



**Directors'
Report to the
Shareholders**

Directors' Report to the Shareholders

For the Year Ended 30th June 2023

Dear Valued Shareholders,

Assalamu-Alikum,

On behalf of the Board of Directors and Management, I welcome you all to the 18th 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 2023 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 208,552 MT feed of which Broiler Feed 80,804MT, Layer Feed 74,764 MT, Fish Feed 46,386 MT and Cattle Feed 6,598 MT and aggregate earning revenue of Tk. 12,224,274,250. The production capacity utilized in 2022-2023 remained almost stable which is approximately 98.82% of its install capacity.

Financial Results

During the year the company achieves gross profit of Tk. 1,310,942,591 and earlier it was Tk. 1,141,449,004. The Company also recorded the net profit before tax during the year at Tk. 74,824,332 over the last year profit at Tk. 154,021,563. The earnings per share (EPS) and net asset value per share (NAV) is Tk. 0.22 and Tk. 28.37 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 2023, subject to the approval of the shareholders in the 18th 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. Toufiqul Islam and Mr. Md. Toriqul Islam, Director of the company shall retire in the 18th Annual General Meeting by rotation and being eligible. They have expressed their interest for being reappointed 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. Toufiqul Islam and Mr. Md. Toriqul Islam hold directorship is also presented on this report.

Independent Director's appointment

As the tenure of Mr. Md. Iftikhar-Uz-Zaman and Mr. Md. Mizanur Rahman elapsed during this fiscal year. We have sent a proposal to Bangladesh Securities and Exchange Commission (BSEC) for the consent of appointment of Brigadier General Tanvir Hasan Majumder (Retired) BSEC vide letter no. BSEC/ICA/CG/2023/63/Part-1/101 dated 2 November 2023 has given us the consent of appointment of Brigadier General Tanvir Hasan Majumder (Retired). The proposal for appointment of Brigadier General Tanvir Hasan Majumder has been submitted before the shareholders for their kind approval. His short Bio is given on page 50.

Directors' remuneration and related party transactions:

Particulars			July '22-June '23	Jul'21-Jun'22
Name of the party	Relationship with Company	Nature of transaction	Transacted amount in BDT	Transacted amount in BDT
Md. Rafiqul Islam	Chairman & Shareholder	Remuneration	-	1,200,000
		Board meeting fee	60,000	50,000
Md. Shofiquil Islam	Managing Director & Shareholder	Remuneration	-	1,200,000
		Board meeting fee	60,000	50,000
Md. Toufiqul Islam	Director & Shareholder	Remuneration	-	1,200,000
		Board meeting fee	60,000	50,000
Md. Toriqul Islam	Director & Shareholder	Remuneration	-	1,200,000
		Board meeting fee	60,000	30,000
Mr. Md. Iftikhar-Uz-Zaman	Independent Director	Board meeting fee	40,000	42,500
Mr. Md. Mizanur Rahman	Independent Director	Board meeting fee	40,000	42,500
Mr. Md. Rabiul Haque	Nominated Director	Board meeting fee	40,000	20,000
Anwara Mannan Textiles Mills Limited	Common Director	Inter-company	25,900,580	23,762,000
Aman Chicks Limited	Common Director	Inter-company	14,180,568	13,009,695
Anwara Poultry and Hatchery Limited	Common Director	Inter-company	28,564,455	26,205,922
Aman Food and Beverage Limited	Common Director	Inter-company	846,949	777,017
MS. R S & T International	Common Director	Inter-company	1,295,029	1,188,100
Aman Breeders Limited	Common Director	Inter-company	18,522,572	16,993,185
Aman Cotton Fibrous Limited	Common Director	Inter-company	1,942,544	1,782,150
Aman Trading Corporation	Common Director	Inter-company	26,732,273	24,525,021
MS. Islam Brothers & Co.	Common Director	Inter-company	53,020,278	48,642,457
Aman Packaging and Accessories Limited	Common Director	Inter-company	15,799,354	14,494,820
Aman Packaging Limited	Common Director	Inter-company	73,428,144	67,365,270
Aman Poultry and Hatchery Limited	Common Director	Inter-company	79,086,311	72,556,249
Juvenile Trade International	Common Director	Inter-company	8,598,993	7,888,984
Aman Cement Mills Limited	Common Director	Inter-company	29,594,208	27,150,650
Aman Cement Mills Unit-2 Limited	Common Director	Inter-company	33,668,333	30,888,379
G.H.N. Ershad	Chief Operating Officer	Salary Advance	1,800,000	3,600,000



Finance

Financial Highlights

	2023	2022	2021	2020	2019
ASSETS EMPLOYED					
Total Assets	9,358,046,707	8,877,413,664	8,348,250,029	8,156,475,218	7,422,843,070
Total Current Assets	8,001,112,232	7,482,265,737	6,909,087,709	6,669,478,956	5,879,537,816
Property Plant & Equipment	1,352,083,476	1,390,296,927	1,434,311,319	1,482,145,253	1,538,454,254
Inventories	2,035,189,876	1,744,061,571	1,588,591,803	1,956,587,068	1,936,992,711
Accounts Receivable	3,448,450,528	3,115,077,793	3,098,653,263	2,770,656,345	2,507,001,730
FINANCED BY					
Share Capital	1,309,704,000	1,309,704,000	1,309,704,000	1,277,760,000	1,277,760,000
Revaluation Reserve	127,224,889	127,224,889	127,224,889	127,224,889	127,224,889
Retained Earnings	1,758,601,724	2,302,711,273	2,264,599,496	2,092,833,387	1,805,245,129
REVENUE AND PROFIT					
Revenue Earned	12,224,274,250	10,319,605,896	7,285,684,348	6,502,031,547	6,216,861,396
Gross Profit	1,310,942,591	1,141,449,004	1,106,988,125	1,086,847,603	1,177,775,698
Net Profit Before Tax	74,824,332	154,021,563	386,783,502	407,121,111	562,943,885
Net Profit After Tax	28,520,467	110,284,861	331,486,110	346,265,557	478,715,239

Unclaimed/Unsettled Dividend

2015 to 2022

The unclaimed/unsettled cash dividend for the year from 2015 to 2019 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
2018-2019	976,946.59
Total Deposited to CMS Fund	2,605,421.18

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

SL#	Financial Year	Sponsor Directors/Directors Unclaimed/Undistributed Cash Dividend Amount (BDT.)	General Shareholders Unclaimed/Undistributed Cash Dividend Amount (BDT.)	Unclaimed/Undistributed Cash Dividend Amount (BDT.)
01	2019-2020	72,463,248.00	537,280.43	73,000,528.43
02	2020-2021	-	703,725.38	703,725.38
03	2021-2022	-	461,892.35	461,892.35
Grand Total:		72,463,248.00	1,702,898.16	74,166,146.16

Note: Details shown in the company website: www.amanfeed.com

Number of Board meeting held in 2022-2023

(1st July 2022 to 30th June 2023)

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	6	
Md. Shofiqul Islam	6	
Md. Toufiqul Islam	6	
Md. Toriqul Islam	6	
Md. Iftikhar-Uz-Zaman	4	
Md. Mizanur Rahman	4	
Mr. Md. Rabiul Haque	4	

Number of Audit Committee meeting held in 2022-2023

(1st July 2022 to 30th June 2023)

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 Members	Attendance	Remarks
Md. Iftikhar-Uz-Zaman	4	
Md. Mizanur Rahman	4	
Md. Rabiul Haque	4	
Partha Protim Das, FCS	4	

Auditors

The present auditor of the company, G. Kibria & Co., Chartered Accountants, has completed audit for the year 2022-2023 and they will retire in the 18th Annual General Meeting. G. Kibria & Co., Chartered Accountants completed his tenure of three consecutive years. Shafiq Basak & Co., Chartered Accountants expressing their interested to be appointed as a statutory auditor of the company for the financial year 2023-2024. The audit committee has recommended the name of SHAFIQ BASAK & Co., Chartered Accountants for appointment as statutory auditor of the company for the financial year 2023-2024 with remuneration of Tk. 450,000 (Four Lac and Fifty Thousand) only including tax and Excluding VAT and Hamidur Rahman & Co., Chartered Accountants as Corporate Governance Auditor of the company for the financial year 2023-2024 with a remuneration of Tk. 90,000.00 only subject to the approval of the shareholders in its 18th Annual General Meeting.

Allotment-wise total capital

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
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

Directors 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.

Recognition of the liability in the financial statements shall ensure payments/disbursements in future upon situation being favorable to the Company.

INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS

The Aman Feed Limited aimed 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, imported from Germany to reach the 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 in future and 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. Three 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 2022-2023 (MT)	Percentage (%)
Broiler Feed	80,777	38.75%
Layer Feed	74,737	35.85%
Fish Feed	46,377	22.24%
Cattle Feed	6,585	3.16%
Total	208,476	100.00

Risk and Concern

Aman Feed Limited (AFL) is operating in a locally competitive industry involving both external and internal factors and 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.

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 which industry best practice and takes account or lessons to learn from publicized operational failures within the Feed manufacturing industry.

The Pattern of Shareholding

Name wise details	No. of Shares
(a) Parent/subsidiary/Associated Companies and other related parties:	
Aman Agro Industries Limited	2,946,834
(b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit:	
Md. Rafiqul Islam, Director	14,243,031
Md. Shofiqul Islam, Director	19,977,045
Md. Toufiqul Islam, Director	19,977,045
Mr. Md. Toriqul Islam, Director	25,711,059
Md. Rabiul Haque, Nominated Director	Nil
Mr. Md. Iftikhar-Uz-Zaman, Independent Director	Nil
Md. Mizanur Rahman, Independent Director	Nil
Mr. Md. Maksudur Rahman, CFO(CC)	Nil
Mr. Partha Protim Das FCS, Company Secretary	Nil
Senior Corporate Executives	Nil
(c) Shareholders holding ten percent (10%) or more voting interest in the company:	
Md. Rafiqul Islam	14,243,031
Md. Shofiqul Islam	19,977,045
Md. Toufiqul Islam	19,977,045
Md. Toriqul Islam	25,711,059

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 an 18.46% growth in sales revenue to BDT 12,224,274,250. The cost of Goods sold increased by 18.91% 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 the control has taken place is 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 Staffs and Executives. The company committed to the staffs and officers 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 plant, 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.
- 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.
- 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.

SPECIAL RESOLUTION:

To pass a special resolution in regard to change the name of the company from “ Aman Feed Ltd.” to “Aman Feed PLC.” As per provision of the Companies Act, 1994(2ND Amendment 2020) and to amend clause-I of Memorandum of Association and Article-3(b) of the Articles of Association of the Company.

The Board of Directors in its meeting held on 28th October 2023 has adopted the following resolution in order to comply with the provision of the Companies Act, 1994(2nd Amendment 2020).

To consider and if thought fit, to pass, with or without modification(s), following resolution as SPECIAL RESOLUTION:

RESOLVED THAT pursuant to Section 11Ka(ka) of the Companies Act, 1994 (2nd Amendment of the Companies Act-1994 of 26th November 2020) and all other applicable provisions, if any, of the Companies Act, 1994, and any other applicable law of Bangladesh, the shareholders be and is hereby, accorded to change the name of the Company from “Aman Feed Ltd.” to “**Aman Feed PLC.**”

FURTHER RESOLVED THAT the Name Clause being Clause I in the Memorandum of Association of the Company be altered accordingly and substituted by the following clause:

I. The name of the Company is “**Aman Feed PLC.**”.

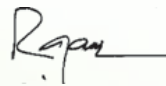
FURTHER RESOLVED THAT in terms of Section 20 of the Companies Act, 1994 the Articles of Association of the Company be altered by deleting the existing name of the Company “Aman Feed Ltd.”, wherever appearing, and substituting it with the new name of the Company, “Aman Feed PLC.”.

AND RESOLVED THAT the Board of Directors or any Committee thereof, be and is hereby, authorized to accept any other name approved by the relevant regulatory authorities and seek approval for the change in the name of the Company accordingly without making any further reference to the members for their approval.

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