Assets</b>	<b>323,936,962</b>	<b>327,360,106</b>	<b>248,031,502</b>	<b>203,304,338</b>	<b>184,188,370</b>	<b>189,701,973</b>
Property, Plant and Equipment	314,961,786	311,617,081	181,148,747	177,202,878	176,555,380	189,701,973
Intangible Assets	305,692	321,781	-	-	-	-
Capital Work-in-Progress	8,669,484	15,421,244	64,105,255	26,101,461	7,632,990	-
Parent Stock	-	-	2,777,500	-	-	-
Deferred Revenue Expenditure	-	-	-	-	2,599,108	5,198,213
<b>Current Assets</b>	<b>561,935,950</b>	<b>525,898,596</b>	<b>259,306,460</b>	<b>214,013,541</b>	<b>132,001,367</b>	<b>75,098,723</b>
Inventories	261,013,385	244,822,999	127,288,679	103,892,923	38,711,374	18,153,748
Trade and Other Receivables	288,668,383	255,701,462	112,385,182	106,548,455	91,414,250	55,660,875
Advances, Deposits and Prepayments	7,351,564	7,893,601	14,517,193	1,080,665	945,420	590,020
Cash and Cash Equivalent	4,902,618	17,480,534	5,115,406	2,491,498	930,323	694,080
<b>Total Assets</b>	<b>885,872,912</b>	<b>853,258,702</b>	<b>507,337,962</b>	<b>417,317,879</b>	<b>318,788,844</b>	<b>269,998,909</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Shareholders' Equity</b>	<b>722,507,934</b>	<b>683,309,635</b>	<b>168,812,815</b>	<b>39,267,286</b>	<b>15,060,459</b>	<b>3,537,204</b>
Share Capital	571,505,000	550,000,000	97,450,000	1,000,000	1,000,000	1,000,000
Retained Earnings	151,002,934	133,309,635	71,362,815	38,267,286	14,060,459	2,537,204
<b>Non-Current Liabilities</b>	<b>78,863,560</b>	<b>90,914,458</b>	<b>244,543,779</b>	<b>226,808,864</b>	<b>193,513,747</b>	<b>182,644,048</b>
Long Term Borrowings Net of Current Portion	65,760,448	66,262,486	76,921,425	47,047,730	48,793,898	60,201,048
Share Money Deposit	-	12,146,500	159,793,000	174,493,000	142,443,000	122,443,000
Deferred Tax Liability	13,103,112	12,505,472	7,829,354	5,268,134	2,276,849	-



<b>Current Liabilities</b>	<b>84,501,418</b>	<b>79,034,609</b>	<b>93,981,368</b>	<b>151,241,729</b>	<b>110,214,638</b>	<b>83,817,656</b>
Short Term Borrowings	14,314,691	14,314,691	18,700,000	14,995,808	14,995,808	14,995,808
Current Portion of Long Term Borrowings	18,757,946	18,255,908	16,378,575	13,153,318	11,407,150	-
Trade Payable	17,906,905	17,589,818	41,306,309	75,864,021	50,965,821	51,355,285
Liabilities for Expenses	33,521,876	28,874,192	17,596,484	47,228,582	32,845,859	17,466,564
<b>Total Equity and Liabilities</b>	<b>885,872,912</b>	<b>853,258,702</b>	<b>507,337,962</b>	<b>417,317,879</b>	<b>318,788,844</b>	<b>269,998,909</b>
<b>Net Asset Value (NAV) per share</b>	12.64	12.42	17.32	392.67	150.60	35.37

**B) The statements of operating results of the Company is as follow:**

*Amount in Taka*

<b>Particulars</b>	<b>01 Jul 2019 to 30 Sep 2019</b>	<b>01 Jul 2018 to 30 Jun 2019</b>	<b>01 Jul 2017 to 30 Jun 2018</b>	<b>01 Jul 2016 to 30 Jun 2017</b>	<b>01 Jul 2015 to 30 Jun 2016</b>	<b>01 Feb 2015 to 30 Jun 2015</b>
Revenue	256,188,652	914,580,980	506,226,758	444,365,371	299,265,446	125,211,749
Cost of Goods Sold	223,398,354	797,783,066	437,206,540	383,878,545	259,056,074	108,534,111
<b>Gross Profit</b>	<b>32,790,298</b>	<b>116,797,914</b>	<b>69,020,218</b>	<b>60,486,826</b>	<b>40,209,372</b>	<b>16,677,638</b>
<b>Operating Expenses</b>	<b>8,366,466</b>	<b>27,862,225</b>	<b>17,581,233</b>	<b>20,072,655</b>	<b>12,440,931</b>	<b>9,469,106</b>
Administrative Expenses	4,265,485	14,635,276	8,411,810	11,080,499	6,910,375	6,179,638
Selling and Distribution Expenses	4,100,981	13,226,949	9,169,423	8,992,156	5,530,556	3,289,468
<b>Profit from Operation</b>	<b>24,423,832</b>	<b>88,935,689</b>	<b>51,438,985</b>	<b>40,414,171</b>	<b>27,768,441</b>	<b>7,208,532</b>
Other Income	172,839	1,228,729	496,864	556,983	1,198,600	515,560
Financial Expenses	2,727,106	12,046,587	13,141,846	12,626,348	13,364,153	4,809,705
<b>Profit before Contribution to WPPF</b>	<b>21,869,565</b>	<b>78,117,831</b>	<b>38,794,003</b>	<b>28,344,806</b>	<b>15,602,889</b>	<b>2,914,386</b>
Contribution to WPPF	1,041,408	3,719,897	-	-	-	-
<b>Profit Before Tax</b>	<b>20,828,157</b>	<b>74,397,934</b>	<b>38,794,003</b>	<b>28,344,806</b>	<b>15,602,889</b>	<b>2,914,386</b>
<b>Income Tax Expenses</b>	<b>3,134,858</b>	<b>12,451,114</b>	<b>5,698,474</b>	<b>4,137,979</b>	<b>4,079,633</b>	<b>377,182</b>
Current Tax	2,537,218	7,774,996	3,137,254	1,146,694	1,802,784	377,182
Deferred Tax	597,640	4,676,118	2,561,220	2,991,285	2,276,849	-
<b>Net Profit After Tax</b>	<b>17,693,299</b>	<b>61,946,820</b>	<b>33,095,529</b>	<b>24,206,827</b>	<b>11,523,256</b>	<b>2,537,204</b>
Earnings Per Share (Basic)	0.31	1.93	1.57	1.38	0.80	0.21
Earnings Per Share (Diluted)	0.31	1.08	0.58	0.42	0.20	0.04

\*Considering the latest number of shares i.e. 57,150,500 for all years in calculating Diluted Earnings Per Share (EPS)

C) **Dividend declared:**

Particulars	30-Sep-19	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
Cash Dividend	Nil	Nil	Nil	Nil	Nil	Nil
Stock Dividend (Bonus Share)	Nil	Nil	Nil	Nil	Nil	Nil

- D) Master Feed Agrotec Limited is a public limited company, formed initially as a private limited company namely Master Hatchery and Poultry Feed Limited under Companies Act 1994 and incorporated in Bangladesh bearing registration no. C-93642/11 dated June 20, 2011 and the name of Master Hatchery and Poultry Feed Limited has been changed to Master Feed agrotec Limited on dated July 01, 2018 and converted as a public limited company dated October 15, 2018.
- E) The Company started its commercial operation in February 01, 2015.
- F) The Company has no subsidiary as on the balance sheet date.
- G) No proceeds or part of the proceeds of the issue of shares would be applied directly by the company in the purchase of any business.
- H) The Company did not prepare any statement of accounts for the period subsequent to September 30, 2019.
- I) Figures related to previous years have been re-arranged whenever considered necessary.

Place: Dhaka  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants

(e) Financial spread sheet analysis for the latest audited financial statements;

**Master Feed Agrotec Limited**  
Statement of Financial Position  
As at September 30, 2019

Particulars	Amount	Percentage on Total Asset	Grand Total
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>	<b>323,936,962</b>		<b>36.57%</b>
<b>Property, Plant and Equipment</b>	<b>314,961,786</b>	<b>35.55%</b>	
Land	10,727,233	1.21%	
Land development	7,992,141	0.90%	
Pond (Excavation)	42,238,680	4.77%	
Building and other construction	101,481,190	11.46%	
Plant and machinery	122,894,830	13.87%	
Truck scale	4,568,286	0.52%	
Electric sub-station	7,079,632	0.80%	
Lab equipment's	560,496	0.06%	
Diesel generator	2,761,694	0.31%	
Deep tube-well and submersible pump	3,557,877	0.40%	
Vehicle	4,296,931	0.49%	
Bicycle	458,951	0.05%	
Fire equipment	481,274	0.05%	
Furniture and fixture	4,017,394	0.45%	
Office equipment	1,845,177	0.21%	
<b>Intangible Assets</b>	<b>305,692</b>	<b>0.03%</b>	
Software	305,692	0.03%	
<b>Capital Work in Progress</b>	<b>8,669,484</b>	<b>0.98%</b>	
<b>CURRENT ASSETS</b>	<b>561,935,950</b>	<b>63.43%</b>	<b>63.43%</b>
<b>Inventories</b>	<b>261,013,385</b>	<b>29.46%</b>	
Work in Process	7,775,586	0.88%	
Finished Goods	19,836,886	2.24%	
Raw Materials	232,788,210	26.28%	
Packing Materials	359,283	0.04%	
Spare Parts	253,420		
<b>Trade and Other Receivables</b>	<b>288,668,383</b>	<b>32.59%</b>	
<b>Advances, Deposits and Prepayments</b>	<b>7,351,564</b>	<b>0.83%</b>	
Advance Income Tax	122,831	0.01%	
Advance to Staff against Salary	160,700	0.02%	
Advance against Raw Materials	5,985,375	0.68%	
Gazipur Palli Biddut Samity	45,820	0.01%	
Security Deposit to Noakhali PBS and Mymensingh PBS-2	320,000	0.04%	
Office Rent (Security Deposit)	420,000	0.05%	
Prepaid Insurance Premium	296,838	0.03%	
<b>Cash and Cash Equivalent</b>	<b>4,902,618</b>	<b>0.55%</b>	
<b>Total Assets</b>	<b>885,872,912</b>		<b>100.00%</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDER'S EQUITY</b>	<b>722,507,934</b>		<b>81.56%</b>
Share Capital	571,505,000	64.51%	

Retained Earnings	151,002,934	17.05%	
<b>NON-CURRENT LIABILITIES</b>	<b>78,863,560</b>		<b>8.90%</b>
Long Term Borrowings Net of Current Portion	65,760,448	7.42%	
Deferred Tax Liability	13,103,112	1.48%	
<b>CURRENT LIABILITIES</b>	<b>84,501,418</b>		<b>9.54%</b>
Short Term Borrowings	14,314,691	1.62%	
Current Portion of Long Term Borrowings	18,757,946	2.12%	
Trade Payable	17,906,905	2.02%	
<b>Liabilities for Expenses</b>	<b>33,521,876</b>	<b>3.78%</b>	
Salaries and Allowance	1,768,050	0.20%	
Director Remuneration	100,000	0.01%	
Electricity Bill	236,920	0.03%	
Mobile Charges	68,544	0.01%	
Internet Bill	1,000	0.00%	
Interest Payable on Borrowings	16,281,252	1.84%	
Provision for Income Tax	10,066,699	1.14%	
Provision for WPPF	4,761,305	0.54%	
Audit Fee	125,000	0.01%	
Other Payable	113,106	0.01%	
<b>Total Equity and Liabilities</b>	<b>885,872,912</b>		<b>100.00%</b>

**Master Feed Agrotec Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the period ended September 30, 2019**

Particulars	For the year period ended Sep 30, 2019	Percentage on Total Turnover	Grand Percentage
<b>Revenue</b>	<b>256,188,652</b>		<b>100%</b>
Revenue	256,188,652		
<b>Less: Cost of Goods Sold</b>	<b>223,398,354</b>		<b>87.20%</b>
Raw Materials Consumed	205,062,178	80.04%	
Manufacturing Overhead	16,875,763	6.59%	
<b>Manufacturing Cost</b>	<b>221,937,941</b>	<b>86.63%</b>	
Add: Work in Process-Opening	7,144,411	2.79%	
Less: Work in Process-Closing	7,775,586	3.04%	
<b>Cost of Goods Manufactured</b>	<b>221,306,766</b>	<b>86.38%</b>	
Add: Finished Goods-Opening	21,928,474	8.56%	
Less: Finished Goods-Closing	19,836,886	7.74%	
<b>Cost of Goods Sold</b>	<b>223,398,354</b>	<b>87.20%</b>	
<b>Gross Profit</b>	<b>32,790,298</b>		<b>12.80%</b>
<b>Less: Operating Expenses</b>	<b>8,366,466</b>		<b>3.27%</b>
Administrative Expenses	4,265,485	1.66%	
Selling and Distribution Expenses	4,100,981	1.60%	
<b>Profit from Operation</b>	<b>24,423,832</b>		<b>9.53%</b>
Other Income	172,839	0.07%	
<b>Less: Non Operating Expenses</b>	<b>2,727,106</b>	<b>1.06%</b>	
Bank Charges and Others	30,119	0.01%	
Interest on Short Term Borrowings	469,873	0.18%	
Interest on Long Term Borrowings	2,227,114	0.87%	
<b>Profit Before Tax and Contribution to WPPF</b>	<b>21,869,565</b>		<b>8.54%</b>
Contribution to WPPF	1,041,408	0.41%	
<b>Profit before Tax</b>	<b>20,828,157</b>		<b>8.13%</b>
<b>Income Tax Expenses</b>	<b>3,134,858</b>		<b>1.22%</b>
Current Tax	2,537,218	0.99%	
Deferred Tax	597,640	0.23%	
<b>Net Profit After Tax</b>	<b>17,693,299</b>		<b>6.91%</b>

- (f) **Earnings Per Share (EPS) on fully diluted basis (with the total existing number of shares) in addition to the weighted average number of shares basis. Future projected Net Income should not be considered while calculating the weighted average EPS;**

*As per audited financial statement for the year ended June 30, 2019*

Particulars	Amount in Taka
Net Profit After Tax	61,946,820
Total existing number of Share	57,150,500
Weighted average number of Share	32,179,639
<b>Earnings per Share (EPS)-Fully Diluted Basis</b>	<b>1.08</b>
<b>Earnings per Share (EPS)-Weighted average no. of Share basis</b>	<b>1.93</b>

- (g) **All extra-ordinary income or non-recurring income coming from other than core operations should be shown separately while showing the Net Profit as well as the Earnings Per Share;**

*As per audited financial statement for the year ended June 30, 2019*

Particulars	Amount in Taka
<b>Profit Before Tax</b>	74,397,934
Less: Other Income	1,228,729
<b>Profit before Income Tax except Other Income</b>	<b>73,169,205</b>
Less: Income Tax Expense	12,451,114
<b>Net Profit After Tax</b>	<b>60,718,091</b>
No. of shares	32,179,639
<b>Earnings per Share (EPS)</b>	<b>1.89</b>

- (h) **Quarterly or half-yearly EPS should not be annualized while calculating the EPS;**

This information is not applicable for MFAL.

- (i) **Net asset value (with and without considering revaluation surplus or reserve) per unit of the securities being offered at the date of the latest audited statement of financial position.**

The Company has not revalued any of its assets.

*As per audited financial statement for the period ended September 30, 2019*

Particulars	Amount in Taka
Share Capital	571,505,000
Retained Earnings	151,002,934
<b>Total Shareholders' Equity (without revaluation reserve)</b>	<b>722,507,934</b>
Total Number of Ordinary Share	57,150,500
<b>Net Assets Value (NAV) (without revaluation reserve) at BDT 10.00 per share</b>	<b>12.64</b>

- (j) **The Commission may require the issuer to re-audit the audited financial statements, if any deficiency or anomaly is found in the financial statements. In such a case, cost of audit should be borne by the concerned issuer.**

If require, MFAL will bear the cost of audit.

(k) Following statements for the last five years or any shorter period of commercial operation certified by the auditors:-

(i) Statement of long term and short term borrowings including borrowing from related party or connected persons with rate of interest and interest paid or accrued;

**Certification on statement of long term and short term borrowings including borrowing from related party or connected persons with rate of interest and interest paid or accrued of Master Feed Agrotec Limited.**

After due verification, we certify that the long term and short term borrowings including borrowing from related party or connected persons with rate of interest and interest paid or accrued of Master Feed Agrotec Limited from 01 July, 2014 to 30 September, 2019 made up as follows:

**For the period ended 30 September, 2019**

Name of Party	Nature of Relationship	Nature of Borrowing	Balance as 30 September, 2019 (BDT)	Interest Rate	Interest Paid (BDT)	Interest Accrued (BDT)
Agrani Bank Limited	Lender	Long Term	84,518,394	11.00%	1,200,000	13,339,766
<b>Sub-Total</b>			<b>84,518,394</b>		<b>1,200,000</b>	<b>13,339,766</b>
Agrani Bank Limited	Lender	Short Term	14,314,691	11.00%	300,000	2,941,486
<b>Sub-Total</b>			<b>14,314,691</b>		<b>300,000</b>	<b>2,941,486</b>
<b>Grand Total</b>			<b>98,833,085</b>		<b>1,500,000</b>	<b>16,281,252</b>

**For the year ended 30 June, 2019**

Name of Party	Nature of Relationship	Nature of Borrowing	Balance as 30 June, 2019 (BDT)	Interest Rate	Interest Paid (BDT)	Interest Accrued (BDT)
Agrani Bank Limited	Lender	Long Term	84,518,394	11.00%	5,692,394	12,312,652
<b>Sub-Total</b>			<b>84,518,394</b>		<b>5,692,394</b>	<b>12,312,652</b>
Agrani Bank Limited	Lender	Short Term	14,314,691	11.00%	702,691	2,771,613
<b>Sub-Total</b>			<b>14,314,691</b>		<b>702,691</b>	<b>2,771,613</b>
<b>Grand Total</b>			<b>98,833,085</b>		<b>6,395,085</b>	<b>15,084,265</b>

**For the year ended 30 June, 2018**

Name of Party	Nature of Relationship	Nature of Borrowing	Balance as 30 June, 2018 (BDT)	Interest Rate	Interest Paid, (BDT)	Interest Accrued, (BDT)
Agrani Bank Limited	Lender	Long Term	93,300,000	11.00%	3,400,000	8,143,431
<b>Sub-Total</b>			<b>93,300,000</b>		<b>3,400,000</b>	<b>8,143,431</b>

Agrani Bank Limited	Lender	Short Term	18,700,000	11.00%	-	1,453,339
<b>Sub-Total</b>			<b>18,700,000</b>		<b>-</b>	<b>1,453,339</b>
<b>Grand Total</b>			<b>112,000,000</b>		<b>3,400,000</b>	<b>9,596,770</b>

**For the year ended 30 June, 2017**

Name of Party	Nature of Relationship	Nature of Borrowing	Balance as 30 June, 2017 (BDT)	Interest Rate	Interest Paid, (BDT)	Interest Accrued, (BDT)
Agrani Bank Limited	Lender	Long Term	60,201,048	13.00%	-	37,083,952
<b>Sub-Total</b>			<b>60,201,048</b>		<b>-</b>	<b>37,083,952</b>
Agrani Bank Limited	Lender	Short Term	14,995,808	15.00%	-	5,496,200
<b>Sub-Total</b>			<b>14,995,808</b>		<b>-</b>	<b>5,496,200</b>
<b>Grand Total</b>			<b>75,196,856</b>		<b>-</b>	<b>42,580,152</b>

**For the year ended 30 June, 2016**

Name of Party	Nature of Relationship	Nature of Borrowing	Balance as 30 June, 2016 (BDT)	Interest Rate	Interest Paid, (BDT)	Interest Accrued, (BDT)
Agrani Bank Limited	Lender	Long Term	60,201,048	13.00%	-	27,303,169
<b>Sub-Total</b>			<b>60,201,048</b>		<b>-</b>	<b>27,303,169</b>
Agrani Bank Limited	Lender	Short Term	14,995,808	15.00%	-	2,744,350
<b>Sub-Total</b>			<b>14,995,808</b>		<b>-</b>	<b>2,744,350</b>
<b>Grand Total</b>			<b>75,196,856</b>		<b>-</b>	<b>30,047,519</b>

**For the year ended 30 June, 2015**

Name of Party	Nature of Relationship	Nature of Borrowing	Balance as 30 June, 2015 (BDT)	Interest Rate	Interest Paid, (BDT)	Interest Accrued, (BDT)
Agrani Bank Limited	Lender	Long Term	60,201,048	13.00%	-	16,713,312
<b>Sub-Total</b>			<b>60,201,048</b>		<b>-</b>	<b>16,713,312</b>
Agrani Bank Limited	Lender	Short Term	14,995,808	15.00%	-	-
<b>Sub-Total</b>			<b>14,995,808</b>		<b>-</b>	<b>-</b>
<b>Grand Total</b>			<b>75,196,856</b>		<b>-</b>	<b>16,713,312</b>

Place: Dhaka  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants



- (ii) Statement of principal terms of secured loans and assets on which charge have been created against those loans with names of lenders, purpose, sanctioned amount, rate of interest, primary security, collateral or other security, re-payment schedule and status;

**Certification on statement of principal terms of secured loans and assets on which charge have been created against those loans with names of lenders, purpose, sanctioned amount, rate of interest, primary security, collateral or other security, re-payment schedule and status of Master Feed Agrotec Limited.**

After due verification, we certify that the principal terms of secured loans and assets on which charge have been created against those loans with names of lenders, purpose, sanctioned amount, rate of interest, primary security, collateral or other security, re-payment schedule and status of Master Feed Agrotec Limited from 01 July, 2014 to 30 September, 2019 were as follows:

Particulars	September 30, 2019	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
<b>Names of lenders</b>	Agrani Bank Limited					
<b>Purpose</b>	To purchase capital machinery (imported) & local machinery.					
<b>Sanctioned amount (Taka in lakh)</b>	943 Lakh			690 Lakh		
<b>Rate of Interest</b>	11.00%	11.00%	11.00%	13.00%	13.00%	13.00%
<b>Primary security/collateral or other security</b>	163.50 (131.50+32.00) decimal land owed by Master Hatchery and Poultry Feed Limited at Mouza: Sonabo, Sreepur, Gazipur, Factory Building and Machinery.					
<b>Re-payment schedule</b>	20 Quarterly Equal Installment	20 Quarterly Equal Installment	20 Quarterly Equal Installment	24 Quarterly Equal Installment	24 Quarterly Equal Installment	24 Quarterly Equal Installment
<b>Status (Outstanding balance Tk.)</b>	84,518,394	84,518,394	93,300,000	60,201,048	60,201,048	60,201,048

Particulars	September 30, 2019	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
<b>Names of lenders</b>	Agrani Bank Limited					
<b>Purpose</b>	Working Capital					
<b>Sanctioned amount (Taka in lakh)</b>	187 Lakh	187 Lakh	187 Lakh	150 Lakh	150 Lakh	150 Lakh
<b>Rate of Interest</b>	11.00%	11.00%	11.00%	15.00%	15.00%	15.00%
<b>Primary security/collateral or other security</b>	Inventory and 163.50 (131.50+32.00) decimal land owed by Master Hatchery and Poultry Feed Limited at Mouza: Sonabo, Sreepur, Gazipur.					
<b>Re-payment schedule</b>	Within One Year					
<b>Status (Outstanding balance Tk.)</b>	14,314,691	14,314,691	18,700,000	14,995,808	14,995,808	14,995,808

Place: Dhaka  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants

**(iii) Statement of unsecured loans with terms and conditions;**

**Certification on statement of unsecured loans with terms and conditions of Master Feed Agrotec Limited.**

This is to certify that Master Feed Agrotec Limited did not take any unsecured loan from 01 July, 2011 to 30 September, 2019.

Place: Dhaka  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
*Chartered Accountants*

- (iv) Statement of inventories showing amount of raw material, packing material, stock-in-process and finished goods, consumable items, store and spares parts, inventory of trading goods etc.;

**Certification on statement of inventories showing amount of raw material, packing material, stock-in process and finished goods, consumable items, store and spare parts, inventory of trading goods etc. of Master Feed Agrotec Limited.**

After due verification, we certify that the statement of inventories showing amount of raw material, packing material, stock-in process and finished goods, consumable items, store and spare parts, inventory of trading goods etc. of Master Feed Agrotec Limited from 1st July, 2014 to 30 September, 2019 were as follows:

Particulars	Amount in Taka					
	September 30, 2019	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Raw Material	232,788,210	215,113,796	85,675,300	54,852,630	31,052,630	11,895,724
Packing Materials	359,283	340,215	370,281	215,824	112,105	448,790
Work-in-Process	7,775,586	7,144,411	1,338,539	1,298,520	2,570,678	2,730,385
Finished Goods	19,836,886	21,928,474	39,609,219	47,198,654	4,548,781	2,428,340
Consumable items	-	-	-	-	-	-
Store and Spares parts	253,420	296,103	295,340	327,295	427,180	650,509
Inventory of trading goods	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>261,013,385</b>	<b>244,822,999</b>	<b>127,288,679</b>	<b>103,892,923</b>	<b>38,711,374</b>	<b>18,153,748</b>

Place: Dhaka  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants

**(v) Statement of trade receivables showing receivable from related party and connected persons;**

**Certification on statement of trade receivables showing receivable from related party and connected persons of Master Feed Agrotec Limited.**

After due verification, we certify that the statement of trade receivables showing receivable from related party and connected persons of Master Feed Agrotec Limited from 01 July, 2014 to 30 September, 2019 were as follows:

Particulars	Amount in Taka					
	September 30, 2019	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
General	288,668,383	255,604,373	112,385,182	106,548,455	87,946,418	44,560,054
From related party	-	-	-	-	-	-
From connected persons	-	-	-	-	-	-
<b>Total</b>	<b>288,668,383</b>	<b>255,604,373</b>	<b>112,385,182</b>	<b>106,548,455</b>	<b>87,946,418</b>	<b>44,560,054</b>

Place: Dhaka  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants

**(vi) Statement of any loan given by the issuer including loans to related party or connected persons with rate of interest and interest realized or accrued;**

**Certification on statement of any loan given by the issuer including loans to related party or connected persons with rate of interest and interest realized or accrued of Master Feed Agrotec Limited.**

This is to certify that Master Feed Agrotec Limited did not give any loan to any related party or connected persons during 01 July, 2014 to 30 September, 2019.

Place: Dhaka  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants

**(vii) Statement of other income showing interest income, dividend income, discount received, other non operating income;**

**Certification on statement of other income showing interest income, dividend income, discount received, other non operating income of Master Feed Agrotec Limited.**

After due verification, we certify that the statement of other income showing interest income, dividend income, discount received and other non-operating income of Master Feed Agrotec Limited from 01 July, 2014 to 30 September, 2019 were as follows:

Particulars	Amount in Taka					
	September 30, 2019	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Interest Income	70,204	854,228	69,577	-	-	-
Dividend Income	-	-	-	-	-	-
Discount Received	-	-	-	-	-	-
Other Non-Operating Income	102,635	374,501	427,287	556,983	1,198,600	515,560
<b>Total</b>	<b>172,839</b>	<b>1,228,729</b>	<b>496,864</b>	<b>556,983</b>	<b>1,198,600</b>	<b>515,560</b>

Place: Dhaka  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants

**(viii) Statement of turnover showing separately in cash and through banking channel;**

**Certification on statement of turnover showing separately in cash and through banking channel of Master Feed Agrotec Limited.**

After due verification, we certify that the turnover showing separately in cash and through banking channel of Master Feed Agrotec Limited from 01 July, 2014 to 30 September, 2019 were as follows:

Particulars	Amount in Taka					
	September 30, 2019	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
In Cash	10,438,643	26,396,078	2,770,000	2,368,219	1,232,773	805,492
Through Banking Channel	245,750,009	888,184,902	503,456,758	441,997,152	298,032,673	124,406,257
<b>Total Turnover</b>	<b>256,188,652</b>	<b>914,580,980</b>	<b>506,226,758</b>	<b>444,365,371</b>	<b>299,265,446</b>	<b>125,211,749</b>

Place: Dhaka  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants

(ix) Statement of related party transaction;

**Certification on statement of related party transactions of Master Feed Agrotec Limited.**

After due verification, we certify that the statement of related party transactions of Master Feed Agrotec Limited from 01 July, 2014 to 30 September, 2019 were as follows:

Name	Nature of Transaction	Amount in (BDT)											
		September 30, 2019		June 30, 2019		June 30, 2018		June 30, 2017		June 30, 2016		June 30, 2015	
		Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued
Mr. Md. Kabir Hossain	Remuneration	300,000	100,000	1,200,000	100,000	-	-	-	-	-	-	-	-
	Board Meeting Fee	4,000	-	20,000	-	-	-	-	-	-	-	-	-
Mrs. Asma Akter Sumie	Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
	Board Meeting Fee	4,000	-	20,000	-	-	-	-	-	-	-	-	-
Mr. Rafiqul Alam	Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
	Board Meeting Fee	4,000	-	16,000	-	-	-	-	-	-	-	-	-
Mrs. Shahida Akter Sumi	Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
	Board Meeting Fee	4,000	-	-	-	-	-	-	-	-	-	-	-

Place: Dhaka  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants

(x) Reconciliation of business income shown in tax return with net income shown in audited financial statements;

**Certification regarding reconciliation of business income shown in tax return with net income shown in audited financial statements of Master Feed Agrotec Limited from 01 July, 2014 to 30 September, 2019.**

After due verification, we certify that the reconciliation of business income shown in tax return with net income before tax shown in audited financial statements of Master Feed Agrotec Limited from 01 July, 2014 to 30 September, 2019 were as follows:

Particulars	Amount in Taka					
	September 30, 2019	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Net income before tax as per Audited Financial Statements	20,828,157	74,397,934	38,794,003	28,344,806	15,602,888	2,914,386
Add: Accounting Depreciation	Not Due Till Date	Submission Under Process	13,292,131	13,583,071	14,450,644	-
Less: Tax Depreciation			30,366,929	33,559,228	38,363,536	-
Less: Other Income			-	-	1,198,600	-
<b>Business Income shown in Tax Return</b>	-	-	<b>21,719,205</b>	<b>8,368,649</b>	<b>(9,508,604)</b>	<b>2,914,386</b>

Place: Dhaka  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants

- (xi) Confirmation that all receipts and payments of the issuer above Tk.5,00,000/- (five lac) were made through banking channel;

**Certification on confirmation that all receipts and payments of Master Feed Agrotec Limited above Tk. 500,000/- (Five Lakh) were made through Banking Channel.**

This is to certify that all receipts and payments of Master Feed Agrotec Limited above Tk. 500,000 (Five Lakh) were made through banking channel from 01 July, 2014 to 30 September, 2019.

Place: Dhaka  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants

- (xii) Confirmation that Bank Statements of the issuer are in conformity with its books of accounts;

**Certification on confirmation that Bank Statements of Master Feed Agrotec Limited are in conformity with its books of accounts.**

This is to certify that the bank statements of Master Feed Agrotec Limited from 01 July, 2014 to 30 September, 2019 are in conformity with its books of accounts.

Place: Dhaka  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants

- (xiii) Statement of payment status of TAX, VAT and other taxes or duties; and

**Certification on statement of payment status of TAX, VAT and other taxes or duties of Master Feed Agrotec Limited.**

After due verification, we certify that the status of Tax, VAT and other taxes or duties payments of Master Feed Agrotec Limited from 01 July, 2014 to 30 September, 2019 were as follows:

Particulars	Amount in Taka					
	September 30, 2019	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Tax	262,244	6,561,250	8,766	-	-	-
VAT*	Exempted	Exempted	Exempted	Exempted	Exempted	Exempted
Others Taxes/ Duties	-	-	-	-	-	-
<b>Total</b>	<b>262,244</b>	<b>6,561,250</b>	<b>8,766</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* As per S.R.O No. 106-AIN/2014/701-VAT, dated: June 05, 2014, S.R.O No. 119-AIN/2015/725-VAT, dated: June 04, 2015, S.R.O No. 176-AIN/2016/752-VAT, dated: June 02, 2016, S.R.O No. 224-AIN/2017/774-VAT, dated: July 01, 2017, S.R.O No. 167-AIN/2018/790-VAT, dated: June 07, 2018 and as per 1st Schedule of Section 03 of the Value Added Tax Act, 1991, S.R.O No. 172-AIN/2019/29-VAT, dated: June 13, 2019 and as per 1st Schedule of Section 26 of the Value Added Tax and Supplementary Duty Act, 2012 the company's VAT is exempted.

Place: Dhaka  
Date: January 20, 2020

Sd/-  
**ARTISAN**  
Chartered Accountants



## CHAPTER (XXVII)

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### **CREDIT RATING REPORT**

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As per Section 3 of Credit Ratings Companies Rules, 1996, no credit rating report is required by the Company. Moreover, as per Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the issuer/issue has been rated by a credit rating company registered with the Commission for book-building method only.

## CHAPTER (XXVIII)

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# **PUBLIC ISSUE APPLICATION PROCEDURE**

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### 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 the concerned Stockbroker/Merchant Banker. A Non-resident Bangladeshi (NRB) and Foreign applicant may also submit a single draft against 02(two) applications made by him/her, i.e. one in his/her own name and the other jointly with another person. The draft (FDD) shall be issued by the Bank where the applicant maintains Foreign Currency account debiting the same account and provide the customer with a certificate mentioning the FC account number which has been debited to issue the FDD. The applicant shall also submit the certificate with their application. No banker shall issue more than two drafts from any 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.
  - c. Eligible investors shall submit application through the electronic subscription system of the exchange(s) and deposit the full amount intended to subscribe by the method as determined by the exchange(s).

### 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;
  - 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 prepare 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 to the respective Exchange, the lists of applicants in electronic (text format with tilde '~' separator) format, the certificate(s) issued by its banker, the drafts and certificates received from Non-resident Bangladeshi (NRB) and Foreign applicants and a copy of the list containing the draft information.
7. On the next working day, the Exchanges shall provide the Issuer with the information received from the Stockbroker/Merchant Bankers, the drafts and certificates submitted by Non-resident Bangladeshi (NRB) and Foreign applicants and the list containing the draft information. 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 and websites of the Exchanges. 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 Exchanges within 10 (ten) working days from the date of receiving information from the 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 Exchanges, if do not receive any observation from the Commission or the 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 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 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 Commission and Exchanges 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 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, 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 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;
16. On the next working day of receiving the documents from the Exchanges, the Stockbrokers/Merchant Banker 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 applicants (other than NRB and foreign) who are subject to penal provisions to the respective 'Escrow' accounts of the Issuer opened for subscription purpose.
17. 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.
18. Simultaneously, the stockbrokers/Merchant Bankers shall release the application money blocked in the customer accounts; inform the successful applicants about allotment of securities and the unsuccessful applicants about releasing their blocked amounts and send documents to the Exchange evidencing details of the remittances made to the respective 'Escrow' accounts of the Issuer. 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.

19. All drafts submitted by NRB or Foreign applicants shall be deposited in the Issuer's respective 'Escrow' accounts and refund shall be made by the Issuer by refund warrants through concerned stockbroker or merchant banker or transfer to the applicant's bank account (FC account which has been debited to apply by NRB or foreign applicants) through banking channel within 10 (ten) working days from the date of lottery.

**Miscellaneous:**

20. The Issuer, Issue Manager, Stockbrokers and Merchant Bankers shall ensure compliance of the above.
21. The bank drafts (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of abridged version of prospectus.
22. 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.
23. The Issuer shall pay the costs related to data transmission, if claimed by the Exchange concerned up to an amount of Tk. 200,000.00 (taka two lac) for a public issue.
24. The Stockbroker/Merchant Bankers shall be entitled to a service charge of Tk.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.
25. The Stockbroker/Merchant Banker shall provide the Issuer with a statement of the remittance and drafts sent.
26. 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.
27. The concerned Exchange are authorized to settle any complaints and take necessary actions against any Stockbroker/Merchant Banker in case of violation of any provision of the public issue application process with intimation to the Commission.

**All eligible Stock Brokers and Merchant Bankers shall receive the IPO Subscription.**

The IPO subscription money collected from successful applicants (other than NRB applicants) by the Stockbrokers/Merchant Bankers will be remitted to the Company's **Account No. 0002 13100002244** with **Southeast Bank Ltd., Principal Branch, Dhaka** for this purpose.

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:

Sl.	Name of the A/C	Account No.	Type of A/C	Currency	Bank & Branch
1	Master Feed Agrotec Limited	0002 15100009144	FC A/C	USD	Southeast Bank Ltd., Principal Branch, Dhaka
2		0002 16300007778		EURO	
3		0002 16200007558		GBP	

## APPLICATION FORM

পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।

Interested persons are entitled to a prospectus, if they desire, and that copies of prospectus may be obtained from the issuer and the issue managers.

### MASTER FEED AGROTEC LIMITED

#### APPLICATION FOR PUBLIC ISSUE

Date:

Name of applicant	:																
Client Code	:																
BO ID No.	:																
Category of applicant	:																
Name of the Company/Fund	:																
Number of Shares/Units	:	..... Shares of Tk. .... each															
Total amount in Tk.	:																
Amount in word	:																
Mode of payment	:																
Cheque/Draft information	:																

\_\_\_\_\_  
Signature of  
**Applicants**

\_\_\_\_\_  
Signature of  
**Authorized Officer**



## CHAPTER (XXIX)

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### **OTHERS**

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## DECLARATION REGARDING COST AUDIT

This is to inform you that Ministry of Commerce in its Gazette dated 12<sup>th</sup> January, 2003 ordered 5 companies from power sector and 6 companies from jute sector would be under Cost Audit Compliance. Later on, 3<sup>rd</sup> December 2009 Ministry of Commerce issued Gazette by which 42 companies from Garments and Textiles sector, 12 companies from Pharmaceutical sector and all the companies involved in manufacturing of Chemical Fertilizer would be under Cost Audit Compliance.

Since Master Feed Agrotec Limited is not bracketed in above mentioned companies, Cost Audit by Professional Accountant is not applicable for "Master Feed Agrotec Limited".

Sd/-

**Md. Kabir Hossain**  
Managing Director  
**Master Feed Agrotec Limited**

Sd/-

**Rakib Uddin**  
Chief Financial Officer  
**Master Feed Agrotec Limited**

Sd/-

**Kamrun Naher**  
Chief Executive Officer  
**NBL Capital & Equity Management Limited**

Sd/-

**Muhammad Fuad Hussain**  
Managing Director & CEO  
**Asian Tiger Capital Partners Investments Limited**

Date: January 20, 2020