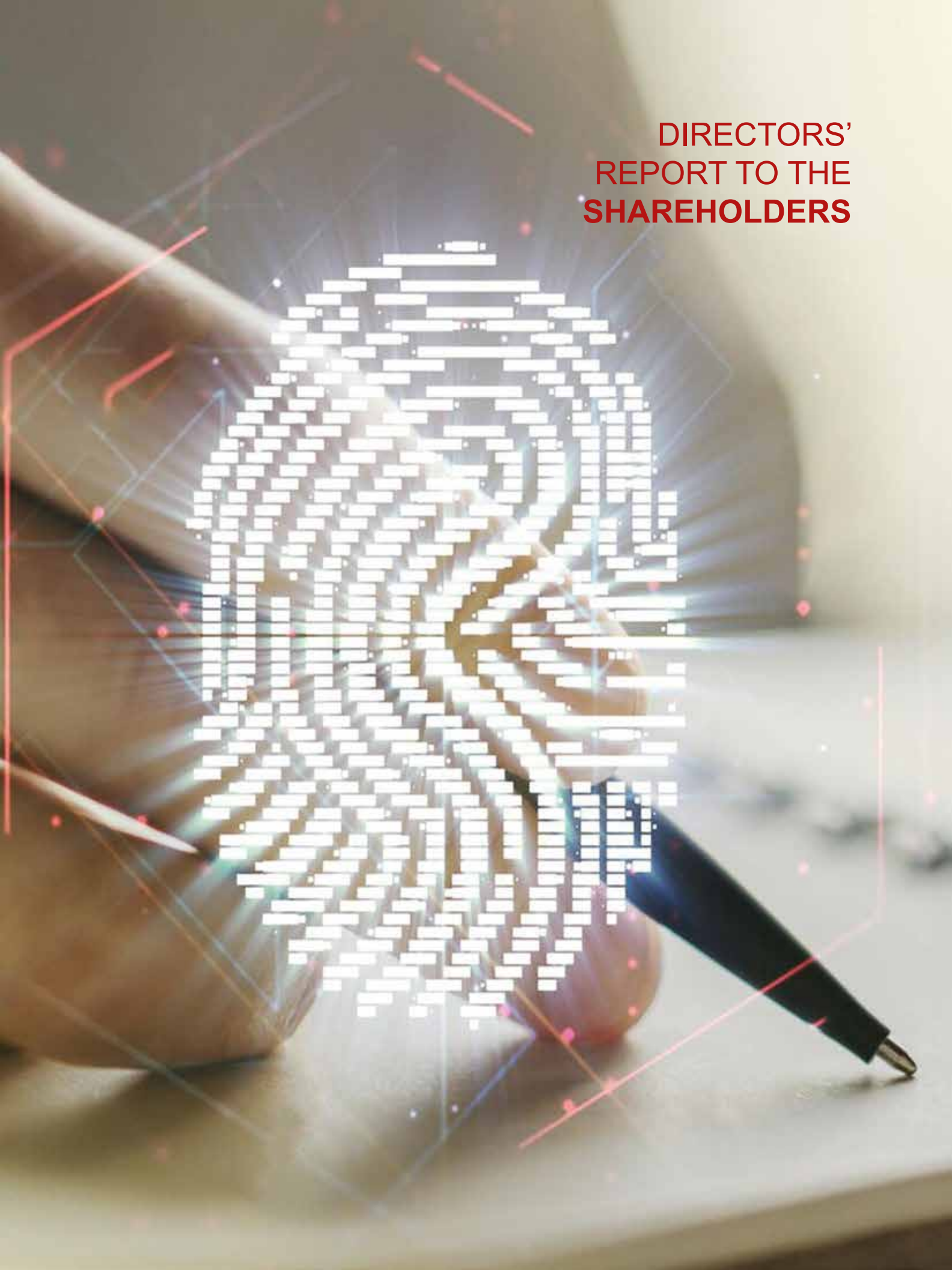


**DIRECTORS'
REPORT TO THE
SHAREHOLDERS**



DIRECTORS' REPORT TO THE SHAREHOLDERS

For the Year Ended 30th June 2022.

Dear Valued Shareholders,
Assalamu-Alikum,

On behalf of the Board of Directors and Management, I welcome you all to the 17th 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 2022 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 Code 2018 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 198,212 MT feed of which Broiler Feed 78,127 MT, Layer Feed 68,351 MT, Fish Feed 45,210 MT and Cattle Feed 6,525MT and aggregate earning revenue of Tk. 10,319,605,896. The production capacity utilized in 2021-2022 remained almost stable which is approximately 96.63% of its install capacity.

Financial Results

During the year the company achieves gross profit of TK. 1,141,449,004 and earlier it was Tk. 1,106,988,125. The Company also recorded the net profit before tax during the year at Tk.154,021,563 over the last year profit at Tk. 386,783,502. The earnings per share (EPS) and net asset value per share (NAV) is Tk. 0.84 and Tk. 32.52 respectively.

Dividend

The Board of Directors of your company are pleased to recommended 10.00 % Cash Dividend for general shareholders other than sponsors shareholders of the Company for the year ended 30th June 2022, subject to the approval of the shareholders in the 17th 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 17th Annual General Meeting by rotation and being eligible, offer himself for re-appointment as per Articles 132 of the Articles of Association of the company. A brief resume, nature of expertise, the name of company in which Mr. Md. Rafiqul Islam and Mr. Md. Shofiqul Islam hold directorship is also presented on this report.

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 :

Name of the party	Relationship with Company	Nature of transaction	Jul'21-Jun'22	Jul'20-Jun'21
			Transacted amount in BDT	Transacted amount in BDT
Md. Rafiqul Islam	Chairman & Shareholder	Remuneration	1,200,000	2,400,000
		Board meeting fee	50,000	55,000
Md. Shofiqul Islam	Managing Director & Shareholder	Remuneration	1,200,000	2,400,000
		Board meeting fee	50,000	55,000
Md. Toufiqul Islam	Director & Shareholder	Remuneration	1,200,000	2,400,000
		Board meeting fee	50,000	55,000
Md. Toriqul Islam	Director & Shareholder	Remuneration	1,200,000	2,400,000
		Board meeting fee	30,000	55,000
Mr. Md. Iftikhar-Uz- Zaman	Independent Director	Board meeting fee	42,500	35,000
Mr. Md. Mizanur Rahman	Independent Director	Board meeting fee	42,500	30,000
Mr. Md. Rabiul Haque	Nominated Director	Board meeting fee	20,000	20,000
Anwara Mannan Textiles Mills Limited	Common Director	Inter-company	23,762,000	21,800,000
Aman Chicks Limited	Common Director	Inter-company	13,009,695	11,935,500
Anwara Poultry and Hatchery Limited	Common Director	Inter-company	26,205,922	24,042,130
Aman Food and Beverage Limited	Common Director	Inter-company	777,017	712,860
MS. R S & T International	Common Director	Inter-company	1,188,100	1,090,000
Aman Breeders Limited	Common Director	Inter-company	16,993,185	15,590,078
Aman Cotton Fibrous Limited	Common Director	Inter-company	1,782,150	1,635,000
Aman Trading Corporation	Common Director	Inter-company	24,525,021	22,500,019
MS. Islam Brothers & Co.	Common Director	Inter-company	48,642,457	44,626,107
Aman Packaging and Accessories Limited	Common Director	Inter-company	14,494,820	13,298,000
Aman Packaging Limited	Common Director	Inter-company	67,365,270	61,803,000
Aman Poultry and Hatchery Limited	Common Director	Inter-company	72,556,249	66,565,366
Juvenile Trade International	Common Director	Inter-company	7,888,984	7,237,600
Aman Cement Mills Limited	Common Director	Inter-company	27,150,650	24,908,853
Aman Cement Mills Unit-2 Limited	Common Director	Inter-company	30,888,379	28,337,962
G.H.N. Ershad	Chief Operating Officer	Salary Advance	3,600,000	-

UNCLAIMED/UNSETTLED DIVIDEND 2015 TO 2021

The unclaimed/unsettled cash dividend for the year from 2015 to 2018 has been deposited to the Capital market Stabilization (CMS) Fund as instructed by the Bangladesh Securities and Exchange Commission.

Summary of unclaimed/unsettled cash dividend transferred to CMS Fund (year-wise):

Deposited to CMS Fund:	Amount in Taka
2014-2015	85,848.28
2015-2016	321,613.70
2016-2017	367,101.17
2017-2018	853,911.44
Total Deposited to CMS Fund	1,628,474.59

Unclaimed/unpaid or Undistributed Cash Dividend hold by company (year- wise) :

SL#	Financial Year	Sponsor Directors/Directors Unclaimed/Undistributed Cash Dividend Amount (BDT.) (A)	General Shareholders Unclaimed/Undistributed Cash Dividend Amount (BDT.) (B)	Unclaimed/Undistributed Cash Dividend Amount (BDT) C = (A+B)
01	2018-2019	-	1,022,613.78	1,022,613.78
02	2019-2020	72,463,248.00	539,080.43	73,002,328.43
03	2020-2021	-	804,959.79	804,959.79
Grand Total:		72,463,248.00	2,366,654.00	74,829,902.00

FINANCE



FINANCIAL HIGHLIGHTS

	2022	2021	2020	2019	2018
ASSETS EMPLOYED					
Total Assets	9,546,521,052	8,967,082,833	8,156,475,218	7,422,843,070	7,564,392,402
Total Current Assets	8,151,373,125	7,527,920,513	6,669,478,956	5,879,537,816	5,960,917,724
Property Plant & Equipment	1,390,296,927	1,434,311,319	1,482,145,253	1,538,454,254	1,538,454,254
Inventories	2,268,576,198	2,113,106,430	1,956,587,068	1,936,992,711	2,557,987,621
Accounts Receivable	3,259,670,554	3,192,971,440	2,770,656,345	2,507,001,730	2,260,787,392
FINANCED BY					
Share Capital	1,309,704,000	1,309,704,000	1,277,760,000	1,277,760,000	1,161,600,000
Revaluation Reserve	127,224,889	127,224,889	127,224,889	127,224,889	128,536,485
Retained Earnings	2,302,711,273	2,264,599,496	2,092,833,387	1,805,245,129	2,101,869,956
REVENUE AND PROFIT					
Revenue Earned	10,319,605,896	7,285,684,348	6,502,031,547	6,216,861,396	5,280,184,252
Gross Profit	1,141,449,004	1,106,988,125	1,086,847,603	1,177,775,698	1,082,979,536
Net Profit Before Tax	154,021,563	386,783,502	407,121,111	562,943,885	628,874,303
Net Profit After Tax	110,284,861	331,486,110	346,265,557	478,715,239	537,371,110

Board of Directors Meeting

During the year ended 30 June 2022 Ten Board Meetings were held. The attendance of the Board of Directors' Meeting by each director is shown as follows:

Name of the Directors	Attendance	Remarks
Md.Rafiqul Islam	10	
Md.Shofiqul Islam	10	
Md.Toufiqul Islam	10	
Md.Toriqul Islam	06	
Md. Mizanur Rahman	08	
Md. Iftikhar-Uz-Zaman	08	
Mr. Md. Rabiul Haque	04	

Auditors

The present auditor of the company, G. Kibria & Co., Chartered Accountants, has completed audit for the year 2021-22 and they will retire in the 17th Annual General Meeting. G. Kibria & Co., Chartered Accountants expressing their interested for continuing a statutory auditor of the company for the financial year 2022-2023. The audit committee has proposed the name of G. KIBRIA & Co., Chartered Accountants for re-appointment as statutory auditor of the company with remuneration of Tk. 400,000 (Four Lac) only including tax and Excluding VAT which approved by the shareholder in the 17th Annual General Meeting.

Patterns of Shareholding Position

Allotment-wise total capital

Particulars of Allotment	Date of Allotment	Number of shares issued		Amount of share capital (Taka)
		No. of share Consideration other than Cash	No. of share Consideration other than Cash	
First(subscription to the Memorandum	07.02.2005	200,000	---	2,000,000.00
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)	24.06.2015	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
Eight Allotment (Bonus Share)	29.04.2021		3,194,400	31,944,000
Total		20,200,000	110,770,400	1,309,704,000.00

Director position of Qualified Opinion:

1. We are aware of the provisions of labor laws relating to WPPF for which we made provisions of WPPF in the annual financial statements for its subsequent disbursement to the recipients. But due to time-to-time lockdown for COVID-19, non-availability of the concerned employees and non-availability of liquid fund in time, the documentation and disbursing process has been delayed inordinately. The recognition of this liability in the financial statements shall ensure payments/disbursements in future upon situation being favorable to the Company. There is no dearth of our commitments.
2. Aman Feed Limited declared 10% of cash dividends in FY 2019-2020 and made payments to the shareholders in all the categories except to the members constitute the Board of Directors including sponsor directors. Thus, core public interest in the company was been fully secured and performed.

The Board members decided to not withdraw the dividend to meet the working capital during the hard time of the Company following severe outbreak of COVID-19 Pandemic, Ukraine and Russia war which could have adversely affected the country's business activities. However, the due dividend will be paid when liquidity becomes favorable after ensuring necessary working capital and supply chain requirements. It is for the reasons stated above the fund could not be placed in the separate Dividend Bank Account.

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 2021-2022 (MT)	Product Name
Broiler Feed	77,875	39.39%
Layer Feed	68,241	34.52%
Fish Feed	45,060	22.80%
Cattle Feed	6,509	3.29%
Total	197,686	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 brighter. 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 with industry best practice and takes account of 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 42.00% growth in sales revenue to BDT 10,319,605,896. The cost of Goods sold increased by 49% 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 to upgrade 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 set the top priority to use raw materials effectively and reduction of 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 arranging 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 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