

Healthy
Livestock
Better Future



ANNUAL REPORT
2020



আমান ফিড
AMAN FEED

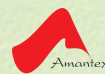
কাজ করি
দেশ গড়ি



৩৪,০০০
কর্মদক্ষ হাতের পক্ষ হতে
শুভেচ্ছা



Scan for Corporate Video



TEXTILE

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

CONSTRUCTION MATERIAL

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

COLD STORAGE

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

TRADING

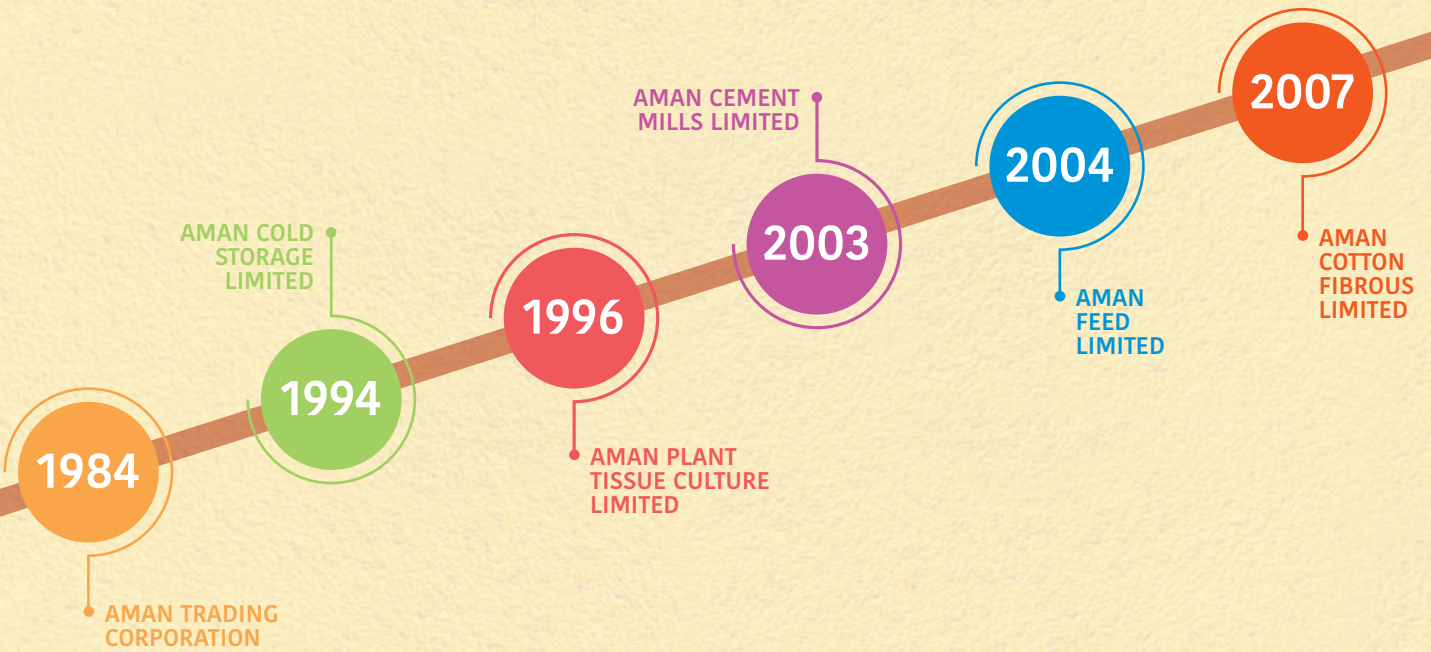
JUVENILE TRADE INTERNATIONAL LTD.
JUVENILE CONSTRUCTION LIMITED
AMAN TRADING CORPORATION
AMAN ASSOCIATES LIMITED
ISLAM BROTHERS & CO.
R S & T INTERNATIONAL

AGRO INDUSTRIES

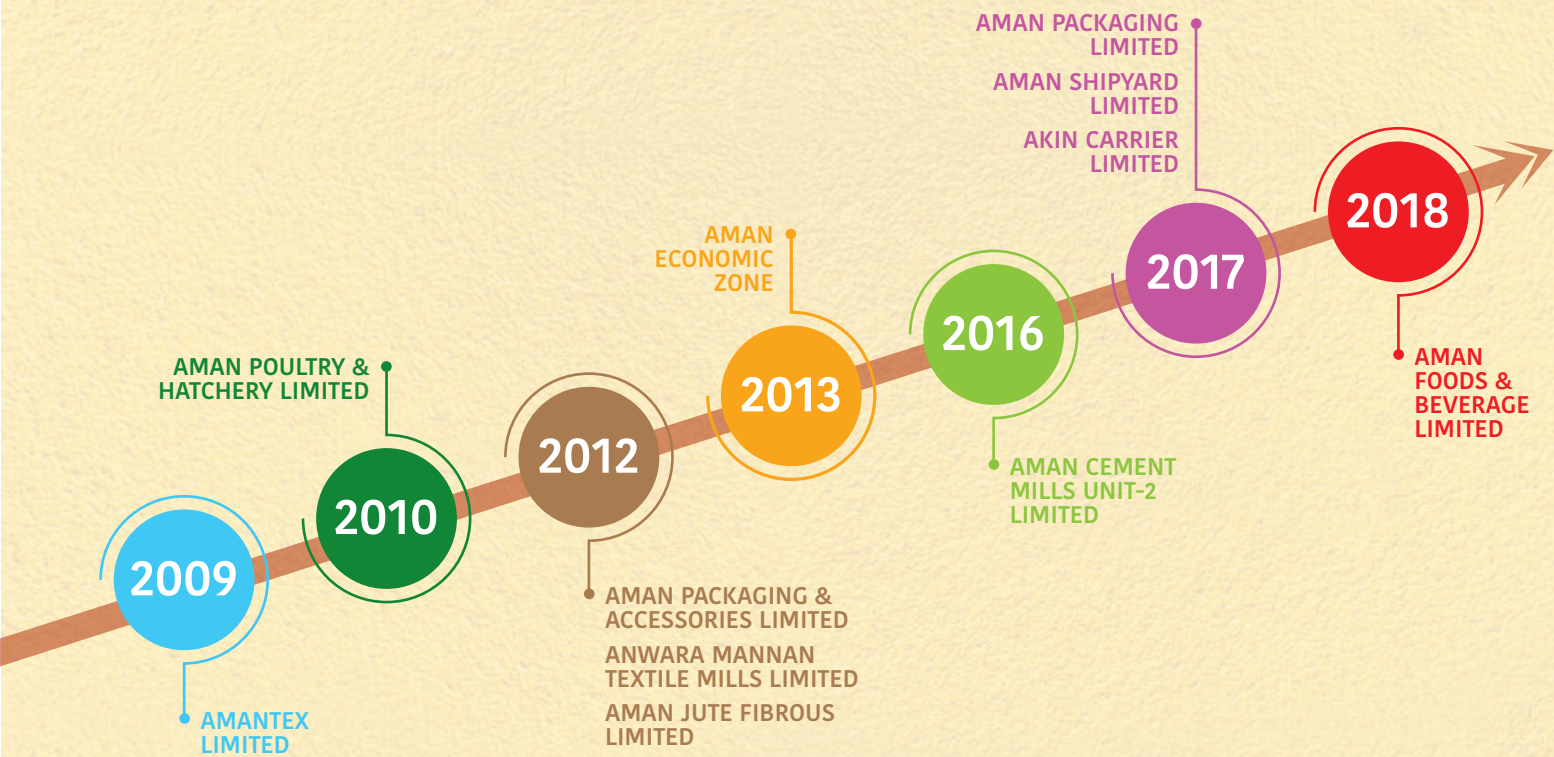
AMAN FEED LIMITED
AMAN CHICKS LIMITED
AMAN BREEDERS LIMITED
AMAN POULTRY & HATCHERY LIMITED
AMAN PLANT TISSUE CULTURE LIMITED
AMAN JUTE FIBROUS LIMITED



কাজ করি
দেশ গড়ি



AMAN GROUP TIMELINE



AMAN GROUP CORPORATE INFORMATION



TEXTILE

AMANTEX LIMITED

| | | |
|-------------------------------|---|--|
| 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. |
| Toral 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, Embrodering. |

AMANTEX UNIT-2 LIMITED

| | | |
|-------------------------------|---|--|
| 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. |
| Toral 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. |
| Toral Covered Area | : | 18,000 Sqr. Mtr. |
| Total Manpower | : | 890 nos. |
| Production Capacity | : | 6,195 M. Ton/year |

AMAN COTTON FIBROUS UNIT-2 LIMITED

| | | |
|-------------------------------|---|---|
| Address | : | Boiragirchala, Sreepur, Gazipur |
| Product | : | 100% Cotton: Ne 20s/1 to 40/1. Synthetic: Poly Cotton Blend, Viscose, Melange |
| Year of Establishment | : | On Going |
| Year of Commercial Production | : | On Going |
| Total Area | : | 30,000 Sqr. Mtr. |
| Toral Covered Area | : | 18,000 Sqr. Mtr. |
| Total Manpower | : | 890 nos. |
| Production Capacity | : | 6,195 M. Ton/year |

ANWARA MANNAN TEXTILES MILLS LIMITED

| | | |
|-------------------------------|---|---|
| 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. |
| Toral Covered Area | : | 30,000 Sqr. Mtr. |
| Total Manpower | : | 1,530 nos. |
| Production Capacity | : | 15,000 M. Ton/Year |

AMAN PACKAGING & ACCESSORIES LIMITED

| | | |
|-------------------------------|---|---|
| Address | : | Boiragirchala, Sreepur, Gazipur |
| Product | : | All Kinds of Poly, Twill Tape, Normal Elasti, Gum Tape, Paper Cone |
| Year of Establishment | : | 2014 |
| Year of Commercial Production | : | 2015 |
| Total Area | : | 5,760 Sqr. Mtr. |
| Toral Covered Area | : | 5,600 Sqr. Mtr. |
| Total Manpower | : | 120 nos. |
| Production Capacity | : | 1. Poly: 8 M. Ton/day 2. Twill Tape: 41,600 yds/day 3. Gum Tape: 1.75 M. Ton/day 4. Paper Cone: 60,000 pcs/day 5. Cartoon: 2,00,000 pcs/day |



CONSTRUCTION MATERIALS

AMAN CEMENT MILLS LIMITED

| | | |
|-------------------------------|---|-----------------------------------|
| Address | : | Ullapara R/S, Ullapara, Sirajgonj |
| Product | : | Portland Cement |
| Year of Establishment | : | 2001 |
| Year of Commercial Production | : | 2003 |
| Total Area | : | 21,000 Sqr. Mtr. |
| Toral Covered Area | : | 13,346 Sqr. Mtr. |
| Total Manpower | : | 300 nos. |
| Production Capacity | : | 750 M. Ton/day |

AMAN CEMENT MILLS UNIT-2 LIMITED

| | | |
|-------------------------------|---|---|
| Address | : | Haria, Baiddyer Bazar, Sonargaon, Narayangonj |
| Product | : | Portland & Composite Cement |
| Year of Commercial Production | : | 2017 |
| Total Area | : | 1,08,000 m2 |
| Toral Covered Area | : | 70,000 m2 |
| Total Manpower | : | 350 nos. |
| Production Capacity | : | 10,000 TPD |



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 Feed Bag: 50,000, Pcs. Per day Spinning Bag/Other Bag: 30,000 Pcs Per day |



AMAN SHIPYARD LIMITED

| | | |
|------------------------------|---|---------------------------------------|
| Factory Address | : | Boidder Bazar, Sonargaon, Narayangonj |
| Date of Company Registration | : | 2007 |
| Date of Commercial Operation | : | |
| DWT 3560 | : | October 2018 |
| DWT 375 | : | November 2018 |
| Product & Capacity | : | |
| DWT 3560 | : | 4 Nos., DWT 375: 12 Nos |
| DWT 375 | : | 4 Nos. |
| Manpower | : | 390 nos. |



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 |
| Year of Establishment | : | 1995 |
| Year of Commercial Production | : | 1996 |
| Total Area | : | 18,400 Sqr. Mtr. |
| Total Covered Area | : | 20,00 Sqr. Mtr. |
| Total Manpower | : | 80 nos. |
| Production Capacity | : | 14,500 M.Ton |

AMAN AGRO INDUSTRIES LIMITED

| | | |
|-------------------------------|---|-----------------------------|
| Address | : | Mohonpur, Upazilla Rajshahi |
| Product | : | Table Potato |
| Year of Establishment | : | 2002 |
| Year of Commercial Production | : | 2003 |
| Total Area | : | 24,600 Sqr. Mtr. |
| Total Covered Area | : | 30,00 Sqr. Mtr. |
| Total Manpower | : | 100 nos. |
| Production Capacity | : | 16,500 M.Ton |

MILAN COLD STORAGE LIMITED

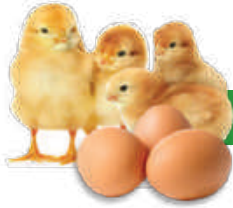
| | | |
|-------------------------------|---|----------------------------|
| Address | : | BSCIC, Soupura, Rajshahi |
| Product | : | Table Potato & Seed Potato |
| Year of Establishment | : | 2000 |
| Year of Commercial Production | : | 2000 |
| Total Area | : | 10,800 Sqr. Mtr. |
| Total Covered Area | : | 20,00 Sqr. Mtr. |
| Total Manpower | : | 80 nos. |
| Production Capacity | : | 14,350 M.Ton |

A M COLD STORAGE LIMITED

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

AMAN SEEDS STORAGE LIMITED

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



AGRO BASED INDUSTRIES

AMAN POULTRY & HACHERY 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/Year & 102,000 Chicks. |

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 | : | 27882 Sqr. Mtr. |
| Total Manpower | : | 3,000 nos. |
| Production Capacity | : | 60 MT/day, 15000 MT/year |

AMAN PLANT TISSUE CULTURE LIMITED

| | | |
|-------------------------------|---|------------------------------|
| 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 |



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 of commodities.

AMAN TRADING CORPORATION
JUVENILE TRADE INTERNATIONAL LIMITED
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), Avoy Nagar, Noapara, Jessore |
| Pabna Office | : | Nagarbari Ghat, Pabna |
| Chapai Nawabgonj Office | : | Sonamosjid Poat, Sonamosjid, Chapai Nawabgonj |
| 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. |

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• 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

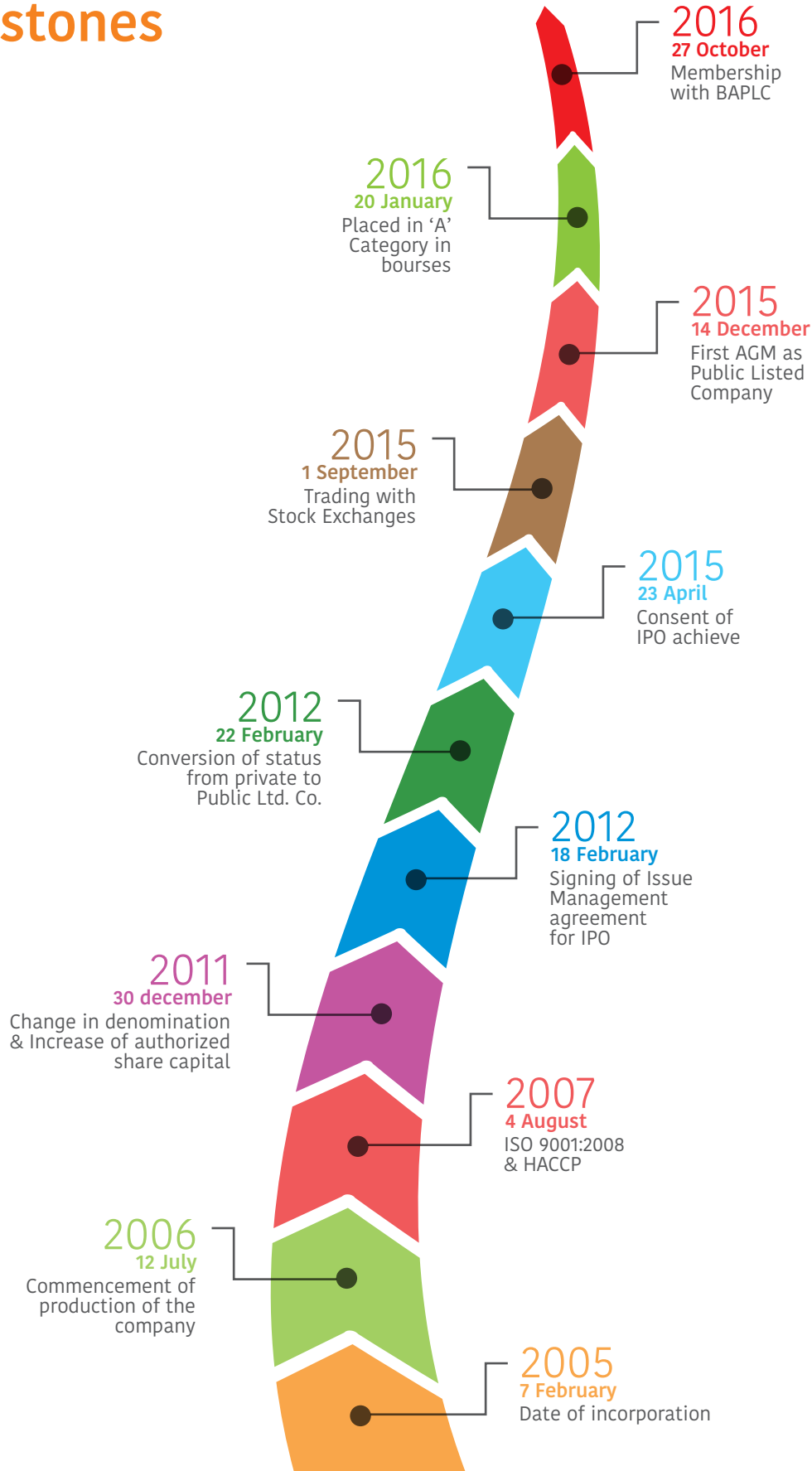
To be an innovative provider of high quality feed meal of the poultry & fish rearers to meet the protein deficiency of the country.



• STRATEGY

- Giving continuous effort to attract and retain the best people available in the market.
- Developing and maintaining dependable and long-term relationship with the clients.
- Sustaining solid growth without compromising profitability.
- Maintaining strong relationship with a wide variety of development partners.
- Achieving higher return on equity.
- Grow and diversify sources of fund for operation of the Company.
- Reducing focus on some particular client and giving stress on wide range of clients.
- Embrace internationally accepted corporate governance and established sustainable business practices.
- Last, but not the least, developing product range by research, analytical effort and field trials.

History & Milestones





PRODUCTS & SERVICES

Aman Feed Mills Ltd. plays an important role in the supply of commercial feed to poultry livestock and fish farming. AFL distribute its products as 'complete feed' to poultry, fish and livestock industry.

The Company mainly produces 4 (four) categories feed such as Broiler Feed, Layer Feed, Fish Feed and Cattle Feed. The above-mentioned categorized feeds productions are varied on the market demand and it is determined by the management of the company. Three products have more than 10% contribution towards the revenue of the Company. Among the total sales, the four feed products contribute in the following proportion:

| Product Name | Sales During the Year 2019-2020 (MT) | Percentage (%) |
|--------------|--------------------------------------|----------------|
| Broiler Feed | 69,617 | 41.63% |
| Layer Feed | 64,305 | 38.45% |
| Fish Feed | 27,659 | 16.54% |
| Cattle Feed | 5,658 | 3.38% |
| Total | 167,239 | 100.00 |

AFL sold the feeds giving priority to greater Rajshahi although it also sells in different areas including Gazipur, Tangail and Mymensingh, Chandpur mainly through dealers. AFL has around 350 dealers apart from few individual customers

ব্রয়নার
গ্রোয়ার ক্লাসিক



পাংগাস
ফিনিসার



ব্রয়নার
গ্রোয়ার



স্পেশাল
চিংড়ির খাবার



Our
Products



ব্রয়নার
ফিনিসার ক্লাসিক



ডেইরী
ক্যাটল



কক/সোনালী
ফিনিসার



তেলাপিয়া
গ্রোয়ার-২



CORPORATE INFORMATION

FEBRUARY 05 2005

Incorporation as
Private Limited
Company

JULY 12 2006

Commercial
Operation
Started

FEBRUARY 22 2012

Converted into
Public Limited
Company

LOCATION OF FACTORY

Singhogati
Ullapara
Sirajgonj

BANKERS OF THE COMPANY

AB Bank Limited
Social Islami Bank Ltd.
Standard Bank Ltd.

AUDITORS

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

LEGAL ADVISERS

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

REGISTERED OFFICE

Singhogati
Ullapara
Sirajgonj

CORPORATE OFFICE

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

PHONE

+880-2-48961691-3
09612613000

FAX

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EMAIL

s.islam@amangroupbd.com

WEBSITE

www.amanfeed.com



• CORPORATE
MANAGEMENT

CORPORATE MANAGEMENT

BOARD OF DIRECTORS

Md. Rafiqul Islam
Chairman

Md. Shofiqul Islam
Managing Director

Md. Toufiqul Islam
Director

Md. Toriqul Islam
Director

Md. Rabiul Haque
Nominated Director

Md. Mizanur Rahman
Independent Director

Md. Iftekhar-Uz- Zaman
Independent Director

AUDIT COMMITTEE

Md. Mizanur Rahman
Chairman

Md. Toufiqul Islam
Member

Md. Rabiul Haque
Member

Mohammad Monirul Islam, FCS
Member Secretary

MANAGEMENT COMMITTEE

Md. Shofiqul Islam
Managing Director

Md. Toufiqul Islam
Director

Md. Toriqul Islam
Director

Mohammad Monirul Islam, FCS
Company Secretary

Shankar Kumar Das, ACA, ACMA
Chief Financial Officer

Shoaib Mohammed Saifullah
Head of Internal Audit

NOMINATION AND REMUNERATION COMMITTEE

Md. Mizanur Rahman
Chairman

Md. Rafiqul Islam
Member

Md. Rabiul Haque
Member

Mohammad Monirul Islam, FCS
Member Secretary

BOARD OF DIRECTORS



Md. Rafiqul Islam
Chairman



Md. Shofiqul Islam
Managing Director



Md. Toufiqul Islam
Director



Md. Toriqul Islam
Director



Md. Iftikhar-Uz- Zaman
Independent Director



Md. Mizanur Rahman
Independent Director



Md. Rabiul Haque
Nominated Director



MESSAGE FROM Chairman's Desk

Dear Valued Shareholders,

Assalamu-Alaikum

I would like to extend a warm and cordial welcome to all our valued shareholders at the 15th Annual General Meeting of your company and continue to take pride in your association with us. As chairman of the Board, I feel immensely honored and privileged in taking this opportunity to formally report to our valued shareholders for the sixth time. Like the past, we will stay on a path that takes into cognizance the best interest of our stakeholders, while safeguarding the long term value creation platform for our shareholders. On behalf of the Board, I convey my heart-felt gratitude to all our respected shareholders for the continued support towards the Company over the past years.

In 2019-2020, your company maintained consistent growth towards achieving our long term goals and in delivering diverse products and services to our customers as reflected in our Revenue that has increased by 4.59% over 2019. I am confident that the key enablers of our strategy, together with our ongoing investment and restructuring of functional areas will support the continued growth of AFL in the years ahead.

We owe our shareholders and strive for protection of their capital as well as ensure highest return and growth of their assets. 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 Feed 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.

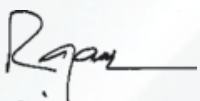
Despite the continued challenges from the external environment, we navigated the business with the accountability and responsibility that is expected of us. The end result was that we maintained our spot as one of the most valuable listed entities on the Dhaka and Chittagong stock exchange. We continued to steer our enterprise in the direction of responsible value creation, with a very healthy profit growth. This result was achieved due to the proactive guidance from our Board, dedication of our Executive Committee members and the hard work of our diversified talent base in our company.

We are committed to offering a workplace where employees can achieve their full potential and feel proud to be part of AFL. Investing in our people, ensuring their skills evolve with the needs of our business, acting on the value of diversity and inclusion –we view all of this as key to future growth. I am satisfied to observe already many indicators and measure that AFL will grow to be an employer of choice.

I would like to restate that our Board maintains its effective role in policy formulation and discharging best possible Corporate Governance. The Board has always remained focus on maximizing sponsors and shareholders through formulating policies and guidelines towards ensuring sustainable profitability, minimizing risks and establishing good governance in all spheres of company's operation. And the management of the company highly prioritizes Corporate Governance. In compliance with Bangladesh Securities and Exchange Commission (BSEC), regulations and to further strength our Corporate Governance system two Independent Director had already been included into the Board.

I would like to extend our gratitude to Bangladesh Securities and Exchange Commission (BSEC), National Board of Revenue (NBR), Registrar of Joint Stock Companies and Firm (RJSC), Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE), other regulatory bodies and everyone in the AFL family for their valuable guidance, support and cooperation. I would like to express my sincerest appreciation to my fellow Board Members for their generous assistance, advice and leadership. The management team and all level of our devoted employees who worked very hard to take the company forward and accordingly brought tremendous success during this period.

In fine, I solicit almighty Allah's blessing and all your support to continue to drive further progress and explore new business avenue. 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.



Md. Rafiqul Islam
Chairman

MESSAGE FROM Managing Director's Desk

Dear Valued Shareholders,

Assalamu-Alaikum

2019-2020 was yet another splendid year for Aman Feed Ltd, as the company delivered strong business results amidst a very competitive environment and challenging operating landscape. Aman Feed Ltd behind another victorious period of the journey in terms of sustainable growth and product innovation. The operating result of 2019-2020 are true statement of our commitment towards building on the company's rich legacy of strong shareholder return. At this joyful moment, I greet you with warm wishes on behalf of the Management. My sincere and earnest gratitude to the Board of Directors of Aman Feed Ltd for letting me work as the leader of this esteemed company.



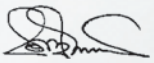
In the Financial year 2019-2020, AFL's Gross revenue achieved Tk. 6,502,031,547 from TK. 6,216,861,396. We could do this by creating a sound basis for continued success through constantly increased market presence, innovation and product diversification. Moreover, consistent efforts for improving quality of products and service, enhancing revenues through cost efficiency approach across all processes were vital to our success.

Maintaining trust is more important than ever in today's global business environment. Whenever Aman Feed 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 poultry sector in Bangladesh.

The practice of good governance has been embedded into our company's culture since inception. We pride ourselves in being one of the most law abiding companies in the country operating within the various frameworks. We are bound by and delivering results with integrity. We believe in transparency for abiding by all laws and regulations of the country and support sensible and enforceable regulations.

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 2020. 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 AFL during the past year. I look to the future with optimism and invite you to join us on this course.

Allah Hafez. Ma Assalam

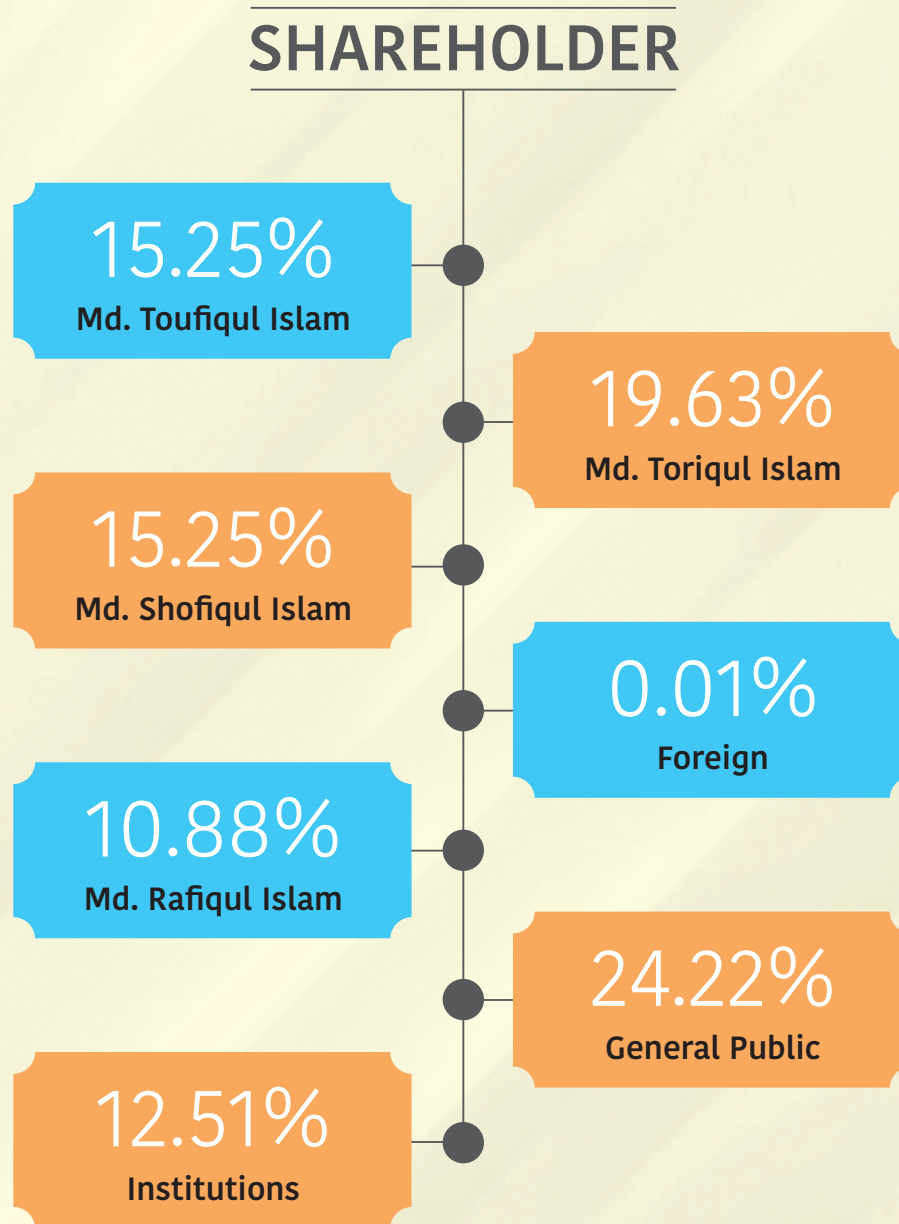


Md. Shofiqul Islam

Managing Director

SHAREHOLDING STRUCTURE

Almost half of shareholding structure comprises of three sponsor's directors namely Md. Rafiqul Islam (10.88%), Md. Shofiqul Islam (15.25%) and Md. Toufiqul Islam (15.25%). The rest 58.62 % shareholding includes Md Toriqul Islam (19.63%), General Public (24.22 %), Foreign (0.01%) and other Institutions (12.51 %) as on 31st October, 2020.



CORPORATE GOVERNANCE STATEMENT 2020

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 Feed Ltd. 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 Feed Ltd 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 feed Ltd as on 30 June 2020.

CORPORATE GOVERNANCE FRAMEWORK

Aman Feed Ltd 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.

The corporate governance framework of Aman Feed Ltd 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 Feed Ltd adopted strategies that assure compliance with all relevant legal and regulatory requirements. This ensures that good governance cascades right throughout the company. Aman Feed Ltd is subject to close monitoring process of regulatory bodies that focus on transparency and require that Aman Feed Ltd 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 Feed Ltd 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 Feed Ltd 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.

ROLES OF THE CHAIRMAN

The Chairman runs the Board. The Chairman serves as the primary link between the Board and management and works with the Managing Director and Company Secretary to set the agenda for Board Meeting. It is the Chairman's responsibilities to provide leadership to the Board and ensure that the Board works effectively and discharges its responsibilities as directors of the Company.

ROLES OF THE MANAGING DIRECTOR

- The Managing Director is responsible for driving business operations, leading the development and execution of the company's long term strategies with a view to creating shareholder value.
- The MD's leadership role also entails being ultimately responsible for all day to day management decisions and for implementing the company's long and short term plans.
- The Managing Director acts as a direct liaison between the Board and Management of the Company and communicates to the Board on behalf of the Management.
- The MD also communicates on behalf of the company to the shareholders, employees, Government authorities, other stakeholders and the public.

BOARD COMPOSITION

The Board of Aman Feed Ltd considers that its membership should comprise of directors with an appropriate mix of skills, experience and personal attributes that allow the directors, individually and the Board, collectively, to discharge their responsibilities and duties, under the law, efficiently and effectively, understand the business of the Company and assess the performance of the management.

The composition of the Board embraces diversity. The Directors have a range of local and international experience and expertise and specialized skills to assist with decision making and leading the company for the benefit of shareholders.

The Board of Aman Feed Ltd, comprise of 7 (Seven) Directors, including two independent Directors who possess a wide range of skills and experience over a range of professions and businesses. Each of directors brings in independent judgment and considerable knowledge to perform their roles effectively. The Board of Directors ensures that the activities of the Company are always conducted with adherence to strict and highest possible ethical standards and in the best interests of the stakeholders.

ROLE AND RESPONSIBILITIES OF THE BOARD

The Board is committed to the Company seeking to achieve superior financial performance and long term prosperity, while meeting stakeholder's expectations of sound corporate governance practices. The Board of Directors is in full control of the company's affairs and is also fully accountable to the shareholders.

They firmly believe that the success of the Company largely depends on the credible corporate governance practices adopted by the Company. Taking this into consideration, the Board of Directors of the company set out its strategic focus and look over the business and related affairs of the Company. The Board formulates the strategic objectives and policy framework for the company.

CHAIRMAN OF THE BOARD & MANAGING DIRECTOR OF THE COMPANY IS DIFFERENT PERSON

The Chairman of the Board is not the chief Executive of the Company. The role of Chairman and the Managing Director are independent and separate.

CONDUCT FOR THE BOARD MEMBERS

The Board of Directors of Aman Feed Ltd 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 is normally held at the Registered/Corporate office of the Company. The Meeting is 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 2019-2020 (1ST JULY 2019 TO 30TH JUNE 2020)

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 | 11 | |
| Md. Shofiqul Islam | 11 | |
| Md. Toufiqul Islam | 11 | |
| Md. Toriqul Islam | 11 | |
| Mr. Khondker Fowze Muhammed Bin Farid | 6 | |
| Mr. A. F. M. Shamsul Islam | 5 | |
| Mr. Md. Rabiul Haque | 3 | |

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 Feed Ltd 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 Feed Ltd formed in compliance with BSEC Corporate Governance notification dated August 7, 2012 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:

| | | |
|----|-----------------------------|------------------|
| 1. | Md. Mizanur Rahman | Chairman |
| 2. | Md. Toufiqul Islam | Member |
| 3. | Md. Rabiul Haque | Member |
| 4. | Mohammad Monirul Islam, FCS | Member Secretary |

CHAIRMAN OF THE AUDIT COMMITTEE AND HIS QUALIFICATIONS

The Committee is headed by Md. Mizanur Rahman, Independent Director. He is wide experienced in engineering sector. 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 Limited, Rajshahi University and Mati-O-Kathamo.

THE AUDIT COMMITTEE AND INTERNAL AUDIT

Internal Audit is the division within Aman Feed Ltd 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 Feed Ltd. The control system applies to all divisions and departments of the Company's operations.

COMMUNICATIONS AND RELATIONSHIP WITH SHAREHOLDERS

Aman Feed Ltd 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 Feed Ltd 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 Feed Ltd 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 Feed Ltd 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 Feed Ltd 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.

১৬ কোটি মানুষের
খাদ্য নিরাপত্তায়
আমান ফিড অগ্রণী

বাড়বাড়ি
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REPORT TO THE SHAREHOLDERS



Report to the Shareholders of Aman Feed Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Aman Feed Limited for the year ended on June 30, 2020. This Code relates to the Notification No. BSEC/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 inconsistent with any condition of this Corporate Governance Code.

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

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the abovementioned Corporate Governance Code issued by the Commission except those mentioned in the Statement of Compliance Status;
- (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.

Place: Dhaka

Dated: 01 December, 2020

SD/-

Mohammad Showket Akber FCA, ACS
Partner

G. KIBRIA & Co.
Chartered Accountants

AMAN FEED LIMITED

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 3 June2018 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 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 Feed Limited Board is comprised of 07 (Seven) Directors. |
| 1 (2) | Independent Directors All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following:- | | | |
| 1 (2) (a) | At least 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; | √ | | |
| 1 (2) (b) (iii) | who has not been an executive of the company in immediately preceding 2(two) financial years; | √ | | |

| CONDITION NO. | TITLE | COMPLIANCE STATUS | | Remarks (if any) |
|------------------|---|-------------------|--------------|------------------|
| | | COMPLIED | NOT COMPLIED | |
| 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) | <p>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:</p> <p>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]:</p> <p>Provided further that the independent director shall not be subject to retirement by rotation as per the ঙKvavbx AvBb, 1994 (1994 mþbi 18bs AvBb) Companies Act, 1994).</p> | √ | | |

| 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 | | | N/A |
| 1 (3) (b) (iii) | Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or | | | N/A |
| 1 (3) (b) (iv) | University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or | | | N/A |
| 1 (3) (b) (v) | Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification; | | | N/A |
| 1 (3) (c) | The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b); | √ | | The independent directors have more than 10 years' experience on engineering profession. |
| 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 occurred. |

| CONDITION NO. | TITLE | COMPLIANCE STATUS | | Remarks (if any) |
|---------------|--|-------------------|--------------|---|
| | | COMPLIED | NOT COMPLIED | |
| 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; | √ | | Necessary permission taken from Ministry of Commerce, Govt, of Peoples Republic of Bangladesh |
| 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 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 |
| 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 | √ | | Discussion in the Directors Report |

| CONDITION NO. | TITLE | COMPLIANCE STATUS | | Remarks (if any) |
|---------------|---|-------------------|--------------|------------------|
| | | COMPLIED | NOT COMPLIED | |
| 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; | - | - | N/A |
| 1 (5) (x) | A statement of remuneration paid to the directors including independent directors; | - | - | N/A |
| 1 (5) (xi) | A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity; | √ | | |
| 1 (5) (xii) | A statement that proper books of account of the issuer company have been maintained | √ | | |
| 1 (5) (xiii) | A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment | √ | | |
| 1 (5) (xiv) | A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed; | √ | | |
| 1 (5) (xv) | A statement that the system of internal control is sound in design and has been effectively implemented and monitored; | √ | | |
| 1 (5) (xvi) | A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress; | √ | | |
| 1 (5) (xvii) | A statement that there is no significant doubt upon the issuer company's ability to continue as 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; | √ | | |

| CONDITION NO. | TITLE | COMPLIANCE STATUS | | Remarks (if any) |
|-------------------|---|-------------------|--------------|------------------|
| | | COMPLIED | NOT COMPLIED | |
| 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; | √ | | |
| 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); | √ | | |
| 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) | In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:- | | | |
| 1 (5) (xxiv) (a) | a brief resume of the director | √ | | |
| 1 (5) (xxiv) (b) | nature of his or her expertise in specific functional areas; and | √ | | |
| 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: | | | |

| CONDITION NO. | TITLE | COMPLIANCE STATUS | | Remarks (if any) |
|-----------------|--|-------------------|--------------|------------------|
| | | COMPLIED | NOT COMPLIED | |
| 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 and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM; | √ | | |
| 1 (5) (xxvi) | Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per 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. | √ | | |
| 1 (6) | Meetings of the Board of Directors The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code. | √ | | |
| 1 (7) | Code of Conduct for the Chairperson, other Board members and Chief Executive Officer | | | |

| CONDITION NO. | TITLE | COMPLIANCE STATUS | | Remarks (if any) |
|---------------|--|-------------------|--------------|------------------|
| | | COMPLIED | NOT COMPLIED | |
| 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 |
| 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; | √ | | |

| CONDITION NO. | TITLE | COMPLIANCE STATUS | | Remarks (if any) |
|----------------|---|-------------------|--------------|---|
| | | COMPLIED | NOT COMPLIED | |
| 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; | √ | | Necessary permission taken from Ministry of Commerce, Govt, of Peoples Republic of Bangladesh |
| 3 (1) (d) | The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS; | √ | | |
| 3 (1) (e) | The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s). | √ | | |
| 3 (2) | Requirement to attend Board of Directors' Meetings The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: 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 | √ | | |
| 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: | | | |

| CONDITION NO. | TITLE | COMPLIANCE STATUS | | Remarks (if any) |
|---------------|---|-------------------|--------------|------------------|
| | | COMPLIED | NOT COMPLIED | |
| 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; | √ | | |
| 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. | √ | | |

| CONDITION NO. | TITLE | COMPLIANCE STATUS | | Remarks (if any) |
|---------------|---|-------------------|--------------|------------------|
| | | COMPLIED | NOT COMPLIED | |
| 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): 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. | √ | | |
| 5 (4) | Meeting of the Audit Committee | | | |
| 5 (4) (a) | The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee; | √ | | |
| 5 (4) (b) | The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must. | √ | | |
| 5 (5) | Role of Audit Committee The Audit Committee shall:- | | | |
| 5 (5) (a) | Oversee the financial reporting process; | √ | | |
| 5 (5) (b) | monitor choice of accounting policies and principles; | √ | | |
| 5 (5) (c) | monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report; | √ | | |

| CONDITION NO. | TITLE | COMPLIANCE STATUS | | Remarks (if any) |
|---------------|---|-------------------|--------------|------------------|
| | | COMPLIED | NOT COMPLIED | |
| 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 | √ | | |
| 5 (5) (m) | <p>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:</p> <p>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:</p> <p>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.</p> | | | 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. | √ | | |

| CONDITION NO. | TITLE | COMPLIANCE STATUS | | Remarks (if any) |
|--------------------|---|-------------------|--------------|------------------|
| | | COMPLIED | NOT COMPLIED | |
| 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 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 |
| 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; | √ | | |

| CONDITION NO. | TITLE | COMPLIANCE STATUS | | Remarks (if any) |
|---------------|--|-------------------|--------------|------------------|
| | | COMPLIED | NOT COMPLIED | |
| 6 (1) (c) | The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b). | √ | | |
| 6 (2) | Constitution of the NRC | √ | | |
| 6 (2) (a) | The Committee shall comprise of at least three members including an independent director; | √ | | |
| 6 (2) (b) | All members of the Committee shall be non-executive directors; | √ | | |
| 6 (2) (c) | Members of the Committee shall be nominated and appointed by the Board; | √ | | |
| 6 (2) (d) | The Board shall have authority to remove and appoint any member of the Committee; | √ | | |
| 6 (2) (e) | In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee; | √ | | |
| 6 (2) (f) | The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee; | √ | | |
| 6 (2) (g) | The company secretary shall act as the secretary of the Committee; | √ | | |
| 6 (2) (h) | The quorum of the NRC meeting shall not constitute without attendance of at least an independent director; | √ | | |
| 6 (2) (i) | No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company. | √ | | |
| 6 (3) | Chairperson of the NRC | | | |
| 6 (3) (a) | The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director; | √ | | |
| 6 (3) (b) | In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes; | √ | | |

| CONDITION NO. | TITLE | COMPLIANCE STATUS | | Remarks (if any) |
|-------------------|--|-------------------|--------------|------------------|
| | | COMPLIED | NOT COMPLIED | |
| 6 (3) (c) | The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: 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) | Meeting of the NRC | | | |
| 6 (4) (a) | The NRC shall conduct at least one meeting in a financial year; | √ | | |
| 6 (4) (b) | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC; | √ | | |
| 6 (4) (c) | The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6 (2) (h); | √ | | |
| 6 (4) (d) | The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC. | √ | | |
| 6 (5) | Role of the NRC | | | |
| 6 (5) (a) | NRC shall be independent and responsible or accountable to the Board and to the shareholders; | √ | | |
| 6 (5) (b) | NRC shall oversee, among others, the following matters and make report with recommendation to the Board: | √ | | |
| 6 (5) (b) (i) | formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to 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 | √ | | |

| CONDITION NO. | TITLE | COMPLIANCE STATUS | | Remarks (if any) |
|-------------------|---|-------------------|--------------|------------------|
| | | COMPLIED | NOT COMPLIED | |
| 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; | √ | | |
| 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) | actuarial internal audit services or special audit | √ | | |
| 7 (1) (vii) | any service that the Audit Committee determines; | √ | | |

| CONDITION NO. | TITLE | COMPLIANCE STATUS | | Remarks (if any) |
|---------------|--|-------------------|--------------|------------------|
| | | COMPLIED | NOT COMPLIED | |
| 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: 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. | √ | | |
| 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. | √ | | |

Aman Feed 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 2020 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. Shofiqul Islam)
Managing Director

SD/-
(Shankar Kumar Das, ACA, ACMA)
Chief Financial Officer

AUDIT COMMITTEE REPORT

For the Year ending June 30, 2020

The Audit Committee of Aman Feed Limited, being one of its prime Board sub-committees, assists the Board in discharging its governance responsibilities. A brief of the Audit Committee and its roles, responsibilities and functions are as under:

The Audit Committee consists of the following persons:

| | |
|------------------------|------------|
| Mr. Md. Mizanur Rahman | - Chairman |
| Mr. Md. Toufiqul Islam | - Member |
| Mr. Md. Rabiul Haque | - Member |

The Independent Director, Mr. Md. Mizanur Rahman acts as the Chairman of the Committee. As per regulatory guidelines, the Company Secretary, Mohammad Monirul Islam, FCS 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)

Major Responsibilities of the Audit Committee:

- Review the annual, half-yearly and quarterly financial statements and other financial results, and upon its satisfaction of the review, recommend the same to the Board for approval;
- Review the adequacy and effectiveness of financial reporting process, internal control system, risk management, auditing matters, and the company's processes form monitoring compliance with Laws and regulations and Code of Conduct;
- Recommended appointment, termination and determination of audit fees for statutory auditors. Considering the scope of work, and oversee and evaluate the works performed by statutory auditors.

Activities carried out during the year:

- Reviewed and recommended the quarterly and annual Financial Statements for the year ended 30th June 2020.
- Approved the Internal Audit Plan, monitored the progress and effected revisions when necessary.
- Discussed Internal Audit reports and findings and guided completion of annual audit plan.
- Monitored the status of implementation of audit action plans and provided guidance to ensure timely completion of action plans.
- Reviewed and recommended related party transaction.
- Reviewed compliance of Code of Conduct of the Company.
- Reviewed Management Letter issued by the External Auditors in their presence.
- Considered and made recommendation to the Board of Directors on the re-appointment and fees of the statutory auditors Ahmed Zaker & Co., Chartered Accountants.
- Reviewed other matters and incidents of significance as per Audit Committee Charter.

For and on behalf of the Board Audit Committee of Aman Feed Limited.

Sd/-

Mr. Md. Mizanur Rahman

Chairman

Audit Committee

Date: 20 November, 2020

REPORT OF THE NOMINATION & REMUNERATION COMMITTEE 2020 AMAN FEED LIMITED

The Board of director of Aman Feed Ltd. has duly constituted a Nomination and Remuneration committee (NRC), as per the requirements of the BSEC code of Corporate Governance. The NRC assist the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and other top-level executives. The NRC also assists the Board to formulate policy for formal and continued process of considering remuneration/honorarium of Directors and top-level executives. The NRC has a guiding role to the management to identify the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria.

The report of Nomination and Remuneration Committee is prepared according to the requirement of Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC). This report covers nomination and remuneration policies, evaluation criteria and activities of NRC.

1. Overview of the Nomination and Remuneration Policy:

The company follows nomination and remuneration policies, the benchmark of which relies on standard and recognizable in the market context and sufficient to meet the current and future needs of the company. The Board criteria in that respect for Directors and top-level executives and all other employees of the company as follows:

a. Nomination Criteria

- i. Following the Company policies as well as guidelines and applicable country regulations,
- ii. Following a selection process that is transparent in all respects,
- iii. Following a process which is compatible to International Standards and local best practices,
- iv. Recognize core competencies of the respective personnel for the different level of management and employees of the company,
- v. Follow diversity in age, maturity, qualification, expertise and gender discipline,

b. Recruitment and Selection Guidelines

The NRC draws a broad outline of the Companies needs for employees at different levels, as ascertained by the management. The recruitment and selection of the directors, top-level executives and other employees of the Company are made according to the following guidelines:

- **Executive director:** The NRC recommends the candidate(s) for executive director(s), based on nomination by the maturity share shareholders. The Board of Directors appoints the Executive Director/s upon nomination and recommendation of the NRC.
- **Non-executive Director:** The NRC recommends candidate(s) for Non-executive Director(s), based on nomination by the majority shareholders, the Government shareholders and other general shareholders. The Board of Directors appoints the Non-executive Director(s) upon nomination and Recommendation of NRC.
- **Independent Director:** the Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirement and corporate laws that can make meaningful contribution to the business. The independent director should have competence relevant to the sector in which the Company operates, and necessarily should have the

qualifications as required by the regulations of BSEC. The Board of Directors appoints Independent Director upon nomination and recommendation of the NRC, which is then approved by shareholders at the Annual General Meeting of the Company.

- **Top level Executive:** The NRC identifies the and recommends candidate(s) for top-level executives upon through scrutiny by the Managing Director, Executive Committee and Human Resource Department (HRD) considering relevant qualifications, experience, skills and leadership, as required for the respective position based on the company's internal selection process.

Other Employees:

The NRC sets a guideline to identify the company's needs for employees at different level, and empowers the relevant management of the Company's HRD for selection, transfer, replacement, and promotion of the respective employees based on the Company's internal processes.

c. Remuneration Criteria:

- i. The structure, scale and composition of remuneration/honorarium is reasonable and sufficient to attract, retain and motivate suitable directors, top-level executives and other employees to run the Company efficiently and successfully;
The context of packages, including remuneration/ benefits monthly, yearly and in the long run for all the employees are categorically laid down and meets the appropriate performance benchmark;
- ii. There is a clear balance in benefits between fixed and incentives pay of Executive directors and senior management, reflecting short and long-term performance goal and objectives of the company;
- iii. The remuneration includes bonus, compensation, benefits (or in whatever form) payable to the executive directors, top-level executive and other employees are determined by the NRC based on respective Company policies and guideline, which shall be ratified by the Board as well as when required;
- iv. The remuneration to be paid to the executive directors in accordance with the company's policies and guidelines;
 - a. Increments (if any) to the existing structure of the remuneration are determined by the NRC based on Company's policies and guidelines, which are ratified by the Board as and when required;
- v. The NRC will be commented the Board meeting attendance fees, honorarium, including incidental expenses, if any; and
- vi. No member of the NRC receives, either directly or indirectly, any remuneration for the advisory or consultancy role or otherwise, other than the Director's fees or honorarium from the Company;

2. Evaluation criteria:

a. Executive Directors

The respective line authority of the executive director(s) sets the performance measurement criteria based on the respective role profile and responsibilities through a Company appraisal process at the beginning of the each calendar year. The Executive Director(s) prepare the performance document (half-year and year end) the respective line authority then evaluates the performance of the Executive Director(s) according to the measurement criteria.

b. Independent Director and Non-executive Director

The evolution of performance of the Independent Directors (IDs) and Non-executive Director are carried out at least once a year by the Board of directors, according to the following criteria:

- i. Attendance at the Board meeting and committee meetings,
- ii. Participation in the Board meetings and committee meetings,
- iii. Contribution to improving the corporate governance practices of the company,

c. Top-level Executive and other employees

The respective line operative of top-level Executives and other employees set the performance measurement criteria based on the respective roles and responsibilities to achieve people and business objectives through Company appraisal processes at the beginning of each calendar year. The employees concerned prepare the performance document (half-year and year end). The respective line authority then evaluates the performance of the employee(s) according to the measurement criteria.

3. Activity summary of Nomination and Remuneration Committee during the year

a. Formation of NRC committee and its meetings

The board formed the Nomination and Remuneration Committee (NRC) on 15th January 2019 as per the requirement of BSEC Corporate Governance Code with the following composition:

1. Mr. Md. Mizanur Rahman

Chairman
Independent Director

2. Md. Rafiqul Islam

Member

3. Md. Rabiul Haque

Member

In 2020, the committee met once. The Managing Director, Director-Finance and Head of HR attended the meeting by invitation of the committee. Mr. Md. Mizanur Rahman guided the newly formed committee in its nomination and remuneration incentives, ensuring standard and compliance.

The activities of the inertia during the year were as follows:

- i. Considered the terms of reference of NRC, as approved by the Board,
- ii. Formulated a policy relating to the remuneration of directors, top-level Executive and all employees of the company,
- iii. Formulated the criteria for determining qualification, positive attributes and independence of the Directors,
- iv. Formulated the criteria of evolution of performance of Independent Directors (IDs) and the Board Members,
- v. Identified criteria for selection, transfer replacement and promotion at different levels of the company,
- vi. Adopted a code of conduct for the Chairman, Director and top-level Executive of the Company.

• DIRECTORS'
PROFILE





Md. Rafiqul Islam

CHAIRMAN

CHAIRMAN

Md. Rafiqul Islam, aged 57 years, an Entrepreneur and businessman of distinction is the Chairman of the Company. He is a Master's of Science with honors from the University of Rajshahi. He has more than 36 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.



Md. Shofiqul Islam

MANAGING DIRECTOR

Md. Shofiqul Islam, aged 55 years, is the Managing Director 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.

MANAGING
DIRECTOR



Md. Toufiqul Islam

DIRECTOR

Md. Toufiqul Islam, aged 46 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.

DIRECTOR



Md. Toriqul Islam

DIRECTOR

Md. Toriqul Islam, aged 29 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 Energy Ltd. and he also Managing Director of Aman Cement Mills Unit-2 Ltd and Aman Poultry & Hatchery Ltd.

DIRECTOR



Md. Rabiul Haque

NOMINATED DIRECTOR

MD. RABIUL HAQUE is a Nominated Director of the Company representing Aman Agro industries limited. He is a graduate of commerce. He also completed Chartered Accountancy course and Bachelor of Law. He has more than 29 years working experience in accounting, finance and corporate affairs matters. He is also a member of Dhaka Bar Association.



Md. Mizanur Rahman

INDEPENDENT DIRECTOR

Mr. Md. Mizanur Rahman, son of Md. Zillur Rahman, Seroil Motpukur More, Boalia, Ghoramara, Rajshahi, was born in 1978 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.



Md. Iftikhar-Uz-Zaman

INDEPENDENT DIRECTOR

Mr. Md. Iftikhar-Uz-Zaman has joined in the Board of director of Aman Feed Limited as Independent director. Mr. Md. Iftikhar-Uz-Zaman, Ex-Managing Director of Investment Corporation of Bangladesh (ICB), was born and brought up in Rajshahi. He joined with ICB in October 1983 and during his 31 years career with ICB he was assigned in different important departments and served in different senior management position. Mr. Md. Iftikhar-Uz-Zaman was also the Deputy Managing Director of Janata Bank Limited. He has expertise in investment banking as well as in the capital market development. Mr. Md. Iftikhar-Uz-Zaman completed his B.A. (Hon's) and M.A. (Masters) in Statistics from Rajshahi University. He was also the chairman of Wata Chemicals Limited.



• DIRECTORS'
REPORT TO THE
SHAREHOLDERS

DIRECTORS' REPORT TO THE SHAREHOLDERS

For the Year Ended 30th June 2020

Dear Valued Shareholders,

Assalamu-Alikum,

On behalf of the Board of Directors and Management, I welcome you all to the 15th Annual General Meeting (AGM) of Aman Feed Limited. We have the pleasure to place herewith the Directors' Report and the Auditors' Report, together with the Audited Financial Statements of the Company for the year ended 30th June 2020 for your Valued Consideration, approval and adoption.

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 167,239 MT feed of which Broiler Feed 69,617 MT, Layer Feed 64,305 MT, Fish Feed 27,659 MT and Cattle Feed 5,658 MT and aggregate earning revenue of Tk. 6,502,031,547. The production capacity utilized in 2019-20 remained almost stable which is approximately 97.80% of its install capacity.

Financial Results

During the year the company achieves gross profit of TK. 1,086,847,602 and earlier it was Tk. 1,177,775,698. The Company also recorded the net profit before tax during the year at Tk. 407,121,110 over the last year profit at Tk. 562,943,885. The earnings per share (EPS) and net asset value per share (NAV) is Tk. 2.71 and Tk. 34.80 respectively.

Dividend

The Board of Directors of your company are pleased to recommended 10.00 % Cash Dividend and 2.50% Stock Dividend to the Shareholders of the Company for the year ended 30th June 2020, subject to the approval of the shareholders in the 15th Annual General Meeting.

Directors' Retire & Re-Elected

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 15th 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. Rafiqul Islam and Mr. Md Shofiqul Islam hold directorship is also presented on this report.

Directors' remuneration and related party transactions:

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

| Particulars | | | Jul'19-Jun'20 | Jul'18-Jun'19 |
|---------------------------------------|---------------------------------|-----------------------|--------------------------|--------------------------|
| Name of the party | Relationship with Company | Nature of transaction | Transacted amount in BDT | Transacted amount in BDT |
| Md. Rafiqul Islam | Chairman & Shareholder | Remuneration | 2,400,000 | 2,400,000 |
| | | Board meeting fee | 55,000 | 55,000 |
| Md. Shofiqul Islam | Managing Director & Shareholder | Remuneration | 2,400,000 | 2,400,000 |
| | | Board meeting fee | 55,000 | 55,000 |
| Md. Toufiqul Islam | Director & Shareholder | Remuneration | 2,400,000 | 2,400,000 |
| | | Board meeting fee | 55,000 | 55,000 |
| Md. Toriqul Islam | Director & Shareholder | Remuneration | 2,400,000 | 2,400,000 |
| | | Board meeting fee | 55,000 | 55,000 |
| Md. Azizul Haque | Nominee Director | Board meeting fee | - | - |
| Mr. Khondker Fowze Muhammed Bin Farid | Independent Director | Board meeting fee | 30,000 | 30,000 |
| Mr. A.F.M. Shamsul Islam | Independent Director | Board meeting fee | 25,000 | 25,000 |
| Mr. Md. Rabiul Haque | Nominated Director | Board meeting fee | 15,000 | 10,000 |
| Anwara Mannan Textiles Mills Limited | Common Director | Inter-company | 20,000,000 | - |
| Aman Chicks Limited | Common Director | Inter-company | 10,950,000 | - |
| Anwara Poultry and Hatchery Limited | Common Director | Inter-company | 22,057,000 | - |
| Aman Food and Beverage Limited | Common Director | Inter-company | 654,000 | - |
| MS. R S & T International | Common Director | Inter-company | 1,000,000 | - |
| Aman Breeders Limited | Common Director | Inter-company | 14,302,824 | - |
| Aman Cotton Fibrous Limited | Common Director | Inter-company | 1,500,000 | - |

| Particulars | | | Jul'19-Jun'20 | Jul'18-Jun'19 |
|--|---------------------------|-----------------------|--------------------------|--------------------------|
| Name of the party | Relationship with Company | Nature of transaction | Transacted amount in BDT | Transacted amount in BDT |
| Aman Trading Corporation | Common Director | Inter-company | 20,642,219 | - |
| MS. Islam Brothers & Co. | Common Director | Inter-company | 40,941,383 | - |
| Aman Packaging and Accessories Limited | Common Director | Inter-company | 12,200,000 | - |
| Aman Packaging Limited | Common Director | Inter-company | 56,700,000 | - |
| Aman Poultry and Hatchery Limited | Common Director | Inter-company | 61,069,143 | - |
| Juvenile Trade International | Common Director | Inter-company | 6,640,000 | - |
| Aman Cement Mills Limited | Common Director | Inter-company | 22,852,159 | - |
| Aman Cement Mills Unit-2 Limited | Common Director | Inter-company | 25,998,130 | - |

• FINANCE



FINANCIAL HIGHLIGHTS

| | 2020 | 2019 | 2018 | 2017 | 2016 |
|----------------------------|---------------|---------------|---------------|---------------|---------------|
| ASSETS EMPLOYED | | | | | |
| Total Assets | 8,555,379,615 | 7,847,079,942 | 7,564,392,402 | 5,454,567,769 | 4,930,193,178 |
| Total Current Assets | 7,068,383,363 | 6,303,774,688 | 5,960,917,724 | 3,852,730,873 | 3,651,416,169 |
| Property Plant & Equipment | 1,482,145,253 | 1,598,623,678 | 1,538,454,254 | 1,598,623,678 | 1,598,623,678 |
| Inventories | 2,380,823,940 | 2,361,229,583 | 2,557,987,621 | 1,168,598,151 | 1,209,430,944 |
| Accounts Receivable | 2,770,656,345 | 2,507,001,730 | 2,260,787,392 | 1,754,922,824 | 1,681,946,640 |
| FINANCED BY | | | | | |
| Share Capital | 1,277,760,000 | 1,277,760,000 | 1,161,600,000 | 1,056,000,000 | 960,000,000 |
| Revaluation Reserve | 128,536,485 | 128,536,485 | 128,536,485 | 128,536,485 | 111,485,727 |
| Retained Earnings | 2,519,693,451 | 2,232,105,195 | 2,101,869,956 | 1,881,298,846 | 1,690,267,255 |
| REVENUE AND PROFIT | | | | | |
| Revenue Earned | 6,502,031,547 | 6,216,861,396 | 5,280,184,252 | 4,053,598,905 | 3,654,092,037 |
| Gross Profit | 1,086,847,602 | 1,177,775,698 | 1,082,979,536 | 871,772,912 | 813,821,344 |
| Net Profit Before Tax | 407,121,110 | 562,943,885 | 628,874,303 | 563,310,875 | 545,816,350 |
| Net Profit After Tax | 346,265,556 | 478,715,239 | 537,371,110 | 479,031,591 | 429,926,122 |

Board of Directors Meeting

During the year ended 30 June 2020 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 | 11 | |
| Md. Shofiqul Islam | 11 | |
| Md. Toufiqul Islam | 11 | |
| Md. Toriqul Islam | 11 | |
| Mr. Khondker Fowze Muhammed Bin Farid | 6 | |
| Mr. A. F. M. Shamsul Islam | 5 | |
| Mr. Md. Rabiul Haque | 3 | |

Auditors

The present auditor of the company, Ahmed Zaker & Co., Chartered Accountants, has completed audit for the year 2019-20 and they will retire in the 15th Annual General Meeting. Ahmed Zaker & Co., Chartered Accountants not expressing their interested for continuing a statutory auditor of the company for the financial year 2020-2021. G. KIBRIA & Co., Chartered Accountants expressing their interest of the Company for the financial year 2020-2021. The audit committee has proposed the name of G. KIBRIA & Co., Chartered Accountants for appointment as statutory auditor of the company with remuneration of Tk. 3,00,000 (Three Lac) only including tax and Excluding VAT which approved by the shareholder in the 15th Annual General Meeting.

Patterns of Shareholding Position

| Particulars of Allotment | Date of Allotment | Number of shares issued | | Amount of share capital (Taka) |
|---|-------------------|------------------------------------|--|--------------------------------|
| | | No. of share Consideration in Cash | No. of share Consideration other than Cash | |
| First (subscription to the Memorandum & Articles of Association at the time of incorporation) | 07.02.2005 | 200,000 | --- | 2,000,000.00 |
| Second Allotment (Bonus Share) | 01.01.2012 | --- | 98,00,000 | 98,000,000.00 |
| Third Allotment (Bonus Share) | 28.06.2012 | --- | 50,000,000 | 500,000,000.00 |
| Forth Allotment (IPO Subscription) | 24.06.15 | 20,000,000 | --- | 200,000,000.00 |
| Forth Allotment (Bonus Share) | 14.12.15 | | 16,000,000 | 160,000,000.00 |
| Fifth Allotment (Bonus Share) | 15.12.16 | | 9,600,000 | 96,000,000.00 |
| Sixth Allotment (Bonus Share) | 27.12.2017 | | 10,560,000 | 105,600,000 |
| Seventh Allotment (Bonus Share) | 19.12.2018 | | 11,616,000 | 116,160,000 |
| Total | | 20,200,000 | 107,576,000 | 1,277,760,000.00 |

INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS

The Aman Feed Limited aims to produce the quality product of Broiler Feed, Layer Feed, Fish Feed and Cattle Feed. To consider the focal point, the factory has established with the most modern plant & machineries that are imported from Germany to reach their optimal level. At present, the yearly production capacity of the Company is 1,48,200 MT. The management has a plan to expand its business through construction of floating feed plant, purchase land and construction of Silo's, construction cost of Silo's for storage of raw materials and purchase plant and machineries for enhancement of production capacity.

Product-wise Performance

The Company mainly produces 4 (four) categories feed such as Broiler Feed, Layer Feed, Fish Feed and Cattle Feed. The mentioned categorized feeds productions are varied on the market demand and it is determined by the management of the company. Two products have ten percent or more contribution towards the revenue of the Company. Among the total sales, the following feed products contribute largely:

| Product Name | Sales During the Year 2019-2020 (MT) | Percentage (%) |
|--------------|--------------------------------------|----------------|
| Broiler Feed | 69,617 | 41.63% |
| Layer Feed | 64,305 | 38.45% |
| Fish Feed | 27,659 | 16.54% |
| Cattle Feed | 5,658 | 3.38% |
| Total | 167,239 | 100.00 |

Risk and Concern

Aman Feed Limited (AFL) is operating in a locally competitive industry involving both external and internal factors having direct as well as indirect effects on the investments. The management of Aman Feed 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 AFL 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 Feed 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.

Industry risks refer to the impact that the country's industrial policy can have on the performance of a specific industry. Due to rapid development in the poultry & fish farming and maintaining of strict product quality, efficient management of ingredient of production, utilization of developed technology ,timely decision for expansion of production capacity, development of strong marketing network with skilled human resources etc, the future of AFL is expected to be bright. Since the feed market is gradually expanding with the demand for protein for the increasing population, there are chances of further occupying the market share.

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 Feed manufacturing industry.

Cost of Goods sold and Sales Revenue:

Revenue increased due to product mix. Your company was able to translate most of the revenue into profit, resulting in a 4.59% growth in sales revenue to BDT 6,502,031,547. The cost of Goods sold increased by 4.87% due to volume increase and significant product mix, which was off-set through effective cost control and productivity savings initiatives across the company.

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 Feed Limited has formulated its environmental and occupational health and safety policies to ensure sustainable and environmentally responsible utilization of resources. The management of AFL 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.

Directors Declaration as to Financial Statements:

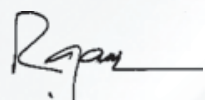
The Directors are responsible for the governance of the company and as part of preparation and presentation of the financial statements, the Directors confirm, to the best of their knowledge that:

- 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 statements 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.

A Note of Thanks

The Board of Directors firmly believes that Aman Feed Limited has the necessary Strength, resources and commitments to enable the Company to grow and future contribution to Bangladesh. The performance of the Company during period under review demonstrates the resolves and determination of the Board, Management and our employees to empower Society. On this occasion, the Board express on record its appreciation to the partners of AFL, Shareholders, suppliers, Customers, Bankers, Regulators, media and all other well-wishers for their support and patronage to bring the Company to this level.

For and on behalf of the Board of Directors of Aman Feed Limited.



Md. Rafiqul Islam
Chairman

Certificate of Registration

This is to Certify that
Environmental Management System of
AMAN FEED LTD.
SINGHAGATI, ULLAPARA, SIRAJGONJ

has been assessed and found to conform to the requirements of
ISO 14001:2015
for the following scope :

MANUFACTURING, SALES AND MARKETING OF POULTRY,
FISH & CATTLE FEED

Certificate No : 20IEEF60
Initial Registration Date : 30/03/2020 Issuance Date : 30/03/2020
Date of Expiry : 29/03/2023
1st Surve. Due : 28/02/2021 2nd Surve. Due : 28/02/2022

ISO 14001:2015

Director



ACCREDITED
Management Systems
Certification Body
MSCB-119



AQM MIDDLE EAST FZE.

*Head Office: El-1401 E Amber Corn Tower, Sheikh Khalifa Bin Zayed Road, 2, Ajman, UAE. e-mail: info@aqmworld.com
*Validity of the Certificate is subject to successful completion of surveillance audits on a regular basis. All surveillance audits are subject to the
audience. All certificates shall be suspended/withdrawn.
Certificate Verification: Please check the validity of certificate at <http://www.aqmworld.com> or www.aqmworld.com or Author Client.
Certificate is the property of AQM Middle East FZE and shall be returned immediately upon demand.*

Certificate of Registration

ISO 22000:2018

This is to Certify that
Food Safety Management System of

AMAN FEED LTD.

SINGHAGATI, ULLAPARA, SIRAJGONJ

has been assessed and found to conform to the requirements of
ISO 22000:2018
for the following scope :

MANUFACTURING, SALES AND MARKETING OF POULTRY,
FISH & CATTLE FEED

(CATEGORY D & SUBCATEGORY D1)

| | | | |
|---------------------------|--------------|----------------|--------------|
| Certificate No | : 201FEY62 | Issuance Date | : 31/03/2020 |
| Initial Registration Date | : 31/03/2020 | 1st Surve. Due | : 28/02/2021 |
| Date of Expiry | : 30/03/2023 | 2nd Surve. Due | : 28/02/2022 |



Director



ACCREDITED
Management Systems
Certification Body
MSCB-119



AQC MIDDLE EAST FZE.

Head Office: E1-1401 E Amkor Com Tower, Sheikh Khalifa Bin Zayed Road, 2, Ajman, UAE. E-mail: info@aqcmiddleeast.com.
*Issuance of the certificate is subject to successful completion of surveillance audits as at expiry of the date. (In case surveillance audits are not allowed to be conducted, this certificate shall be suspended/withdrawn).

Certificate Verification: Please to check the validity of certificate at <http://www.aqc.com/verification.aspx> or www.aqcmiddleeast.com at Ajman City.
Certificate is the property of AQC MIDDLE EAST FZE and shall be returned to us without delay when demanded.

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: 61E-2020/2/15

Date of issue: September 21, 2020.

BAPLC

Renewed Certificate

This is to certify that

AMAN FEED LIMITED

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December 2020.




Secretary-General

• INDEPENDENT
AUDITORS'
REPORT



INDEPENDENT AUDITORS' REPORT

To the shareholders of Aman Feed Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Aman Feed Limited (the Company), which comprise the Statement of Financial Position as at 30 June 2020, the 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 notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Qualified Opinion

1. As disclosed in Note # 25 to the financial statements, as of year ended 30 June 2020, the Company has recognized financial expenses of Tk. 425,516,999 in the statement of profit or loss and other comprehensive income and long-term loans of Tk. 1,873,806,885 including both non-current and current portion under the Note # 14, lease obligations of Tk. 29,436,409 in Note # 15 and short-term loans of Tk. 1,608,561,920 under the Note # 16 in the statement of financial position as at 30 June 2020. The Company provided loan statements excluding statements from Social Islami Bank Limited and National Finance Limited to verify the above balances without appropriate authorization from the concerned bank and financial institution. As per ISA 505 "External Confirmation" during the auditing we sent balance confirmation letter to all the Bank and financial institutions to confirm the above balances. However as of our date of auditors' report, we have yet to receive response to confirm the above outstanding balance including financial expenses reported by the Company. Through alternative audit procedures performed, the existence, accuracy, occurrence and completeness of those outstanding balances and amounts were not confirmed. We also referred to Note # 14 litigation against Aman Feed Limited filed by AB Bank Limited to recover outstanding balances.
2. As referred to Note # 7.0 in the financial statements, the Company recorded advances, deposits and prepayments of Tk. 1,577,710,077 which includes advance for store purchase of Tk. 1,242,006,302. During the audit, the Company did not provide complete set of supporting evidence against the said balances.
3. As disclosed in Note # 6 to the financial statements, trade and other receivables amounting to Tk. 2,770,656,345 were reported by the Company at the reporting date in the statement of financial position. Out of those balances, the amount of Tk. 294,358,191 there were balances as observed from the records of the Company which remained overdue for a long period of time raising significant uncertainty regarding their collectivity thus increasing the risk of default at the reporting date. The Company has not made any provision against the expected credit losses according to IFRS 9 Financial Instruments. Consequently, net profit and net assets reported in the statement of profit or loss and other comprehensive income and statement of financial position were overstated to that extent.

4. As disclosed in Note # 7.03 to the financial statements, advances, deposits and prepayments includes inter-company current account balance of Tk. 317,506,858. The Company carried out transactions with related parties without obtaining necessary Consent from the Bangladesh Securities and Exchange Commission (BSEC) according to BSEC notification no- BSEC/CMRRCD/2009-132/2/Admin/103 Dated 5 February, 2020.
5. As presented in Note # 5 to the financial statements, the Company's inventories comprising finished goods of Tk. 105,845,025. Management has not stated finished goods at the lower of cost and net realizable value instead stated them solely at saleable value, which constitutes a departure from IAS 2 Inventories. The Company's records suggest that had management stated inventories at the lower of cost and net realizable value, an amount of Tk. 3,330,625 would have been required to be written down to their net realizable value for finished goods. At the reporting date, management valued closing stock of finished goods per Metric Ton at an average of Tk. 39,331 when net realizable value of finished goods were around on an average of Tk. 38,093 per Metric Ton. Consequently, these would have understated cost of sales resulting in an overstatement of net profit and total assets simultaneously in the financial statements.
6. The Bangladesh Labor (amended) act 2013 requires the company to contribute 5% of its net profit to WPPF. The management has ascertained the amount and made necessary provision without any payment.

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

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. As described in the Basis for Qualified Opinion section above, the Company's inventory is misstated leading to misstatement of net income and shareholder's equity. Accordingly, we have determined that other information related to these items is materially misstated.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the year ended 30 June 2020. These matters were addressed in the context of the audit of the financial statements as a whole and in forming the auditors' opinion thereon and we do not provide a separate opinion on these matters.

In addition to the matter described in the Basis for Qualified Opinion section each matter mentioned below including description of how our audit addressed the matter is provided in the context.

We have fulfilled the responsibilities described in the auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements, the results of our audit procedures, including the procedures performed to address the matters below:

| Key Audit Matters | How our audit addressed the key audit matters |
|---|---|
| Sales Revenue <p>Revenue is a significantly material item in the statement of profit and loss and other comprehensive income. The Company has reported revenue of Tk. 6,502,031,547 for the year ended 30 June 2020.</p> <p>Sales revenue is recognized at fair value of the consideration received or receivable in the period during which the platted poultry feed, fish feed and cattle feed are manufactured and delivered based on point in time.</p> <p>See Note- 2.09 to the financial statements.</p> | <p>Our procedures consisted of obtaining and documenting understanding from the management of the Company about its recognition and measurement processes adopted and applied. We performed test of details from our sampled population to verify whether sales revenue was accounted for in accordance with the revenue accounting policy as disclosed in Note #2.09 of the financial statements. In addition, we assessed whether the disclosed revenue accounting policy was in accordance with relevant accounting standards.</p> <p>For revenue recognition during the year, we tested selected key controls, including results reviews by management, for their operating effectiveness and performed procedures to gain sufficient audit evidence on the accuracy of the accounting for customer contracts and related financial statement captions.</p> <p>Our audit procedures on implementation of IFRS 15 - Revenue from contracts with Customers, we verified management's conclusion from assessing different types of contracts and the accuracy of the revised accounting policies in light of the industry specific circumstances and our understanding of the business. We tested the appropriateness of the accounting treatment on a sample basis. In addition, we verified the accuracy of IFRS 15 related disclosures.</p> <p>These procedures included reading significant new contracts to understand the terms and conditions and their impact on revenue recognition. We made enquiries with management to understand their risk assessments and examined meeting minutes to identify relevant changes in their assessments and estimates.</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> |

| Key Audit Matters | How our audit addressed the key audit matters |
|---|--|
| | <ul style="list-style-type: none"> • Obtained an understanding of the various revenue streams and nature of sales contracts entered into by the Company. • Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. • Tested of revenue recorded over the year using sampling techniques by examining the relevant supporting documents including sales order, delivery challan, VAT invoice issued and bank statement for subsequent receipts of revenue from goods delivered to customers and also, we confirmed selected customers' receivable balances at the statement of financial position date, selected on a sample basis by considering the amount outstanding with those customers. • Evaluated the design of internal controls relating to identification of performance obligations and determining timing of revenue recognition. • Selected a sample of contracts and reassessed contractual terms to determine adherence to the requirements of the new accounting standard. • We specifically put emphasis on those transactions occurring close before or after the statement of financial position date to obtain sufficient evidence over the accuracy of cut-off. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards. |
| Valuation of Inventory | |
| <p>The closing inventories of Tk. 2,380,823,940 as at 30 June 2020 was reported by the Company in the financial statements.</p> <p>Inventories comprised finished goods, raw and packing materials, goods in transit, and spare parts which need to be valued at lower of cost and net realizable value as per IAS 2 Inventories. Cost of inventories concludes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.</p> <p>As disclosed in note #2.10 to the financial statements, the Company uses weighted average method to determine their value to be reported. Where necessary, allowance should be provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realizable value.</p> <p>Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.</p> | <p>As part of our audit procedures for closing inventories, we carried out the following tests in response to our assessed risk of material misstatements:</p> <ul style="list-style-type: none"> • Evaluating the design and implementation of primary inventory controls operated across the factory, including those at a sample of, factory plant, stores; • Evaluating internal controls to monitor or keep track of inventory movement; • Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories; • Reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year; |

Key Audit Matters

How our audit addressed the key audit matters

Recoverability of trade receivables

Refer to notes 6 to the financial statements of the related accounting policies, judgments and estimates.

At 30 June 2020, the total receivables balance in note 6 was Taka 2,770,656,345 (2019: Taka 2,507,001,730).

The recoverability of trade receivables and the level of provisions for bad debts are considered to be a key risk due to the significance of these balances to the financial statements, and the judgments required in making appropriate provisions.

In order to test the recoverability of trade receivables, we performed the following procedures:

- We evaluated the company's credit control procedures and assessed and validated the ageing profile of trade receivables;
- We assessed recoverability on a sample basis by reference to cash received subsequent to year-end, agreement to the terms of the contract in place, and issue of credit notes post year-end, as necessary;
- We considered the appropriateness of judgments regarding provisions for trade receivables and assessed whether these provisions were calculated in accordance with the company's provisioning policies, IFRS -9 and / or whether there was evidence of management bias in provisioning, obtaining supporting evidence as necessary.

We communicate management as to the recoverability of the older, un provided amounts, corroborating management's explanations with underlying documentation and correspondence with the customer.

Based upon the above, we are not satisfied ourselves that management had taken reasonable judgments that were materially supported by the available evidence in respect of the relevant receivable balances. We make comments in the basis of qualified opinion.

Long-term and Short-term loans including lease obligations

The Company reported loan-term loans of Tk. 1,873,806,885 (Tk. 1,719,550,298 + Tk. 154,256,587) and short-term loans of Tk. 1,608,561,920 and lease obligations of Tk. 29,436,409 as at 30 June 2020 in the statement of financial position.

Loans and lease obligations were considered as key audit matter due to their significance to the financial position of the Company at the reporting date. Since such form of credit facilities availed by the Company require fulfillment of several terms and conditions as mentioned in sanction letters issued by lending bank and institutions. Hence, there is potential risk that not all such terms and conditions are adequately disclosed in the financial statements.

See note # 2.13 to the financial statements.

Our substantive audit procedures adopted during the audit includes the following tests:

- Inspecting relevant board minutes in support of bank loans sanctioned and reported during the year in the financial statements.
- Testing the existence of outstanding balances with confirmation letter issued against the said loans by the company.
- Recalculating and testing accuracy and completeness of finance costs recognized during the year with loan statements provided by banks.
- Assessing the adequacy and appropriateness of disclosures made by the company for the loans availed in accordance with relevant IFRS.

Based upon the above, we are not satisfied ourselves that we have yet to receive response to confirm the above outstanding balance including financial expenses reported by the Company. Through alternative audit procedures performed, the existence, accuracy, occurrence and completeness of those outstanding balances and amounts were not confirmed.

| Key Audit Matters | How our audit addressed the key audit matters |
|--|--|
| Related Party Transaction | |
| <p>We identified the accuracy and completeness of disclosure of related party transactions as set out in the respective notes to the financial statements as a key audit matter transaction with related parties during the year ended 30 June 2020.</p> | <p>Our audit procedure in relation to the accuracy and completeness of disclosure of related parties included:</p> <ul style="list-style-type: none"> • Obtaining and understanding of the company’s process and procedures in respect of identifying related parties; • We verify the amount with Bank Statements on a sample basis. • We collect the balance confirmation from the Intercompany. • We read minutes of shareholder meetings, board meetings minutes of meetings of those charged with governance in connection with transaction with related party affected during the year and the Company carried out transactions with related parties obtaining necessary Consent from the Bangladesh Securities and Exchange Commission (BSEC) according to BSEC notification no-BSEC/CMRRCD/2009-132/2/Admin/103 Dated 5 February, 2020. <p>Based upon the above, The Company carried out transactions with related parties without obtaining necessary Consent from the Bangladesh Securities and Exchange Commission (BSEC) according to BSEC notification no-BSEC/CMRRCD/2009-132/2/Admin/ 103 Dated 5 February, 2020.</p> |

Other Matter

Due to the outbreak of global pandemic “Covid-19” declared by the World Health Organization (WHO) and subsequent spread of the virus resulting in deteriorating situation in Bangladesh during the conduct of audit at the Company, our audit procedures were mainly tailored to the material areas of the financial statements with more emphasis placed on obtaining documentary evidence from the company and testing their accuracy using the online platforms and limited physical verification to avoid the risk of getting contacted the virus and safety of audit team members.

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

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

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- (c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- (d) the expenditure incurred was for the purpose of the Company's business.

Place: Dhaka
Date: November 22, 2020

AKM Mohitul Haq FCA
Senior Partner

Ahmed Zaker & Co.
Chartered Accountants

FINANCIAL STATEMENT



AMAN FEED LIMITED

Statement of Financial Position
As at 30 June 2020

Amount in Taka

| Particulars | Notes | 30-Jun-20 | 30-Jun-19 |
|--|--------------|----------------------|----------------------|
| ASSETS: | | | |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 3.00 | 1,482,145,253 | 1,538,454,254 |
| Investment in Associate | 4.00 | 4,851,000 | 4,851,000 |
| Total Non-Current Assets | | 1,486,996,253 | 1,543,305,254 |
| Current Assets | | | |
| Inventories | 5.00 | 2,380,823,940 | 2,361,229,583 |
| Trade and Other Receivables | 6.00 | 2,770,656,345 | 2,507,001,730 |
| Advances, Deposits & Pre-payments | 7.00 | 1,577,710,076 | 1,147,852,084 |
| Advance Income Tax | 8.00 | 244,081,003 | 233,626,285 |
| Cash & Cash Equivalents | 9.00 | 120,444,473 | 54,065,006 |
| Total Current Assets | | 7,093,715,837 | 6,303,774,688 |
| TOTAL ASSETS | | 8,580,712,089 | 7,847,079,942 |
| EQUITY & LIABILITIES | | | |
| Shareholders' Equity | | | |
| Share Capital | 10.00 | 1,277,760,000 | 1,277,760,000 |
| Share Premium | 11.00 | 520,000,000 | 520,000,000 |
| Retained Earnings | 12.00 | 2,519,693,451 | 2,232,105,195 |
| Revaluation Surplus | 13.00 | 128,536,485 | 128,536,485 |
| Total Shareholders' Equity | | 4,445,989,937 | 4,158,401,680 |
| Non-Current Liabilities | | | |
| Long Term Loan | 14.00 | 1,719,550,298 | 1,563,394,892 |
| Lease Obligation | 15.00 | - | 12,966,196 |
| Deferred Tax Liability | 27.02 | 98,295,092 | 92,040,067 |
| Total Non-Current Liabilities | | 1,817,845,390 | 1,668,401,154 |
| Current Liabilities | | | |
| Short Term Loan | 16.00 | 1,608,561,920 | 1,424,772,503 |
| Current Portion of Long Term Loan | 14.00 | 154,256,587 | 103,981,295 |
| Current Portion of Lease Obligation | 15.00 | 29,436,409 | 41,623,041 |
| Trade Payable | 17.00 | 53,755,246 | 41,410,740 |
| Liabilities for Expenses & Provision | 18.00 | 85,714,147 | 78,912,737 |
| Dividend Payable | 19.00 | 3,995,127 | 3,019,993 |
| Provision for Current Tax | 27.00 | 381,157,326 | 326,556,798 |
| Total Current Liabilities | | 2,316,876,763 | 2,020,277,107 |
| TOTAL EQUITY & LIABILITIES | | 8,580,712,089 | 7,847,079,942 |
| Net Asset Value (NAV) per share | 20.00 | 34.80 | 32.54 |

The accompanying notes 1 to 32 form an integral part of those financial statements.

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Director

Sd/-
Managing Director

Sd/-
Chairman

Place: Dhaka
Date: November 22, 2020

Signed in terms of our separate report of even date annexed.

Ahmed Zaker & Co.
Chartered Accountants

AMAN FEED LIMITED

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

| Particulars | Notes | Amount in Taka | |
|---|--------------|----------------------|----------------------|
| | | 30-Jun-20 | 30-Jun-19 |
| Sales | 21.00 | 6,502,031,547 | 6,216,861,396 |
| Cost of Sales | 22.00 | (5,415,183,945) | (5,039,085,697) |
| Gross profit | | 1,086,847,602 | 1,177,775,698 |
| Administrative Expenses | 23.00 | (67,518,632) | (63,867,721) |
| Selling and Distribution Expenses | 24.00 | (167,705,014) | (158,307,535) |
| Operating profit | | 851,623,956 | 955,600,442 |
| Financial Expenses | 25.00 | (424,220,660) | (364,579,992) |
| Other Income | 26.00 | 73,869 | 70,629 |
| Profit before contribution to WPPF | | 427,477,165 | 591,091,079 |
| Contribution to WPPF | | (20,356,055) | (28,147,194) |
| Profit/(Loss) before tax | | 407,121,110 | 562,943,885 |
| Current Tax | 27.01 | (54,600,529) | (75,289,691) |
| Deferred Tax | 27.02 | (6,255,025) | (8,938,955) |
| Net profit/(Loss) after tax | | 346,265,556 | 478,715,239 |
| Basic Earning Per Share | 28.00 | 2.71 | 3.75 |

The accompanying notes 1 to 32 form an integral part of those financial statements.

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Director

Sd/-
Managing Director

Sd/-
Chairman

Signed in terms of our separate report of even date annexed.

Place: Dhaka
Date: November 22, 2020

Ahmed Zaker & Co.
Chartered Accountants

AMAN FEED LIMITED

Statement of Changes in Equity
For the year ended June 30, 2020

Amount in Taka

| Particulars | Share Capital | Share Premium | Retained Earnings | Revaluation surplus | Total |
|------------------------------------|----------------------|--------------------|----------------------|---------------------|----------------------|
| Balance as at July 01, 2019 | 1,277,760,000 | 520,000,000 | 2,232,105,195 | 128,536,485 | 4,158,401,680 |
| Net Profit/(Loss) for the year | - | - | 346,265,556 | - | 346,265,556 |
| Cash dividend payable | - | - | (58,677,300) | - | (58,677,300) |
| Balance as at June 30, 2020 | 1,277,760,000 | 520,000,000 | 2,519,693,452 | 128,536,485 | 4,445,989,936 |

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

Amount in Taka

| Particulars | Share Capital | Share Premium | Retained Earnings | Revaluation surplus | Total |
|---|----------------------|--------------------|----------------------|---------------------|----------------------|
| Balance as at July 01, 2018 | 1,161,600,000 | 520,000,000 | 2,101,869,956 | 128,536,485 | 3,912,006,442 |
| Net Profit/(Loss) for the year | - | - | 478,715,239 | - | 478,715,239 |
| Transfer to share capital for stock dividend for the year 2017-2018 | 116,160,000 | - | (116,160,000) | - | - |
| Cash dividend payable | - | - | (232,320,000) | - | (232,320,000) |
| Balance as at June 30, 2019 | 1,277,760,000 | 520,000,000 | 2,232,105,195 | 128,536,485 | 4,158,401,680 |

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Director

Sd/-
Managing Director

Sd/-
Chairman

Signed in terms of our separate report of even date annexed.

Place: Dhaka
Date: November 22, 2020

Ahmed Zaker & Co.
Chartered Accountants

AMAN FEED LIMITED

Statement of Cash Flows
For the year ended June 30, 2020

Amount in Taka

| Particulars | 30-Jun-20 | 30-Jun-19 |
|---|----------------------|----------------------|
| Cash Flows From Operating Activities: | | |
| Collection from customers | 6,239,493,271 | 5,967,750,089 |
| Collection from other income | 253,869 | 5,589,358 |
| Cash paid to suppliers, employees & others | (6,042,197,922) | (5,298,804,551) |
| Cash generated from operation | 197,549,219 | 674,534,896 |
| Income tax paid | (10,454,718) | (42,981,136) |
| Net Cash Flow From Operating Activities (Annexure - C) | 187,094,500 | 631,553,760 |
| Cash Flows From Investing Activities: | | |
| Acquisition of property, plant & equipment | (2,563,156) | (5,325,504) |
| Net Cash Used in Investing Activities | (2,563,156) | (5,325,504) |
| Cash Flows from Financing Activities: | | |
| Dividend paid | (57,702,166) | (230,809,161) |
| Interest paid | (425,516,999) | (367,201,752) |
| Increase/(Decrease) long term borrowings | 156,155,406 | 1,537,422,327 |
| Increase/(Decrease) non-current portion of lease obligation | (12,966,196) | (34,930,042) |
| Increase/(Decrease) short term borrowings | 183,789,417 | (1,679,944,705) |
| Increase/(Decrease) current portion of long term borrowing | 50,275,292 | 97,699,066 |
| Increase/(Decrease) current portion of lease obligation | (12,186,632) | (3,021,068) |
| Net Cash Provided/(Used)from Financing Activities | (118,151,877) | (680,785,335) |
| Net Increase/ (Decrease) in Cash and Cash Equivalents | 66,379,466 | (54,557,079) |
| Cash and Cash Equivalents at the beginning of the year | 54,065,006 | 108,622,086 |
| Cash and Cash Equivalents at the ending of the year | 120,444,473 | 54,065,006 |
| Net Operating Cash Flow Per Share (Note-29.00) | 1.46 | 4.94 |

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Director

Sd/-
Managing Director

Sd/-
Chairman

Place: Dhaka
Date: November 22, 2020

Signed in terms of our separate report of even date annexed.

Ahmed Zaker & Co.
Chartered Accountants

AMAN FEED LIMITED

Notes To The Financial Statements
As at and for the year ended 30 June 2020

1.00 Significant information of the Enterprise

1.01 Legal form of the Enterprise :

Aman Feed Limited (the Company) was incorporated under the Companies Act 1994 on 7 February 2005 as a 'Private' company, limited by shares. Subsequently, the Company has been converted to 'Public' company limited by shares vide extra ordinary general meeting held on 22 February 2012 and after observance of required formalities as per laws the company went into initial public offering vide BSEC consent letter dated 23 April 2015. The company is listed with Chittagong Stock Exchange (CSE) on 30 July 2015 and Dhaka Stock Exchange (DSE) on 18 August 2015 of Bangladesh.

1.02 Registered and Corporate Office of the Company :

Registered office of the company is situated at Singhogati, Ullapara, Sirajganj and 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 is located at Singhogati, Ullahpara, Sirajgonj, Bangladesh.

1.04 Principal Activities and nature of the business:

The Principal activities and the nature of the business of the company is to manufacture high quality Pilatted Poultry Feed, Fish Feed and Cattle Feed. With highest level of product quality and services the Company achieved/earned ISO 9001 Certificate in the year 2008 and HACCP.

2.00 Significant Accounting Policies:

Basis of preparation and presentation of Financial Statements:

2.01 Statement of Compliance:

The financial statements have been prepared and the disclosures of information are made in accordance with the requirements of the Companies Act 1994, The Securities and Exchange Rules 1987 and International Financial Reporting Standards (IFRS) as much as practicable. The Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income have been prepared according to IAS 1 Presentation of Financial Statements on accrual basis of accounting following going concern assumption under generally accepted accounting principles and practices in Bangladesh and Statement of Cash Flows is prepared according to IAS 7 Statement of Cash Flows.

2.02 Accounting Convention and Assumption:

The financial statements have been prepared under historical cost convention and, therefore, do not take into consideration the effect of inflation.

2.03 Principal Accounting Policies:

The specific accounting policies have been selected and applied by the Company's management for significant transactions and events that have a material effect within the framework for preparation and presentation of Financial Statements. Financial statements have been prepared and presented in compliance with IAS 1 Presentation of Financial Statements. The previous year figures were re-arranged according to the same accounting principles. Compared to the previous year, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Company. However, changes made to the presentation are explained in the note for each respective item. Accounting and valuation methods are disclosed for reasons of clarity. The Company classified the expenses using the function of expenses method as per IAS 1 Presentation of Financial Statements.

2.04 Date of Authorization:

The Board of Directors of Aman Feed Ltd. approved these Financial Statements on 22 November 2020.

2.05 Reporting year:

The Financial Statements of the Company cover year from 01.07.2019 to 30.06.2020.

2.06 Cash Flow Statement:

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

2.07 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. Property Plant & Equipment have been accounted for at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation on all Property Plant & Equipment has been applied consistently year to year at the following rate:

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

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

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

Revaluation of Assets: The company has revaluated its Land on 15 May, 2013 and incorporated the revaluation surplus in the Financial Statement this year under reference note # 13.00.

2.08 Impairment:

The carrying amount of the company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment in line with IAS 36: Impairment of Assets. If any such indication exists, then the assets recoverable amount is estimated and impairment losses are recognized in profit and loss account. No such indication of impairment has been observed till the end of the year.

2.09 Revenue Recognition:

As per IFRS-15: "Revenue from contracts with customers" an entity shall account for a contract with a customer only when all of the following Criteria are met:

- The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations ;
- The entity can identify each party's rights regarding the goods or services to be transferred ;
- The entity can identify the payment terms for the goods or services to be transferred ;
- The contract has commercial substance (i.e. the risk, timing or amounts of the entity's future cash flow is expected to change as a result of the contract); and
- It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be the customer.

2.10 Inventories:

In compliance with the requirements of IAS 2 "Inventories" , the Inventories have been valued at weighted average method, which is consistent in line with the previous year practice. Inventories are measured at the lower of cost and net realisable value as per para 9 of IAS 2 "Inventories".

2.11 Financial Instruments:

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

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".

a) Trade and Other Receivables:

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

2.12 Currency of Reporting and Foreign currency transactions:

Currency of Reporting

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

Foreign Currency Transactions

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

2.13 Long Term Liabilities:

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

2.14 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 and Contingent Assets and Liabilities". In the year under review there is no such contingent liabilities as well as no commitment is made,that would be settled in the future.

2.15 Taxation:

Current Tax:

Provision of tax has been made @ 3% on first 10 lac, 10% on next 20 lac and 15% on balance as per SRO No. 199-Ain-Income Tax/2015 dated 30 June 2015 on the accounting profit made by the Company after 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 basis. 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, 2020 has been recognized in the statement of comprehensive income as per IAS-12 "Income Taxes".

2.16 Benefits to the employees:

The Company is operating Workers Profit Participation Fund (WPPF) according to Bangladesh Labour Law 2013 and accounted for paying benefits to the employees in accordance with the provisions of IAS-19, " Employee Benefits".The NBR approval regarding trustee is under process.

2.17 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".

2.18 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-28.

Basis Earnings Per Share:

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

Weighted average number of ordinary shares outstanding during the year:

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of shares issued during the year multiplied by a time weighted factor is the number of months the specific shares outstanding as a proportion of the total number of months in the year.Details calculation shown in Note # 28.02.

Diluted earnings per share:

As there is no prospective Dilutive Securities according to IAS-33, Diluted EPS has not been calculated as per SEC Public Issue Rules 2006 in Rule 8, Clause B, sub clause (20), requirement (e) with total existing number of share basis.

2.19 Events after the Reporting Period:

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

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

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

2.20 Risk Perception:

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

2.21 Related Parties Transactions:

The party is related to the company if the party cast significant influence over the subject matters and also holding the controlling power of the management affairs of the company and any transaction made during the year with the party related therewith is termed as related party transaction as per IAS-24 " Related Party Disclosure". During the year there is no such related party transactions made that has influenced the company's business. Related parties are fully disclosed in Note-30.

2.22 Application of International Accounting Standards (IAS):

The Financial statements have been prepared in compliance with requirement of IAS as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. The following IAS are applicable for the financial statements for the year 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-16 Property, Plant & Equipment (PPE)
- IAS-19 Employee Benefits
- IAS-21 The effects of changes in Foreign Exchange Rate
- IAS-23 Borrowing Cost
- IAS-24 Related Party Disclosures
- IAS- 32 Financial Instruments: Presentation
- IAS-33 Earnings Per Share (EPS)
- IAS-39 Financial Instruments : Recognition and Measurement
- IFRS- 7 Financial Instruments : Disclosures
- IFRS- 13 Fair value measurement
- IFRS 15 Revenue from Contracts with Customers

2.23 Going Concern:

The company has adequate resources to continue in operation for the foreseeable future. For this reasons the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

2.24 Information on Financial Statements:

Responsibility for preparation and presentation of financial statements:

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

Components of the Financial Statements:

Following are the component of the financial statements :

- a) Statement of Financial Position as at June 30, 2020
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended June 30, 2020
- c) Statement of Changes in Equity for the year ended June 30, 2020
- d) Statement of Cash Flows for the year ended June 30, 2020
- 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 financial statements.

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

| | Amount in Taka 30-Jun-20 | Amount in Taka 30-Jun-19 |
|---|-----------------------------|-----------------------------|
| 3.00 Property, Plant and Equipment [WDV] | | |
| Land & Land Development | 423,463,979 | 423,463,979 |
| Building & Civil Construction | 849,123,324 | 870,895,717 |
| Plant & Machinery | 171,245,169 | 200,321,707 |
| Vehicles | 34,268,101 | 40,315,412 |
| Furniture & Fixtures | 1,047,197 | 982,102 |
| Office Equipments | 448,922 | 395,244 |
| Computer & IT Equipments | 2,548,561 | 2,080,093 |
| | 1,482,145,253 | 1,538,454,254 |

4.00 Investment in Associate

Investment in associate

4,851,000

4,851,000

Aman Feed Limited owns 485,100 shares @ Tk. 10 each i.e. Tk. 4,851,000 of Akin Feed Limited which is 49% of total paid up capital. The total paid up capital of Akin Feed Limited is 990,000 shares @ Tk. 10 each i.e. Tk. 9,900,000. Under the equity method, this represents that Aman Feed Limited has significant influence over Akin Feed Limited. Akin Feed Limited has not commenced its operation yet. Therefore, the company did not make any adjustments in respect of its proportionate share of the associate's net profit or loss for the year ended 30 June 2020.

5.00 Inventories

Finished Goods Note - 5.01

105,845,025

166,915,000

Raw Materials in hand Note - 5.02

2,204,489,093

2,067,069,421

Packing Materials-in hand Note - 5.03

37,633,536

80,224,464

Goods in Transit Note - 5.04

2,815,114

10,711,628

Spare Parts

30,041,172

36,309,070

Closing balance

2,380,823,940

2,361,229,583

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

5.01 Finished Goods

Value of Inventories

Broiler Feed

52,238,015

85,716,364

Layer Feed

28,314,788

41,313,425

Fish Feed

22,055,534

35,281,780

Cattle Feed

3,236,687

4,603,431

105,845,025

166,915,000

Quantity of Inventories [MT]

Broiler Feed

1,244

2,048

Layer Feed

833

1,220

Fish Feed

490

797

Cattle Feed

124

178

2,691

4,244

5.02 Raw Materials

Value of Inventories [Taka]

Maize

716,613,898

671,942,848

Wheat & Wheat Flour

11,860,160

11,120,841

Rice Polish & Bran

105,178,919

98,622,456

Poultry Meal-Booster

122,997,439

115,330,235

Fishmeal & Dry Fish

77,938,993

73,080,566

Oilcake & Soyabean Meal

1,130,788,426

1,060,299,274

Medicine & Chemicals

39,111,259

36,673,202

2,204,489,093

2,067,069,421

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

| | Amount in Taka 30-Jun-20 | Amount in Taka 30-Jun-19 |
|-------------------------------|-----------------------------|-----------------------------|
| Quantity of Inventories [MT] | | |
| Maize | 34,124 | 33,181 |
| Wheat & Wheat Flour | 456 | 440 |
| Rice Polish & Bran | 2,768 | 2,723 |
| Poultry Meal-Booster | 2,795 | 2,677 |
| Fishmeal & Dry Fish | 722 | 696 |
| Oilcake & Soyabean Meal | 26,297 | 25,203 |
| | 67,163 | 64,919 |
| 5.03 Packing Materials | | |
| Value of Inventories [Taka] | | |
| WPP Bag | 37,633,536 | 80,224,464 |
| Quantity of Inventories [PCS] | | |
| WPP Bag | 1,568,064 | 3,342,686 |
| 5.04 Goods in Transit | | |
| Maize | - | 2,017,109 |
| Spare Parts | 2,815,114 | 3,413,924 |
| Rape Seed | - | 3,147,226 |
| Floating Fish Feed | - | 23,582 |
| Lime stone | - | 2,109,787 |
| | 2,815,114 | 10,711,628 |

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

| | | |
|---|----------------------|----------------------|
| 6.00 Trade and other receivables | | |
| Trade Receivable Note - 6.01 | 2,769,042,530 | 2,506,504,255 |
| Other Receivable Note - 6.02 | 1,613,814 | 497,475 |
| Closing balance | 2,770,656,345 | 2,507,001,730 |
| 6.01 Trade Receivable | | |
| Opening Balance | 2,506,504,255 | 2,257,392,948 |
| Add: Sales during the year | 6,502,031,547 | 6,216,861,396 |
| Available for Received | 9,008,535,802 | 8,474,254,344 |
| Less: Realized during the year | (6,239,493,271) | (5,967,750,089) |
| Closing balance | 2,769,042,530 | 2,506,504,255 |

| | Amount in Taka 30-Jun-20 | Amount in Taka 30-Jun-19 |
|---|-----------------------------|-----------------------------|
| 6.02 Other Receivable | | |
| Interest on bank deposit | 1,613,814 | 497,475 |
| Closing balance | 1,613,814 | 497,475 |
| 6.03 Disclosure as per Schedule-XI, Part -I, of The Companies Act, 1994 | | |
| Maturity less than 6 months | 2,770,656,345 | 2,507,001,730 |
| Maturity more than 6 months | Nil | Nil |
| Total | 2,770,656,345 | 2,507,001,730 |
| Debts considered Good & Secured | 2,770,656,345 | 2,507,001,730 |
| Debts considered Good without security | - | - |
| Debts considered doubtful & bad | - | - |
| Debts due by directors or other officers & staffs | - | - |
| Debts due from companies under same management | - | - |
| Maximum debt due by directors or offocers & staffs at any time | - | - |
| 7.00 Advances, Deposits & Pre-Payments | | |
| Security Deposit- Paschimanchal Gas Co. Ltd. | 72,138 | 72,138 |
| Security Deposit- Sirajgonj Palli Bidyut Samity | 2,112,800 | 2,112,800 |
| | 2,184,938 | 2,184,938 |
| Advance for Store Purchase (Note- 7.01) | 1,242,006,302 | 1,111,601,882 |
| Intercompany Current Account (Note-7.03) | 317,506,858 | - |
| Advance Against Marketing Expense | 849,870 | 1,922,230 |
| Advance Salary | 579,147 | 988,072 |
| L/C Margin | 14,582,961 | 31,154,962 |
| | 1,575,525,138 | 1,145,667,146 |
| Closing balance | 1,577,710,076 | 1,147,852,084 |
| 7.01 Advance against Store Purchase: | | |
| Advance against store purchase represents amount paid to various parties for purchase of RM, Spare parts & other consumable and construction materials. | | |
| 7.02 Disclosure as per Schedule-XI, Part -I, of The Companies Act, 1994 | | |
| Advance exceeding 6 months | 319,691,796 | 2,184,938 |
| Advance not exceeding 6 months | 1,258,018,280 | 1,145,667,146 |
| Total | 1,577,710,076 | 1,147,852,084 |
| Advance, deposits & prepayments considered good & secured | 1,577,130,929 | 1,146,864,012 |
| Advance, deposit & prepayments considered Good without security | - | - |
| Advance, deposit & prepayments considered doubtful & bad | - | - |
| Advance, deposit & prepayments due by directors or other officers & staffs | 579,147 | 988,072 |
| Advance, deposit & prepayments due from companies under same management | - | - |
| Maximum advance due by directors or officers & staffs at any time | - | - |
| 7.03 Intercompany Current Account | | |
| Anwara Mannan Textiles Mills Limited | 20,000,000 | - |
| Aman Chicks Limited | 10,950,000 | - |
| Anwara Poultry and Hatchery Limited | 22,057,000 | - |
| Aman Food and Beverage Limited | 654,000 | - |
| MS. R S & T International | 1,000,000 | - |
| Aman Breeders Limited | 14,302,824 | - |

| | Amount in Taka 30-Jun-20 | Amount in Taka 30-Jun-19 |
|---|-----------------------------|-----------------------------|
| Aman Cotton Fibrous Limited | 1,500,000 | - |
| Aman Trading Corporation | 20,642,219 | - |
| MS. Islam Brothers & Co. | 40,941,383 | - |
| Aman Packaging and Accessories Limited | 12,200,000 | - |
| Aman Packaging Limited | 56,700,000 | - |
| Aman Poultry and Hatchery Limited | 61,069,143 | - |
| Juvenile Trade International | 6,640,000 | - |
| Aman Cement Mills Limited | 22,852,159 | - |
| Aman Cement Mills Unit-2 Limited | 25,998,130 | - |
| | 317,506,858 | - |
| 8.00 Advance Income Tax (AIT) | | |
| Opening Balance | 233,626,285 | 190,645,149 |
| Add: Addition during the year | 10,454,718 | 42,981,136 |
| | 244,081,003 | 233,626,285 |
| Less: Adjustment during the year | - | - |
| Closing Balance | 244,081,003 | 233,626,285 |
| 9.00 Cash and Cash Equivalents | | |
| Cash in Hand | 5,022,977 | 7,273,042 |
| Cash at Bank: (Note- 9.01) | 115,421,496 | 46,791,964 |
| Closing Balance | 120,444,473 | 54,065,006 |
| 9.01 Details Break-up of Cash at Bank are as follows: | | |
| AB Bank Ltd. Islami Banking Branch Kakrail AWCA-0623 | 10,450 | 207,654 |
| Agrani Bank Ltd. Forex Branch, Dhaka CD - 0040262 | 577,446 | 578,291 |
| Agrani Bank Ltd. Uttara Branch, Dhaka CD - 700617 | 2,825,351 | 3,766,789 |
| Agrani Bank Ltd. Principal Branch, Dhaka CD - 44354 | 299,332 | - |
| Al- Arafah Islami Bank Ltd. A/C No. 6777, Dilkusha Br. | 61,356 | 356 |
| Al- Arafah Islami Bank Ltd. Uttara Branch, A/C No. 62639 | 4,923,679 | 657,807 |
| Dutch Bangla Bank Ltd. Local Office, Dhaka CD - 101 110 30394 | 566,471 | 1,420,276 |
| Exim Bank Ltd. Rajuk Avenue Branch A/C No. AWCA -4708 | 5,539,026 | 308,086 |
| Jamuna Bank Ltd., Forex Branch, Dhaka CD-0018-0210008598 | 1,322,663 | 239,731 |
| Shahjalal Islami Bank Ltd. Dhaka Main Branch A/C No. AWCD -8936 | 978,253 | 326,875 |
| Social Islami Bank Ltd., Principal Branch, Dhaka AWCD-21330057421 | 43,310 | 304,260 |
| Standard Bank Ltd. Progati Sarani Br., Dhaka CD-03833000069 | 4,516,707 | 1,004,613 |
| Prime Bank Ltd., Dilkusha Br., AWCD-10811050000737 | 119,656 | 520,257 |
| Prime Bank Ltd., Uttara Branch, AWCD-16440 | 454,418 | 2,216,939 |
| Sonali Bank Ltd., Forex Corporate Br., Dhaka CD-160833033647 | 14,433 | 14,433 |
| Sonali Bank Ltd., Uttara Branch, CD-17764 | 1,597,548 | 1,602,607 |
| Sonali Bank Ltd. Ullah para Branch A/C No.2962 | 33,255 | 33,255 |
| Bangladesh Krishi Bank , Uttara Branch, CD-503 | 5,815,190 | 628,380 |
| BD. Commerce Bank, Principal Br. Dhaka CD -26549 | 191,985 | 192,825 |
| Pubali Bank Ltd., Dhaka Stadium Branch CD-0939901041533 | 15,369,602 | 3,686,462 |
| Mercantile Bank Ltd. Main Br., Dilkusha, Dhaka CD-80543 | 7,417 | 8,337 |
| Mercantile Bank Ltd. Uttara Branch, CD-14261 | 2,884,010 | 416,140 |
| National Bank Ltd. Dilkusha Br., Dhaka CD-0002-33147897 | 229,937 | 229,937 |
| National Bank Ltd. Uttara Branch, CD-21648 | 1,103,209 | 1,251,204 |
| Trust Bank Ltd., Uttara Branch, Dhaka CD-0023-0210008000 | 664,959 | 30,356 |
| Trust Bank Ltd., Dilkusha Branch, Dhaka CD-2000811 | 7,048 | 7,738 |
| Uttara Bank Ltd., Local Office, Dhaka CD- 21-16568 | 102,971 | 102,971 |

| | Amount in Taka 30-Jun-20 | Amount in Taka 30-Jun-19 |
|--|-----------------------------|-----------------------------|
| Uttara Bank Ltd., Uttara Branch, CD- 1859 | 1,604,474 | 2,290,333 |
| Janata Bank Ltd., Uttara, Dhaka, CD-64989 | 1,237,043 | 2,568,181 |
| Islami Bank BD. Ltd. Rajshahi Branch AWCA-257713 | 1,037 | 1,037 |
| Islami Bank BD. Ltd. Ullahpara Branch A/C No. 1020 | 114,966 | 31,293 |
| BRAC Bank Ltd., Uttara, Dhaka CD -39001 | 880,490 | 789,067 |
| ONE Bank Ltd.-A/C-8002 | 1,208,944 | 91,878 |
| National Finance Ltd. (FDR) | 10,000,000 | 10,000,000 |
| Prime Bank Limited, Motijheel Branch, SND-10431070068089 | 19,577 | 20,267 |
| First Security Islami Bank Ltd-A/C-121, Joinal Market Branch | 5,164,644 | 1,644,177 |
| ONE Bank Ltd.-A/C-0083 | 467,329 | 468,399 |
| AB Bank Limited, Uttara Branc | 52,034 | 7,502 |
| Islami Bank BD. Ltd. Uttara Branch-A/C-594702 | 20,314,024 | 2,511,763 |
| Meghna Bank Ltd. Uttara Branch-A/C-039 | 5,735,690 | 89,005 |
| Southeast Bank Ltd. Uttara Branch-A/C-3878 | 4,365,596 | 873,167 |
| NCC Bank - A/C-19783 | 398,277 | 8,975 |
| Islami Bank Bangladesh Limited-A/C-09600 | 1,556,787 | 221,909 |
| Social Islami Bank Limited-A/C-19263 | 1,971,011 | 2,329,685 |
| Rupali Bank Limited-A/C-01665 | 5,989,091 | 2,288,398 |
| Bank Asia Limited-A/C-1000278 | 1,668,770 | 477,264 |
| Modhumoti Bank Limited-A/C-00356 | 144,289 | 204,964 |
| Union Bank Ltd. -A/C-3656 | 108,244 | 118,121 |
| Meghna Bank Limited (FDR) | 2,159,500 | - |
| | 115,421,496 | 46,791,964 |

10.00 Share Capital

This represents the followings:

Authorised Capital :

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

1,500,000,000

1,500,000,000

Issued Subscribed and Paid up capital:

127,776,000.Ordinary Shares of Taka. 10/= each

1,277,760,000

1,277,760,000

10.01 Share Holdings Position:

The company raised its Paid-up Capital from Tk. 60.00 crore to Tk. 80.00 Crore through initial public offering of 2.00 Crore shares of Tk. 10 each with premium of Tk. 26 per share with due approval from BSEC dated 23 April 2015 & fund deposited Company's account from 28 June 2015 to 13 September 2015. Subsequently, the Board of Directors in their meeting held on 21st October, 2015 recommended 20% stock dividend to all of the shareholders for the year ended 30 June 2015 and the paid up capital increased from Tk. 80 crore to 96 crore (96,000,000 shares @ Tk.10 each). Further, the Board of Directors in their meeting held on 15th December, 2016 recommended 10% stock dividend to all of the shareholders for the year ended 30 June 2016 and the paid up capital increased from Tk. 96 crore to 105.60 crore (105,600,000 shares @ Tk.10 each). Besides this, the Board of Directors in their meeting held on 27th December, 2017 recommended 10% stock dividend to all of the shareholders for the year ended 30 June 2017 and the paid up capital increased from Tk. 105.60 crore to 116.16 crore (116,160,000 shares @ Tk.10 each). Again, the Board of Directors in their meeting held on 19th December, 2018 recommended 10% stock dividend to all of the shareholders for the year ended 30 June 2018 and the paid up capital increased from Tk. 116.16 crore to 127.776 crore (127,776,000 shares @ Tk.10 each).

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

| Name of the Shareholders | Percentage (%) | | Amount in Tk. | | |
|---------------------------|--------------------|--------------------|----------------|----------------------|----------------------|
| | 30/Jun/20 | 30/Jun/19 | 30/Jun/20 | 30/Jun/19 | |
| Md. Rafiqul Islam | 13,895,640 | 13,895,640 | 10.88% | 138,956,400 | 138,956,400 |
| Md. Shofiqul Islam | 19,489,800 | 19,489,800 | 15.25% | 194,898,000 | 194,898,000 |
| Md. Toufiqul Islam | 19,489,800 | 19,489,800 | 15.25% | 194,898,000 | 194,898,000 |
| Md. Toriqul Islam | 25,083,960 | 25,083,960 | 19.63% | 250,839,600 | 250,839,600 |
| Aman Agro Industries Ltd. | 2,874,960 | 2,874,960 | 2.25% | 28,749,600 | 28,749,600 |
| Aman Cold Storage Ltd. | 11,057 | 311,057 | 0.01% | 110,570 | 110,570 |
| Milan Cold Storage Ltd. | 11,057 | 311,057 | 0.01% | 110,570 | 110,570 |
| General public | 46,919,726 | 46,319,726 | 36.72% | 469,197,260 | 469,197,260 |
| Total | 127,776,000 | 127,776,000 | 100.00% | 1,277,760,000 | 1,277,760,000 |

10.02 Classification of Shares by holding :

| Slabs by number of shares | No. of Shareholders | No. of Shareholders |
|---------------------------|---------------------|---------------------|
| Less than 500 | 2,950 | 2,792 |
| From 501 to 5,000 | 2,553 | 2,611 |
| From 5001 to 10000 | 597 | 497 |
| From 10,001 to 20,000 | 100 | 358 |
| From 20001 to 30000 | 195 | 97 |
| From 30,001 to 40,000 | 20 | 53 |
| From 40001 to 50000 | 75 | 34 |
| From 50,001 to 100,000 | 30 | 43 |
| From 100,001 to 1,000,000 | 5 | 38 |
| Above 1,000,000 | 10 | 10 |
| Total | 6,535 | 6,533 |

| No. of Shares | No. of Shares |
|--------------------|--------------------|
| 720,520 | 607,653 |
| 2,750,495 | 5,887,380 |
| 6,125,985 | 3,071,967 |
| 3,642,704 | 3,972,704 |
| 4,150,250 | 2,403,207 |
| 795,000 | 1,824,089 |
| 3,182,950 | 1,481,068 |
| 1,780,292 | 2,991,628 |
| 2,980,220 | 8,029,304 |
| 101,647,584 | 97,507,000 |
| 127,776,000 | 127,776,000 |

11.00 Share premium

Share premium

| Amount in Taka 30-Jun-20 | Amount in Taka 30-Jun-19 |
|-----------------------------|-----------------------------|
| 520,000,000 | 520,000,000 |

This represents amount paid by the public shareholders as premium against Initial Public Offering (IPO) @ Tk.26 per share as approved by the Bangladesh Securities and Exchange Commission (BSEC). The total number of public offering shares is 2 crore.

12.00 Retained Earnings

| | | |
|---|----------------------|----------------------|
| Opening Balanc | 2,232,105,195 | 2,101,869,956 |
| Add : Profit for the year | 346,265,556 | 478,715,239 |
| Less: Transfer to share capital for stock dividend for the year 2017-2018 | - | (116,160,000) |
| Less: Cash dividend payable for the year 2018-2019 | (58,677,300) | (232,320,000) |
| Closing Balance | 2,519,693,451 | 2,232,105,195 |

| | Amount in Taka 30-Jun-20 | Amount in Taka 30-Jun-19 |
|---|-----------------------------|-----------------------------|
| 13.00 Revaluation Surplus | | |
| Fair Value of Land and Land Development | 170,400,000 | 170,400,000 |
| Less: Book Value of Land and Land Development | 39,240,321 | 39,240,321 |
| Revaluation Surplus | 131,159,679 | 131,159,679 |
| Less : Tax on revaluation Surplus @ 2% as per section 53(H) | (2,623,194) | (2,623,194) |
| Net Balance of Revaluation surplus | 128,536,485 | 128,536,485 |

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

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

Date of Revaluation: 15 May, 2013

14.00 Long Term Loan

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

| | | |
|---------------------------------------|----------------------|----------------------|
| Opening Balance | 1,667,376,187 | 32,254,794 |
| Add: Received during the year | - | 1,644,265,419 |
| Add: Charges for the year | - | - |
| Add: Profit /Interest for the year | 214,051,080 | 5,070,966 |
| | 1,881,427,267 | 1,681,591,179 |
| Less: Paid during the year | | |
| Principal | (7,620,382) | (9,144,026) |
| Interest | - | (5,070,966) |
| Closing Balance | 1,873,806,885 | 1,667,376,187 |
| Less: Current Maturity | (154,256,587) | (103,981,295) |
| Balance after current maturity | 1,719,550,298 | 1,563,394,892 |

A legal litigation is running between AB Bank Limited and Aman Feed Limited under section 138 read with 140 of the Negotiable Instruments Act, 1881.

15.00 Lease Obligation

| | | |
|---------------------------------------|---|-------------------|
| National Finance Limited Note - 15.01 | - | 12,860,915 |
| Hajj Finance Limited Note - 15.02 | - | 105,281 |
| | - | 12,966,196 |

15.01 National Finance Limited

This represents loan from National Finance Ltd., Principal Branch, Dhaka for business expansion.

| | | |
|---------------------------------------|-------------------|-------------------|
| Opening Balance | 51,402,545 | 85,818,175 |
| Add: Received during the year | - | - |
| Add: Profit /Interest for the year | 3,231,495 | 9,214,498 |
| | 54,634,040 | 95,032,673 |
| Less: Paid during the year | | |
| Principal | (21,966,136) | (34,415,630) |
| Interest | (3,231,495) | (9,214,498) |
| Closing Balance | 29,436,409 | 51,402,545 |
| Less: Current Maturity | (29,436,409) | (38,541,631) |
| Balance after current maturity | - | 12,860,915 |

Financial institution: National Finance Limited.

Sanction Limit : Tk. 200,000,000

Sanction Date: 02.11.2014

Tenure : 10.12.2014 to 10.11.2019

Rate of Interest / Profit : @ 17.00%

Security : Personal guarantee of all directors of the company.

| | Amount in Taka 30-Jun-20 | Amount in Taka 30-Jun-19 |
|--|-----------------------------|-----------------------------|
| 15.02 Hajj Finance Limited | | |
| Opening Balance | 3,186,692 | 6,722,172 |
| Add: Received during the year | - | - |
| Add: Interest for the year | 276,234 | 768,175 |
| | 3,462,926 | 7,490,348 |
| Less: Payments made during the year | (3,462,926) | (4,303,656) |
| Closing Balance | - | 3,186,692 |
| Less : Current Maturity | - | (3,081,411) |
| Closing balance net of current maturity | - | 105,281 |
| Lease Company : Hajj Finance Company Ltd. | | |
| Sanction Date : 02.12.2014 | | |
| Maturity Date : 02.12.2019 | | |
| Rate of Interest / Profit : @ 14.00% | | |
| Lease Assets : 10 Cars (Reconditioned Sedan cars) | | |
| Type of Lease : Finance Lease | | |
| Reference No. HFCL/BMMCB/FID/CORP-IWI/1214/2042 | | |

Lease obligation are payables as follows:

| In Amount of Taka | Present value of minimum lease payments | |
|----------------------------|---|-------------------|
| | 30-Jun-20 | 30-Jun-19 |
| Less than one year | 29,436,409 | 41,623,041 |
| Between one and five years | - | 12,966,196 |
| More than five years | - | - |
| | 29,436,409 | 54,589,237 |

16.00 Short Term Loan

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

| | | |
|---|----------------------|----------------------|
| TR for BIM -ABBL , Kakrail, Dhaka | 780,668,296 | 694,312,194 |
| Deferred L/C liability-ABBL | - | - |
| Social Islami Bank Limited-UPAS L/C liability | 779,964,061 | 684,179,001 |
| Standard Bank Ltd. CC (Hypo)- 519 | 47,929,563 | 46,281,308 |
| | 1,608,561,920 | 1,424,772,503 |

17.00 Trade Payable

| | | |
|--------------------------------|----------------------|----------------------|
| Opening balance | 41,410,740 | 33,342,347 |
| Add: Purchased During the year | 5,206,792,815 | 6,662,002,992 |
| | 5,248,203,555 | 6,695,345,339 |
| Less: Paid During the year | 5,194,448,309 | 6,653,934,599 |
| Closing balance | 53,755,246 | 41,410,740 |

There is no related party transaction.

| | Amount in Taka 30-Jun-20 | Amount in Taka 30-Jun-19 |
|---|-----------------------------|-----------------------------|
| 18.00 Liabilities for Expenses and Provision | | |
| Salary & Allowances | 10,685,755 | 9,598,726 |
| TA/DA Payable (Sales Staff) | 1,392,854 | 1,281,887 |
| Audit Fee & VAT | 345,000 | 345,000 |
| Gas Bill | 1,058,056 | 174,327 |
| Payable-WPPF Note-18.01 | 61,846,931 | 41,490,875 |
| TDS Payable | 7,774,130 | 24,723,064 |
| VAT Payable | 81,217 | 291,336 |
| Electricity bill | 2,530,205 | 1,007,522 |
| Closing Balance | 85,714,147 | 78,912,737 |
| 18.01 Payable to WPPF | | |
| Opening Balance | 41,490,875 | 41,643,024 |
| Add. Current year provision | 20,356,055 | 28,147,194 |
| Less. Paid during the year | - | (28,299,344) |
| Closing WPPF | 61,846,931 | 41,490,875 |
| 19.00 Dividend payable | | |
| Opening balance | 3,019,993 | 1,509,154 |
| Add. Declared during the year | 58,677,300 | 232,320,000 |
| Less. Paid during the year | (57,702,166) | (230,809,161) |
| Closing balance | 3,995,127 | 3,019,993 |
| 20.00 Net Asset Value (NAV) per share | | |
| Shareholders' Equity including revaluation surplus | 4,445,989,937 | 4,158,401,680 |
| Number of ordinary Shares Outstanding | 127,776,000 | 127,776,000 |
| Net Asset Value - NAV | 34.80 | 32.54 |
| 21.00 Sales | | |
| Sales Value in Taka | | |
| Broiler Feed | 2,923,900,193 | 2,795,661,957 |
| Layer Feed | 2,186,371,766 | 2,090,480,511 |
| Fish Feed | 1,244,645,748 | 1,190,057,299 |
| Cattle Feed | 147,113,840 | 140,661,629 |
| | 6,502,031,547 | 6,216,861,396 |
| Sales Quantity in MT | | |
| Broiler Feed | 69,617 | 66,801 |
| Layer Feed | 64,305 | 61,736 |
| Fish Feed (Rented plant 20,750 MT) | 27,659 | 26,899 |
| Cattle Feed | 5,658 | 5,435 |
| | 167,239 | 160,871 |
| 22.00 Cost of Sales | | |
| Raw materials consumption (Note-22.01) | 4,859,965,163 | 4,648,551,093 |
| Packing materials consumption (Note-22.02) | 251,998,908 | 224,533,100 |
| Factory Overhead (Note-24.03) | 242,149,899 | 207,846,450 |
| Cost of Production | 5,354,113,970 | 5,080,930,642 |
| Opening Finished Goods | 166,915,000 | 125,070,055 |
| Cost of Goods Available for Sale | 5,521,028,970 | 5,206,000,697 |
| Closing Finished Goods | (105,845,025) | (166,915,000) |
| Cost of Sales | 5,415,183,945 | 5,039,085,697 |

| | Amount in Taka 30-Jun-20 | Amount in Taka 30-Jun-19 |
|--|-----------------------------|-----------------------------|
| 22.01 Raw Materials Consumed : | | |
| Opening Raw Materials | 2,067,069,421 | 336,387,904 |
| Purchased during the year [Note-22.01.A] | 4,997,384,835 | 6,379,232,610 |
| Available for Use | 7,064,454,256 | 6,715,620,514 |
| Closing Raw Materials [Note-5.02] | (2,204,489,093) | (2,067,069,421) |
| | 4,859,965,163 | 4,648,551,093 |
| 22.01.A Raw Materials Purchased during the year | | |
| Value in Taka : | | |
| Maize | 2,247,194,673 | 2,868,575,868 |
| Wheat & Wheat Flour | 9,195,801 | 11,738,571 |
| Rice Polish & Bran | 286,772,969 | 366,069,761 |
| Poultry Meal-Booster | 164,928,649 | 210,533,759 |
| Fish meal & Dry Fish | 53,760,809 | 68,626,436 |
| Oilcake & Soyabean Meal | 1,857,710,179 | 2,371,393,388 |
| Medicine & Chemicals | 377,821,754 | 482,294,827 |
| | 4,997,384,835 | 6,379,232,610 |
| Quantity in MT: | | |
| Maize | 107,009 | 141,650 |
| Wheat & Wheat Flour | 354 | 464 |
| Rice Polish & Bran | 7,547 | 10,106 |
| Poultry Meal-Booster | 3,748 | 4,887 |
| Fish meal & Dry Fish | 498 | 653 |
| Oilcake & Soyabean Meal | 43,203 | 56,368 |
| | 162,358 | 214,129 |
| 22.02 Packing Materials Consumed | | |
| Opening Packing Materials | 80,224,464 | 21,987,182 |
| Purchased during the year [Note- 22.02.A] | 209,407,980 | 282,770,382 |
| Available for Use | 289,632,444 | 304,757,564 |
| Closing Packing Materials [Note-5.03] | (37,633,536) | (80,224,464) |
| | 251,998,908 | 224,533,100 |
| 22.02.A Packing Materials Purchased During the year | | |
| Value in Taka : | | |
| WPP Bag | 209,407,980 | 282,770,382 |
| | 209,407,980 | 282,770,382 |
| Quantity in PCS. | | |
| WPP Bag | 8,725,333 | 11,909,981 |
| | 8,725,333 | 11,909,981 |
| 22.03 Factory Overhead | | |
| Wages & Allowances | 33,633,611 | 23,402,424 |
| Factory Salary & Allowances | 47,403,011 | 38,133,941 |
| Spare Parts | 45,308,556 | 43,321,385 |
| Oil & Lubricants | 461,150 | 440,925 |
| Daily Labour | 20,723,707 | 19,814,794 |
| Factory Maintenance | 1,231,790 | 1,177,765 |
| Laboratory Expenses | 384,437 | 367,576 |
| Gas Bill | 11,854,318 | 2,378,382 |

| | Amount in Taka 30-Jun-20 | Amount in Taka 30-Jun-19 |
|--|-----------------------------|-----------------------------|
| Electricity Bill | 23,840,769 | 15,209,076 |
| VAT on factory rent | 180,000 | 180,000 |
| Factory rent | 1,200,000 | 1,200,000 |
| Depreciation on Manufacturing Assets | 55,928,550 | 62,220,182 |
| | 242,149,899 | 207,846,450 |
| 23.00 Administrative Expenses | | |
| Salaries & Allowances | 32,338,735 | 27,974,147 |
| Director's Remuneration | 9,600,000 | 9,600,000 |
| Board Meeting Attendance Fee | 290,000 | 285,000 |
| Stationeries | 272,668 | 260,709 |
| Postage, Telephone & Internet | 1,535,282 | 1,467,947 |
| Entertainment | 1,315,106 | 1,257,427 |
| Office Rent | 756,000 | 756,840 |
| Maintenance expenses | 858,627 | 820,969 |
| Fuel & Lubricants | 361,750 | 345,884 |
| Vehicle Maintenance | 1,354,079 | 1,294,691 |
| Insurance Premium | 448,856 | 429,170 |
| Staff Fooding Expenses | 4,512,931 | 4,315,000 |
| Medical Expenses | 392,768 | 375,542 |
| Licenses & Others | 1,775,509 | 3,036,407 |
| Expenses-AGM | 576,472 | 523,514 |
| Share transfer fees | - | 6,000 |
| Audit Fees & VAT | 345,000 | 345,000 |
| Rent, Rates & Taxes | 1,288,531 | 1,232,018 |
| Travelling & Conveyance | 5,129,818 | 4,904,831 |
| Newspaper & yearicals | 13,079 | 12,505 |
| VAT on Office rent | 113,400 | 113,526 |
| Bank Charges | 1,284,414 | 1,224,375 |
| Cleaning & Gardening Expenses | 11,999 | 11,473 |
| Depreciation on Non Manufacturing Assets | 2,943,608 | 3,274,746 |
| | 67,518,632 | 63,867,721 |
| 24.00 Selling and Distribution Expenses | | |
| Salaries & Allowances | 46,496,371 | 40,338,626 |
| Target Incentive Bonus | 7,099,753 | 6,788,368 |
| Godown expenses | 3,539,164 | 5,835,880 |
| Advertisement | 4,541,759 | 3,966,935 |
| Travelling & Conveyance | 12,752,840 | 12,193,518 |
| Promotional Expenses | 15,620,275 | 14,935,191 |
| Seminar Expenses | 2,723,370 | 2,603,927 |
| Free Sample | 5,594,947 | 5,349,560 |
| Dealer Sale Target Award Expenses | 8,093,776 | 7,738,794 |
| Carriage Outward | 45,049,666 | 43,073,850 |
| Daily labour | 16,193,093 | 15,482,886 |
| | 167,705,014 | 158,307,535 |

| | Amount in Taka 30-Jun-20 | Amount in Taka 30-Jun-19 |
|---|-----------------------------|-----------------------------|
| 25.00 Financial Expenses | | |
| Profit / Rent(Interest) on HPSM A/C -ABBL | 214,051,080 | 5,070,966 |
| Profit(Interest) on Bai Muajjal & TR A/C -ABBL | 107,155,597 | 285,224,334 |
| Interest on CC(Hypo) Loan - Standard Bank Ltd. | 5,017,533 | 4,217,202 |
| Interest on Term loan-NFL | 3,231,495 | 9,214,498 |
| Interest on UPAS L/C- Social Islami Bank Ltd. | 95,785,060 | 62,714,137 |
| Interest on Lease Obligation - Hajj Finance Limited | 276,234 | 760,614 |
| | 425,516,999 | 367,201,752 |
| Less: Interest on FDR | (1,296,339) | (2,621,760) |
| | 424,220,660 | 364,579,992 |
| 26.00 Other Income | | |
| Discount | 73,869 | 70,629 |
| Total other income | 73,869 | 70,629 |
| 27.00 Provision for current tax | | |
| 27.01 Current Tax - | | |
| Profit Before Tax except Other Income | 407,047,241 | 562,873,256 |
| Add: Accounting Depreciation | 58,872,158 | 65,494,928 |
| Less: Tax Depreciation | (100,572,323) | (125,087,958) |
| Taxable Income for the year | 365,347,076 | 503,280,225 |
| Rate of Tax | | |
| Tax on business | 54,582,061 | 75,272,034 |
| Tax under Sec 16 CCC (Turnover Tax @ 0.60%) | 23,407,757 | 22,381,125 |
| Add: Tax on Other Income @ 25% | 18,467 | 17,657 |
| Total Provision for the year | 54,600,529 | 75,289,691 |
| 27.01.A Net Tax Liability : | | |
| Opening Balance | 326,556,798 | 251,267,107 |
| Add: Provision made for the year | 54,600,529 | 75,289,691 |
| Add: adjustment | - | - |
| Total Payable | 381,157,326 | 326,556,798 |
| Less : Tax Paid during the year: | | |
| Tax Liability paid | - | - |
| Adjustment of Tax Liability | - | - |
| Total tax paid during the year | - | - |
| Total tax liability | 381,157,326 | 326,556,798 |
| AIT paid | (10,454,718) | (42,981,136) |
| Net Tax Liability as at Closing | 370,702,608 | 283,575,662 |

Provision of tax made @ 3% on first 10 lac, 10% on next 20 lac and 15% on balance as per SRO No. 199-Ain-Income Tax/2015 dated 30 June 2015.

| | Amount in Taka 30-Jun-20 | Amount in Taka 30-Jun-19 |
|--|-----------------------------|-----------------------------|
| 27.02 Deferred Tax | | |
| Carrying Amount of the PPE (Except Land) | 1,058,681,274 | 1,114,990,275 |
| Tax Base of the PPE (Except Land) | 403,380,662 | 501,389,829 |
| Taxable Temporary Difference | 655,300,611 | 613,600,446 |
| Tax Rate | 15% | 15% |
| Deferred Tax Liability (except revaluation) | 98,295,092 | 92,040,067 |
| Total deferred tax liability | 98,295,092 | 92,040,067 |
| Opening Deffered Tax Liability | 92,040,067 | 83,101,112 |
| Add : Tax on revaluation surplus (Note # 13.00) | | |
| Add.Provision | 6,255,025 | 8,938,955 |
| Total deferred tax liability as at 30 June | 98,295,091 | 92,040,067 |
| Deferred Tax Liability as at 30 June (except revaluation) | 98,295,091 | 92,040,067 |
| Deferred Tax Liability at opening balance | 92,040,067 | 83,101,112 |
| Deferred Tax Expenses /Income | 6,255,025 | 8,938,955 |
| 28.00 Earning Per Share(EPS) | | |
| 28.01 Basic Earning Per Share : | | |
| Basic Earning Per Share (A+B): | 2.71 | 3.75 |
| A. Net Profit from the Core Business | 346,191,688 | 478,644,610 |
| Weighted average no. of shares outstanding | 127,776,000 | 127,776,000 |
| Basic EPS on Core Business | 2.71 | 3.75 |
| B. Extra Ordinary Income (Other Income net off Tax) | 55,402 | 52,972 |
| Weighted average no. of shares outstanding | 127,776,000 | 127,776,000 |
| Basic EPS on Extra Ordinary Income | 0.0004 | 0.0004 |
| 28.02 Weighted average /Total existing number of shares : | | |
| Total existing number of shares | | |
| Opening number of shares outstanding [considered FV Tk.10 each] | 127,776,000 | 116,160,000 |
| Add - Issued during the year | - | - |
| Add - Stock dividend issued during the year | - | 11,616,000 |
| | 127,776,000 | 127,776,000 |
| 29.00 Net Operating Cash Flows Per Share (NOCFPS): | | |
| Net cash flow from operating activities | 187,094,499 | 631,553,760 |
| "Number of Shares outstanding during the year" | 127,776,000 | 127,776,000 |
| Net Operating Cash Flows Per Share (NOCFPS) | 1.46 | 4.94 |

30.00 Related party disclosures:

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

| Particulars | | | Jul'19-Jun'20 | Jul'18-Jun'19 |
|--|---------------------------------|-----------------------|--------------------------|--------------------------|
| Name of the party | Relationship with Company | Nature of transaction | Transacted amount in BDT | Transacted amount in BDT |
| Md. Rafiqul Islam | Chairman & Shareholder | Remuneration | 2,400,000 | 2,400,000 |
| | | Board meeting fee | 55,000 | 55,000 |
| Md. Shofiqul Islam | Managing Director & Shareholder | Remuneration | 2,400,000 | 2,400,000 |
| | | Board meeting fee | 55,000 | 55,000 |
| Md. Toufiqul Islam | Director & Shareholder | Remuneration | 2,400,000 | 2,400,000 |
| | | Board meeting fee | 55,000 | 55,000 |
| Md. Toriqul Islam | Director & Shareholder | Remuneration | 2,400,000 | 2,400,000 |
| | | Board meeting fee | 55,000 | 55,000 |
| Md. Azizul Haque | Nominee Director | Board meeting fee | - | - |
| Mr. Khondker Fowze Muhammed Bin Farid | Independent Director | Board meeting fee | 30,000 | 30,000 |
| Mr. A.F.M. Shamsul Islam | Independent Director | Board meeting fee | 25,000 | 25,000 |
| Mr. Md. Rabiul Haque | Nominated Director | Board meeting fee | 15,000 | 10,000 |
| Anwara Mannan Textiles Mills Limited | Common Director | Inter-company | 20,000,000 | - |
| Aman Chicks Limited | Common Director | Inter-company | 10,950,000 | - |
| Anwara Poultry and Hatchery Limited | Common Director | Inter-company | 22,057,000 | - |
| Aman Food and Beverage Limited | Common Director | Inter-company | 654,000 | - |
| MS. R S & T International | Common Director | Inter-company | 1,000,000 | - |
| Aman Breeders Limited | Common Director | Inter-company | 14,302,824 | - |
| Aman Cotton Fibrous Limited | Common Director | Inter-company | 1,500,000 | - |
| Aman Trading Corporation | Common Director | Inter-company | 20,642,219 | - |
| MS. Islam Brothers & Co. | Common Director | Inter-company | 40,941,383 | - |
| Aman Packaging and Accessories Limited | Common Director | Inter-company | 12,200,000 | - |
| Aman Packaging Limited | Common Director | Inter-company | 56,700,000 | - |

| Particulars | | | Jul'19-Jun'20 | Jul'18-Jun'19 |
|-----------------------------------|---------------------------|-----------------------|--------------------------|--------------------------|
| Name of the party | Relationship with Company | Nature of transaction | Transacted amount in BDT | Transacted amount in BDT |
| Aman Poultry and Hatchery Limited | Common Director | Inter-company | 61,069,143 | - |
| Juvenile Trade International | Common Director | Inter-company | 6,640,000 | - |
| Aman Cement Mills Limited | Common Director | Inter-company | 22,852,159 | - |
| Aman Cement Mills Unit-2 Limited | Common Director | Inter-company | 25,998,130 | - |

31.00 Disclosure of Managerial Remuneration:

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

| Name | Designation | Jul'19-Jun'20 | Jul'18-Jun'19 |
|-----------------------------|-------------------------|---------------|---------------|
| Md. Shofiqul Islam | Managing Director | 2,400,000 | 2,400,000 |
| Shankar Kumar Das ACA, ACMA | Chief Financial Officer | 1,031,127 | 756,689 |
| Mohammad Monirul Islam, FCS | Company Secretary | 1,163,127 | 1,325,402 |

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

| Particulars | Nature of Payment | Jul'19-Jun'20 | Jul'18-Jun'19 |
|-----------------------|----------------------------------|---------------|---------------|
| Directors | Board meeting fee | 290,000 | 265,000 |
| Directors | Remuneration | 9,600,000 | 9,600,000 |
| Officers & Executives | Salary, bonus & other allowances | 133,337,870 | 94,285,199 |

32.00 General :

a) **PF & Gratuity** : The company has no PF & Gratuity Fund scheme as such no provision has been made in the Financial statements as at 30.06.2020.

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

c) Capacity of production :

Capacity utilization during the year is as under:

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

| Description of Products | Installed capacity (MT) | | Actual production (MT) | | Capacity utilization (%) | |
|------------------------------|-------------------------|---------|------------------------|---------|--------------------------|--------|
| | Jun-20 | Jun-19 | Jun-20 | Jun-19 | Jun-20 | Jun-19 |
| Poultry , fish & cattle feed | 148,200 | 148,200 | 144,936 | 111,762 | 97.80% | 75.41% |

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

The production of the installed capacity is detailed as below:

| | Jun-20 | Jun-19 |
|---|----------------|----------------|
| 1) Capacity from July to June = 12 month | 148,200 | 148,200 |
| Weighted average capacity of production | 148,200 | 148,200 |
| Actual production | 144,936 | 111,762 |
| Percentage of actual production to weighted average capacity | 97.80% | 75.41% |

d) No. of Employees:

| Salary Range (Monthly) | Officers & Staffs | | Worker (permanent) | Total |
|----------------------------|-------------------|------------|--------------------|------------|
| | Head Office | Factory | | |
| Not Less than Taka 3,000/= | 184 | 253 | 10 | 447 |
| Less than taka 3,000/= | - | - | - | - |
| Total | 184 | 253 | 10 | 447 |

e) **Events after the balance sheet date:** Subsequent to the Statement of Financial Position date, the Board of Directors in their meeting held on 22 November, 2020 recommended 10.00% cash dividend and 2.5% to the general public shareholders including Sponsors/Directors shareholders for the year ended June 30, 2020. The dividend will be approved by the shareholders at the forthcoming Annual General Meeting and will be paid accordingly.

f) **WPPF:** The company considered and operating WPPF @ 5% on its profit according to Bangladesh Labour Law 2006.

g) **Contingent liabilities & capital commitments:** There is no claim against the company, not acknowledged as debt and no un-availed credit facilities, other than those in the normal course of business, available to the company on 30 June, 2020.

Assessment of the Income Tax upto the Assessment year 2017-2018 has been completed. But assessment for the AY 2018-19 & AY 2019-20 is under process. Therefore, adjustment of the income tax did not made in the financial statements during the year 2020.

AMAN FEED LIMITED

Property Plant & Equipment
As at June 30, 2020

Annexure -A

| PARTICULARS | COST | | Rate of Depreciation | DEPRECIATION | | | Written down value as at 30.06.2020 |
|---------------------------------|----------------------------------|--------------------------|----------------------|------------------------|----------------------------------|--------------------------|-------------------------------------|
| | Opening Balance as at 01.07.2019 | Addition During the year | | Total as at 30.06.2020 | Opening Balance as at 01.07.2019 | Addition During the year | |
| Land & Land Development | 423,463,979 | - | - | - | - | - | 423,463,979 |
| Building & Civil Construction | 1,001,889,146 | - | 2.5% | 130,993,429 | 21,772,393 | 152,765,822 | 849,123,324 |
| Plant & Machinery | 452,904,494 | 1,143,197 | 15% | 252,582,787 | 30,219,736 | 282,802,523 | 171,245,169 |
| Vehicle | 75,172,345 | - | 15% | 34,856,933 | 6,047,312 | 40,904,244 | 34,268,101 |
| Furniture & Fixture | 2,240,080 | 181,450 | 10% | 1,257,978 | 116,355 | 1,374,333 | 1,047,197 |
| Office Equipment | 1,848,308 | 132,900 | 15% | 1,453,064 | 79,222 | 1,532,286 | 448,922 |
| Computer & IT Equipment | 4,461,132 | 1,105,609 | 20% | 2,381,039 | 637,140 | 3,018,180 | 2,548,561 |
| Balance as at 30.06.2020 | 1,961,979,484 | 2,563,156 | | 423,525,230 | 58,872,158 | 482,397,388 | 1,482,145,253 |
| Balance as at 30.06.2019 | 1,956,653,980 | 5,325,504 | | 358,030,302 | 65,494,928 | 423,525,230 | 1,538,454,254 |

| Allocation of Depreciation : | 2019-2020 | 2018-2019 |
|------------------------------|-------------------|-------------------|
| Manufacturing 95% | 55,928,550 | 62,220,182 |
| Other than Manufacturing 5% | 2,943,608 | 3,274,746 |
| | <u>58,872,158</u> | <u>65,494,928</u> |

AMAN FEED LIMITED

Annexure -B

Statement of Inventory Movement
For the year ended 30 June 2020

FINISHED GOODS :

Quantity in MT

| Items | Opening Balance as on 01.07.2019 | Production during the year | Sales during the year | Closing Balance as at 30.06.2020 |
|----------------------------|----------------------------------|----------------------------|-----------------------|----------------------------------|
| Broiler Feed | 2,048 | 68,812 | 69,617 | 1,244 |
| Layer Feed | 1,220 | 63,918 | 64,305 | 833 |
| Fish Feed | 797 | 6,601 | 6,909 | 490 |
| Cattle Feed | 178 | 5,605 | 5,658 | 124 |
| Total Quantity (MT) | 4,244 | 144,936 | 146,489 | 2,691 |

RAW MATERIALS :

Quantity in MT

| Items | Opening Balance as on 01.07.2019 | Purchased during the year | Consumption during the year | Closing Balance as at 30.06.2020 |
|----------------------------|----------------------------------|---------------------------|-----------------------------|----------------------------------|
| Maize | 33,181 | 107,009 | 106,065 | 34,124 |
| Wheat & Wheat Flour | 440 | 354 | 337 | 456 |
| Rice Polish & Bran | 2,723 | 7,547 | 7,501 | 2,768 |
| Poultry Meal-Booster | 2,677 | 3,748 | 3,630 | 2,795 |
| Fishmeal & Dry Fish | 696 | 498 | 472 | 722 |
| Oilcake & Soyabean Extrac. | 25,203 | 43,203 | 42,108 | 26,297 |
| Total Quantity (MT) | 64,919 | 162,358 | 160,115 | 67,163 |

PACKING MATERIALS :

Quantity in Pcs.

| Items | Opening Balance as on 01.07.2019 | Purchased during the year | Consumption during the year | Closing Balance as at 30.06.2020 |
|------------------------------|----------------------------------|---------------------------|-----------------------------|----------------------------------|
| WPP Bag | 3,342,686 | 8,725,333 | 10,499,955 | 1,568,064 |
| Total Quantity (Pcs.) | 3,342,686 | 8,725,333 | 10,499,955 | 1,568,064 |

AMAN FEED LIMITED

Annexure -C

Statement of Reconciliation of Net Profit with Cash Flow From Operating Activities
For the year ended 30 June 2020

Reconciliation of Net Profit with Cash Flow From Operating Activities

| Particulars | 30-Jun-20 | 30-Jun-19 |
|--|--------------------|--------------------|
| Net profit after tax | 346,265,556 | 478,715,239 |
| Depreciation | 58,872,158 | 65,494,928 |
| Inventories | (19,594,357) | 196,758,038 |
| Trade and other receivables | (262,284,407) | (243,521,949) |
| Advance deposits and prepayments | (429,857,992) | (304,976,608) |
| Trade payable | 12,344,506 | 8,068,393 |
| Liabilities for expenses and provisions | 6,801,410 | 25,258,846 |
| Deferred tax liability | 6,255,025 | 8,938,955 |
| Provision for current tax | 54,600,529 | 75,289,691 |
| Financial expenses | 424,220,660 | 364,579,992 |
| Other income | (73,869) | (70,629) |
| AIT paid | (10,454,718) | (42,981,136) |
| Net cash flow from operating activities | 187,094,500 | 631,553,759 |

Aman Feed Ltd.

Registered Office: Singhogati, Ullapara, Sirajganj
Corporate Office: 2 Ishakha Avenue, Sector-6, Uttara, Dhaka-1230

Notice of the 15th Annual General Meeting

Notice is hereby given that the 15th Annual General Meeting of Aman Feed Ltd. will be held on Thursday, 29th April, 2021 at 11.00 am at Digital Platform 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 2020 together with the Auditors' Report thereon.
2. Declaration of Dividend for the year ended 30th June 2020 as recommended by the Board of Directors.
3. Retire/Re-election of Directors.
4. Appointment of Auditors and fixation of their remuneration.
5. To transact any other business with the permission of chair.

Date: Dhaka
12th April, 2021

By order of the Board of Directors
Sd/-
Mohammad Monirul Islam, FCS
Company Secretary

Notes:

1. Members whose names appeared on the Members/Depository Register as on 'Record Date' i.e. Sunday, December 13, 2020 are eligible to attend the 15th Annual General Meeting (AGM) and entitled to receive the dividend,
2. Pursuant to the Bangladesh Securities and Exchange Commission's Order No.SEC/SRMIC/94-231/25 dated 08 July 2020, the AGM will be conducted via live webcast by using digital platform.
3. The Members will be able to submit their questions/comments and vote electronically 24 hours before commencement of the AGM and during the AGM. For logging in to the system, the Members need to put their 16-digit Beneficial Owner (BO) ID number and other credential as proof of their identity by visiting the link <https://amanfeed.bdvirtualagm.com>
4. Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, the soft copy of the Annual Report 2019-2020 is being sent to the email addresses of the Members available in their Beneficial Owner (BO) accounts maintained with the Depository. The Members are requested to update their email addresses through their respective Depository Participant (DP). The soft copy of the Annual Report 2019-2020 will also be available on the Company's website at: www.amanfeed.com
5. Aman Feed Limited is concerned about the environment and utilizes natural resources in a sustainable way. We request the members to update their respective BO Account with 12 Digit e-TIN, Bank Account, Mailing Address and Contact Number through their respective Depository Participant (DP) for quicker and easier communication. Such cooperation will help conserve paper and minimize the impact on the environment.
6. 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.
7. The concerned Brokerage Houses/DPs are requested to provide us the statement (both of hard copy & soft copy) with details of their margin loan holders entitled to Dividend for the year ended on 30 June 2020. The statement should include Shareholders Name, BOID Number, Client-wise shareholding position, contact person etc.

Aman Feed Ltd.

Registered Office: Singhogati, Ullapara, Sirajganj
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 Feed Limited hereby
appoint of _____ as my/ our proxy to attend
and vote for me/us and on my/our behalf at the 15th Annual General Meeting to be held on Thursday the 29th
April 2021 at 11.00 a.m. at Digital Platform and any adjournment thereof and the poll may be taken in
consequence thereof.

As witness my/our hand this _____ day of _____ 2021.

(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 Feed Limited

Signature Verified

Aman Feed Ltd.

SHAREHOLDERS' ATTENDANCE SLIP

I/We hereby record my/our presence at the 15th Annual General Meeting of the Company on 29th April 2021 at Digital Platform.

Name of Shareholder/Proxy _____

BO Account No _____ holding of _____

Ordinary shares of Aman Feed 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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গড়াগড়ি



আমান ফিড
AMAN FEED

আমান ফিড

সুস্বাদু খাবার, সফল খামার



আমান ফিড লিমিটেড
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AMAN FEED LIMITED

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