# Annual Report 2018



**MADE IN BANGLADESH**

2ND LARGEST APPAREL SOURCE OF THE WORLD

Aman Cotton Fibrous Ltd.

www.amancotton.com

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দেশ গড়ি

aman group

*Welcome*

Scan for Corporate Video

AMAR STOCK

আমান ফিড AMAN FEED | AMAN ECONOMIC ZONE | Aman Cotton Fibrous Ltd. | AMAN POULTRY & HATCHERY | AMAN PACKAGING LIMITED | AMAN SHIPYARD LIMITED | Amantex | amm FOODS & BEVERAGE LTD.

## TEXTILE

AMANTEX LIMITED
AMANTEX UNIT-2 LTD.
AMAN COTTON FIBROUS LIMITED
ANWARA MANNAN TEXTILE MILLS LTD.
AMAN PACKAGING & ACCESSORIES LTD.

## COLD STORAGE

AMAN COLD STORAGE LIMITED
MILAN COLD STORAGE LIMITED
A. M. COLD STORAGE LIMITED
AMAN SEEDS STORAGE LIMITED
AMAN AGRO INDUSTRIES LIMITED

## CONSTRUCTION MATERIAL

AMAN CEMENT MILLS LTD.
AMAN CEMENT MILLS UNIT-2 LTD.
AMAN PACKAGING LTD.
AKIN CARRIER LTD.
AMAN SHIPYARD LTD.

## TRADING

JUVENILE TRADE INTERNATIONAL LTD.
JUVENILE CONSTRUCTION LIMITED
AMAN TRADING CORPORATION
AMAN ASSOCIATES LIMITED
ISLAM BROTHERS & CO.
R S & T INTERNATIONAL

## AGRO INDUSTRIES

AMAN FEED LIMITED
AMAN CHICKS LIMITED
AMAN BREEDERS LIMITED
AMAN POULTRY & HATCHERY LIMITED
AMAN PLANT TISSUE CULTURE LIMITED
AMAN JUTE FIBROUS LIMITED



AKIN IDEAS
anwara FEED LIMITED
AMAN COLD STORAGE LIMITED
AMAN PACKAGING & ACCESSORIES LTD.
AMAN JUTE FIBROUS LIMITED
ANWARA MANNAN TEXTILE LIMITED

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1984 — AMAN TRADING CORPORATION

1994 — AMAN COLD STORAGE LIMITED

1996 — AMAN PLANT TISSUE CULTURE LIMITED

2003 — AMAN CEMENT MILLS LIMITED

2004 — AMAN FEED LIMITED

2006 — AMAN SPINNING MILLS LIMITED

2007 — AMAN COTTON FIBROUS LTD.

2009 — AMANTEX LIMITED

2010 — AMAN POULTRY & HATCHERY LIMITED

AMAR STOCK

# AMAN GROUP TIMELINE



# AMAN GROUP CORPORATE INFORMATION



## TEXTILE

### AMANTEX LTD.

| | | |
|---|---|---|
| Address | : | Boiragirchala, Sreepur, Gazipur |
| Product | : | Basic T-Shirt, Polo Shirt, Tank Top Hoody Jackets, Bodies For New Born & Infants Leggings, Trouser Top Bottom Set, Etc. |
| Year of Establishment | : | 2008 |
| Year of Commercial Production | : | July, 2009 |
| Total Area | : | 24,000 Sqr. Mtr. |
| Total Covered Area | : | 51,375 Sqr. Mtr. |
| Total Manpower | : | 4,900 nos. |
| Production Capacity | : | Garments: 8,333 doz/day, Dyeing: 25 M.Ton/day Kitting: 20 M.Ton/day Other facilities:Sueding, Brushing, Printing, Embroidering. |

### AMANTEX UNIT-2 LTD.

| | | |
|---|---|---|
| Address | : | Boiragirchala, Sreepur, Gazipur |
| Product | : | Basic T-Shirt, Polo Shirt, Tank Top Hoody Jackets, Bodies For New Born & Infants Leggings, Trouser Top Bottom Set, Etc. |
| Year of Establishment | : | 2013 |
| Year of Commercial Production | : | 2014 |
| Total Area | : | 14,000 Sqr. Mtr. |
| Total Covered Area | : | 41,750 Sqr. Mtr. |
| Total Manpower | : | 4,700 nos. |
| Production Capacity | : | Garments: 6,666 doz/day |

### AMAN COTTON FIBROUS LIMITED

| | | |
|---|---|---|
| Address | : | Boiragirchala, Sreepur, Gazipur |
| Product | : | Carded Cotton Yarn, Combed Cotton Yarn |
| Year of Establishment | : | 2006 |
| Year of Commercial Production | : | 2007 |
| Total Area | : | 30,000 Sqr. Mtr. |
| Total Covered Area | : | 18, 000 Sqr. Mtr. |
| Total Manpower | : | 651 nos. |
| Production Capacity | : | 6,780 M.Ton/year |

### AMAN COTTON FIBROUS UNIT-2 LIMITED

| | | |
|---|---|---|
| Address | : | Boiragirchala, Sreepur, Pouroshova, Gazipur |
| Product | : | 100% Cotton: Ne 20s/1 to 40s/1, Synthetic: Poly Cotton Blend, Viscose, Melange. |
| Year of Establishment | : | On going |
| Year of Commercial Production | : | On going |
| Total Area | : | 42,860 Sqr. Mtr. |
| Total Covered Area | : | 30,000 Sqr. Mtr. |
| Total Manpower | : | 1,500 Nos. (Approx) |
| Production Capacity | : | 15,000 M.Ton/Year (Approx) |

AMAR STOCK

## ANWARA MANNAN TEXTILES MILLS LTD.

| | | |
|---|---|---|
| Name of the Company | : | Anwara Mannan Textile Mills Ltd. |
| Address | : | Boiragirchala, Sreepur, Gazipur |
| Product | : | Ne 20s/1 to 40s/1, Combed Cotton Yarn Ne 20s/1 to 40s/1, Semi Combed Cotton Yarn Ne 20s/1 to 40s/1 |
| Year of Establishment | : | 2010 |
| Year of Commercial Production | : | 2012 |
| Total Area | : | 50,400 Sqr. Mtr. |
| Total Covered Area | : | 30,000 Sqr. Mtr. |
| Total Manpower | : | 1530 nos. |
| Production Capacity | : | 15,000 M.Ton/Year |

## AMAN PACKAGING & ACCESSORIES LTD.

| | | |
|---|---|---|
| Address | : | Boiragirchala, Sreepur, Gazipur |
| Product | : | All Kinds of Poly, Twill Tape, Normal Elastic, Gum Tape, Paper Cone |
| Year of Establishment | : | 2014 |
| Year of Commercial Production | : | 2015 |
| Total Area | : | 5760 Sqr. Mtr. |
| Total Covered Area | : | 5600 Sqr. Mtr. |
| Total Manpower | : | 120 nos. |
| Production Capacity | : | 1. Poly: 8 M.Ton/day 2. Twill Tape: 41600 yds/day 3. Gum Tape: 1.75 M.Ton/day 4. paper Cone: 60000 pcs/day 5. Cartoon: 200000 pcs/day |




# CONSTRUCTION MATERIALS

## AMAN CEMENT MILLS LTD.

| | | |
|---|---|---|
| Name of the Company | : | Aman Cement Mills Limited |
| Address | : | Ullapara R/S, Ullapara, Sirajgonj. |
| Product | : | Portland Cement |
| Year of Establishment | : | 2001 |
| Year of Commercial Launching | : | 2003 |
| Total Area | : | 21,000 Sqr.mtr |
| Total Covered Area | : | 13,346 Sqr.mtr |
| Total Manpower | : | 300 nos. |
| Production Capacity | : | 750 M. Ton/day |

## AMAN CEMENT MILLS UNIT-2 LTD.

| | | |
|---|---|---|
| Name of the Company | : | Aman Cement Mills Unit-2 Limited |
| Address | : | Haria, Baiddyer Bazar, Sonargaon, Narayangonj |
| Product | : | Portland & Composite Cement |
| Year of Commercial Launching | : | 2017 |
| Total Area | : | 1,08,000 m2 |
| Total Covered Area | : | 70,000 m2 |
| Total Manpower | : | 350 |
| Production Capacity | : | 10,000 TPD |

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# COLD STORAGE

With a view to preserve and storage of table Potato's and Seed Potato these Companies were formed and established 5 (five) Cold Storage and Seed Storage with a total capacity 72,850 MT Potato

## AMAN COLD STORAGE LIMITED

| | | |
|---|---|---|
| Address | : | Modonhati, Nowahata Pouroshova, Rajshahi |
| Product | : | Table Potato & Seed Potato |
| Year of Establishment | : | 1995 |
| Year of Commercial Launching | : | 1996 |
| Total Area | : | 18,400 Sqr.mtr |
| Total Covered Area | : | 20,000 Sqr.mtr |
| Total Manpower | : | 80 nos. |
| Storing Capacity | : | 14,500 M. Ton |

## AMAN AGRO INDUSTRIES LIMITED

| | | |
|---|---|---|
| Address | : | Mohonpur, Upazilla, Rajshahi |
| Product | : | Table Potato |
| Year of Establishment | : | 2002 |
| Year of Commercial Launching | : | 2003 |
| Total Area | : | 24,600 Sqr.mtr |
| Total Covered Area | : | 30,000 Sqr.mtr |
| Total Manpower | : | 100 nos. |
| Storing Capacity | : | 16,500 M. Ton |

## MILAN COLD STORAGE LIMITED

| | | |
|---|---|---|
| Address | : | BSCIC, Soupura, Rajshahi. |
| Product | : | Table Potato & Seed Potato |
| Year of Establishment | : | 2000 |
| Year of Commercial Launching | : | 2000 |
| Total Area | : | 10,800 Sqr.mtr |
| Total Covered Area | : | 20,000 Sqr.mtr |
| Total Manpower | : | 80 nos. |
| Storing Capacity | : | 14,350 M.Ton |

## A M COLD STORAGE LIMITED

| | | |
|---|---|---|
| Address | : | Kashimbazar, Tanore, Rajshahi |
| Product | : | Table Potato |
| Year of Establishment | : | 2011 |
| Year of Commercial Launching | : | 2012 |
| Total Area | : | 21,600 Sqr.mtr |
| Total Covered Area | : | 30,000 Sqr.mtr |
| Total Manpower | : | 100 nos. |
| Storing Capacity | : | 16,500 M.Ton |

## AMAN SEEDS STORAGE LIMITED

| | | |
|---|---|---|
| Address | : | Madanhati, Paba Rajshahi |
| Product | : | Seed Potato |
| Year of Establishment | : | 2011 |
| Year of Commercial Launching | : | 2012 |
| Total Area | : | 8,100 Sqr.mtr |
| Total Covered Area | : | 11,620 Sqr.mtr |
| Total Manpower | : | 60 nos. |
| Storing Capacity | : | 11,000 M.Ton |

AMAR STOCK



# AGRO BASED INDUSTRIES

## AMAN POULTRY & HATCHERY LIMITED

| | | |
|---|---|---|
| Address | : | Fadilpur, Kakonhat, Godagari, Rajshahi. |
| Product | : | Day Old Chicks (DOC) |
| Year of Establishment | : | 2010 |
| Year of Commercial Production | : | 2012 |
| Total Area | : | 18,400 Sqr. Mtr. |
| Total Covered Area | : | 12,995 Sqr. Mtr. |
| Total Manpower | : | 500 nos. |
| Production Capacity | : | 500,000/Week, 84,00,000 Chicks. |

## AMAN BREEDERS LIMITED

| | | |
|---|---|---|
| Address | : | Badhir, Prokash Nagar, Tanore, Rajshahi. |
| Product | : | Day Old Chicks (DOC) |
| Year of Establishment | : | 2012 |
| Year of Commercial Production | : | 2013 |
| Total Area | : | 32,374 Sqr. Mtr. |
| Total Covered Area | : | 10,515 Sqr. Mtr. |
| Total Manpower | : | 580 nos. |
| Production Capacity | : | 13,478,400 Nos chicks/Year & 102,000 Nos. |

## AMAN JUTE FIBROUS LIMITED

| | | |
|---|---|---|
| Address | : | Singhagati, Ullapara, Sirajgonj. |
| Product | : | Sack, Hessian & Jute Twine |
| Year of Establishment | : | 2013 |
| Year of Commercial Production | : | 2015 |
| Total Area | : | 50,400 Sqr. Mtr. |
| Total Covered Area | : | 27,882 Sqr. Mtr. |
| Total Manpower | : | 3,000 nos. |
| Production Capacity | : | 60 MT/day, 15000 MT/year |

## AMAN PLANT TISSUE CULTURE LTD.

| | | |
|---|---|---|
| Address | : | Narikelbaria, Paba, Rajshahi. |
| Product | : | HYV Potato Seeds |
| Year of Establishment | : | 2004 |
| Year of Commercial Production | : | 2008 |
| Total Area | : | 92,000 Sqr. Mtr. |
| Total Covered Area | : | 500 Sqr. Mtr. |
| Total Manpower | : | 250 nos. |
| Production Capacity | : | 5,400 M.Ton |

AMAR STOCK

## NEW PROMISE
## NEW COMMITMENT

### AMAN PACKAGING LIMITED

| | | |
|---|---|---|
| Address | : | Boidder Bazar, Sonargaon, Narayangonj |
| Year of Registration | : | 2007 |
| Year of Commercial Production | : | 2017 |
| Total Manpower | : | 203 nos. |
| Product & Capacity | : | Cement Bag: 120,000 Pcs. Per day<br>Feed Bag: 50,000 Pcs Per day<br>Spinning Bag/Other Bag: 30,000 Pcs Per day |



### AMAN SHIPYARD LTD.

| | | |
|---|---|---|
| Factory Address | : | Boidder Bazar, Sonargaon, Narayangonj. |
| Date of Company Registration | : | 29 December 2014 |
| Date of Commercial Operation | | |
| DWT 3560 | : | October 2018 |
| DWT 375 | : | November 2018 |
| Name of Product and Capacity | | |
| DWT 3560 | : | 4 Nos., DWT 375: 12 Nos. |
| DWT 2150 | : | 4 Nos. |
| Manpower | : | 390 Nos. |






# TRADING CONCERNS

The Group inherited trading business and constructual business of supplies and construction throughout Bangladesh. The ansector of the group used to enjoy every high reputation in the locality.

The present members of the Board of Directors are the successors of the founder of AMAN TRADING CORPORATION. All the firms are now engaged in importing and marketing of various consumer items keeping in pace with the demand of the time. The Group is now having huge track of import business. These concerns are engaged in import and marketing of different type fo commodities.

**AMAN TRADING CORPORATION**
**JUVENILE TRADE INTERNATIONAL LTD.**
**AMAN ASSOCIATES LIMITED**
**JUVENILE CONSTRUCTION**
**ISLAM BROTHERS & CO.**
**R S & T INTERNATIONAL**

| | | |
|---|---|---|
| Head Office | : | 2, Ishakha Avenue, Sector-6, Uttara, Dhaka |
| Registred Office | : | Ali Bhaban (5th floor), 9 Rajuk Avenue, Motijheel C/A, Dhaka-1000 |
| Rajshahi Office | : | 115, 116, Rani Bazar, Rajshahi |
| Chittagong Office | : | South Land Centre, 501, 5 Agrabad C/A, Chittagong |
| Jessore Office | : | Nur Ali Bhaban (Gr. Floor), Avoynagar, Noapara, Jessore |
| Pabna Office | : | Nagarbari Ghat, Pabna |
| Chapai Nawabgonj Office | : | Sonamosjid Port, Sonamosjid, Chapainawabgonj. |
| Product | : | Food Grain, Cereals, Fertilizers, Raw Cotton, Wheat, Maize, Rice, Sugar, Soya meal, Yellow Peas etc. from different parts of globe. |
| Year of Establishment | : | 1984-2003 |
| Total Manpower | : | 400 nos. |

AMAR STOCK

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EMAR STOCK



## VISION

"To be recognized by the customers as the market leader for hi-tech product innovation, quality product supplier and superior service provider to the customers."

## MISSION

"To deliver promised quality and endeavor towards better research, innovation and development. To be a trusted brand for the customers, suppliers and employees."

## CORE VALUE

To be honest and committed in fair dealings with all stakeholders of the Company

## OUR GOAL

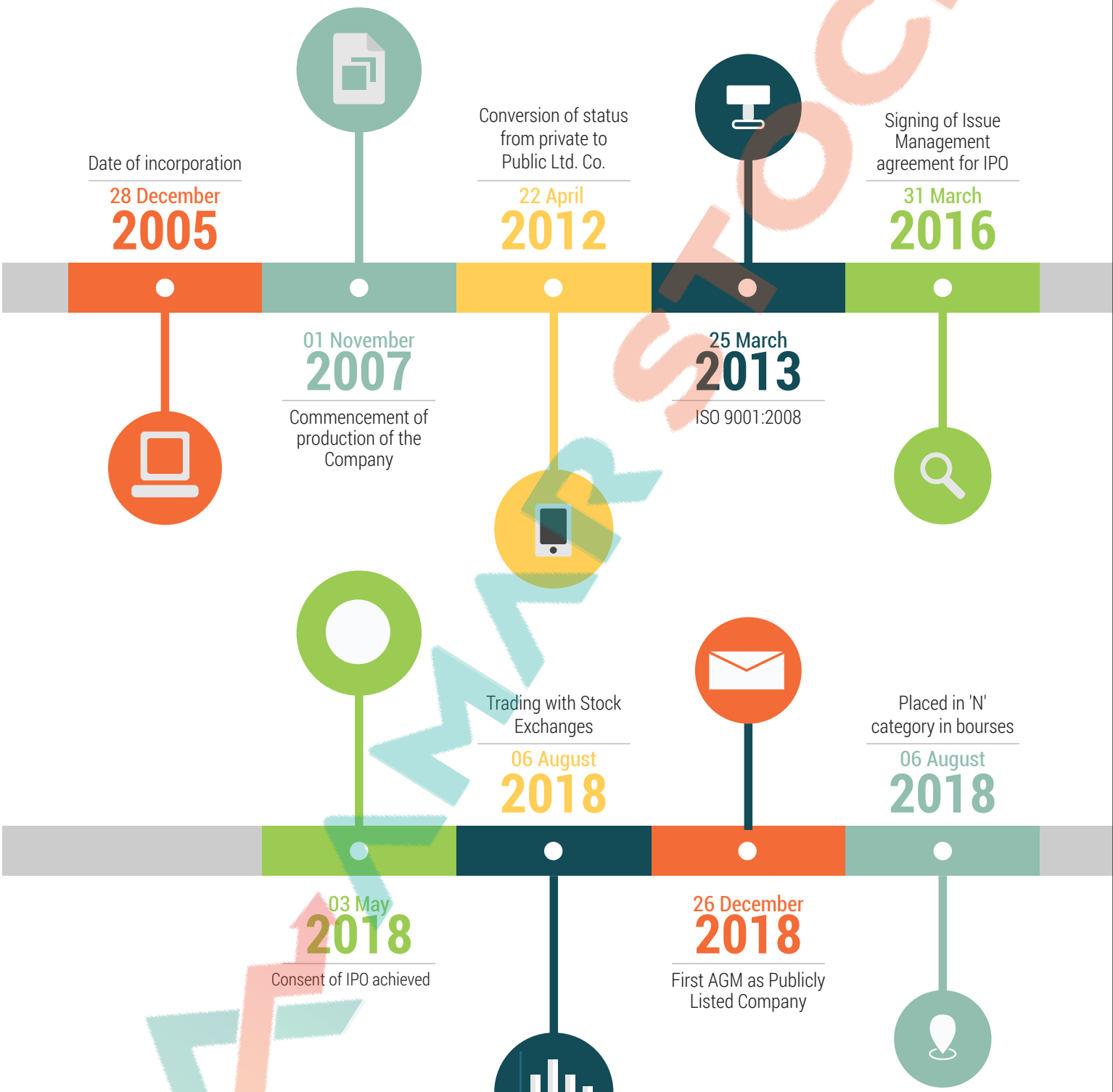
Aman Cotton Fibrous Limited (ACFL) is primarily engaged in manufacturing of high quality cotton yarn in Bangladesh and marketing and selling of product in the domestic market as deemed export. The installation of a high capacity air conditioning and filtration plant has enabled the mill to meet the international standards. The Company manufactures 100% cotton Carded, Combed & Semi-combed ring spun grey yarn for knitting as well as weaving. From the beginning of operation of ACFL, it has managed to comply with the international standards of management, which was reflected to attain of ISO 9001:2008 Certificate.



## STRATEGY

- Ensure sustainable growth and modernization of existing facilities with potential for success through increasing capacity and manufacturing efficiency;
- Achieve global competitiveness and to derive the full benefit of our demographic and wages advantage;
- Achieve technological superiority;
- Strengthening financial resources;
- Maintain state-of-the-art manufacturing facilities for ensuring best quality products to the customers;
- Obtain world class accreditation by proper execution of ISO 9001:2008 standard and best practices that are proven effective

# History & Milestones



# PRODUCTS & SERVICES



# PRODUCTS & SERVICES

The principal product of the Company is combed & carded cotton yarn of different counts. The products are supplied to local textile industries, which are exported mostly to Europe and USA.

| Product Name | Sales During the Year 2017-18 (MT) | Percentage (%) |
|---|---|---|
| Yarn-Carded | 4,698 | 72.76% |
| Yarn-Combed | 1,758 | 27.24% |
| **Total** | **6,456** | **100.00** |



AMARSTOCK

# CORPORATE INFORMATION

**DECEMBER 28, 2005**

Incorporation as Private Limited Company

**NOVEMBER 01, 2007**

Commercial Operation Started

**APRIL 22, 2012**

Converted into Public Limited Company

**LOCATION OF FACTORY**

Boiragirchala, Sreepur, Gazipur

**BANKERS OF THE COMPANY**

Islami Bank Bangladesh Ltd.
Meghna Bank Ltd.
Standard Bank Ltd.

**AUDITORS**

Ahmed Zaker & Co.
Chartered Accountants
Green City Edge , 10th Floor, 89, Kakrail,
Dhaka- 1000,
Bangladesh

**LEGAL ADVISOR**

Dr. Kamal Hossain & Associates
Metropolitan Chamber Building (2nd floor)
122-24 Motijheel C/A,
Dhaka-1000

**REGISTERED OFFICE**

Boiragirchala, Sreepur, Gazipur

**CORPORATE OFFICE**

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

**PHONE**

+880-2-7911691-3,
+880-2-8962297

**FAX**

880-2- 58950510

**EMAIL & WEBSITE**

cs@amangroupbd.com
www.amancotton.com

# CORPORATE MANAGEMENT



## BOARD OF DIRECTORS

**Md. Rafiqul Islam**
Managing Director

**Md. Shofiqul Islam**
Chairman

**Md. Toufiqul Islam**
Director

**Md. Toriqul Islam**
Director

**Md. Rabiul Haque**
Nominated Director

**A.K.M Akhtaruzzaman**
Independent Director

**Md. Mizanur Rahman**
Independent Director

## AUDIT COMMITTEE

**A.K.M Akhtaruzzaman**
Chairman

**Md. Toriqul Islam**
Member

**Md. Rabiul Haque**
Member

**Krishna Kr. Sharma, ACS**
Member Secretary

## MANAGEMENT COMMITTEE

**Md. Rafiqul Islam**
Managing Director

**Md. Toufiqul Islam**
Director

**Md. Toriqul Islam**
Director

**Md. Mukter Hossain Talukder, FCA**
Director, Finance

**Krishna Kr. Sharma, ACS**
Company Secretary

**Noornavi Bhuiyan, FCA**
Chief Financial Officer

**Muhammad Saiful Islam**
Head of Internal Audit

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## BOARD OF DIRECTORS

**Md. Shofiqul Islam**
Chairman

**Md. Rafiqul Islam**
Managing Director

**Md. Toufiqul Islam**
Director

**Md. Toriqul Islam**
Director

**Md. Rabiul Haque**
Nominated Director

**A.K.M Akhtaruzzaman**
Independent Director

**Md. Mizanur Rahman**
Independent Director

AMAN STOCK



# MESSAGE FROM CHAIRMAN'S DESK

**Dear Valued Shareholders,**

Assalamu-Alaikum

I have the pleasure to welcome you all at the 13th Annual General Meeting of your company for the year ended 30 June 2018 as per provision of the prevailing laws and regulations of the country and also thank you for taking the trouble of attending the meeting despite various difficulties being faced. As Chairman of the Board, I feel immensely honored and privileged in taking this opportunity to formally report to our valued shareholders for the 1st time.

Businesswise, Company continues with its leading hold and remarkable profitability by the grace of Almighty Allah in spite recession in the country as detailed in the Director's report and has proven to be yet another successful year. The Board has been focusing on developing the company's strategy, keeping in mind its core business, particularly in the context of technology and customers need. As the Chairman of your company my objective is to make sure that the Board of Directors actively continues to play their due part in the coming years.

Our goal is to remain at the cutting edge of each industry so that we can continue to create value for our shareholders, the community where we do business and the economy at large. Aman Cotton Fibrous Limited a member company of Aman Group has been contributing significantly towards the overall economic growth of our beloved country through paying fair share of taxes generating employment, participating in community services, reducing carbon emissions and much more.

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Now, on behalf of the Board I would take this opportunity to thank our Regulators, Bangladesh Securities and Exchange Commission and Stock Exchange, NBR and other Regulatory Authorities of the Government of the People's Republic of Bangladesh for their continued guidance and support. I would also wish to thank our team and all employees of the company for their tremendous passion, resilience and hard work in delivering value for our shareholders and all other stakeholders. I remain personally grateful to the honorable members of the Board for having vested their confidence in my leadership and also for their immense support and guidance.

Let's celebrate and enjoy this auspicious day and would expect your generous effective suggestion with recommendation which will lead our beloved company to attain the pick of success.

**Md. Shofiqul Islam**
Chairman



# MESSAGE FROM MANAGING DIRECTOR'S DESK

**Dear valued Stakeholders,**

**Assalamu-Alaikum**

I begin my extending a warm and cordial welcome to all our esteemed shareholders at the 13th Annual General Meeting (AGM)of our company Aman Cotton Fibrous Ltd. As a Managing Director of the company I convey my heartfelt gratitude to all our respected shareholders for their continued support to the company.

**Overview:**

Despite various challenges faced by the company, The Board of Directors and Management ensured sustainable growth in the business and committed to deliver long term value with integrity to the shareholders and other stakeholders. . We continuously strive to maximize the value we bring to our customers, business financial partner and stakeholders. Cost containment and margin improvement remained challenging, especially in light of the continued pressures from competitive environment. In these circumstances, we at ACFL have every reason to be pleased with our performance. We had strong growth, increased our earnings and strengthened our financial stability.

Maintaining trust is more important than ever in today's global business environment. Wherever Aman Cotton Fibrous Ltd operates we strive to conduct our business in a manner reflecting our highest ethical standard and environment protection policy. Today the company is recognized as preferred business partner of spinning sector in Bangladesh.

In 2018, we continued to work harder to differentiate ourselves from our competitors with new strategies that enabled us to outperform the competition and to further expand market shares in the industry. Along with the focus on diversifying our earning streams, we have taken measures to strengthen our service streaming our organizational structures. In line with our new departmental structure, we have engaged qualified management team in each department. They are responsible for implementing ACFL's strategy in their respective operating areas.

Much can be done to enhance our current and future competitiveness giving more emphasis on product innovation and focused marketing efforts that will all help us towards achieving our goal. We also have to relentlessly drive for superior products.

AMAR STOCK




**Our Approach to sustainability:**

Our strategy is to ensure sustainable growth and we expect the trading environment to remain challenging, but our resilient business model has shown that the company is well placed to face future challenges. Our corporate culture is a great strength of the feed business and one of the reasons we have been, and will continue to be, successful. We are forward looking and anticipate consumer needs, winning with innovative, high quality products. We listen to, and genuinely consider other perspectives and changing social expectations. We are open to new ways of doing things. As such, I am confident that we have the right brand, people and focus on efficiency to enable the continued delivery of value to the shareholders.

**Technology:**

The company is endeavoring to upgrade and adopt new technology in production, quality control, distribution and administration of its products to customers.

**Great Team:**

I feel good about what we have accomplished and how we are positioned. There are many reasons why our team has worked hard to meet our customers' needs and serve our stakeholders well. We always value the power of talented people, trained by inspired leadership, all driving hard towards achieving our goals.

We have a great team who has been involved in the cutting edge of delivering superior services. Our challenge now is to inspire our people with a vision that we can really become truly a leading feed manufacturing company, the very best to cater the needs of our market. This will help us build a company with sustained growth and gradually make ACFL a lure for the most talented people around.

**Our approach to Governance:**

Good governance has long been a key priority for the company. We meet all our obligations under the various frameworks by which we are bound to comply with the law, while also ensuring that the company is delivering result with integrity.

**Enterprising Sprit**

We value enterprise from all of our employees, giving us a great breath of ideas and viewpoints to enhance the way we do business. We have the confidence to passionately pursue growth and new opportunities while accepting the considered entrepreneurial risk that comes with it. We are bold and strive to overcome challenges. This is the cornerstone of our success.

**Going Forward:**

Looking ahead, we will continue on our profitable growth path. Our growth agenda must be supported by an equally tireless pursuit of operational excellence. Enhanced customer service and upgraded quality should differentiate our competitive edge to help support cost benefits. We will continue to strive to improve our operational superiority through investment in training and development and honoring our core values. We have everything in place and we will continue to execute to turn your company into a strong and growing company. We remain focused on all of our targets and their achievement over time. We remain on track to meet our sales and cost reduction targets. However the timing and pace of achieving our income related targets are dependent on the pace of economic development and the trajectory of cost of raw materials and financing cost. We would however, appeal to all concern for a peaceful economic journey that would help all of us to attain faster growth, prosperity and satisfaction.

**Closing Remarks:**

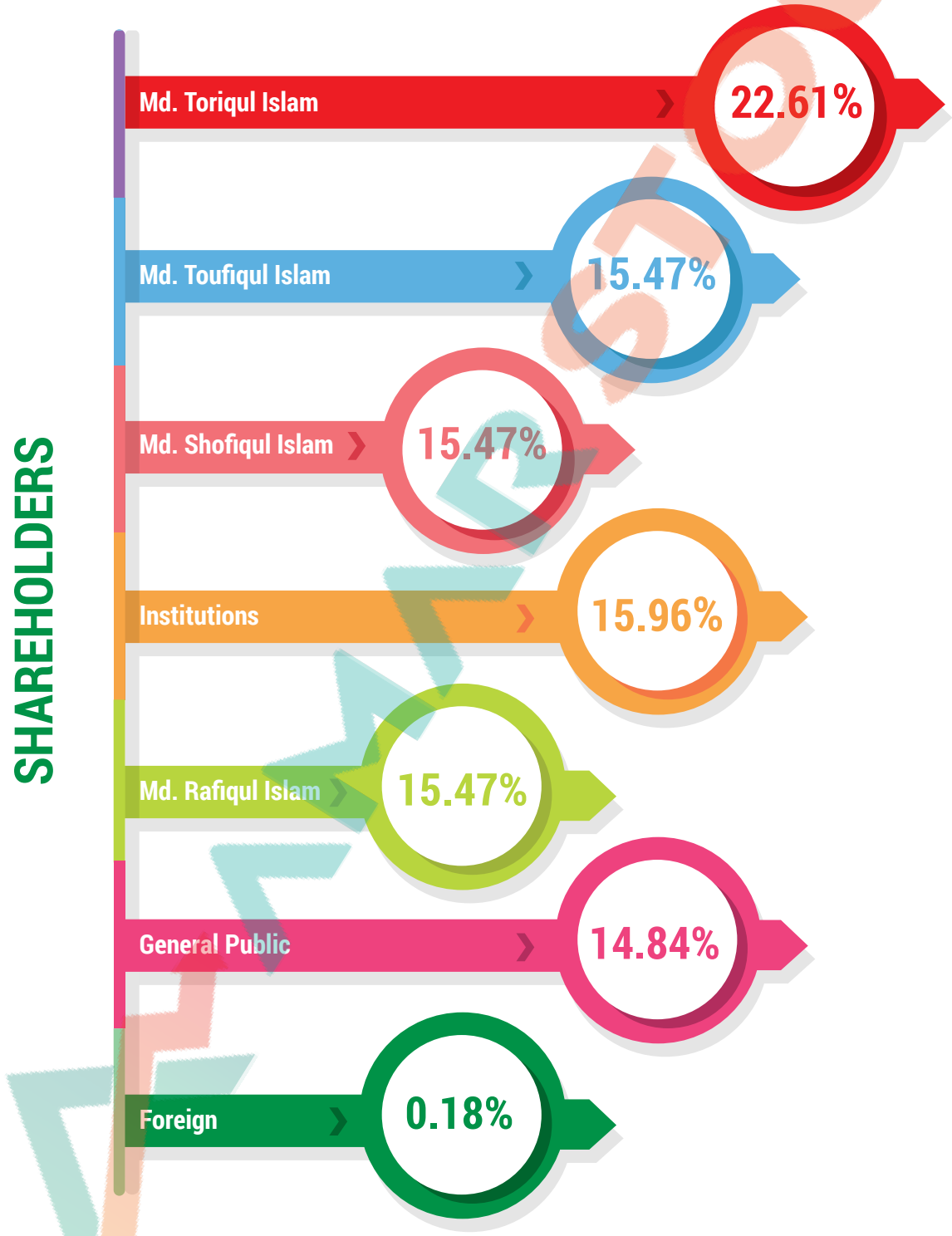
I express my sincere thanks to all our valued shareholders, business partners, retailers and customers for their confidence in us and valuable contribution to the company throughout 2018. The guidance from our Board of Directors has always been instrumental in shaping the success of the company. Also we are grateful to millions of our consumers who have been with us, along with their choice and dedication towards us and our brands. We believe passionately in building value for our consumers and shareholders. I would also like to thank the Members of our Board for their valuable and supportive guidance and the efficient handling of business issues. Finally, I would to thank you, our valued shareholders, for your continuing trust in ACFL during the past year. I look to the future with optimism and invite you to join us on this course. I personally believe that our motto " Kaj Kori Desh Gori" would lead your company to a sustainable growth and help in contributing towards building a stronger Bangladesh in shaa-Allah

Allah Hafez. Ma Assalam

**Md. Rafiqul Islam**
Managing Director

# SHAREHOLDING STRUCTURE

Almost half of shareholding structure comprises of three sponsor's directors namely Md. Rafiqul Islam (15.47%), Md. Shofiqul Islam (15.47%) and Md. Toufiqul Islam (15.47%). The rest 53.59 % shareholding includes Md Toriqul Islam (22.61%), General Public (14.84 %), Foreign (0.18%) and other Institutions (15.96 %) as on 31st October 2018.



## Corporate Governance Statement-2018

Corporate Governance is the system by which companies are directed and controlled by the management in the best interest of all the stakeholders, thereby ensuring greater transparency and better and timely financial reporting.

The Board of Directors of Aman Cotton Fibrous Limited. is aware that enriched corporate governance ultimately helps win stakeholders confidence. With that maxim, it also acknowledges that responsibility, compliance, transparency and finally accountability are the essence of good corporate governance and which are to be established by means of an effective corporate governance regime. And with that aim the Board ensures the integrity and commitment of its employees, supported by a comprehensive framework of policies, guidelines and internal controls. In this statement of Corporate Governance, we therefore wish to provide insights to the shareholders, investors and other stakeholders on the corporate governance initiatives in the company.

Aman Cotton Fibrous Limited considers that its corporate governance practices comply with all the aspects of the BSEC Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018. In addition to establish high standard of corporate governance, the Company also considers best governance practices in activities.

### Date of this Corporate Governance Statement

This Corporate Governance Statement reflects the corporate governance and other related policies and practices in place for the Aman Cotton Fibrous Limited as on 30 June 2018.

### Corporate Governance Framework:

Aman Cotton Fibrous Limited Corporate Governance framework has been developed and enhanced based on the basic principles and best practices outlined in the following:

- Bangladesh Securities and Exchange Commission (BSEC) Notification on Corporate Governance,
- The Companies Act 1994 and other applicable regulations of Bangladesh, Dhaka and Chittagong Stock Exchange listing regulations
- Laws of the land,
- Standards of Business conduct, policies and Guidelines of the company
- Statement of Risk Management internal control of the company
- Statement of Delegated Authorities of the company
- Local best practices

The Board also continuously reviews its corporate governance frameworks to ensure its relevance, effectiveness and sustainability in addressing future business challenges.

The conducts of all employees of the company, including the Board of Directors are governed by the company's policies, guidelines and standards of Business conduct. Each and every employee, including Director, is expected to live up to the standards of Business conduct and required to confirm their commitment and compliance by executing a declaration of compliance annually.

The company had always been fully adherent with the above mentioned corporate governance principles and best practices. This statement on Corporate Governance, together with the statement on risk management and internal control, sets out the manner by which the company has applied the governance principles and best practices.

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The corporate governance framework of Aman Cotton Fibrous Limited is directed towards achieving the company's business objectives in a responsible manner. Therefore, in order to comply with the laws, rules, regulations, corporate governance codes, articles of association, policies and procedures, the Company constantly exercises good Board practices, effective control processes, transparent disclosures, well-defined shareholders' right and Board commitments. The manners of adherence to these principles and practices are outlined as follows:

### Corporate Compliance:

One of the fundamentals of good governance is corporate compliance to the various laws, rules, and regulations. Compliance helps build trust among the Board Members, Shareholders, customers and other stakeholders including the regulators. As leaders of a compliant company, the Management Team of Aman Cotton Fibrous Limited adopted strategies that assure compliance with all relevant legal and regulatory requirements. This ensures that good governance cascades right throughout the company. Aman Cotton Fibrous Limited is subject to close monitoring process of regulatory bodies that focus on transparency and require that Aman Cotton Fibrous Limited provides accurate and periodic reporting of issues/events and certification where necessary. In this context, the company regularly provides a complete set of financial statements and relevant documents to the Bangladesh Securities and Exchange Commission (BSEC), Stock Exchange, National Board of Revenue (NBR), Registrar of Joint Stock Companies & Firms (RJSC) and all other relevant bodies and authorities. The Company also takes various initiatives to conduct awareness sessions on existing and proposed laws to ensure compliance throughout the company. Overall Aman Cotton Fibrous Limited has always strived to remain a fully compliant company accommodating every possible way and strategy to ensure the same.

### Board Practices

The Board is responsible to the shareholders for overall success of the Company for its strategic directions, its values and its governance. It provides the leadership necessary for the company to meet its business objectives within the framework of its internal controls, while also discharging the company's obligations to its shareholders. The composition of the Board complies with the requirements outlined in the BSEC Guideline on Corporate Governance, the Listing Regulations and those of the generally applied codes of best practices. The Board comprises an admixture of Executive and Non-Executive Directors from diverse professional backgrounds with wealth of experience, skills and expertise.

### Policy on Appointment of Directors:

Aman Cotton Fibrous Limited does not have its own and separate policy on appointment of Directors, except for the very first Board. The Company always complies with the regulations of the regulatory authorities regarding appointment of Directors. BSEC notifications and Companies Act are strictly followed in this regard. As per the companies Act, 1994, Directors are subject to retirement. At least one-third of the Directors shall retire by rotation in every AGM. As per the Companies Act 1994, a Director may be appointment for a period of three years and the term may be prolonged for another three years. The term of an independent Director is three years and may be lengthened by another three years. With regards to nomination, removal and casual vacancy of the directors, the Company follows all relevant rules and regulations of the respective regulatory bodies.

### Chairman of the Board:

The Chairman of the Company is elected by the Board of Directors and the Board considers the Chairman being independent.

Conduct for the Board Members:

The Board of Directors of Aman Cotton Fibrous Limited is committed to the highest standards of conduct in their relationship with its employees, buyers, members, shareholders, regulators and the public.

### Holding of the Board Meeting:

The Meeting of the Board of Directors of the Company are normally held at the Registered/Corporate office of the Company. The Meeting are held frequently, at least once in a quarter, to discharge its responsibilities and functions as mentioned above. The Meeting is scheduled well in advance and the notice of each Board Meeting is given, in writing, to each director by the Company Secretary.

Number of Board meeting held in 2017-2018 (1st July 2017 to 30th June 2018)

The number of meeting of the Board held during the accounting year, and the attendance of Directors at those meeting is disclosed in the as follows:

| Name of the Directors | Attendance | Remarks |
|---|---|---|
| Md.Rafiqul Islam | 10 | |
| Md.Shofiqul Islam | 10 | |
| Md.Toufiqul Islam | 10 | |
| Md. Toriqul Islam | 10 | |
| A.K.M Akhtaruzzaman | 10 | |
| Md. Mizanur Rahman | 10 | |
| Md. Rabiul Haque | 10 | |

The number of Directors required fulfilling a quorum of five (5), out of seven directors. During the period, total 10(Ten) Board meeting were held.

### Role of the Chief Financial Officer:

The CFO is responsible for establishing and executing the Company's financial operation plan that is necessary to achieve the Company's objective. The CFO works with executives to help them become greater contributors by helping them improve their efficiency and effectiveness.

### Role of the Company Secretary:

Appointed by the board, the Company Secretary works with the Chairman of the Board to monitor and enhance corporate governance processes and to ensure that Board policies and procedures are tracked.

### Appraisal of the Board's Performance

Since all members of the Board are very experienced, but the company abides by the codes of conduct formulated by the Board and as required by the regulators. The Board members have always taken decisions that have benefitted the Company as a whole and they have always performed their duties accordingly.

**Senior Executive:**

**Structure:**

The company's management structure comprises by the Managing Director and Head of the divisions. The Management Team (MT) is responsible for developing organizational and business strategy and sponsoring innovation and development of best practices across the company. The MT is also responsible for organizational effectiveness and the development of Aman Cotton Fibrous Limited values and culture. The MT is responsible for managing performance and key business issues in line with the company's long term strategy and for talent and performance management. The MT is chaired by the Managing Director and the team meets face to face on a regular basis.

**Performance Review:**

The Managing Director is responsible for setting financial targets as well as operational and management goals for the members of the MT. Both short term and long term goals form part of the performance management of all senior executives. Long term goals are directly linked to the vision of the company. Short term goals are generally directly linked to objectives of the company.

The Chairman and Managing Director conduct a detailed review of the performance of senior executives against these goals on quarterly basis.

## REMUNERATION OF THE SENIOR EXECUTIVES:

Remuneration of all senior executives is based on performance review appraisal measuring through quarterly and annual KPI (Key Performance indicator) appraisal system.

## BOARD COMMITTEE

The Board has established a permanent Board committee to assist advice and make recommendations to the Board on matters falling within their respective responsibilities.

## AUDIT COMMITTEE

The company's Audit Committee is a sub –committee of the Board of Directors of Aman Cotton Fibrous Limited formed in compliance with BSEC Corporate Governance notification No.SEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 of the Bangladesh Securities and Exchange Commission and international best practices on Corporate Governance.

## OBJECTIVES OF THE AUDIT COMMITTEE

The principal function of the Audit committee is to exercise and have an oversight over the Company's risk management, financial reporting and regulatory compliance functions.

## COMPOSITION OF AUDIT COMMITTEE INCLUDING INDEPENDENT DIRECTOR

An audit committee consisting of the Independent Director as Chairman and two other Directors as member has been constituted in terms of the BSEC guidelines for ensuring good governance practices. The audit committee of the Board had held 4(Four) Meeting during the reporting period for 12 months and examined the coverage of internal and

external audit. The Company Secretary act as the secretary of the Audit Committee. The composition of the Audit Committee is as follows:

| | |
|---|---|
| • Mr. A.K.M. Akhtaruzzaman | Chairman |
| • Mr. Md. Toriqul Islam | Member |
| • Mr. Md. Rabiul Haque | Member |
| • Mr. Krishna Kr. Sharma, ACS | Member Secretary |

**Chairman of the Audit Committee and his qualifications:**

The Committee is headed by Mr. A.K.M. Akhtaruzzaman, Independent Director. He is wide experienced personnel working with many organizations under different capacities. Presently he is a director of Abdul Monem Ltd. and has been looking after different Projects since 1984 as Coordinator. He has in his bag an extensive experience in the areas of administration, finance & accounts and budgeting & Costing. He is also financially literate.

**The Audit Committee and Internal Audit:**

Internal Audit is the division within Aman Cotton Fibrous Limited that is responsible for reviewing the Company's system of internal controls, including the conduct of regular audits of all operational units. Internal Audit is operationally independent and its members are not involved in the company's operational activities and in that the Head of Internal Audit, in addition to his direct reporting line to the Chairman & Managing Director also has access to the Audit Committee.

The Audit Committee is responsible for approving the annual audit plan of internal Audit Division and reviewing the plan's subsequent implementation. Internal audit reports or summaries thereof prepared by internal Audit Division are reviewed on a regular basis by the committee. The Internal Audit team consists of the following persons:

**Reporting of Audit Committee:**

The Audit Committee reports directly to the Board of Directors and under certain circumstances can also reports to the Chairman.

**Internal Control:**

Internal control is a process designed to provide reasonable assurance regarding the achievement of objectives relating to effectiveness and efficiency of operations, reliability of both external and internal financial and non-financial reporting and compliance with applicable laws and regulations in Aman Cotton Fibrous Limited. The control system applies to all divisions and departments of the Company's operations.

**Communications and Relationship with Shareholders:**

Aman Cotton Fibrous Limited strongly believes that all stakeholders should have access to complete information on its activities, performance and product initiatives. The Company's web site www.amangroupbd.com displays, inter alia, the annual report, half yearly report, quarterly report, product offerings, recent announcements and event updates.

The Company reports to the shareholders, four times a year, through quarterly, half yearly report and detailed annual report. Every shareholder has the right to attend the annual general meeting, where they can meet and communicate with the directors and express their views regarding the Company's business, its future prospects and other matters of interest. The shareholders are always encouraged to attend the meeting or if unable to attend, may appoint proxies.

All disclosures required by the Company Act, 1994, Bangladesh Securities and Exchange Commission, Listing Regulations of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited are made adequately and promptly.

### Ensuring Participation of Shareholders in AGM

Aman Cotton Fibrous Limited tries its utmost to ensure that all shareholders can participate in the AGM. Annual Reports are sent at least 2 weeks before the AGM to ensure all shareholders are notified about the event date, place and time. Also, Aman Cotton Fibrous Limited always ensures that AGM is held at a suitable time and place where all shareholders may attend. Notices to shareholders are made by publication in the daily newspapers and through the digital media as well. To ensure compliance with regulatory bodies, Aman Cotton Fibrous Limited ensures that it publishes AGM Notice in two widely circulated newspapers, and copies sent to the stock exchanges and BSEC.

The Company continues to have regular communication with the shareholders through the Annual General Meeting, Annual Report, Quarterly updates on financial performance and at any other time in the best interest of the shareholders. Also the Company's website is there to further cater to the information needs of all. In this respect, all the best practices are followed by the Company which helps investors to keep their trust and confidence in the Company. All of the Company's publications to the market may be retrieved through the Company's website. Shareholders are offered the chance to interrogate the Board regarding the operation of the Company. They are also presented the ability to query the Company's auditors concerning topics linked to the audit of the Company's financial statements at the AGM.

### Well-defined Shareholders Right:

Aman Cotton Fibrous Limited believes that the management of a successful and productive relationship with its shareholders must be underpinned by the importance of maintaining transparency and accountability to its shareholders. The Board ensures through the Company Secretary that all the Shareholders of the company are treated equitably and ensures that the rights of all shareholders are equally protected.

In order to achieve good governance, the Company Secretary acts as a bridge between the shareholders and the Board of Directors of the company who delivers the standard services to its valued shareholders ensuring the well-defined shareholders rights in accordance with applicable laws and the Articles of Association of the Company. Catering to the continuous disclosure requirements, the shareholders are communicated in a routine manner of all major developments that involve the business of the Company, so that they are able to make informed decisions.

### Preparation and Presentation of Financial Statements and Directors Responsibility:

The Companies Act 1994 requires the directors to prepare financial statements for each accounting year. The Board of Directors accept the responsibility of preparing the financial statements, maintaining adequate records for safeguarding the assets of the Company, preventing and detecting fraud and other irregularities, selecting suitable accounting policies and apply those policies consistently and making reasonable and prudent judgments and estimates where necessary.

# REPORT TO THE SHAREHOLDERS OF AMAN COTTON FIBROUS LIMITED ON COMPLIANCE ON THE CORPORATE GOVERNANCE CODE

We have examined the compliance status to the Corporate Governance Code by Aman Cotton Fibrous Limited for the year ended on 30 June 2018. This Code relates to the Notification No.SEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

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

This is a 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 in consistent 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;

(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.

Date: Dhaka,

12 September 2018

**Shaiful Alam FCA**
Managing Partner

**S. R. Islam & Co.**
Chartered Accountants

## COMPLIANCE REPORT ON CORPORATE GOVERNANCE CODE

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

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| **1.** | **Board of Directors:-** | | | |
| **1 (1)** | **Size of the Board of Directors**<br>The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty). | √ | | The Aman Cotton Fibrous Limited Board is comprised of 07 (Seven) Directors. |
| **1 (2)** | **Independent Directors**<br>All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following:- | | | |
| 1 (2) (a) | At least 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); | √ | | The number of independent director of the company is 02 (Two) |
| 1 (2) (b) | For the purpose of this clause "independent director" means a 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 or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister 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: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members; | √ | | |

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| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 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 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); and | √ | | |
| 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 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; and | √ | | |
| 1 (2) (e) | The tenure of office of an independent director shall be for a period of 3 (three)years, which may be extended for 1 (one) tenure only:<br>Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]:<br>Provided further that the independent director shall not be subject to retirement byrotation as per the কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮নং আইন) Companies Act, 1994). | √ | | |

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| **1 (3)** | **Qualification of Independent Director.-** | | | |
| 1 (3) (a) | Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business; | √ | | |
| 1 (3) (b) | Independent director shall have following qualifications: | | | |
| 1 (3) (b) (i) | Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or | √ | | |
| 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; or | √ | | |
| 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; or | √ | | |
| 1 (3) (b) (iv) | University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or | √ | | |
| 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 shall have at least 10 (ten) years of experiences in any field mentioned in clause (b); | √ | | |

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| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1 (3) (d) | In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission. | - | - | No such special case arose. |
| **1 (4)** | **Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.-** | | | |
| 1 (4) (a) | The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) 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. | √ | | |
| **1 (5)** | **The Directors' Report to Shareholders**<br>The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):- | | | |
| 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 |

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| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1 (5) (vi) | A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions. | √ | | |
| 1 (5) (vii) | A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments | - | - | 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.; | - | - | N/A |
| 1 (5) (ix) | An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements; | √ | | |
| 1 (5) (x) | A statement of remuneration paid to the directors including independent directors; | √ | | |
| 1 (5) (xi) | A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity; | √ | | |
| 1 (5) (xii) | A statement that proper books of account of the issuer company have been maintained | √ | | |
| 1 (5) (xiii) | A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent 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 beeneffectively 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; | √ | | |

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| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1 (5) (xvii) | A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons 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; | √ | | |
| 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; | - | | The Board of Directors Recommended 10% Cash Dividend for the year under review. |
| 1 (5) (xxi) | Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend; | √ | | |
| 1 (5) (xxii) | The total number of Board meetings held during the year and attendance by each director; | √ | | |
| 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 Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details) | √ | | |
| 1 (5) (xxiii) (c) | Executives; and | - | - | N/A |
| 1 (5) (xxiii) (d) | Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details); | √ | | |
| 1(5)(xxiv) | Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details); | √ | | |
| 1(5)(xxiv) (a) | a brief resume of the director | √ | | |
| 1(5)(xxiv) (b) | nature of his or her expertise in specific functional areas; and | √ | | |

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| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1(5)(xxiv)(c) | names of companies in which the person also holds the directorship and the membership of committees of the Board; | √ | | |
| 1(5)(xxv) | A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on: | | | |
| 1(5)(xxv)(a) | accounting policies and estimation for preparation of financial statements; | √ | | |
| 1(5)(xxv)(b) | changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes; | - | - | N/A |
| 1(5)(xxv)(c) | comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with 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 andfinancial 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 **Annexure-A;** and | √ | | |
| 1(5)(xxvii) | (xxvii) The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per **Annexure-B** and **Annexure-C.** | √ | | |

TALAM STOCK

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| **1(6)** | **Meetings of the Board of Directors**<br>The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code. | √ | | |
| **1(7)** | **Code of Conduct for the Chairperson, other Board members and Chief Executive Officer** | | | |
| 1(7) (a) | The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company; | √ | | |
| 1(7) (b) | The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency. | √ | | |
| **2** | **Governance of Board of Directors of Subsidiary Company.-** | | | |
| 2 (a) | Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company | - | - | N/A |
| 2 (b) | At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company; | - | - | N/A |
| 2 (c) | The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company; | - | - | N/A |
| 2 (d) | The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also; | - | - | N/A |
| 2 (e) | The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company. | - | - | N/A |

ANALYST STOCK

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| **3** | **Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).** | | | |
| **3 (1)** | **Appointment** | | | |
| 3 (1) (a) | The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), 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 Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals; | √ | | |
| 3 (1) (c) | The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time; | √ | | |
| 3 (1) (d) | The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS; | √ | | |
| 3 (1) (e) | The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s). | √ | | |
| **3 (2)** | **Requirement to attend Board of Directors' Meetings**<br>The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:<br>Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters. | √ | | |
| **3 (3)** | **Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)** | √ | | |
| 3 (3) (a) | The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief: | √ | | |
| 3 (3) (a) (i) | these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and | √ | | |

AMAN STOCK

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 3 (3) (a) (ii) | these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws; | √ | | |
| 3 (3) (b) | The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members; | √ | | |
| 3 (3) (c) | The certification of the MD or CEO and CFO shall be disclosed in the Annual Report. | √ | | |
| **4** | **Board of Directors' Committee. -** For ensuring good governance in the company, the Board shall have at least following subcommittees: | | | |
| 4 (i) | (i) Audit Committee; and | √ | | |
| 4 (ii) | (ii) Nomination and Remuneration Committee. | √ | | |
| **5** | **Audit Committee.-** | | | |
| **5(1)** | **Responsibility to the Board of Directors.** | | | |
| 5 (1) (a) | The company shall have an Audit Committee as a sub-committee of the Board; | √ | | |
| 5 (1) (b) | The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business; | √ | | |
| 5 (1) (c) | The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing. | √ | | |
| **5 (2)** | **Constitution of the Audit Committee** | | | |
| 5 (2) (a) | The Audit Committee shall be composed of at least 3(three) members; | √ | | |
| 5 (2) (b) | The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director | √ | | |

AMAR STOCK

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 5 (2) (c) | All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience; | √ | | |
| 5 (2) (d) | When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee; | √ | | |
| 5 (2) (e) | The company secretary shall act as the secretary of the Committee; | √ | | |
| 5 (2) (f) | The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director. | √ | | |
| 5 (3) | **Chairperson of the Audit Committee** | | | |
| 5 (3) (a) | The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director; | √ | | |
| 5 (3) (b) | In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes. | √ | | |
| 5 (3) (c) | Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):<br>Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting(AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM. | √ | | |

AMAN STOCK

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| **5 (4)** | **Meeting of the Audit Committee** | | | |
| 5 (4) (a) | The Audit Committee shall conduct at least its four meetings in a financial year:<br>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; | √ | | |
| 5 (4) (b) | The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must. | √ | | |
| 5 (5) | **Role of Audit Committee**<br>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; and | √ | | |

AMPSTOCK

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 5 (5) (m) | oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:<br>Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results:<br>Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee. | - | - | N/A |
| 5 (6) | **Reporting of the Audit Committee** | | | |
| 5 (6) (a) | **Reporting to the Board of Directors** | | | |
| 5 (6) (a) (i) | The Audit Committee shall report on its activities to the Board. | √ | | |
| 5 (6) (a) (ii) | The Audit Committee shall immediately report to the Board on the following findings, if any: | | | |
| 5 (6) (a) (ii) (a) | report on conflicts of interests; | - | - | N/A |
| 5 (6) (a) (ii) (b) | suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements; | - | - | N/A |
| 5 (6) (a) (ii) (c) | suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and | - | - | N/A |
| 5 (6) (a) (ii) (d) | any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately; | - | - | N/A |
| 5 (6) (b) | **Reporting to the Authorities**<br>If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier. | - | - | N/A |

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 5 (6) (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 No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company. | √ | | |
| 6 | **Nomination and Remuneration Committee (NRC).-** | | | |
| 6 (1) | **Responsibility to the Board of Directors** | | | |
| 6 (1) (a) | The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board; | √ | | |
| 6 (1) (b) | The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive; | √ | | |
| 6 (1) (c) | The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b). | √ | | |
| 6 (2) | **Constitution of the NRC** | | | |
| 6 (2) (a) | The Committee shall comprise of at least three members including an independent director; | √ | | |
| 6 (2) (b) | All members of the Committee shall be non-executive directors; | √ | | |
| 6 (2) (c) | Members of the Committee shall be nominated and appointed by the Board; | √ | | |
| 6 (2) (d) | The Board shall have authority to remove and appoint any member of the Committee; | √ | | |
| 6 (2) (e) | In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee; | √ | | |
| 6 (2) (f) | The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee; | √ | | |

AMAR STOCK

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 6 (2) (g) | The company secretary shall act as the secretary of the Committee; | √ | | |
| 6 (2) (h) | The quorum of the NRC meeting shall not constitute without attendance of at least an independent director; | √ | | |
| 6 (2) (i) | No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company. | √ | | |
| 6 (3) | **Chairperson of the NRC** | | | |
| 6 (3) (a) | The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director; | √ | | |
| 6 (3) (b) | In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes; | √ | | |
| 6 (3) (c) | The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:<br>Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM. | √ | | |
| 6 (4) | **Chairperson of the NRC** | | | |
| 6 (4) (a) | The NRC shall conduct at least one meeting in a financial year; | √ | | |
| 6 (4) (b) | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC; | √ | | |
| 6 (4) (c) | The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6 (2) (h); | √ | | |
| 6 (4) (d) | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC; | √ | | |

AMAN STOCK

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| **6 (5)** | **Role of the NRC** | | | |
| 6 (5) (a) | NRC shall be independent and responsible or accountable to the Board and to the shareholders; | √ | | |
| 6 (5) (b) | NRC shall oversee, among others, the following matters and make report with recommendation to the Board: | √ | | |
| 6 (5) (b) (i) | formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to 13 the remuneration of the directors, top level executive, considering the following: | √ | | |
| 6 (5) (b) (i) (a) | the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully; | √ | | |
| 6 (5) (b) (i) (b) | the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and | √ | | |
| 6 (5) (b) (i) (c) | remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals; | √ | | |
| 6 (5) (b) (ii) | devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality; | √ | | |
| 6 (5) (b) (iii) | identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board; | √ | | |
| 6 (5) (b) (iv) | formulating the criteria for evaluation of performance of independent directors and the Board; | √ | | |
| 6 (5) (b) (v) | identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and | √ | | |
| 6 (5) (b) (vi) | developing, recommending and reviewing annually the company's human resources and training policies; | √ | | |

AMAR STOCK

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 6 (5) (c) | The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report. | √ | | |
| **7** | **External or Statutory Auditors.** | | | |
| 7 (1) | The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:- | √ | | |
| 7 (1) (i) | appraisal or valuation services or fairness opinions; | √ | | |
| 7 (1) (ii) | financial information systems design and implementation; | √ | | |
| 7 (1) (iii) | book-keeping or other services related to the accounting records or financial statements; | √ | | |
| 7 (1) (iv) | broker-dealer services; | √ | | |
| 7 (1) (v) | actuarial services; | √ | | |
| 7 (1) (vi) | internal audit services or special audit services; | √ | | |
| 7 (1) (vii) | any service that the Audit Committee determines; | √ | | |
| 7 (1) (viii) | audit or certification services on compliance of corporate governance as required under condition No. 9(1); and | √ | | |
| 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:<br>Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members. | √ | | |
| 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. | √ | | |

ARYANSTOCK

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 8 (2) | The company shall keep the website functional from the date of listing. | √ | | |
| 8 (3) | The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock 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 conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. | √ | | |
| 9 (2) | The professional who will provide the certificate on compliance of 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. | √ | | |

AMARSTOCK

# Aman Cotton Fibrous Limited

## Certificate on Compliance of Corporate Governance
## As per condition no. 6 of Corporate Governance Guidelines

We do hereby certify to the Board that:

1. We have reviewed the Financial Statements of the Company for the year ended 30th June 2018 and that to the best of our Knowledge and belief:

   a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

2. 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 Company's code of conduct.

Sd/-
**(Md. Rafiqul Islam)**
Managing Director

Sd/-
**(Noornavi Bhuiyan, FCA)**
Chief Financial Officer

AMAR STOCK

# AUDIT COMMITTEE REPORT



## AUDIT COMMITTEE REPORT

For the Year ending June 30, 2018

### The Audit Committee consists of the following persons:

| | |
|---|---|
| Mr. A.K.M. Akhtaruzzaman | Chairman |
| Mr. Md. Toriqul Islam | Member |
| Mr. Md. Rabiul Haque | Member |
| Mr. Krishna Kr. Sharma, ACS | Member Secretary |

The Independent Director, Mr. A.K.M. Akhtaruzzaman act as the Chairman of the Committee. As per regulatory guidelines, the Company Secretary, Mr. Krishna Kr. Sharma, ACS acts as secretary to the Committee. The Audit Committee, accordingly, performs in absolute coherence and ensures compliance with the Corporate Governance Guidelines promulgated by the Bangladesh Securities and Exchange Commission (BSEC)

### The scope of Audit Committee was defined as under:

(a) Review and recommend to the Board to approve the quarterly, half-yearly and annual financial statements prepared for statutory purposes;

(b) Monitor and oversee choice of accounting policies and principles, internal control risk management process, auditing matter, hiring and performance of external auditors;

(c) Review statement of significant related party transactions submitted by the management;

(d) Review and consider the report of internal auditors and statutory auditors' observations on internal control.

### Activities carried out during the year:

The committee reviewed the integrity of the quarterly and annual financial statements and recommended to the Board for consideration. The Committee had overseen, reviewed and approved the procedure and task of the internal audit, financial report preparation and the external audit reports. The Committee found adequate arrangement to present a true and fair view of the activities and the financial status of the company and to ensure that its assets are safeguarded properly.

Sd/-
Mr. A.K.M. Akhtaruzzaman
Chairman
Audit Committee
Date: 24th October, 2018

AMARSTOCK



QUALITY RING SPUN YARN PRODUCTION

# DIRECTORS' IDENTITY





# CHAIRMAN PROFILE

**MD. SHOFIQUL ISLAM**
**Chairman**

**MD. SHOFIQUL ISLAM,** aged 53 years, is the Chairman of the Company. He is a graduate of Arts. He started his business career in the year 1991 by joining in the family business with a vision to contribute in the generation of employments for the rural mass of the country through establishment of potential industrial units in different disciplines. He is the Chairman of Akin Feed Ltd., Anwara Cold Storage Ltd., Aman Steel Mills Ltd., also the Managing Director of Aman Feed Ltd., Anwara Poultry & Hatchery Ltd.,Aman Heights Limited, Aman Hybrid Seeds Limited, Director of Aman Foods & Beverage Ltd., Aman Foods Ltd., Aman Tex Ltd., Aman Cement Mills Ltd., Aman Seeds Storage Ltd., Aman Poultry & Hatchery Ltd., Aman Cold Storage Ltd., Milan Cold Storage Ltd., Aman Agro Industries Ltd., A. M. Cold Storage Ltd., Aman Plant Tissue Culture Ltd., Aman Associates Ltd.,Anwara Mannan Textile Mills Ltd., Aman Breeders Ltd., Aman Jute Fibrous Ltd., Aman Packaging & Accessories Ltd.,Aman Cotton Fibrous Unit-2 Ltd., Aman Tex Unit-2 Ltd., Juvenile Trade International Ltd., Aman Packaging Ltd., Aman Shipyard Ltd.,Aman Green Energy Ltd., Aman Economic Zone Ltd., and Proprietor of M/s Juvenile Construction.

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

AMAR STOCK



# MANAGING DIRECTOR PROFILE

## MD. RAFIQUL ISLAM

**Managing Director**

**MD. RAFIQUL ISLAM**, aged 55 years, an Entrepreneur and businessman of distinction is the Managing Director of the Company. He is a Master's of Science with honors from the University of Rajshahi. He has more than 35 years of business experience in diversified business areas. He started his business career in the year 1984 engaging him in a family business named Aman Trading Corporation. He became a successful businessman within a short span of time by dint of his sincerity, honesty and hard working. He has established a good number of companies operating in the field of agriculture, research, cement, garments, textile, dying, feed mills, poultry & hatchery project etc. Under his dynamic leadership, Aman Group could establish its position in the corporate arena with a short span of time. He has gradually built a good number of successful business houses now a big conglomerate under the banner of Aman Group which consists of more than 25 companies. Currently, he is the Chairman of Aman Economic Zone Ltd. and Anwara Poultry & Hatchery Ltd. He is also the Managing Director of dozens of companies including Aman Tex Ltd., Aman Cement Mills Ltd., Aman Cold Storage Ltd., Milan Cold Storage Ltd., Aman Agro Industries Ltd., Aman Plant Tissue Culture Ltd., Aman Shipyard Ltd., Aman Green Energy Ltd., Akin Feed Ltd., Anwara Cold Storage Ltd., Aman Steel Mills Ltd., Aman Foods Ltd.,Aman Cotton Fibrous Unit-2 Ltd., Aman Tex Unit-2 Ltd., Anwara Mannan Textile Mills Ltd., Aman Foods & Beverage Ltd, Amam Packaging Ltd, Aman Seeds Storage Ltd.,Aman Jute Fibrous Ltd.,A.M.Cold Storage Ltd., Aman Packaging and Accessories Ltd., Aman Associates Ltd. Mr. Islam is the Director of Aman Poultry & Hatchery Ltd., Aman Heights Limited, Aman Hybrid Seeds Limited and Aman Breeders Ltd. He is also the Proprietor of Islam Brothers & Co. and Aman Trading Corporation.

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

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# DIRECTOR'S PROFILE

**MD. TOUFIQUL ISLAM**
**Director**

**MD. TOUFIQUL ISLAM,** aged 44 years, is the Sponsor Director of the Company. He is a post graduate of Business Administration. He started his business career in the year 1996 by joining in the family business with a vision to contribute in the generation of employments for the mass people of the rural areas of the country through establishment of potential industrial units in different disciplines. He is the Managing Director of Aman Breeders Ltd., Juvenile Trade International Ltd., Aman Economic Zone Ltd., Director of Aman Feed Ltd., Aman Tex Ltd., Aman Cement Mills Ltd., Aman Seeds Storage Ltd., Aman Cold Storage Ltd., Milan Cold Storage Ltd., Aman Agro Industries Ltd., A. M. Cold Storage Ltd., Aman Plant Tissue Culture Ltd.,Aman Associates Ltd., Anwara Mannan Textile Mills Ltd., Aman Jute Fibrous Ltd., Aman Packaging & Accessories Ltd., Aman Cotton Fibrous Unit-2 Ltd., Aman Tex Unit-2 Ltd., Aman Foods & Beverage Ltd., Aman Packaging Ltd., Aman Shipyard Ltd., Aman Green Energy Ltd., Akin Feed Ltd., Anwara Poultry & Hatchery Ltd., Anwara Cold Storage Ltd., Aman Steel Mills Ltd., Aman Foods Ltd., Aman Heights Limited, Aman Hybrid Seeds Limited and Proprietor of M/s R S & T International.

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# DIRECTOR'S PROFILE

**MD TORIQUL ISLAM**

Director

**MD TORIQUL ISLAM,** aged 27 years, is the Director of the Company. He is a graduate of Science major in Manufacturing Engineering. He has completed his graduation from a renowned University of Malaysia. He started his business career seven years back. He is the Directors of Aman Cotton Fibrous Ltd. , Anwara Mannan Textile Mills Ltd. , Juvenile Trade international Ltd., A. M. Cold Storage Ltd., Aman Foods & Beverage Ltd., Akin Feed Ltd., Aman Economic Zone Ltd. And Aman Foods Ltd., Aman Green Engery Ltd. and he also Managing Director of Aman Cement Mills Unit-2 Ltd and Aman Poultry & Hatchery Ltd.

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# DIRECTOR'S PROFILE

**MD. RABIUL HAQUE**

Director, Representing Aman Seeds Storage Ltd.

**Mr. Md. Rabiul Haque,** a member of Audit Committee is a Masters in Accounting and has completed Chartered Accountancy Course. He also completed Masters in LLM of law. He has more than 28 years working experience in accounting, finance and corporate affairs matters. He is also a member of Dhaka Bar Association.

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## DIRECTOR'S PROFILE

### A.K.M AKHTARUZZAMAN

Independent Director

**Mr. A.K.M Akhtaruzzaman** was born in 1957 at Jigatala, Dhanmondi, Dhaka. Mr. Akhtaruzzaman passed B. Sc. in Engineering from Rajshahi Engineering College. He served in many organizations under different capacities. Presently he is a director of Abdul Monem Ltd. and has been looking after different Projects since 1984 as Coordinator. He has in his bag an extensive experience in the areas of administration, finance & accounts and budgeting & Costing. He is also financially literate.



## DIRECTOR'S PROFILE

### MD. MIZANUR RAHMAN

Independent Director

**Mr. Md. Mizanur Rahman** was born in 1978 at Seroil Motpukur More, Boalia, Ghoramara, Rajshahi and passed B. Sc in Civil Engineering from Bangladesh Institute of Technology (BIT), Rajshahi in 2003. He undertook different training & workshops including 'Participatory Management of Low-Cost Water Supply Sanitation' organized by ITN Bangladesh. He has diversified work experience in various organization including Abdul Monem Ltd., Rajshahi University and Mati-O-Kathamo.

# DIRECTORS' REPORT
## TO THE SHAREHOLDERS



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## DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Valued Shareholders,

Assalamu-alikum,

The Directors have pleasure in submitting Directors' Report together with the Auditors Report and Audited Financial Statements of the your Company for the year ended 30 June 2018. They also placed before you the overall business scenario for the year 2018.

The Directors' Report is prepared as per companies act 1994 u/s 184 and in compliance with the Corporate Governance of the Bangladesh Securities and Exchange Commission's notification no SEC/CMRRCD/2006-158/207/Admin/80: dated 03 June 2018, the Directors' report that:

### Business Operations

The company has aim to maintain uninterrupted production in the factory. As a result, during the year it has produced total 6,497 MT Yarn of which Carded Yarn 4,663 MT, Combed Yarn 1,834 MT and aggregate earning revenue of Tk. 1,609,935,925. The production capacity utilized in 2017-18 remained almost stable which is approximately 95.83% of its install capacity.

### Financial Results

During the year the company achieves gross profit of TK. 399,138,665 and earlier it was Tk. 433,253,940. The company also recorded the net profit during the year at Tk. 257,278,207 over the last year profit at Tk. 277,033,076. The earnings per share (EPS) and net asset value per share (NAV) is Tk. 3.22 and Tk. 42.33 respectively.

### Dividend

The Board of Directors of your company is pleased to recommend 10% Cash Dividend to the shareholders of the company for the year ended 30th June 2018, subject to the approval of the shareholders in the 13th Annual General Meeting. The dividend will be paid to the shareholders whose names appear in the share registers of the Company or in the depository as on 20th November 2018 at the close of the office.

### Directors' Appointment & Re-appointment

The name of the present Directors are mentioned in this report. As per section 91(2) and regulation 79 of first schedule of the Companies Act 1994 and Articles 130 of Articles Association of the company, Mr. Md. Rafiqul Islam and Mr. Md. Shofiqul Islam, Director of the company shall retire in the 13th Annual General Meeting by rotation and being eligible, offer himself for re-appointment as per Articles 132 of the Articles of Association of the company. A brief resume, nature of expertise, the name of company in which Mr. Md. Rafiqul Islam and Mr. Md Shofiqul Islam hold directorship is also presented on this report.

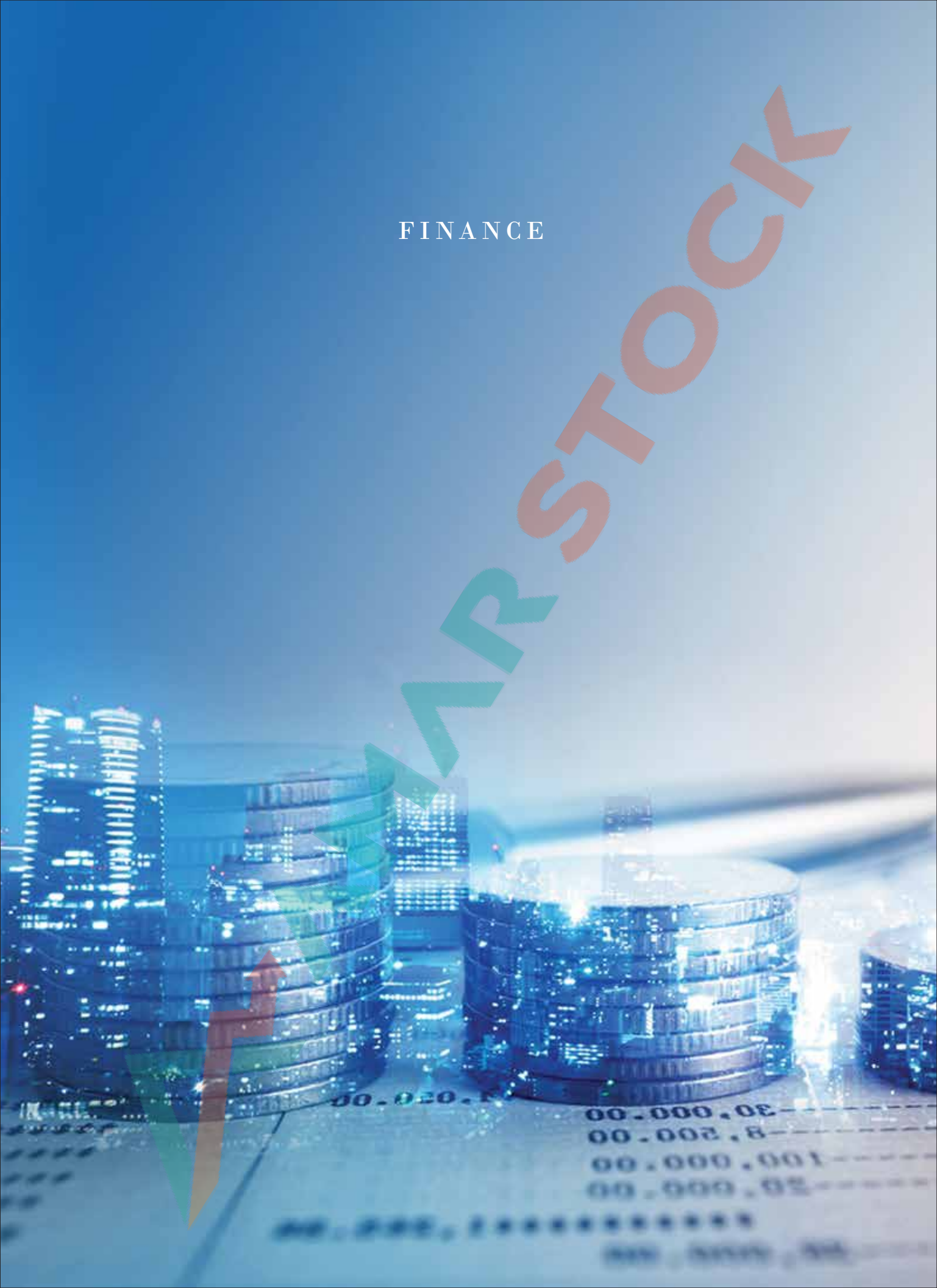
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**Directors' remuneration and related party transactions**

The Company carried out a number of transactions with related parties in the normal course of business as detailed below:

| Particulars | | | June 30, 2018 | June 30, 2017 |
|---|---|---|---|---|
| **Name of the Party** | **Relationship with the Company** | **Nature of transaction** | **Transacted amount in BDT** | **Transacted amount in BDT** |
| Md. Rafiqul Islam | MD & Shareholder | Board Meeting Fee | 57,500 | 56,750 |
| | | Remuneration | 4,800,000 | 4,800,000 |
| Md. Shofiqul Islam | Director & Shareholder | Board Meeting Fee | 57,500 | 56,750 |
| Md. Toufiqul Islam | Director & Shareholder | Board Meeting Fee | 57,500 | 56,750 |
| Md.Toriqul Islam | Director & Shareholder | Board Meeting Fee | 57,500 | 56,750 |
| Md. Rabiul Haque | Nominated Director | Board Meeting Fee | 57,500 | 56,750 |
| A.K.M Akhtaruzzaman | Independent Director | Board Meeting Fee | 57,500 | 56,750 |
| Md. Mizanur Rahman | Independent Director | Board Meeting Fee | 57,500 | 56,750 |
| Aman Group | Common Director | Rent | 900,000 | 900,000 |
| Aman Tex Ltd. | Common Director | Sales | 239,513,055 | 282,522,224 |
| | | Receivables | 129,275,000 | 62,298,006 |
| Aman Packaging & Accessories Ltd | | Purchase | 2,542,374 | - |
| | | Payable | 242,374 | - |
| Aman Packaging Ltd | Common Director | Purchase | 3,777,500 | 8,170,889 |
| | | Payable | 1,804,900 | - |
| Islam Brothers & Co | Common Director | Advance | 52,000,000 | 52,000,000 |
| Anwara Mannan Textile Mills Ltd | Common Director | Advance | 15,062,500 | 15,062,500 |
| Anwara Mannan Textile Mills Ltd | Common Director | Loan | - | 83,320,000 |
| | | Interest Receivable | 16,756,273 | 11,721,073 |
| Aman Cement Mills unit-2 Ltd | Common Director | Loan | 84,266,472 | 93,061,835 |
| | | Interest Receivable | 6,406,472 | 18,873,835 |
| Aman Jute Fibrous Ltd | Common Director | Loan | 15,015,000 | 13,515,000 |
| | | Interest Receivable | 4,166,845 | 2,515,195 |

# FINANCE



## FINANCIAL HIGHLIGHTS

| | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|
| **ASSETS EMPLOYED** | | | | | |
| Total Assets | 4,628,617,447 | 4,337,893,105 | 4,085,266,348 | 3,872,011,641 | 3,724,158,205 |
| Total Current Assets | 2,854,217,155 | 2,543,511,142 | 2,390,719,882 | 2,448,831,433 | 2,320,330,269 |
| Property Plant & Equipment | 1,384,228,123 | 1,442,587,677 | 1,381,113,217 | 1,272,133,079 | 1,320,515,041 |
| Inventories | 983,576,574 | 981,166,296 | 958,845,202 | 1,006,523,507 | 978,635,108 |
| Accounts Receivable | 839,831,316 | 843,778,786 | 775,314,538 | 811,075,653 | 990,446,869 |
| **FINANCED B** | | | | | |
| Share Capital | 80,000,000 | 80,000,000 | 80,000,000 | 80,000,000 | 80,000,000 |
| Revaluation Reserve | 265,382,238 | 265,382,238 | 265,382,238 | 237,415,521 | 237,415,521 |
| Retained Earnings | 2,321,261,057 | 2,063,982,851 | 1,786,949,775 | 1,513,676,212 | 1,258,509,846 |
| **REVENUE AND PROFIT** | | | | | |
| Revenue Earned | 1,609,935,925 | 1,734,266,045 | 1,694,452,484 | 1,709,964,382 | 1,970,153,083 |
| Gross Profit | 399,138,665 | 433,253,940 | 433,547,662 | 432,088,249 | 493,887,854 |
| Net Profit Before Tax | 302,960,765 | 327,788,920 | 319,448,826 | 301,921,747 | 351,037,574 |
| Net Profit After Tax | 257,278,207 | 277,033,076 | 270,759,277 | 256,713,297 | 296,365,313 |

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**Board of Directors Meeting**

During the year ended 30 June 2018 nine board meetings were held. The attendance of the Board of Directors' Meeting by each director is shown as follows:

| Name of the Directors | Attendance | Remarks |
|---|---|---|
| Md. Rafiqul Islam | 10 | |
| Md. Shofiqul Islam | 10 | |
| Md. Toufiqul Islam | 10 | |
| Md. Toriqul Islam | 10 | |
| Md. Rabiul Haque | 10 | |
| Mr. A.K.M. Akhtaruzzaman | 10 | |
| Mr. Md. Mizanur Rahman | 10 | |

**Auditors**

The present auditor of the company, Ahmed Zaker & Co. Chartered Accountants, has completed audit for the year 2017-18 and they will retire in the 13th Annual General Meeting. The present auditors are interested to perform audit for the year 2018-19 and the audit committee has proposed the name of M/S Ahmed Zaker & Co., Chartered Accountants to recommend for appointment as statutory auditor of the company with remuneration to be fixed by the shareholder in the Annual General Meeting.

**Patterns of Shareholding Position**

The Pattern of Shareholding:

| | Name wise details | No. of Shares |
|---|---|---|
| **(a)** | **Parent/subsidiary/Associated Companies and other related parties :** | |
| | Aman Seeds Storage Limited | 32,00,000 |
| **(b)** | **Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit:** | |
| | Md. Rafiqul Islam, Director | 15,600,000 |
| | Md. Shofiqul Islam, Director | 15,600,000 |
| | Md. Toufiqul Islam, Director | 15,600,000 |
| | Md. Toriqul Islam, Director | 22,800,000 |
| | Md. Rabiul Haque, Nominated Director | Nil |
| | A.K.M Akhtaruzzamn, Independent Director | Nil |
| | Md. Mizanur Rahman, Independent Director | Nil |
| | Mr. Noor Navi Bhuiyan, CFO | Nil |
| | Mr. Krishna Kr. Sharma, Company Secretary | Nil |
| **(c)** | **Senior Corporate Executives** | Nil |
| **(d)** | **Shareholders holding ten percent(10%) or more voting interest in the company :** | |
| | Md. Rafiqul Islam | 15,600,000 |
| | Md. Shofiqul Islam | 15,600,000 |
| | Md. Toufiqul Islam | 15,600,000 |
| | Md. Toriqul Islam | 22,800,000 |

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## INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS

Aman Cotton Fibrous Limited (ACFL) is primarily engaged in manufacturing of high quality cotton yarn in Bangladesh and marketing and selling of product in the domestic market as deemed export. The installation of a high capacity air conditioning and filtration plant has enabled the mill to meet the international standards. The Company manufactures 100% cotton Carded, Combed & Semi-combed ring spun grey yarn for knitting as well as weaving. From the beginning of operation of ACFL, it has managed to comply with the international standards of management, which was reflected to attain of ISO 9001:2008 Certificate. Aman Cotton Fibrous Limited possesses an installed capacity of producing 6,780 MT of cotton yarn per year. All the machinery imported from Germany, Switzerland, Italy, Japan & China are contemporary, high-tech and hi-speed most modem machines to spin the finest quality cotton yarn conforming to global standards. The management has a plan to expansion its existing project by acquisition & installation of brand new European machineries and increasing its existing production capacity.

### Product-wise Performance

The Company mainly produces 2 (Two) categories of yarn such as Carded Yarn and Combed Yarn . The mentioned categorized yarn productions are varied on the market demand and it is determined by the management of the company. Among the total sales, the following yarn products contribute largely:

| Product Name | Sales During the Year 2017-18 (MT) | Percentage (%) |
|---|---|---|
| Yarn-Carded | 4,698 | 72.76% |
| Yarn-Combed | 1,758 | 27.24% |
| **Total** | **6,456** | **100.00** |

### Risk and Concern

Aman Cotton Fibrous Limited (ACFL) is operating in a locally competitive industry involving both external and internal factors having direct as well as indirect effects on the investments. The management of Aman Cotton Fibrous Limited carefully considers all risk factors such as interest rate risks, exchange rate risks, industry and market risks and operation risks etc. To consider these risks the management has taken some initiatives to erase risks. The company is emphasis to minimize the dependence on bank borrowing. Since ACFL borrows for long term from Banks with interest rate and has a strong equity base, the management perceives that fluctuation of interest rate on borrowing would have little impact upon the performance of the company.

Aman Cotton Fibrous Limited has to import some of its raw materials from foreign market, but those raw materials are also available in local market. Depending on the price of raw materials in foreign and local market, foreign currency rate, lead time, foreign currency rate movement etc we make our decision for procurement of raw materials. However, as a highly profitable company the foreign exchange fluctuation risk is not vital in case of LC retirement.

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

The Company manages this risk through a control based environment. This is supported by an independent program of periodic reviews undertaken by internal audit, and by monitoring external operational risk events, which ensure that the Company stays in line which industry best practice and takes account or lessons learned from publicized operational failures within the textile industry.

**Analysis of Cost of Goods sold, Gross Profit Margin and Profit Margin:**

**(a) Cost of Goods Sold :**

Current period's cost of goods sold was Tk. 1,210,797,259 as compared to last year cost of goods sold of Tk. 1,301,012,105. This is due to the fact that there has been a decrease in the gross turnover during the reporting period. During the reporting period total 6,497 MT yarn produced out of which 4,663 MT Carded Yarn and 1834 MT Combed Yarn. Production capacity was utilized during the reporting period 95.83 %.

**(b) Gross Profit :**

The company has achieved a turnover Tk. 1,609,935,925 during the year ended 30th June 2018. Last year turnover was Tk. 1,734,266,045 and decreased by Tk. 124,330,120. Gross profit earned during the period was Tk. 399,138,665 against last year gross profit of Tk. 433,253,940.

**(c Net Profit :**

Net profit (after tax) earned during the period was Tk. 257,278,207 as compared to last year net profit(after tax) of Tk. 277,033,076. There is no significant difference from the last year profit.

**Statements of Utilization of proceed raised through public issues:**

The company has already been utilized partly IPO proceeds fund for meet up of IPO expenses, partial loan payment and acquisition & installation of machinery is under process of purchasing up to 31st October 2018.

**Going Concern:**

The Directors are of the opinion that the company is a going concern. Accordingly, Financial Statements are prepared on a going concern basis.

**The system of Internal Control:**

As there is always degree of uncertainty ahead of our operation, the Board of Directors assures its shareholders that the company has a competent risk management process to ensure that the system of internal control is sound in design and has effectively implemented and monitored. Although it is possible that all risks to the business are not known at present, the company takes reasonable steps to identify material risks that may hamper business results. The company then systematically reviews these risks in light of the changing internal and external environmental in order to assess that control that are in place are adequate to address those risks. This report further encloses a detailed discussion on the internal control framework under the statement of Internal Control.

**Human Resource**

Development of human resource continues to be a fundamental part of our policy and strength. We arrange periodic training sessions both in house and outdoor for upgrading the skills of our personnel. The company committed to the staff to create a harmonious, comfortable and good work environment and the company also believes that a skills and committed work force can surely improve the company's profitability.

**Environmental policies and practices**

Aman Cotton Fibrous Limited has formulated its environmental and occupational health and safety policies to ensure sustainable and environmentally responsible utilization of resources. The management of ACFL has been giving the top priority to effective use of raw materials and reducing air and water pollution. The company continues to stay committed to 'Fresh Air' by taking water treatment plan, cleaning and safety measures, planting trees and giving in house training sessions to our employees on environmental awareness and conservation.

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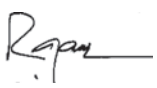
**Directors Declaration as to Financial Statements:**

The Directors are responsible for the governance of the company an as part of preparation and presentation of the financial statements, the Directors confirm, to the best of their knowledge that:

- the financial statements, prepared by the Management of the company which was scrutinized by the external auditors, present fairly its state of affairs, the result of its operation, cash flows and changes in equity:
- Proper books of account of the company have been maintained
- 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.
- the International Accounting Standards, as applicable in Bangladesh have been followed in preparation of the financial statements and any departure from there has been adequately disclosed
- the system of internal control is sound in design and has been effectively implemented and monitored
- there is no doubt whatsoever upon the company's ability to continue as a going concern
- As required under the BSEC directives the Directors further confirm that:
- the MD and CFO have certified to the Board that they have reviewed the financial statements and affirmed that these statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- The MD and CFO have certified to the Board that they have reviewed the financial statements and affirmed that 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.
- The MD and CFO have further certified to the Board that there are, to the best of their knowledge and belief no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's codes of conduct.

**Acknowledgement**

The Board would like to thank all stakeholders, including investors, suppliers, banks, insurance companies, Registrar of Joint Stock Companies & Firms, Bangladesh Securities and Exchange Commission and various government authorities for their continued support to Aman Cotton Fibrous Limited.



**Md.Rafiqul Islam**
Managing Director

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# AUDIOTORS' REPORT TO THE SHAREHOLDERS OF AMAN COTTON FIBROUS LIMITED



# Auditors' Report

## To the Shareholders of Aman Cotton Fibrous Limited

We have audited the accompanying financial statements of Aman Cotton Fibrous Limited, which comprise the Statement of Financial Position as at June 30, 2018 along with Statement of profit or loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Aman Cotton Fibrous Limited as of June 30, 2018 and of its financial performance for the year then ended in accordance with International Financial Reporting Standards, The Securities and Exchange rules 1987 and comply with the Companies Act 1994 and other applicable laws and regulations.

We also report that;

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

b) in our opinion proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;

c) the company's Statement of Financial position, Statement of profit or loss and other comprehensive Income and Statement of Cash flows dealt with by the report are in agreement with the books of accounts;

d) the expenditure incurred and payments made were for the purposes of the company's business for the year.

Place: Dhaka
Dated: October 28, 2018

**Ahmed Zaker & Co.**
Chartered Accountants



Aman Cotton Fibrous Ltd.

# FINANCIAL STATEMENT



# AMAN COTTON FIBROUS LTD.

## Statement of Financial Position

**As at 30 June, 2018**

| ASSETS | Notes | Amount in Taka | |
|---|---|---|---|
| | | June 30, 2018 | June 30, 2017 |
| **Non Current Assets :** | | **1,774,400,292** | **1,794,381,963** |
| Property, Plant and Equipment | **3.00** | 1,384,228,123 | 1,442,587,677 |
| Capital Work in Progress | **4.00** | 390,172,169 | 351,794,286 |
| **Current Assets :** | | **2,854,217,154** | **2,543,511,142** |
| Investment in Listed Securities | **5.00** | 83,266 | 6,404,575 |
| Inventories | **6.00** | 983,576,574 | 981,166,296 |
| Accounts and Other Receivables | **7.00** | 839,831,316 | 843,778,786 |
| Advances, Deposits & Pre-Payments | **8.00** | 813,286,370 | 483,276,839 |
| Loan to Sister Concern | **9.00** | 99,281,472 | 189,896,835 |
| Cash & Cash Equivalents | **10.00** | 118,158,157 | 38,987,811 |
| **Total Assets** | | **4,628,617,447** | **4,337,893,105** |
| **SHAREHOLDERS' EQUITY & LIABILITY** | | | |
| **Shareholders' Equity :** | | **3,386,614,445** | **3,129,326,452** |
| Share Capital-Paid up | **11.00** | 800,000,000 | 800,000,000 |
| Retained Earnings | **12.00** | 2,321,261,057 | 2,063,982,851 |
| Available For Sale (AFS) Reserve | **12.01** | (28,850) | (38,637) |
| Revaluation Surplus | **13.00** | 265,382,238 | 265,382,238 |
| **Non Current Liabilities :** | | **141,964,555** | **151,789,290** |
| Long Term Borrowings- Net of Current Maturity | **14.00** | 57,109,673 | 73,442,949 |
| Deferred Tax Liability | **28.04** | 84,854,882 | 78,346,341 |
| **Current Liabilities :** | | **1,100,038,447** | **1,056,777,363** |
| Short Term Borrowings | **15.00** | 903,821,390 | 924,138,221 |
| Long Term Borrowings-Current Maturity | **16.00** | 25,007,233 | 33,385,425 |
| Accounts Payable | **17.00** | 9,286,365 | 3,206,987 |
| Liabilities for Expenses & Others | **18.00** | 113,820,903 | 36,037,680 |
| Provision for Taxation | **28.02** | 48,102,556 | 60,009,050 |
| **Total Liabilities & Shareholders' Equity** | | **4,628,617,447** | **4,337,893,105** |
| NAV per share with revaluation | **19.00** | **42.33** | **39.12** |
| NAV per share without revaluation | **19.00** | **39.02** | **35.80** |

The annexed notes 1 to 35 form an integral part of these Financial Statements.

| Sd/- | Sd/- | Sd/- | Sd/- |
|---|---|---|---|
| **Company Secretary** | **Chief Financial Officer** | **Director** | **Managing Director** |

Signed as per annexed report on even date.

Sd/-
**Ahmed Zaker & Co.**
Chartered Accountants

Place : Dhaka
Date : October 28, 2018



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## AMAN COTTON FIBROUS LTD.
## Statement of Profit or Loss and Other Comprehensive Income
## For the year ended June 30, 2018

| Particulars | Notes | Amount in Taka | |
|---|---|---|---|
| | | June 30, 2018 | June 30, 2017 |
| **Sales** | **20.00** | **1,609,935,925** | **1,734,266,045** |
| Cost of Sales | **21.00** | (1,210,797,259) | (1,301,012,105) |
| **Gross Profit** | | **399,138,665** | **433,253,940** |
| **Operating Expenses:** | | **(32,543,136)** | **(31,182,329)** |
| Administrative Expenses | **24.00** | (28,620,823) | (26,562,639) |
| Selling and Distribution Expenses | **25.00** | (3,922,313) | (4,619,690) |
| **Operating Profit** | | **366,595,529** | **402,071,611** |
| Financial Expenses | **26.00** | (51,599,240) | (63,023,368) |
| **Profit before Other Income** | | **314,996,289** | **339,048,243** |
| Non Operating Income | **27.00** | 3,112,514 | 5,130,123 |
| **Profit before Contribution to WPPF** | | **318,108,803** | **344,178,366** |
| Contribution to WPPF | | (15,148,038) | (16,389,446) |
| **Profit before Tax** | | **302,960,765** | **327,788,920** |
| **Provision for Tax:** | **28.00** | (45,682,558) | (50,755,844) |
| Current Tax | **28.01** | (39,175,104) | (39,724,602) |
| Deferred Tax | **28.05** | (6,507,454) | (11,031,242) |
| **Net Profit after Tax** | | **257,278,206** | **277,033,076** |
| **Other Comprehensive Income :** | | **9,787** | **2,091,686** |
| sale | **5.01** | 10,874 | 2,324,096 |
| Related tax | | (1,087) | (232,410) |
| **Total Comprehensive Income** | | **257,287,993** | **279,124,762** |
| **Basic Earnings Per Share** | **29.01** | **3.22** | **3.46** |

The annexed notes 1 to 35 form an integral part of these Financial Statements.

| Sd/- | Sd/- | Sd/- | Sd/- |
|---|---|---|---|
| **Company Secretary** | **Chief Financial Officer** | **Director** | **Managing Director** |

Signed as per annexed report on even date.

Sd/-
**Ahmed Zaker & Co.**
Chartered Accountants

Place : Dhaka
Date : October 28, 2018

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## AMAN COTTON FIBROUS LTD.
## Statement of Changes in Equity
## For the Year ended June 30, 2018

**Amount In Taka**

| | Share Capital | Revaluation Surplus | Available For Sale (AFS) Reserve | Retained Earnings | |
|---|---|---|---|---|---|
| Balance as on July 01, 2017 | 800,000,000 | 265,382,238 | (38,637) | 2,063,982,851 | 3,129,326,452 |
| Unrealised gain/(loss) on securities available for sale | - | - | 10,874 | - | 10,874 |
| Related tax | - | - | (1,087) | - | (1,087) |
| Profit for the year | - | - | - | 257,278,206 | 257,278,206 |
| Balance as on 30-06- 2018 | **800,000,000** | **265,382,238** | **(28,850)** | **2,321,261,057** | **3,386,614,445** |

## Statement of Changes in Equity
## For the Year ended June 30, 2017

**Amount In Taka**

| | Share Capital | Revaluation Surplus | Available For Sale (AFS) Reserve | Retained Earnings | |
|---|---|---|---|---|---|
| Balance as on July 01, 2016 | 800,000,000 | 265,382,238 | (2,130,323) | 1,786,949,775 | 2,850,201,690 |
| Unrealised gain/(loss) on securities available for sale | - | - | (2,324,096) | - | (2,324,096) |
| Related tax | - | - | (232,410) | - | (232,410) |
| Profit for the year | - | - | - | 277,033,076 | 277,033,076 |
| Balance as on 30-06- 2017 | **800,000,000** | **265,382,238** | **(38,637)** | **2,063,982,851** | **3,129,326,452** |

Sd/-
**Company Secretary**

Sd/-
**Chief Financial Officer**

Sd/-
**Director**

Sd/-
**Managing Director**

Signed as per annexed report on even date.

Sd/-
**Ahmed Zaker & Co.**
Chartered Accountants

Place : Dhaka
Date : October 28, 2018

**AMAN COTTON FIBROUS LTD.**
**Statement of Cash Flows**
**For the Year ended June 30, 2018**

| Particulars | Note | Amount in Taka | |
|---|---|---|---|
| | | June 30, 2018 | June 30, 2017 |
| **Cash Flows from Operating Activities :** | | | |
| Cash Received from Customer & Others | | 1,640,172,532 | 1,692,113,403 |
| Cash Paid to Suppliers, Employees & Others | | (1,445,149,014) | (1,313,453,812) |
| **Cash Generated from Operations** | | **195,023,518** | **378,659,591** |
| Tax Paid | | (51,081,597) | (58,362,721) |
| **Net Cash Generated from Operating Activities** | | **143,941,920** | **320,296,870** |
| **Cash Flows from Investing Activities:** | | | |
| Acquisition of Property, Plant & Equipment | | (3,537,076) | (36,274,322) |
| Capital Work In Progress | | (38,377,883) | (127,955,980) |
| Loan to Sister Concern | | 90,615,363 | (60,520,000) |
| Advance against Land Purchase | | - | (1,562,500) |
| Advance against Land Development | | - | 3,672,881 |
| Dividend Income | | 60,213 | 186,971 |
| Net Investment in shares | | 6,332,183 | - |
| **Net Cash Used in Investing Activities** | | **55,092,800** | **(222,452,950)** |
| **Cash Flows from Financing Activities:** | | | |
| Increase/(Decrease) in Long Term Borrowing | | (24,711,468) | (36,742,583) |
| Increase/(Decrease) in Short Term Borrowing | | (20,316,831) | 21,022,047 |
| Interest Paid | | (75,446,892) | (84,521,069) |
| **Net Cash flow From/(Used) in Financing Activities** | | **(120,475,191)** | **(100,241,605)** |
| **Net Increase/(Decrease) in cash and cash equivalents** | | **78,559,529** | **(2,397,685)** |
| Cash & Cash Equivalents at the beginning including For. Ex. gain/(loss) | | **38,987,811** | **41,256,249** |
| Cash & Cash Equivalents at the ending of the year | | **117,547,340** | **38,858,564** |
| Add, Unrealized foreign exchange gain/(loss)in cash & cash equivalents | | 610,817 | 129,247 |
| **Cash and Cash Equivalents at Closing including including For. Ex. gain/(loss)** | | **118,158,157** | **38,987,811** |
| Net operating cash flow per share (NOCFPS) | **19.01** | **1.80** | **4.00** |

| Sd/- | Sd/- | Sd/- | Sd/- |
|---|---|---|---|
| **Company Secretary** | **Chief Financial Officer** | **Director** | **Managing Director** |

Signed as per annexed report on even date

Sd/-
**Ahmed Zaker & Co.**
Chartered Accountants

Place : Dhaka
Date : October 28, 2018

## 1.00 Significant information of the enterprise:

### 1.01 Legal form of the Enterprise:

Aman Cotton Fibrous Ltd. was incorporated as a private Limited Company with the issuance of certificate of incorporation bearing No-C-403 dated December 28, 2005 by the Registrar of Joint Stock Companies & Firms and the Company commenced its commercial production on November 01, 2007. Subsequently the shareholders in their Extra-ordinary General Meeting held on 22 April, 2012 approved conversion of status of the company from private limited to public limited company.

### 1.02 Registered and Corporate Office of the Company:

Registered office of the company is situated at Boiragirchala, Shreepur, Gazipur.

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

### 1.03 Address of the Factory:

The factory of the Company was established at Boiragirchala, Shreepur, Gazipur.

### 1.04 Principal Activities and nature of the business

The Principal activities and nature of the business of the company is to manufacture of high quality yarn in Bangladesh and marketing and selling of product in the global and domestic Market.

## 2.00 Significant Accounting Policies:

### 2.01 Basis of preparation of Financial Statements:

The Financial Statement of the Company are prepared on a going concern assumption and in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), the Companies Act 1994, The Securities and Exchange rules 1987 and other laws and rules applicable in Bangladesh.

### 2.02 Accounting Convention

The Financial Statements have been prepared on the Basis of historical cost Basis except land & land development (which have been stated at current cost), monetary assets at realisable value and Investment in listed Securities are carried at fair value Based on the year ended quoted price.

### 2.03 Date of authorisation:

The Board of Directors of Aman Cotton Fibrous Ltd. approved this financial Statements on October 28, 2018.

### 2.04 Reporting Period:

The Financial Statements of the Company cover one Financial year from 01 July , 2017 to 30 June, 2018.

### 2.05 Statement of Cash Flows:

Statement of Cash Flows have been prepared in accordance with IAS 7 " Statement of Cash Flows " and the cash flow from the operating activities are shown under direct method as prescribed.

**2.06 Recognition of Property, Plant & Equipment and Depreciation:**

In accordance with the International Accounting Standard adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) as IAS 16 "Property, Plant and Equipment" have been accounted for at cost less accumulated depreciation except land and land development. Cost includes expenditure that is directly attributed to the acquisition of the items. Depreciation is charged in addition to fixed assets when it is available for use. Depreciation on all Property, Plant & Equipment have been applied on Reducing Balance method as per decision of the Board at the following rate :

| | |
|---|---|
| Land & Land Development | - |
| Building & Civil Construction | 2.5% |
| Plant & Machinery | 15% |
| Electrical Installation | 10% |
| Electrical Equipment | 10% |
| Gas Line Installation | 10% |
| Fire Equipment | 15% |
| Vehicle | 20% |
| Office Equipment | 10% |
| Computer & IT Equipment | 20% |
| Furniture & Fixture | 10% |

Depreciation has been allocated @ 95% for manufacturing and 5% for non manufacturing expenditure.

Revaluation of assets : The company has revaluated its Land on 15 may, 2013 and incorporated the revaluation surplus in the Financial Statement accordingly and shown in note # 13.00

**2.07 Impairment:**

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exits, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss immediately in statement of comprehensive income unless the asset is carried at revalued amount. Any impaired loss of a revalued asset treated as a revaluation decrease. During the period no impaired loss occurred to recognize in the Financial Statements.

**2.08 Revenue Recognition:**

Revenue is recognized only when it is probable that the economic benefit of such transaction has been derived as per " IAS-18". Sales revenue is recognised when the shipments are made, transactions related to sales are completed and the sales invoices are issued in favour of the buyers.

**2.09 Valuation of Current Assets:**

**Accounts Receivable:**

These are stated at their original invoice less provision/ write off. Management considered the entire receivable as good and is collectable and therefore, no amount was provided for as bad debt in the current year's financial statement.

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**Inventories:**

In compliance with the requirements of IAS 2 "Inventories", the Inventories have been valued at the lower of cost and net realizable value after making due allowance for any obsolete or slow moving items.

**2.10 Financial Instruments:**

**Derivative:**

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

**Non-Derivative:**

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

**2.11 Currency of Reporting and Foreign currency transactions:**

**Currency of Reporting**

The financial statement of the Company has been prepared in the Bangladesh Taka (BDT).

**Foreign Currency Transactions**

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

**2.12 Long Term Borrowings:**

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

**2.13 Contingent Liabilities:**

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

**2.14 Taxation:**

**Current Tax**

Provision for Current income Tax has been made at the rate of 15% as prescribed in the Finance Act, 2016 on the accounting profit made by the Company making some adjustment with the profit as per ITO 1984 in compliance with IAS-12 "Income Taxes".

**Deferred Taxation**

Deferred tax liabilities are the amount of income taxes payable in future years in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future years in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax IASes. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the reporting date. The impact on the account of changes in the deferred tax assets and liabilities for the year ended June 30, 2018 has been recognized in the statement of comprehensive income as per IAS-12 "Income Taxes".

**2.15 Employee Benefits:**

The Company is operating Workers Profit Participation Fund (WPPF) according to Bangladesh Labour Law 2006 and Bangladesh labor ( Amendment ) Act 2013 are accounted for securing benefits to the employees in accordance with the provision of International Accounting Standard (IAS) 19, " Employee Benefit". The company pays two festival bonuses to all employees in every year.

**2.16 Borrowing Cost:**

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

**2.17 Earning Per Share:**

The Company calculates Earning Per Share (EPS) in accordance with IAS-33 " Earning Per Share" which has been shown on the face of the Statement of Comprehensive Income and details are shown in Note-29.

**Basic Earnings Per Share**

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

**Weighted average number of ordinary shares outstanding during the year:**

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

**Diluted earnings per share:**

No diluted earnings per share is required to be calculated for the period as there was no scope for dilution during the year.

**2.18 Information about business segments:**

As per IFRS 8 "Operating Segment", this is a distinguishable component of a company that is engaged in providing an individual product or service or a group of related product or service and that is subject to risk and return that are different from those of other business segment. During the year under review the company had no operational segment either business or geographical segments.

**2.19 Application of International Accounting Standards (IASs) and International Financial Reporting Standards(IFRS) :**

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

IAS- 1 Presentation of Financial Statements
IAS- 2 Inventories
IAS- 7 Statement 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- 18 Revenue
IAS- 21 The effects of changes in Foreign Exchange Rate
IAS- 23 Borrowing Cost
IAS- 24 Related Party Disclosure
IAS- 32 Financial Instruments Presentation
IAS- 33 Earning Per Share (EPS)
IAS- 37 Provisions, Contingent Liabilities and Contingent Assets
IAS- 39 Financial Instruments : Recognition and Measurement
IFRS- 7 Financial Instruments : Disclosures

**Responsibility for preparation and presentation of financial statements:**

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

**Components of the Financial Statements:**

Following are the component of the financial statements

a) Statement of Financial Position as at June 30, 2018

b) Statement of Profit or Loss and Other Comprehensive Income for the year ended June 30, 2018

c) Statement of Changes in Equity for the year ended June 30, 2018

d) Statement of Cash Flows for the year ended June 30, 2018

e) Explanatory notes to the financial statements.

**Comparative:**

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

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

**General:**

The figure has been rounded off to the nearest Taka.

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| | | Amount in Taka | |
|---|---|---|---|
| | | June 30, 2018 | June 30, 2017 |
| **3.00** | **Property, Plant and Equipment:** | | |
| | Land & Land Development | 478,046,073 | 476,783,745 |
| | Building & Civil Construction | 647,129,773 | 663,722,844 |
| | Plant & Machinery | 244,908,704 | 285,889,539 |
| | Electrical Installation | 6,228,000 | 6,920,000 |
| | Electrical Equipment | 1,856,191 | 2,062,434 |
| | Gas Line Installation | 788,660 | 876,289 |
| | Fire Equipment | 217,168 | 255,492 |
| | Vehicle | 3,398,241 | 4,247,801 |
| | Office Equipment | 292,596 | 325,107 |
| | Computer & IT Equipment | 192,206 | 203,857 |
| | Furniture & Fixture | 1,170,512 | 1,300,569 |
| | | **1,384,228,123** | **1,442,587,677** |
| **3.01** | **Movement of Fixed Assets** | | |
| | **Fixed Assets at cost :** | | |
| | Opening Balance | 2,623,017,623 | 2,497,148,358 |
| | Add: Addition during the year | 3,537,076 | 125,869,265 |
| | Closing Balance | 2,626,554,699 | 2,623,017,623 |
| | Less: Accumulated Deprecation | (1,242,326,576) | (1,180,429,947) |
| | **Written Down Value (WDV)** | **1,384,228,123** | **1,442,587,677** |
| | **Details please see Annexure-'A'** | | |
| **4.00** | **Capital Work in Progress** | | |
| | New Factory Building is being constructed on 316.25 DCM Land at Sreepur, Dist-Gazipur, to produce specialized yarn to fulfill the market demand. | | |
| | This is made up as under : | | |
| | Factory Building | 275,507,972 | 237,142,267 |
| | Worker's Dormitories | 30,774,970 | 30,762,792 |
| | Ducting | 47,260,585 | 47,260,585 |
| | Road & Boundary Wall | 14,754,580 | 14,754,580 |
| | Staff Quarter | 21,874,062 | 21,874,062 |
| | **Total Capital Work in Progress** | **390,172,169** | **351,794,286** |
| **5.00** | **Investment in Listed Securities :** | | |
| | This represents investment in listed shares | | |
| | Market Value of Securities | 83,266 | 6,404,575 |
| | | **83,266** | **6,404,575** |

Detail descriptions of the securities are as under.

| Name of the Securities | Quantity | Cost Value (Tk) | Market Value (Tk) | Unrealised Gain/(Loss) |
|---|---|---|---|---|
| Meghna Life | 1,503 | 115,322 | 83,266 | (32,056) |
| | **1,503** | **115,322** | **83,266** | **(32,056)** |

*Details of Margin loan against purchase of listed companies share have been shown in note no - 15.

| | | | |
|---|---|---|---|
| **5.01** | **Unrealized Gain / (Loss) during the year:** | | |
| | Unrealized Gain / (Loss) as per Current Year Portfolio Statement | (32,056) | (42,930) |
| | Unrealized Gain / (Loss) as per Last Year Portfolio Statement | (42,930) | (2,367,026) |
| | **Unrealized Gain / (Loss) during the year** | **10,874** | **2,324,096** |

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| | | Amount in Taka | |
|---|---|---|---|
| | | June 30, 2018 | June 30, 2017 |
| **6.00 Inventories :** | | | |
| Finished Goods | [Note-6.01] | 79,239,126 | 71,010,160 |
| Working-in-process | [Note-6.02] | 13,005,000 | 17,897,270 |
| Raw Materials | [Note-6.03] | 810,529,363 | 820,671,208 |
| Packing Materials | [Note-6.04] | 4,381,257 | 3,864,568 |
| Other Materials | [Note-6.05] | 76,421,827 | 67,723,091 |
| | | **983,576,574** | **981,166,296** |
| **6.01 Finished Goods :** | | | |
| **Value inTaka-** | | | |
| Carded | | 41,616,003 | 47,756,786 |
| Combed | | 37,623,123 | 23,253,374 |
| | | **79,239,126** | **71,010,160** |
| **Quantity in MT-** | | | |
| Carded | | 218 | 253 |
| Combed | | 195 | 119 |
| | | **413** | **372** |
| **6.02 Working-in-process** | | | |
| **Value inTaka-** | | | |
| Carded | | 7,831,160 | 9,818,780 |
| Combed | | 5,173,840 | 8,078,490 |
| | | **13,005,000** | **17,897,270** |
| **Quantity in MT-** | | | |
| Carded | | 43 | 53 |
| Combed | | 28 | 42 |
| | | **71** | **95** |
| **6.03 Raw Materials :** | | | |
| **Value inTaka-** | | | |
| Raw Cotton | | 810,529,363 | 820,671,208 |
| | | **810,529,363** | **820,671,208** |
| **Quantity in MT-** | | | |
| Raw Cotton | | 4,944 | 5,778 |
| | | **4,944** | **5,778** |
| **6.04 Packing Materials :** | | | |
| **Value inTaka-** | | | |
| CONE | | 30,300 | 422,911 |
| Poly Bag | | 2,025,757 | 1,711,592 |
| WPP Bag | | 2,078,665 | 1,555,189 |
| Sticker | | 246,535 | 174,876 |
| | | **4,381,257** | **3,864,568** |
| **Quantity in Pcs & Kgs-** | | | |
| CONE (pcs.) | | 11,222 | 156,634 |
| Poly Bag(kg.) | | 11,381 | 9,616 |
| WPP Bag (Kg.) | | 83,147 | 62,208 |
| Sticker (pcs.) | | 2,465,352 | 1,748,759 |
| **6.05 Other Materials** | | | |
| **Value inTaka-** | | | |
| Spare Parts | | 76,421,827 | 67,723,091 |
| | | **76,421,827** | **67,723,091** |

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| | Amount in Taka | |
|---|---|---|
| | June 30, 2018 | June 30, 2017 |
| **7.00 Accounts and Other Receivables:** | | |
| Accounts Receivables (Notes-7.01) | 818,908,198 | 810,668,683 |
| Other Receivables (Notes-7.02) | 20,923,118 | 33,110,103 |
| | **839,831,316** | **843,778,786** |
| **7.01 Accounts Receivable :** | | |
| Opening Balance | 810,668,683 | 760,702,135 |
| Add: Sales during the year | 1,609,935,925 | 1,734,266,045 |
| Available for collection | 2,420,604,608 | 2,494,968,180 |
| Less: Realized during the year | (1,603,043,128) | (1,687,199,292) |
| | **817,561,480** | **807,768,888** |
| Add: Translated Foreign Exchange Gain/(Loss) **(Note-23.00)** | 1,346,718 | 2,899,795 |
| | **818,908,198** | **810,668,683** |
| There is no related party transaction except transaction with Aman Tex Ltd. Details of Related party transactions have been shown in note - 31. | 129,275,000 | 62,298,006 |
| **7.02 Other Receivables :** | | |
| Interest Receivable from Sister Concern | **20,923,118** | **33,110,103** |
| **7.03 Disclosure as per Schedule-XI, Part -I, of The Companies Act, 1994** | | |
| Maturity less than 6 months | 818,908,198 | 810,668,683 |
| Maturity more than 6 months | 20,923,118 | 33,110,103 |
| | **839,831,316** | **843,778,786** |
| Debts considered Good & Secured | 689,633,198 | 748,370,677 |
| Debts considered Good without security | - | - |
| Debts considered doubtful & bad | - | - |
| Debts due by directors or other officers & staffs | 20,923,118 | 33,110,103 |
| Debts due from companies under same management | 129,275,000 | 62,298,006 |
| Maximum debt due by directors or officers & staffs at any time | - | - |
| All the debts are considered good as it has been made through letter of credit. | | |
| **8.00 Advances, Deposits & Pre-Payments :** | | |
| This is made-up as follows: | | |
| **a) Advance against Income tax** | | |
| Opening Balance | - | - |
| Add: During the year | | |
| TDS on Export Sales | 8,455,412 | 10,445,555 |
| TDS on Vehicles Tax Token & Fitness Renewal Fee | 20,000 | 35,000 |
| Tax on Dividend Income | 12,043 | 37,383 |
| AIT through pay order | 42,594,143 | 47,844,783 |
| Lesss: Adjustment during the year | (51,081,598) | (58,362,721) |
| | - | - |
| Total of Advance against Income Tax | | - |
| **b) Other advance** | | |
| Advance against work | 3,922,751 | 4,581,590 |
| Advance against Purchases | 678,012,170 | 370,521,358 |
| Advance against Land Purchase | 67,062,500 | 67,062,500 |
| Advance against Land Development | 9,227,119 | 9,227,119 |
| Advance against L/C Margin | 18,509,150 | 6,417,607 |
| Advance against Loan Installment | 2,288,130 | 2,288,130 |
| Advance against C&F agency & Others | 5,384,470 | 3,566,570 |
| Advance to ICB Capital Management Ltd | 10,600,000 | 2,000,000 |
| | **795,006,290** | **465,664,874** |

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| | Amount in Taka | |
|---|---|---|
| | June 30, 2018 | June 30, 2017 |
| Mymensingh PBS-2 for Electricity Connection | 746,250 | 746,250 |
| BTCL for T & T Line Connection | 18,000 | 18,000 |
| Titas Gas T & D Co.Ltd. for Gas Connection | 6,320,415 | 6,320,415 |
| Bank Guarantee for Titas Gas Connection | 11,195,415 | 10,527,300 |
| | **18,280,080** | **17,611,965** |
| | **813,286,370** | **483,276,839** |

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

| | | |
|---|---|---|
| Maturity less than 6 months | 795,006,290 | 465,664,874 |
| Maturity more than 6 months | 18,280,080 | 17,611,965 |
| | **813,286,370** | **483,276,839** |
| Advance, deposits & prepayments considered good & secured | 746,223,870 | 416,214,339 |
| Advance, deposit & prepayments considered Good without security | | - |
| Advance, deposit & prepayments considered doubtful & bad | | - |
| Advance, deposit & prepayments due by directors or other officers & staffs | 67,062,500 | 67,062,500 |
| Advance, deposit & prepayments due from companies under same management | | - |
| Maximum advance due by directors or officers & staffs at any time | | - |
| | **813,286,370** | **483,276,839** |

**9.00 Loan to Sister Concern**

Temporary loan has been provided to the following concern of Aman Group at interest of 11% for their Operational purpose. This amount will be adjusted within the shortest time.

| | | |
|---|---|---|
| Aman Cement Mills Unit 2 Ltd | 84,266,472 | 93,061,835 |
| Aman Jute Fibrous Ltd | 15,015,000 | 13,515,000 |
| Anwara Mannan Textile Mills Ltd | - | 83,320,000 |
| | **99,281,472** | **189,896,835** |

**10.00 Cash and Cash Equivalents :**

This is made-up as follows:

| | | |
|---|---|---|
| Cash in hand | 9,876,984 | 9,506,849 |
| Cash at Banks (Note : 10.01) | 108,281,173 | 29,480,962 |
| | **118,158,157** | **38,987,811** |

**10.01 Details Break-up of cash at Bank is as follows :**

| | | |
|---|---|---|
| IBBL, Ramna Branch | 208,400 | 426,110 |
| NBL, Dilkusha Br. | 4,526 | 5,676 |
| IBBL, Palton Br. | 6,051 | 7,201 |
| EXIM Bank Ltd. Mawna Br. | 7,468 | 8,619 |
| EXIM Bank Ltd. Rajuk Br. | 16,564 | 17,944 |
| IBBL, Uttara Br. | 317,021 | 71,207 |
| IBBL, Mawna Br. | 29,929 | 36,275 |
| IBBL, Ramna Br, | 381,968 | 375,092 |
| Prime Bank Ltd, Motijheel Br. | 2,226 | 2,801 |
| Prime Bank Ltd, Uttara Br. | 109,947 | 110,672 |
| IBBL, Ramna Branch, | 556 | 17,021 |
| ONE Bank Ltd., Motijheel Branch, | 725,088 | 7,593 |
| Shahjalal Islami Bank Ltd, Dhaka Main Br., | 49,079 | 49,729 |
| Bank Asia , Uttara Br. Islamic wing | 7,375 | 8,525 |
| Bank Al- Falah Ltd, Dhaka | 33,394 | 46,544 |
| IBBL , Ramna, Dhaka FCAD ORQ | 708,134 | 1,090,087 |
| Pubali Bank, Principal Br, | 65,015 | 66,625 |
| South Bangla Agriculture & Commerce Bank Ltd, | 860 | 2,125 |
| Woori Bank, Uttara Branch | 4,713,533 | 1,108,238 |
| Woori Bank, Uttara Branch | 1,968,117 | 1,974,332 |
| Woori Bank, Uttara Branch | 5,271.20 | 80,032 |
| Meghna Bank Ltd, Uttara Branch | 10,893,312 | 4,466,213 |

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| | Amount in Taka | |
|---|---|---|
| | June 30, 2018 | June 30, 2017 |
| Meghna Bank Ltd, Uttara Branch | 1,355.20 | 19,492,416 |
| City Bank Ltd, Principal Branch | 74,712,096 | 9,885 |
| City Bank Ltd, Principal Branch | 1,836,480 | - |
| City Bank Ltd, Principal Branch | 115,128 | - |
| City Bank Ltd, Principal Branch | 58,560 | - |
| IBBL, Ramna, Dhaka FCAD ORQ | 11,303,719 | |
| | **108,281,173** | **29,480,962** |

**11.00 Share Capital - Paid up :**

Share Capital represents the followings:

Authorized:

| | | |
|---|---|---|
| 200,000,000 Ordinary Shares of Taka 10 each. | 2,000,000,000 | 2,000,000,000 |
| Issued subscribed and fully paid up capital: | | |
| 80,000,000 Ordinary shares of Taka 10 each. | 800,000,000 | 800,000,000 |
| | **800,000,000** | **800,000,000** |

**11.01 Share Holding Position :**

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

| Name of the | Number of Shares | | % | Amount in Taka | |
|---|---|---|---|---|---|
| | 30 June, 2018 | 30 June, 2017 | | June 30, 2018 | June 30, 2017 |
| Md. Rafiqul Islam | 15,600,000 | 15,600,000 | 19.50% | 156,000,000 | 156,000,000 |
| Md. Shofiqul Islam | 15,600,000 | 15,600,000 | 19.50% | 156,000,000 | 156,000,000 |
| Md. Toufiqul Islam | 15,600,000 | 15,600,000 | 19.50% | 156,000,000 | 156,000,000 |
| Md. Toriqul Islam | 22,800,000 | 22,800,000 | 28.50% | 228,000,000 | 228,000,000 |
| Ms. Mukta Islam | 3,600,000 | 3,600,000 | 4.50% | 36,000,000 | 36,000,000 |
| Ms. Sajeda Islam | 3,600,000 | 3,600,000 | 4.50% | 36,000,000 | 36,000,000 |
| Aman Seed Storage Ltd. | 3,200,000 | 3,200,000 | 4.00% | 32,000,000 | 32,000,000 |
| | **80,000,000** | **80,000,000** | **100.00%** | **800,000,000** | **800,000,000** |

**11.02 Classification of shares by holdining :**

| Slabs by Number of Shares | No.of Shareholders | No.of Shares | Holding % |
|---|---|---|---|
| Less than 500 | - | - | - |
| From 501 to 5,000 | - | - | - |
| From 5,001 to 10,000 | - | - | - |
| From 10,001 to 20,000 | - | - | - |
| From 20,001 to 30,000 | - | - | - |
| From 30,001 to 40,000 | - | - | - |
| From 40,001 to 50,000 | - | - | - |
| From 50,001 to 1,00,000 | - | - | - |
| From 1,00,001 | - | - | - |
| Above 1,000,000 | 7 | 80,000,000 | 100 |
| | **7** | **80,000,000** | **100** |

**11.03 Classification of shares by holdining :**

Share Premium : There is no share premium as on June 30, 2018.

Number of Share : The company issued 80,000,000 no. of ordinary shares of Tk 10.

Date of Issue: These shares have been issued on 28.12.05, 03.03.12 & 09.10.12 respectively.

Preference/other Share: There is no preference, convertible preference share or other convertible securities.

**12.00 Retained Earnings :**

| | | |
|---|---|---|
| Opening Balance | 2,063,982,851 | 1,786,949,775 |
| Add: Transferred from current year profit | 257,278,206 | 277,033,076 |
| **Closing Balance** | **2,321,261,057** | **2,063,982,851** |

| | | Amount in Taka | |
|---|---|---|---|
| | | June 30, 2018 | June 30, 2017 |
| **12.01** | **Available For Sale (AFS) Reserve :** | | |
| | Opening Balance | (38,637) | (2,130,323) |
| | Add: Addition during the year | 10,874 | 2,324,096 |
| | Add: Related Tax | (1,087) | (232,410) |
| | **Closing Balance** | **(28,850)** | **(38,637)** |
| **13.00** | **Revaluation Surplus :** | | |
| | Revaluation surplus made on Land and Land Development in the year 2013 by the approved enlisted valuer S.H.Khan & Co. Chartered Accountants. Details are shown as follows : | | |
| | Fair Value/Market Value | 464,338,000 | 464,338,000 |
| | Book Value | 185,025,622 | 185,025,622 |
| | **Revaluation surplus** | **279,312,378** | **279,312,378** |
| | Less : Deferred Tax on Revaluation @ 3% | (13,930,140) | (13,930,140) |
| | **Net Balance of Revaluation surplus** | **265,382,238** | **265,382,238** |
| | Deferred Tax on revaluation surplus has been computed @ 3% as per provision of Finance Act 2016. | | |
| | Name of the Valuer **: S.H. KHAN & CO. Chartered Accountants.** Address: Raz Bhaban ( 1st floor), 29 Dilkusha C/A, Dhaka-1000. | | |
| | Date of Revaluation: 15 May, 2013 | | |
| **14.00** | **Long Term Borrowings - Net of Current Maturity :** | | |
| | This represents amount payable to Islami Bank Bangladesh Limited, Ramna Branch, Dhaka for implementation of project. | | |
| | This is made up as follows: | | |
| **14.01** | **Islami Bank Bangladesh Ltd.** | | |
| | Opening Balance at 1st July | 21,577,775 | 47,162,188 |
| | Add, Addition made during the year | - | - |
| | Add: Profit & Rent Charged which are paid/ Payable for the year | 1,605,644 | 3,794,160 |
| | | 23,183,419 | 50,956,348 |
| | Less: Payment made during the year - | | |
| | Principal | (14,875,532) | (25,584,413) |
| | Profit & Rent | (1,605,644) | (3,794,160) |
| | **Closing Balance at 30 June** | **6,702,243** | **21,577,775** |
| | Less: Current maturity transferred to current Liability | (4,630,086) | (15,391,028) |
| | **Balance after current maturity** | **2,072,157** | **6,186,747** |
| **14.02** | **Union Capital Limited** | | |
| | This is made up as follows: | | |
| | Opening Balance | 85,250,599 | 96,408,769 |
| | Add, Addition made during the year | - | - |
| | | **85,250,599** | **96,408,769** |
| | Add, Interest Charged during the year | 9,516,072 | 11,723,130 |
| | | **94,766,671** | **108,131,899** |
| | Less, Payment made during the year | (19,352,008) | (22,881,300) |
| | Closing Balance at 30 June | **75,414,663** | **85,250,599** |
| | Less: Current maturity transferred to current Liability | (20,377,147) | (17,994,397) |
| | Balance after current maturity | **55,037,516** | **67,256,202** |
| | **Total Balance after Current Maturity at June 30** | **57,109,673** | **73,442,949** |

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**14.03**

| Name of Bank | Nature | Limit | Tenure | Interest rate (%) | Security |
|---|---|---|---|---|---|
| Islami Bank Bangladesh Ltd., Ramna Br, Dhaka | HPSM | 842,143,773 | 11-01-2007 to 29-03-2019 | Land, Building & Machine | 12% |
| Islami Bank Bangladesh Ltd., Ramna Br, Dhaka | HPSM | 34,866,198 | 14-12-2014 to 19-05-2019 | Land, Building & Machine | 12% |
| Union Capital Ltd, 73 Sonargaon Road, Dhaka | Term Finance | 100,000,000 | 60 Months | 175 Decimal Land | 12.50% |

**15.00 Short Term Borrowings :**

The following represents loan sanctioned by the Islami Bank Bangladesh Ltd, Ramna Branch, Dhaka, Meghna Bank Ltd, Uttara Branch, Dhaka and Standard Bank Ltd, Principal Branch, Dhaka to provide working capital of the company which is fully secured by hypothecation of inventory.

| | | |
|---|---|---|
| Short Term Loan | 903,773,269 | 923,885,267 |
| Margin loan for purchase of listed share from Shahjalal Islami Bank Securities, | 48,121 | 252,954 |
| **Total Balance** | **903,821,390** | **924,138,221** |

**15.01 Details of the sanction are as under.**

| Name of Bank | Nature | Sanction Limit | Tenure | Interest rate | Security |
|---|---|---|---|---|---|
| Islami Bank Bangladesh Ltd., Ramna Br, Dhaka | BAI MURABAHA/TR/MPI/MDB/ | 700,000,000 | Below one year | 12% | Inventory Hypothecation |
| Standard Bank Ltd, Principal Branch, Motijheel | CC-Hypo | 20,000,000 | Below one year | 11% | |
| Meghna Bank Ltd, Uttara Branch | LTR | 500,000,000 | Below one year | 12% | |
| | EDF/UPAS | | | Six months USD LIBOR plus 2.5% for | |

| | | |
|---|---|---|
| **16.00 Long Term Borrowings - Current Maturity (Note-14)** | **25,007,233** | **33,385,425** |

**17.00 Accounts Payable :**

| | | |
|---|---|---|
| Opening Balance | 3,206,987 | 3,570,666 |
| Add: Purchased during the year | 1,007,996,834 | 1,114,826,902 |
| Available for payment | 1,011,203,821 | 1,118,397,568 |
| Less: Payment made during the year | (1,001,917,456) | (1,115,190,581) |
| **Balance as on June 30** | **9,286,365** | **3,206,987** |

There is no related party transaction except Aman Packaging Ltd for Packing Material Purchase. Detail have been shown in note no - 31.

**18.00 Liabilities for Expenses & Others :**

This is made-up as follows:

| | | |
|---|---|---|
| Gas Bill | 5,930,154 | 6,089,361 |
| Salary & wages | 3,611,987 | 3,813,312 |
| Remuneration Payable | 360,000 | 360,000 |
| WPPF Payable | 23,429,239 | 23,031,702 |
| TDS & VAT Payable | 2,812,193 | 1,996,093 |
| Audit & Professional fees Payable | 116,250 | 115,000 |
| Telephone | 4,857 | 4,643 |
| Electricity | 12,763 | 14,548 |
| Interest & Others Payable | 821,196 | 613,021 |
| IPO Proceeds | 76,722,264 | - |
| | **113,820,903** | **36,037,680** |

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| | | Amount in Taka | |
|---|---|---|---|
| | | June 30, 2018 | June 30, 2017 |
| **19.00** | **Net Asset Value (NAV) :** | | |
| | **NAV per share with revaluation :** | | |
| | Shareholders' Equity including revaluation surplus | 3,386,614,444 | 3,129,326,452 |
| | Number of ordinary shares outstanding | 80,000,000 | 80,000,000 |
| | **Net Asset Value (NAV) per Share** | **42.33** | **39.12** |
| | **NAV per share without revaluation :** | | |
| | Shareholders' Equity excluding revaluation surplus | 3,121,232,206 | 2,863,944,214 |
| | Number of ordinary shares outstanding | 80,000,000 | 80,000,000 |
| | **Net Asset Value (NAV) per Share** | **39.02** | **35.80** |
| | Par Value of Share | 10 | 10 |
| **19.01** | **Net Operating Cash Flow Per Share (NOCFPS):** | | |
| | Net Cash Generated from Operating Activities | 143,941,920 | 320,296,870 |
| | Number of ordinary shares outstanding | 80,000,000 | 80,000,000 |
| | **Net Operating Cash Flow Per Share (NOCFPS)** | **1.80** | **4.00** |
| **19.02** | **Statement of Cash Flows :** | | |
| | Statement of Cash Flows have been prepared in accordance with IAS 7 "Statement of Cash Flows" and the cash flow from the operating activities are shown under direct method as prescribed. | | |
| | Reconciliation of net profit with cash flows from operating activities | | |
| | Net profit after Tax | 257,278,206 | 277,033,076 |
| | Depreciation | 61,896,629 | 64,394,806 |
| | Inventories | (2,410,277) | (22,321,094) |
| | Accounts & other receivable | 3,947,470 | (68,464,248) |
| | Advance deposit prepayments | (330,009,534) | (3,540,642) |
| | Accounts payable | 6,079,378 | (363,679) |
| | Liabilities for exp and others | 77,783,223 | (3,039,323) |
| | Deffered tax liability | 6,508,542 | 11,263,653 |
| | Provision for Tax | (11,906,494) | (18,638,119) |
| | Finance cost | 75,446,892 | 84,521,069 |
| | Translation gain on cash | (610,817) | (129,247) |
| | Dividend income | (60,213) | (186,971) |
| | Deffered Tax | (1,087) | (232,410) |
| | | **143,941,920** | **320,296,870** |
| **20.00** | **Sales :** | | |
| | Carded-Yarn | 1,144,523,002 | 1,232,258,560 |
| | Combed -Yarn | 465,412,923 | 502,007,485 |
| | | **1,609,935,925** | **1,734,266,045** |
| | **Quanty in MT-** | | |
| | Carded-Yarn | 4,698 | 4,856 |
| | Combed -Yarn | 1,758 | 1,867 |
| | | **6,456** | **6,723** |
| **21.00** | **Cost of Sales :** | | |
| | Raw materials consumption [Note-21.01] | 1,003,393,715 | 991,554,360 |
| | Packing materials consumption [Note- 21.03] | 14,228,274 | 13,904,226 |
| | Factory Overhead [Note-21.05] | 196,511,967 | 193,460,569 |
| | **Prime Cost** | 1,214,133,956 | 1,198,919,154 |
| | Opening WIP [Note-6.02] | 17,897,270 | 17,062,856 |
| | Closing WIP [Note-6.02] | (13,005,000) | (17,897,270) |
| | **Cost of proudction** | **1,219,026,226** | **1,198,084,739** |
| | Opening finished goods [Note-6.01] | 71,010,160 | 173,937,525 |
| | Closing Finished goods [Note 6.01] | (79,239,126) | (71,010,160) |
| | | **1,210,797,259** | **1,301,012,105** |

| | | Amount in Taka | |
|---|---|---|---|
| | | June 30, 2018 | June 30, 2017 |
| **21.01** | **Raw Materials Consumption :** | | |
| | Opening Balance [Note-6.03] | 820,671,208 | 707,020,640 |
| | Purchase during the year [Note-21.02] | 993,251,870 | 1,105,204,928 |
| | Available for use | 1,813,923,078 | 1,812,225,568 |
| | Closing Balance [Note-6.03] | (810,529,363) | (820,671,208) |
| | | **1,003,393,715** | **991,554,360** |
| **21.02** | **Raw Materials Purchase :** | | |
| | **Value in [Taka]** | | |
| | Raw Cotton | 993,251,870 | 1,105,204,928 |
| | | **993,251,870** | **1,105,204,928** |
| | **Quantity in [MT]** | | |
| | Raw Cotton | 6,059 | 7,747 |
| | | **6,059** | **7,747** |
| **21.03** | **Packing Materials Consumption :** | | |
| | Opening Balance [Note-6.04] | 3,864,568 | 3,325,771 |
| | Purchase during the year [21.04] | 14,744,964 | 14,443,022 |
| | Available for use | **18,609,531** | **17,768,793** |
| | Closing Balance [Note-6.04] | (4,381,257) | (3,864,568) |
| | | **14,228,274** | **13,904,226** |
| **21.04** | **Packing Materials Purchase :** | | |
| | **Value inTaka-** | | |
| | CONE | 8,041,070 | 7,895,065 |
| | Poly Bag | 2,542,374 | 2,475,980 |
| | WPP Bag | 3,777,500 | 3,691,475 |
| | Sticker | 384,020 | 380,503 |
| | | **14,744,964** | **14,443,022** |
| | **Quantity in Pcs & Kgs-** | | |
| | CONE (pcs.) | 2,978,174 | 2,924,098 |
| | Poly Bag(kg.) | 14,283 | 13,910 |
| | WPP Bag (Kg.) | 151,100 | 147,659 |
| | Sticker (pcs.) | 3,840,200 | 3,805,026 |
| **21.05** | **Factory Overhead :** | | |
| | Wages & allowances | 39,182,986 | 39,157,038 |
| | Overtime | 1,591,501 | 1,447,326 |
| | Salary and allowances | 7,900,400 | 14,084,654 |
| | Spare Parts | 2,702,376 | 2,832,196 |
| | Fuel & Lubricants | 1,891,183 | 1,821,123 |
| | Chemical used | 1,492,367 | 1,766,335 |
| | Diesel for Generator | 1,167,658 | 1,106,874 |
| | Indirect materials | 518,968 | 632,187 |
| | Electricity | 94,127 | 227,156 |
| | Gas Bill | 80,076,817 | 69,210,614 |
| | Insurance & Others | 1,091,786 | - |
| | Depreciation | 58,801,798 | 61,175,066 |
| | | **196,511,967** | **193,460,569** |

**22.00 Transaction Foreign Exchange Gain/(Loss) upon realization :**

| Particulars | Actual realized/ setteled Amount | Realized/setteled as per Book | Total (2017-2018) | Total (2016-2017) |
|---|---|---|---|---|
| Accounts Receivables | 1,603,256,891 | 1,603,043,128 | 213,763 | 987,087 |
| | | | **213,763** | **987,087** |

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## 23.00 Translation Foreign Exchange Gain/ (Loss)

| Particulars | Monetary Assets in USD as per Bank Statement | BDT as on June 30, 2018 @ 83.7 | BDT as per Books of Accounts | Gain/(Loss) in Taka (2017-2018) | Gain/(Loss) in Taka (2016-2017) |
|---|---|---|---|---|---|
| Accounts Receivables | 9,783,849 | 818,908,198 | 817,561,480 | 1,346,718 | 2,899,795 |
| Cash & Cash Equivalents | 174,904 | 14,639,465 | 14,028,648 | 610,817 | 129,247 |
| | | | | **1,957,535** | **3,029,042** |

## 24.00 Administrative Expenses :

| | | |
|---|---|---|
| This is made-up as follows - | | |
| Salary and Allowances | 5,168,556 | 6,353,045 |
| Directors Remuneration | 4,800,000 | 4,800,000 |
| Board meeting fee | 402,500 | 397,250 |
| Office Rent | 981,000 | 981,000 |
| Delivery Expenses | 180,825 | 190,898 |
| Staff Fooding | 643,872 | 796,542 |
| Electricity | 104,297 | 205,221 |
| Fax and Mobile Exp | 213,096 | 287,659 |
| Telephone | 31,343 | 37,472 |
| Postage and Courier | 12,964 | 14,600 |
| Entertainment | 165,274 | 76,234 |
| Local Conveyance | 198,034 | 143,476 |
| Stationery | 320,147 | 212,120 |
| Office Supplies | 70,964 | 43,329 |
| Gardening | 3,380 | 4,250 |
| Fuel, Oil and Lubricants | 614,375 | 504,403 |
| Fees, Forms, and Renewals | 622,493 | 507,985 |
| Misc. Expenses | 786,439 | 742,106 |
| Repair & Maintenance ( Civil) | 177,397 | 166,806 |
| Repair & Maintenance (Machine) | 498,063 | 478,167 |
| Medical Expenses | 12,923 | 4,043 |
| Audit & Professional fees | 330,000 | 316,250 |
| Bank Charges | 506,006 | 450,381 |
| Uniform & Liveries | 17,650 | 15,600 |
| Road Show & IPO Expenses | 8,255,084 | 824,082 |
| Testing Expenses | 49,644 | 56,318 |
| Repair & Maintenance (Electric) | 272,398 | 268,889 |
| Commercial expenses | 85,600 | 97,861 |
| Paper & Periodicals | 1,668 | 1,912 |
| Depreciation | 3,094,831 | 3,219,740 |
| | **28,620,823** | **26,562,639** |

## 25.00 Selling and Distribution Expenses :

| | | |
|---|---|---|
| This is made-up as follows - | | |
| Carriage Outward | 642,190 | 861,800 |
| Advertisement | 19,673 | 22,092 |
| Sample Expenses | 321,564 | 356,563 |
| Freight Charges | 481,098 | 541,142 |
| Tours & Travels | 163,042 | 186,092 |
| BTMEA | 212,171 | 257,000 |
| Stationery | 197,134 | 198,322 |
| Other Expenses | 672,673 | 794,949 |
| L/C Realisation Charges | 1,212,768 | 1,401,730 |
| | **3,922,313** | **4,619,690** |

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| | | Amount in Taka | |
|---|---|---|---|
| | | June 30, 2018 | June 30, 2017 |
| **26.00** | **Financial Expenses :** | | |
| | Interest on Term Loan | 11,121,716 | 15,517,290 |
| | Interest on Short Term Loan | 64,325,176 | 69,003,779 |
| | Interest charged on Loan to sister concern | (23,847,652) | (21,497,701) |
| | | **51,599,240** | **63,023,368** |
| **27.00** | **Non Operating Income :** | | |
| | This is arrived at as follows: | | |
| | Translation Gain/ (Loss) on Cash & Cash Equivalents | 610,817 | 129,247 |
| | Misc. Income | 881,004 | 927,023 |
| | Dividend Income | 60,213 | 186,971 |
| | Transaction Gain/ (Loss) | 213,763 | 987,087 |
| | Translation Gain/ (Loss) on Accounts Receivable | 1,346,718 | 2,899,795 |
| | | **3,112,514** | **5,130,123** |
| **28.00** | **Provision for Taxation :** | | |
| **28.01** | **Current Tax :** | | |
| | Net Profit Before Tax | 302,960,765 | 327,788,920 |
| | Accounting Depreciation | 61,896,629 | 64,394,806 |
| | Unrealized Foreign Exchange Gain/(Loss) | (1,957,535) | (3,029,042) |
| | Other Income | (1,154,980) | (2,101,081) |
| | Tax Depreciation | (107,779,838) | (133,972,907) |
| | **Business Income** | **253,965,042** | **253,080,695** |
| **a)** | **Minimum Tax :** | | |
| | (i) the minimum tax under sub-section (2); or | 8,455,412 | 10,445,555 |
| | (ii) the minimum tax under sub-section (4). | 4,002,241 | 4,336,758 |
| | **Minimum tax** | **12,457,653** | **14,782,313** |
| **b)** | **Regular Tax :** | | |
| | Tax on taxable business income | 38,094,756 | 37,962,104 |
| | Tax on other income | 1,068,306 | 1,730,103 |
| | Tax on dividend income | 12,043 | 32,394 |
| | | **39,175,104** | **39,724,602** |
| | **Tax liabilities (Higher of A & B)** | **39,175,104** | **39,724,602** |
| **28.02** | **Provision For Taxation :** | | |
| | Opening Balance | 60,009,050 | 78,647,169 |
| | Add -Provision for the year | 39,175,104 | 39,724,602 |
| | **Total Liability** | **99,184,154** | **118,371,771** |
| | Less: Adjustment during the year | (51,081,598) | (58,362,721) |
| | **Total Tax Liability** | **48,102,556** | **60,009,050** |

**28.03 Deferred Tax :**

Deferred Tax liabilities represents the amount provided for Tk.1,39,30,140/= on Revaluation Surplus of Fixed Asset that will be continued before disposal of such Asset and the amount of 70,927,947/= provided on Temporary difference of written down value as per Accounts and written down value of tax base by multiplying applicable tax rate @ 15%.

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| | | Amount in Taka | |
|---|---|---|---|
| | | June 30, 2018 | June 30, 2017 |
| **28.04** | **Deferred Tax Liability/(Assets) :** | | |
| | Carrying Amount of the PPE (except land) | 906,182,050 | 965,803,932 |
| | Tax Base of PPE (except land) | 437,896,649 | 543,401,738 |
| | Taxable/(Deductible) Temporary Difference | 468,285,401 | 422,402,193 |
| | Tax Rate | 15% | 15% |
| | Deferred Tax Liability/(Assets) at Closing | 70,242,810 | 63,360,329 |
| | Add : Translation Gain/ (Loss) ( Note-23.00) | 685,137 | 1,060,165 |
| | | **70,927,947** | **64,420,494** |
| | Add, Unrealised Gain/(Loss) on securities available for sale | (3,205) | (4,293) |
| | Add : Tax on Revaluation (Note- 13.00) | 13,930,140 | 13,930,140 |
| | Total Deferred Tax Liability/(Assets) at Closing | **84,854,882** | **78,346,341** |

Deferred Tax on translation gain or loss has been computed @ 35% as applicable to other income.

| | | | |
|---|---|---|---|
| **28.05** | **Deferred Tax Expenses/(Income) :** | | |
| | Deferred Tax Liability/(Assets) at Closing except revaluation | 70,927,947 | 64,420,494 |
| | Deferred Tax Liability/(Assets) as at Opening except revaluation | 64,420,494 | 53,389,251 |
| | **Deferred Tax Expenses/(Income)** | **6,507,454** | **11,031,242** |
| **29.00** | **Earnings Per Share :** | **3.22** | **3.46** |
| **29.01** | **Basic Earnings per share :** | | |
| | Net Profit after tax on core Business | 254,165,691 | 271,902,953 |
| | Weighted Average No. of Shares | 80,000,000 | 80,000,000 |
| | **Basic Earnings Per Share** | **3.18** | **3.40** |
| | **Non Operating Income** | **3,112,514** | **5,130,123** |
| | Weighted Average No. of Shares | 80,000,000 | 80,000,000 |
| | **Basic Earnings Per Share on non operating income** | **0.04** | **0.06** |
| **29.02** | **Diluted Earnings per share :** | | |
| | Profit after tax | 257,278,206 | 277,033,076 |
| | Total existing number of shares | 80,000,000 | 80,000,000 |
| | **Diluted Earnings per share** | **3.22** | **3.46** |

**30.00 Contingent liabilities & Capital Commitments :**

a) There is no claim against the company not acknowledged as debt.

b) There is no un-availed credit facilities, other than those in the normal course of business, available to the company as on 30 June, 2018

c) The Income Tax related to the Assessment year 2012-2013, 2013-2014, 2015-2016 & 2016-17 against the DCT Assesment order is under Appeal with the Tax Authority. As such no additional Tax provision in respect of above year has been made in this year.

| Assessment Year | Amount |
|---|---|
| 2012-2013 | 2,077,824 |
| 2013-2014 | 33,383,837 |
| 2015-2016 | 2,200,286 |
| 2016-2017 | 2,296,910 |

d) Capital Commitments under the head advance against land purchase at Sreepur, Gazipur for Tk 12,33,37,500 represents the following:

| Name of Party | Date of Registered Baina | Deed no. | DCM | Total Advance as on June 30, 2018 | Total Advance as on June 30, 2017 |
|---|---|---|---|---|---|
| Islam Brothers | 29.06.2016 | 8750 | 277.5 | 52,000,000 | 52,000,000 |
| Anwara Mannan Textile Mills Ltd | 29.06.2016 | 8751 | 38.75 | 15,062,500 | 15,062,500 |
| **Total** | | | **316.25** | **67,062,500** | **67,062,500** |

**31.00 Related Party Disclosure :**

The party is related to the company if the party cast significant influence over the subject matters and also holding the controlling power of the management affairs of the company and any transaction made during the year with the party related therewith is termed as related party transaction as per IAS-24 "Related Party Disclosure". During the year under audit related party transactions were made that which has influenced the company's business. The details of related party transactions during the year along with the relationship is illustrated below in accordance of IAS 24 :

| Particulars | | | June 30, 2018 | June 30, 2017 |
|---|---|---|---|---|
| **Name of the Party** | **Relationship with the Company** | **Nature of transaction** | **Transacted amount in BDT** | **Transacted amount in BDT** |
| Md. Rafiqul Islam | MD & Shareholder | Board Meeting Fee | 57,500 | 56,750 |
| | | Remuneration | 4,800,000 | 4,800,000 |
| Md. Shofiqul Islam | Director & Shareholder | Board Meeting Fee | 57,500 | 56,750 |
| Md. Toufiqul Islam | Director & Shareholder | Board Meeting Fee | 57,500 | 56,750 |
| Md.Toriqul Islam | Director & Shareholder | Board Meeting Fee | 57,500 | 56,750 |
| Md. Rabiul Haque | Nominated Director | Board Meeting Fee | 57,500 | 56,750 |
| A.K.M Akhtaruzzaman | Independent Director | Board Meeting Fee | 57,500 | 56,750 |
| Md. Mizanur Rahman | Independent Director | Board Meeting Fee | 57,500 | 56,750 |
| Aman Group | Common Director | Rent | 900,000 | 900,000 |
| Aman Tex Ltd. | Common Director | Sales | 239,513,055 | 282,522,224 |
| | | Receivables | 129,275,000 | 62,298,006 |
| Aman Packaging & Accessories Ltd | | Purchase | 2,542,374 | - |
| | | Payable | 242,374 | - |
| Aman Packaging Ltd | Common Director | Purchase | 3,777,500 | 8,170,889 |
| | | Payable | 1,804,900 | - |
| Islam Brothers & Co | Common Director | Advance | 52,000,000 | 52,000,000 |
| Anwara Mannan Textile Mills Ltd | Common Director | Advance | 15,062,500 | 15,062,500 |
| Anwara Mannan Textile Mills Ltd | Common Director | Loan | - | 83,320,000 |
| | | Interest Receivable | 16,756,273 | 11,721,073 |
| Aman Cement Mills unit-2 Ltd | Common Director | Loan | 84,266,472 | 93,061,835 |
| | | Interest Receivable | 6,406,472 | 18,873,835 |
| Aman Jute Fibrous Ltd | Common Director | Loan | 15,015,000 | 13,515,000 |
| | | Interest Receivable | 4,166,845 | 2,515,195 |

**32.00 Disclosure of Managerial Remuneration :**

**32.01 Total amount of remuneration paid to directors during the year is as follows:**

| Particulars | | | June 30, 2018 | June 30, 2017 |
|---|---|---|---|---|
| **Name** | **Designation** | **Nature of transaction** | **Transacted amount in BDT** | **Transacted amount in BDT** |
| Md. Rafiqul Islam | MD & Shareholder | Board Meeting Fee | 57,500 | 56,750 |
| Md. Shofiqul Islam | Director & Shareholder | Board Meeting Fee | 57,500 | 56,750 |
| Md. Toufiqul Islam | Director & Shareholder | Board Meeting Fee | 57,500 | 56,750 |
| Md.Toriqul Islam | Director & Shareholder | Board Meeting Fee | 57,500 | 56,750 |
| Md. Rabiul Haque | Nominated Director | Board Meeting Fee | 57,500 | 56,750 |
| A.K.M Akhtaruzzaman | Independent Director | Board Meeting Fee | 57,500 | 56,750 |
| Md. Mizanur Rahman | Independent Director | Board Meeting Fee | 57,500 | 56,750 |
| **Total** | | | **402,500** | **397,250** |

**33.00 General :**

**33.01 Audit Fee :**

Audit fee of Tk. 115,000 only represents the audit fee inclusive of VAT.

**33.02 Employee long term benefit :**

The Company has no Gratuity Fund & PF scheme as yet as such no provision has been made in the financial statement.

**33.03 Capacity of Production :**

| Particulars | June 30, 2018 | June 30, 2017 |
|---|---|---|
| Licensed Capacity in Metric Ton | 6,780 | 6,780 |
| Installed Capacity in Metric Ton | 6,780 | 6,780 |
| Utilized Capacity in Metric Ton | 6,497 | 6,310 |
| Percentage of Capacity Utilized | 95.83% | 93.07% |

**33.04 Number of Employees :**

| Salary Range (Monthly) | Officers & Staffs | | Worker (Permanent) | Total |
|---|---|---|---|---|
| | Head Office | Factory | | |
| Not less than Taka 5,300/- | 16 | 82 | 553 | 651 |
| Less than Taka 5,300/- | - | - | - | - |
| **Total** | **16** | **82** | **553** | **651** |

**33.05 Events after the Reporting Period:**

As per IAS -10 " Event after the Reporting Period" are those events favorable and unfavorable, that occur between the end of the reporting year and the date when the financial statement are authorized for issue. Two types of event can be identified:

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

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

Subsequent to the Statement of Financial Position date, the Board of Directors in their meeting held on October 28, 2018 recommended 10% cash dividend to the Shareholders for the year ended June 30, 2018. The dividend will be paid subject to the shareholders approval at the forthcoming Annual General Meeting.

**33.06** There is no interest capitalized during the year.

**34.00 WPPF :**

As per Bangladesh Labor Law 2006 and Bangladesh labor (Amendmend) Act 2013,WPPF has been calculated @ 5% of net profit after charge the WPPF before Income Tax.

**35.00 Disclosure as per requirement of schedule XI, part II, para 8 of Company Act 1994**

Disclosure requirement of schedule XI, part II, para 8 ( b & d ) of Company Act 1994 CIF Value of Raw Cotton, Spare Parts, Packing Materials and Capital Machinery (BDT) and Consumption

| Particulars | Local Purchase | Import | Total | Consumed | % of Consumption |
|---|---|---|---|---|---|
| Raw Cotton | 195,464,770 | 797,787,100 | 993,251,870 | 1,003,393,715 | 98.34 |
| Store and Accessories | 762,247 | 10,638,865 | 11,401,112 | 2,702,376 | 0.26 |
| Packing Materials | 14,744,964 | - | 14,744,964 | 14,228,274 | 1.39 |
| Capital Machinery | - | - | - | - | - |
| **Total** | **210,971,981** | **808,425,965** | **1,019,397,946** | **1,020,324,365** | **100.00** |

In the period under review the company did not remit any amount as dividend, technical know how, royalty, professional consultation fees, interest and other maters either its shareholders or others.

FOB Value of Export:

The FOB value of export for the year ended June 30, 2018 is as follows:

| Particulars | In Foreign Currency $ | In BDT |
|---|---|---|
| Export | 19,373,476.83 | 1,609,935,925 |

**AMAN COTTON FIBROUS LIMITED**
**Property, Plant & Equipment Schedule**
**As at June 30 , 2018**

**ANNEXURE-A**

**(a) COST :**

| ASSET ITEMS | COST | | | Rate of Depreciation | DEPRECIATION | | | Written down value as on 30.06.2018 | Written dow value as on 30.06.2017 |
|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 01.07.2017 | Addition during the year | Balance as at 30.06.2018 | | Balance as at 01.07.2017 | Charged During the Year | Balance as at 30.06.2018 | | |
| Land & Land Development | 197,471,367 | 1,262,328 | 198,733,695 | - | - | - | - | 198,733,695 | 197,471,3 |
| Building & Civil Construction | 745,062,899 | - | 745,062,899 | 2.5% | 81,340,055 | 16,593,071 | 97,933,126 | 647,129,773 | 663,722,8 |
| Plant & Machinery | 1,350,798,176 | 2,238,348 | 1,353,036,524 | 15% | 1,064,908,638 | 43,219,183 | 1,108,127,821 | 244,908,704 | 285,889,5 |
| Electrical Installation | 13,388,299 | - | 13,388,299 | 10% | 6,468,299 | 692,000 | 7,160,299 | 6,228,000 | 6,920,0 |
| Electrical Equipment | 5,138,566 | - | 5,138,566 | 10% | 3,076,132 | 206,243 | 3,282,375 | 1,856,191 | 2,062,4 |
| Gas Line Installation | 2,805,322 | - | 2,805,322 | 10% | 1,929,033 | 87,629 | 2,016,662 | 788,660 | 876,2 |
| Fire Equipment | 2,286,100 | - | 2,286,100 | 15% | 2,030,608 | 38,324 | 2,068,932 | 217,168 | 255,4 |
| Vehicle | 19,794,494 | - | 19,794,494 | 20% | 15,546,693 | 849,560 | 16,396,253 | 3,398,241 | 4,247,8 |
| Office Equipment | 1,088,717 | - | 1,088,717 | 10% | 763,610 | 32,511 | 796,121 | 292,596 | 325,1 |
| Computer & IT Equipment | 1,620,830 | 36,400 | 1,657,230 | 20% | 1,416,973 | 48,051 | 1,465,024 | 192,206 | 203,8 |
| Furniture & Fixture | 4,250,475 | - | 4,250,475 | 10% | 2,949,906 | 130,057 | 3,079,963 | 1,170,512 | 1,300,5 |
| **Balance as on 30.06.2018 (a)** | **2,343,705,245** | **3,537,076** | **2,347,242,321** | | **1,180,429,947** | **61,896,629** | **1,242,326,576** | **1,104,915,745** | **1,163,275,2** |
| **Balance as on 30.06.2017 (a)** | **2,217,835,980** | **125,869,265** | **2,343,705,245** | | **1,116,035,141** | **64,394,806** | **1,180,429,947** | **1,163,275,299** | |

**(b) REVALUATION :**

| ASSET ITEMS | COST | | | Rate of Depreciation | DEPRECIATION | | | Written down value as on 30.06.2018 |
|---|---|---|---|---|---|---|---|---|
| | Balance as at 01.07.2017 | Addition during the year | Balance as at 30.06.2018 | | Balance as at 01.07.2017 | Charged During the Year | Balance as at 30.06.2018 | |
| Land & Land Development | 279,312,378 | - | 279,312,378 | - | - | - | - | 279,312,378 |
| **Balance as on 30.06.2018 (b)** | **279,312,378** | **-** | **279,312,378** | | **-** | **-** | **-** | **279,312,378** |
| **Balance as on 30.06.2017 (b)** | **279,312,378** | **-** | **279,312,378** | **-** | **-** | **-** | **-** | **279,312,378** |

**C.Total (a+b)**

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Balance as on 30.06.2018 (a+b)** | **2,623,017,623** | **3,537,076** | **2,626,554,699** | **1,180,429,947** | **61,896,629** | **1,242,326,576** | **1,384,228,123** |
| **Balance as on 30.06.2017 (a+b)** | **2,497,148,358** | **125,869,265** | **2,623,017,623** | **1,116,035,141** | **64,394,806** | **1,180,429,947** | **1,442,587,677** |

| Allocation of Depreciation | Ratio | June 30, 2018 | June 30, 2017 |
|---|---|---|---|
| Manufacturing | 95% | 58,801,798 | 61,175,066 |
| Non Manufacturing | 5% | 3,094,831 | 3,219,740 |
| | | **61,896,629** | **64,394,806** |

**ANNEXURE - B**

## AMAN COTTON FIBROUS LTD.
## Statement of Inventory Movement
## For the Year ended June 30, 2018

**FINISHED GOODS :** *Quantity in MT*

| Items | Opening Balance as at 01.07.2017 | Production during the year | Sales during the year | Closing Balance as at 30.06.2018 |
|---|---|---|---|---|
| Yarn-Carded | 253 | 4,663 | 4,698 | 218 |
| Yarn-Combed | 119 | 1,834 | 1,758 | 195 |
| **Total** | **372** | **6,497** | **6,456** | **413** |

**WORK-IN-PROCESS :** *Quantity in MT*

| Items | Opening Balance as at 01.07.2017 | Production during the year | Transffered to Production | Closing Balance as at 30.06.2018 |
|---|---|---|---|---|
| Yarn-Carded | 53 | 43 | 53 | 43 |
| Yarn-Combed | 42 | 28 | 42 | 28 |
| **Total** | **95** | **71** | **95** | **71** |

**RAW MATERIALS :** *Quantity in MT*

| Items | Opening Balance as at 01.07.2017 | Purchase during the year | Consumption during the year | Closing Balance as at 30.06.2018 |
|---|---|---|---|---|
| Raw Cotton | 5,778 | 6,059 | 6,893 | 4,944 |
| **Total** | **5,778** | **6,059** | **6,893** | **4,944** |

**PACKING MATERIALS :** *Quantity in Pcs.*

| Items | Opening Balance as at 01.07.2017 | Purchase during the year | Consumption during the year | Closing Balance as at 30.06.2018 |
|---|---|---|---|---|
| CONE | 156,634 | 2,978,174 | 3,123,586 | 11,222 |
| Poly Bag (kg) | 9,616 | 14,283 | 12,518 | 11,381 |
| WPP Bag | 62,208 | 151,100 | 130,161 | 83,147 |
| Sticker | 1,748,759 | 3,840,200 | 3,123,607 | 2,465,352 |
| **Total** | **1,977,217** | **6,983,757** | **6,389,872** | **2,571,102** |

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**AMAN COTTON FIBROUS LIMITED**

Registered Office: Bairagichala, Sreepur, Gazipur, Bangladesh
Corporate Office: 2 Ishakha Avenue, Sector-6, Uttara, Dhaka-1230

## Notice of the 13th Annual General Meeting

Notice is hereby given to all shareholders of Aman Cotton Fibrous Limited that the 13th Annual General Meeting of the Company will be held on Wednesday, December 26, 2018 at 11:00 am at Bairagichala, Sreepur, Gazipur, Bangladesh to transact the following businesses:

## AGENDA

1. Consideration and adoption of the Directors' Report and the Audited Financial Statements of the Company for the year ended 30th June 2018 together with the Auditors' Report thereon.
2. Declaration of Dividend for the year ended 30th June 2018 as recommended by the Board of Directors.
3. Election/Re-election of Directors.
4. Appointment of Auditors and fixation of their remuneration
5. Use of IPO Proceeds.

Date: December 12, 2018
Dhaka

By order of the Board of Directors
Sd/-
Krishna Kr. Sharma, ACS
Company Secretary

**Notes:**

1. Members whose names appeared on the Members/Depository Register as on 'Record Date' i.e. November 20, 2018 are eligible to attend the 13th Annual General Meeting (AGM) and receive dividend.
2. A Member entitled to attend and vote at the AGM may appoint a Proxy to attend and vote in his/her stead.
3. The 'Proxy Form', duly filled and stamped at Tk. 20 must be deposited at the Company's Share Office located at 2 Ishakha Avenue, Sector – 6, Uttara, Dhaka-1230 not later than 72 hours before commencement of the AGM.
4. Members/Proxies are requested to record their entry in the AGM well in time on December 26, 2018. The registration counter will open at 10:00 am on the AGM date.
5. In case of non-receipt of Annual Report 2018 of the Company sent through courier, Members may collect the same from the Company's Share Office within December 26, 2018. No additional Annual Report will be distributed at AGM venue. Annual Report is available in Investor Relations section of the Company's website: www.amancotton.com
6. Aman Cotton Fibrous Limited is concerned about the environment and utilizes natural resources in a sustainable way. We request the members to update their email address and contact number (mobile/fixed phone) with their respective Depository Participant (DP) for quicker and easier communication. Such cooperation will help conserve paper and minimize the impact on the environment.
7. In Compliance with the Bangladesh Securities and Exchange Commission's Circular (No.SEC/CMRRCD/2009-193/154 dated October 24,2013) no food or gift will be arranged at the AGM.

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**AMAN COTTON FIBROUS LIMITED**
Registered Office: Bairagichala, Sreepur, Gazipur, Bangladesh
Corporate Office: 2 Ishakha Avenue, Sector-6, Uttara, Dhaka-1230

**PROXY FORM**

| Shareholders BO A/C No. | No. of Shares held |
|---|---|
| | |

I/We.....of(Address).....
..... being shareholder(s) of Aman Cotton Fibrous Limited hereby appoint of .....as my/ our proxy to attend and vote for me/us and on my/our behalf at the 13th Annual General Meeting to be held on Wednesday the 26th December 2018 at 11.00 a.m. at the Factory Premisses, Bairagichala, Sreepur, Gazipur and any adjournment thereof and the poll may be taken in consequence thereof.
As withness my/our hand this..... day of ..... 2018.

(Signature of the Proxy)

**Revenue Stamp**

(Signature of the Shareholder)
BO Account No.

Note: The proxy form duly completed must be deposited at the Company's Corporate Office not later than 48 hours before the time fixed for the meeting, otherwise the proxy form will not be accepted.

Authorized Signature
Aman Cotton Fibrous Limited

Signature Verified

.....

**AMAN COTTON FIBROUS LIMITED**
SHAREHOLDERS' ATTENDANCE SLIP

I/We hereby record my/our presence at the 13th Annual General Meeting of the Company on 26th December 2018 at the Factory Premisses, Bairagichala, Sreepur, Gazipur.
Name of Shareholder/Proxy.....
BO Account No..... holding of ..... Ordinary shares of Aman Cotton Fibrous Limited.

**Signature of Shareholder(s)**

N.B.
1. Please note that AGM can only be attended by the honorable shareholder or properly constituted proxy.
2.Please present this slip at the Reception Desk.

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# CSR HIGHLIGHTS

## MISSION

Our mission is to establish labor intensive industries blending the latest technologies upholding ownership by the employees along with conservation of environment with precise commitment to the society and contribute substantially to GDP through sustainable growth.

## VISION

To be a leader in fulfilling country's basic needs through industrialization with total Quality.

## MAJOR ACHIVEMENT OF AMAN GROUP LIMITED

1. The chairman and Managing Director of Aman Group Limited awarded as a commercially Important Person (CIP Export-2013).
2. Aman group Limited enlisted and obtained a license of economic zone namely Aman Economic Zone Limited situated at the bank of River Meghna, Sonargaon, Narayangonj, Inagurated by Honorable Prime Minister of Gov't of the People's Republic of Bangladesh Sheikh Hasina on 28th of Feb 2016.
3. With a pronouncement of creating job opportunity for a fleet of 32000 work force by the year of 2021, Aman group presently succeeded to be driven by 16000 (Sixteen thousand) direct manpower towards its vision.

## CORPORATE SOCIAL RESPONSIBILITIES

Enhancing the business in aiming the harmony between Social obligations and building the nation, Aman group since its inception has been engageditself in executing altruistic and philanthropic activities as a part of its social commitment to the society through a high ethical standard. Endowment to Hon'ble prime Minister's education Assistance Trust fund is one of the recognition of Aman group's CSR engagement to the state-run level.

CSR management at AmanGroup is being implemented presently based on the sectors outlined below in brief :

## RESIDENTIAL ACCOMMODATION & FOOD SUBSIDIES

The Group has dormitories in many of its establishments. The prominent are in the RMG, Cement, Feed and Poultry & Hatchery Industry. In all the dormitories are foods provided at subsidized price with free accommodation.

## HUMAN RESOURCE DEVELOPMENT & EMPLOYEE WELFARE

The Group has established some training center in different unit & recruitments of trainees are made directly. After successful training they placed in various sections of different unit. The Company undertakes various motivational activities to improve human values, mutual understanding, interpersonal relationship and loyalty among the officers and employees. Besides of that the company arranges multiple social, cultural, religious and entertainment programs.

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## DONATION FOR MEDICAL TREATMENT & REHABILITATION OF VICTIMS OF ACCIDENT/DEATH

In case of accidents either inside or outside the mill-factories the Group extends medical assistance. In case of accidental or sudden death Group assist the family of the deceased with preference of employment for suitable family member.

## DONATION FOR ADMISSION IN HIGHER EDUCATIONAL INSTITUTION

Group provides donation for the meritorious students of the worker-staff families for admission in higher classes. \

## CONSERVATION OF NATURE

Considering conservation of nature the RMG unit of Group has been equipped with a biological Effluent Treatment Plant. This has ensured discharge of chemical free liquid wastes.

## DISASTER RELIEF

Aman group always enthusiastically reluctant to be engaged with diversified support program to the victims of cold wave, flood or natural disaster, the group distributes warm clothes to the destitute every winter season.

## EDUCATIONAL INFRASTRUCTURAL DEVELOPMENT

The Group donates for repair & constructions of educational institutions belonging to general education & religious education after assessing the need.

## GAMES & SPORTS

The Group has been funding a cricket club in the name of one of its concern. Group also participated in funding first ever arranged Bangabandhu&Bangamata Gold Cup Football Tournament in the country.

## NATIONAL DAYS CELEBRATION

Group actively contribute and participates in observing the national days like Independence day, May Day, Victory Day with the District and Upazilla Administration and concerned agencies of the Government wherever possible.

Last but not the least the Group has formed and registered with the relevant agency of the Government one non-profit organization in the name & style:

## AMAN FOUNDATION

In order to implement programs related to social causes with more dedication, the Group has established Aman Foundation. The aims of the foundation shall be to establish a residential university for the pupils from poor families with financial assistance for making them self sufficient through economic activities with health care facilities at nominal cost.

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কালের কণ্ঠ



The Daily Star

Aman Group invests Tk 2,700cr to set up 3 plants in economic zone



ইত্তেফাক

২৯ নভেম্বর, ২০১৮



শেয়ার বিজ

২৫ অক্টোবর, ২০১৭

আমানসিমের সৌজন্য সম্মেলন ও ব্যবসায়িক আলোচনা



প্রথম আলো

জুন ২৬, ২০১৮

আমানসিমের টিকিট হস্তান্তর



The Financial Express

March 22, 2018

Dr Thomas Loesche, Chairman of Loesche Gmbh of Germany, posing with Aman Group Chairman Rafiqul Islam and other officials during his visit to the Aman Group office in Dhaka recently.



কালের কণ্ঠ

এপ্রিল ২৩, ২০১৮

আমান টেক্স : চুক্তি স্বাক্ষর অনুষ্ঠানে আমান গ্রুপের চেয়ারম্যান রফিকুল ইসলাম আইসিবি ক্যাপিটাল ম্যানেজমেন্টের প্রধান নির্বাহী কর্মকর্তা মো. সোহেল রহমান ও লঙ্কাবাংলা ইনভেস্টমেন্টের প্রধান নির্বাহী কর্মকর্তা জাবেদ আহসান পাটোয়ারী উপস্থিত ছিলেন

কাজ করি
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