



Annual Report 2022-2023



Achia Sea Foods Limited
Producer, Processor & Exporter





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SEAFOOD EXPORT



LETTER OF TRANSMITTAL

The Shareholders,

Bangladesh Securities and Exchange Commission
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.
Registrar of Joint Stock Companies & Firms

Subject: Annual Report for the year ended June 30, 2023

Dear Sir(s),

We are pleased to submit a copy of the Annual Report containing all relevant Reports together With Audited Financial Statements including Statement of Financial Position, Statement of Profit or Loss and other Comprehensive income, changes in Equity and Cash Flows for year ended June 30, 2023 as well it has included commensurate of latest Rules & Regulations of Regulators along with Notes thereon for your kind information and record.

Yours sincerely,

For, **Achia Sea Foods Ltd.,**



Md Elias

Company Secretary

Notice of the 27th Annual General Meeting (AGM)

NOTICE OF THE 27TH ANNUAL GENERAL MEETING

Notice is hereby given that the 27th Annual General Meeting of the Shareholders of Achia Sea Foods Limited will be held on **22th February 2024, Thursday 12.00 PM** at the Digital Platform the following link: **<https://achiasf27.digitalagmbd.net>** (registered office of the company 50/7 Shipyard Road, Labanchara, Khulna, Bangladesh) to transact the following businesses:

AGENDA

1. To receive and adopt the Directors Report and Audited Financial Statement of the company for the year ended 30 June 2023 together with Auditors' Report thereon;
2. To declare dividend for the year ended 30 June 2023;
3. To elect / re-elect Directors;
4. To appoint of the Statutory Auditor for the year ended 30 June 2024 and to fix up their remuneration;
5. To transact any other business with the permission of the chair.
6. Miscellaneous (if/any).

Therefore all the shareholders are requested to attend the meeting on time.

By order of the Board,



(Md Elias)

Company Secretary

Khulna, Bangladesh
Date: 01 February, 2024

NOTES:

- I. The Shareholders whose names appear in the Share Register of the Company and/or Depository Register of CDBL as on record date i.e. on 28th December 2023 would be entitled to attend at the 27th AGM.
- II. The 27th AGM of the Company will be conducted via live webcast through Digital Platform in line with the Order No. SEC/SRMIC/94/231/25, dated 8 July 2020 of Bangladesh Securities and Exchange Commission (BSEC).
- III. 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 into the system, the members need to enter their 16-digit Beneficial Owner (BO) ID number/ Folio Number and other credentials as proof of their identity by visiting the link <https://achiasf27.digitalagmbd.net>
- IV. A Member eligible to attend at the annual General meeting may appoint a proxy to attend on his/her behalf. The "Proxy Form" must be affixed with requisite Revenue Stamp and submitted it at the Registered Office of the Company not later than 48 hours before the time fixed for the Meeting;
- V. Pursuant to the BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018 the Company will send the Annual Report 2022-2023 in soft format to the respective e-mail of the shareholders available in their BO account maintained with the Depository Participant (DP). However, interested shareholders may collect hard copy of the Annual Report 2022-2023 from the Company's share department, by submitting a written request. The soft copy of the Annual Report 2022-2023 will also be available in the Company's website at <https://www.achia-seafoods.com>
- VI. Details login process for the meeting will be available at company's website <https://www.achia-seafoods.com> and the link will be e-mailed to the respective member's e-mail address and by SMS available with the Registers.

VISION, MISSION, VALUES

VISION

To produce hazard free quality and healthy seafood products for our valued customers.



MISSION

We desire to be the leading Sea Foods export oriented Company in Bangladesh, will serves the need of consumers and business in growth segments profitably by ensuring:

- ❑ Quality products & services to our customers.
- ❑ Exceeding Customer satisfaction and gaining trust through quality services;
- ❑ Provide a safe, healthy and rewarding work environment to our staff;
- ❑ Further expanding the market beyond Bangladesh;
- ❑ Fair respectful and consistent working relations to our suppliers and channel partners;
- ❑ Profitable and responsible growth to our Shareholders wealth;



VALUES



CHAIRMANS' MESSAGE



Distinguished Shareholders,

Assalamualikum,

On behalf of the Board of Directors Achia Sea Foods Limited, I welcome you all and take immense pleasure and delight in addressing the 27th Annual General Meeting of the Company. I also want to thank you the honorable shareholders for joining us to make the event successful. I would like to take the opportunity to express my sincere gratitude and deepest thanks for your trust, confidence, continued support and co-operation to the company throughout the year.

Year 2022-23 was full of challenges for the Company. After pandemic Covid -19, the whole world fall into the crisis of Russia & Ukraine war. Due to this emergency, the total frozen food export business of Bangladesh has been abridged. Now we are trying to recover the position and hope will continue our regular business operation in coming future.

I am very happy to inform you that your company has been able to keep strong position in all key areas covering sound management, good earning and market leadership in its field of business. The board of directors of Achia Sea Foods Limited has recommended 5% Cash dividend (Excluding directors and Sponsors) for the year: 2022-23.

You would kindly appreciate on the overall performance of the company in this pandemic and world unrest situation. This result was achieved due to hard work of our people, guidance of our Board of Directors and leadership of our Managing Director who led the business to deliver such results.

I express my sincere appreciation to the Members of the Board, Employees of the company, Valued Customers, Suppliers and the relevant authorities for their support and co-operation to achieve position business in the year 2022-2023.

Sd/-

Md. Ali Azgar Nasir

Chairman

MANAGING DIRECTORS' MESSAGE



Bismillahir Rahmanir Rahim

Honorable Chairman, Respected Members, Shareholders and Other Stakeholders,

Assalamualaikum,

It is a great pleasure for me to be here with you at the 27th AGM (Annual General Meeting) of Achia Sea Foods Limited (ASFL). On behalf of the Board of Directors and myself, I express my heartfelt thanks and profound gratitude to you for your support and trust to us. It is my privilege to present to you ASFL's Annual Report for the year ended June 30, 2023.

We are trying to deliver the value to the shareholders who have trusted us. ASFL, Our company trying to perform well during the year. We believe that our endeavors and team work have enabled ASFL to achieve new milestones by working with integrity and focusing sustainable business development.

I am honored to share my seafood business experience as the founder of this leading seafood processor and exporter of Bangladesh. Seafood is my personal passion. This was started from deep sea and coastal fishing operation supplying domestic and international market. I feel pleasure now that I have the monolithic global business relation with fifty above countries. Our principle is to uphold the quality and safety of our products and services. We are serious about the resource control, chain of raw materials and final products. Our raw material sources are organic, authentic and documented. We ensure our processing, handling and storage under continuous and stringent quality control with documentation. We comply perfectly with all kinds of hygiene and sanitary standards for Int' customers. It is our aim to satisfy the customers with our excellent service and seafood products. Our business pleasantly supports social and cultural activities in the local community as a part of our corporate social responsibility.

In 2023, business around the world is trying to recover the position that was affected because of COVID-19 pandemic and price hike of raw materials due to Russia-Ukraine war. As a background industry of Frozen Foods sector, our company has been suffering as well. We are all challenged in the business world. We all want to be part of a team that leaves a legacy and is remembered for years on what we have accomplished.

It is expected that positive momentum will continue in the coming year. The board of directors of ASFL has recommended 5% Cash (Excluding Directors & Sponsors) dividend for the year 2022-2023.

I will conclude by expressing my personal gratitude and appreciation to our Board of Directors, the management and all employees of Achia Sea Foods Limited for their hard work especially in COVID situation, Russia-Ukraine war and dedication to achieve our objectives and ambitions.

The dedication and commitment of all our employees towards our customers are the main driving force in our performance and I believe that team ASFL will contribute their best for a much better output in future.

Thanking You

Sd/-

Md. Tariqul Islam Zaheer

Managing Director

CORPORATE DIRECTORY

Board of Directors

Md. Ali Azgar Nasir
Chairman

Md. Tariqul Islam Zaheer
Managing Director

Md. Yousha Zaheer
Director

Md. Nadirul Islam Babu
Director

Md. Arfin Ali, FCA
Independent Director

Management

Md. Ali Azgar Nasir
Chairman

Md. Tariqul Islam Zaheer
Managing Director

Prodip Kumer Dey
Head of Plant

Audit Committee

Md. Arfin Ali, FCA
Independent Director

Md. Yousha Zaheer
Member

Md. Nadirul Islam Babu
Member

Nomination & Remuneration Committee

Md. Arfin Ali, FCA
Independent Director

Md. Yousha Zaheer
Member

Md. Nadirul Islam Babu
Member

External Auditor

Islam Quazi Shafique & Co.
Chartered Accountants

Bankers

Mercantile Bank Limited
Khulna Branch, Khulna

Sonali Bank Ltd.
Corporate Branch, Khulna

Islami Bank BD Ltd.
Khulna Branch, Khulna

Dutch Bangla Bank Ltd.
Khulna Branch, Khulna

Southeast Bank Ltd.
Khulna Branch, Khulna

Insurer

Mercantile Islami Insurance Company Limited
Khulna Branch, Khulna

Registered Office

50/7 Shipyard Road, Labanchara, Khulna
E-mail: achiasf@gmail.com
info@achia-seafoods.com

Office & Factory

50/7 Shipyard Road, Labanchara, Khulna
E-mail: achiasf@gmail.com
info@achia-seafoods.com

ACHIA SEA FOODS LIMITED **DIRECTORS & KEY MANAGEMENT TEAM**



Md. Ali Azgar Nasir
Chairman



Md. Tariqul Islam Zaheer
Managing Director



Md. Nadirul Islam Babu
Director



Md. Yousha Zaheer
Director



Md. Arfin Ali, FCA
Independent Director



MR. MD. ALI AZGAR NASIR

Chairman

Md Ali Azgar Nasir is the Chairman of Achia Sea Foods Limited. He is also a shareholder of Sundarban Shrimps Private Limited. Mr. Nasir completed his Bachelor of Arts (BA) from Khulna and then he started working in the food processing industry. He has 16 years' experience of managing the food processing and exporting business altogether. Mr. Nasir is highly experienced in supply chain controlling and managing the business operations. In addition to the business activities, Mr. Ali Azgar Nasir is actively engaged in different social activities. He holds important positions in many social service organizations that strive to improve the social conditions of the country.

MR. MD. TARIQUL ISLAM ZAHEER

Managing Director

Md Tariqul Islam Zaheer is the Managing Director of Achia Sea Foods Limited. Mr. Tariqul Islam Zaheer completed his Bachelor of Arts (BA) from Khulna and then he started working in the food processing industry. He has 22 years' experience of managing the food processing and exporting business altogether. He is highly experienced in supply chain controlling and managing the business operations. He is a Director of the Bangladesh Frozen Foods Exporter Association.

In addition to the business activities, Mr. Tariqul is actively engaged in different social activities. He holds important positions in many social service organizations that strive to improve the social conditions of the country. He is the Director Service Project of the Rotary Club of Rupsha Rotary District 3281, Life-time Member of Khulna Metropolitan Shooting Club, Life Member of Khulna Shishu Foundation, and Member of Khulna Club Limited.



MR. MD. NADIRUL ISLAM BABU

Director

Md Nadirul Islam is the Director of Achia Sea Foods Limited. Mr. Nadirul Islam completed his Bachelor of Arts (BA) and then he started working in the food processing industry. He has 7 years' experience of managing the food processing and exporting business altogether.

Mr. Nadirul Islam is experienced in managing factory production of sea foods as well as he is experienced in procurement of finished products. He has been managing the operations of Achia Sea Foods Limited for the last seven years. Apart from that, Mr. Nadirul Islam is involved in different social activities for the greater good of the society.

MR. MD. YOUSHA ZAHEER

Director

Md Yousha Zaheer is the Director of Achia Sea Foods Limited. Mr Yousha Zaheer completed his Bachelor of Arts (BA) in Environmental science and management and then he started working in the food processing industry. He has 7 years' experience of managing the food processing and exporting business altogether.

Mr. Yousha Zaheer is experienced in managing factory production of sea foods as well as he is experienced in procurement of finished products. He has been managing the operations of Achia Sea Foods Limited for the last seven years. Apart from that, Mr. Yousha Zaheer is involved in different social activities for the greater good of the society.



MR. MD. ARFIN ALI

Independent Director

Md. Arfin Ali has been appointed as Independent Director in the Board of Directors of Achia Sea Foods Limited. He also acts as the Chairman of the Audit Committee of the company. He was born in the district of Khulna on October 25, 1979. He has qualified as Chartered Accountant in the exam held in the session November- December, 2010 under the Institute of Chartered Accountants of Bangladesh (ICAB) vide. Registration no. 13383/06, having roll no. 7362 and enlisted as Fellow Member of the Institute vide enrolment no. 1221. He obtained his Bachelor of Commerce (Pass) degree in Accounting in 2002 and Masters of Commerce degree in Accounting in 2003 from the National University. He acts as a Chief Financial Officer of Otobi Group. He also involved himself with various other business and industrial establishments in Bangladesh.

ACHIA SEA FOODS LIMITED

COMPANY PROFILE

01. Name of the Company	: ACHIA SEA FOODS LIMITED
02. Business of the Company	: Producer, Processor and Exporter of Quality Raw Frozen shrimps, Cooked Shrimps and White Fish.
03. Date of Incorporation	: 27th December, 1993.
04. Date of Operation	: 13th July, 1997
05. Brand Name	: "OCEAN PEARL" & "SITARA"
06. Product Types	a. Head on Shell on (HOSO) b. Headless Shell on (HLSO) c. Easy Peel (EZP) d. Peeled and Deveined Tail off (P&D) e. Peeled and Deveined Tail on (PDTO) f. Peeled and Undeined (PUD) g. Skewer h. Raw, Cooked, Blanched i. IQF, Block, Semi-IQF
07. Sources of Raw Materials	: The Company Processes the farm raised Shrimps received from Government Fish Inspection and Quality Control (FIQC) & EU Approved sources only. All the shrimps are naturally cultured.
08. Machineries and Equipment's	: The Company is equipped with world class and best possible equipment's; a. Plate Freezer: (UK & China) b. Cooker, Chiller, Spiral IQF Freezer, Glazer and Hardener c. Compressors: Grasso (Netherlands), Kirlosker (India) d. Generator: Cummins (England), Baudouin (France) Volvo (weden) e. Flake Ice , Blast Freezer , Grading Machine etc.
09. Quality Control	: The Company possesses a very well set and equipped laboratory with highly professionals capable of carrying out all essential tests check required to ensure best possible hygienic products conforming to the standard as per HACCP.
10. Production Capacity (Daily)	: a. Block: 18 Tons, b. IQF: 15 Tons.



THE CERTIFICATION



COMPANY OVERVIEW

Achia Sea Foods Limited is one of the rising food processing companies, which has started its journey from the year 1993 in Khulna, Bangladesh. The company mainly processes seafood and fishes, and the ultimate sources of the firm's revenue comes from exporting of its products. The company was incorporated in December 27, 1993 as a Private Limited Company registered in Bangladesh vide-registration no. Khulna 178. Its registered office is situated at 50/7, Shipyard Road, Labanchara, Khulna, Bangladesh. The factory is operational in Khulna city as the surrounding areas are the significant place for shrimp's production. Most of the exported sea foods are processed in these areas and its surrounding. The factory adopted HACCP (Hazard analysis and critical control points) systems in its operations, and earned BRC (BRC Certificate No. 0129191). Achia Sea Foods Limited is an export-oriented company. Producing hazard free marine food products for human consumption, and exporting it to the global market are the principal objectives of the company. As a matter of fact, the company has been successfully running its production and exporting operations for more than two decades. Since its establishment Achia Sea Foods Limited has been processing and exporting of the finest quality seafood products "Shrimps & Fish". The quality products and services of the company have earned the approval of European Union approval, and have received KLN-57 from the EU.

Incorporation of top-notch food processing technology and innovative methodology to produce quality food products has helped Achia Sea Foods Limited to gain immense appreciation from its clients. As a result, to that, the company could establish its products as leading food products producer in the global seafood industry. **OCEAN PEARL** and **SITARA** are the name of its two products which are recognized globally. This is manifested in the enviable reputation of its brand in the seafood markets of European Union, United Kingdom, Cyprus, Japan, Korea, Taiwan, Egypt, UAE & other far Eastern countries of Asia. Achia Sea Foods Limited is an honorable member of Bangladesh Frozen Foods Exporters Association (BFFEA), which is established in 1984; and working to promote and protect the interest of Frozen Food processors, Packers and Exporters in the Country.

The company produces a number of products which include but are not limited to Sea Water Black Tiger Head Less Shell on Block Frozen, Sea Water Black Tiger Head on Shell on Semi IQF, Sea Water Black Tiger PUD/P&D Block Frozen, Fresh Water Prawn Head-Less Shell-on Block Frozen, Fresh Water Prawn Head on Shell on Semi IQF, Fresh Water Prawn PUD /P&D Block Frozen, Sea Water Harina PUD Shrimps Block Frozen, Sea Water White PUD Shrimps Block Frozen, Sea Water Red Tiger PUD Shrimps Block Frozen, and Sea Water & Sweet Water Fishes Block Frozen & Semi IQF.

ACHIA SEA FOODS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30TH JUNE, 2023

Honorable Shareholders,

Assalamualaikum.

The Board of Directors of Achia Sea Foods Ltd. (ASFL) takes the pleasure with welcome you in presenting the Audited Statement of Financial Position, Statement of Profit and Loss & Other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the reporting period ended June 30, 2023 along with the Auditors' Report thereon for your valued consideration.

This Report is prepared in Compliance with the Section 184 of the Companies Act, 1994 and Bangladesh Securities and Exchange Commission (BSEC) Notification No BSEC/ CMRRCD/2006-158/207/Admin/80, dated June 03, 2018.

Industry Outlook

While Fiscal 2023 started on a somber note in Bangladesh even after Omicron Variant, the Russia-Ukraine war has destabilized energy markets and supply chains across the world since last year and the rest of the year charted a path to bring normalcy. On the raw material side, production remained stable, aided by Governments' initiatives to support during the pandemic. Further, shrimp prices have been firming up and this has enthused the entire supply chain.

According to Export Promotion Bureau data (EPB), earnings from frozen and live fish exports in FY23 declined by \$110.66 million to \$422.28 million compared with those of \$532.94 million in the previous financial year. The export earnings from the sector in FY23 also fell 33.39 per cent short of the government-set target of \$634.00 million for the year.

Sources at the BFFEA said, that demand for the frozen fish decreased significantly in the western countries due to high inflation. Amid the Russia-Ukraine war the prices of food items increased all over the world, but the prices of shrimps went down as consumers were avoiding luxurious foods to cope up with the inflation. The EPB data showed that export earnings from shrimps in FY23 fell by 26.27 per cent to \$300.26 million compared with those of \$407.25 million in FY22. Earnings from the shrimps in the FY23 fell 39.95 per cent short of the government-set target of \$500 million for the financial year.

According to Bangladesh Frozen Foods Exporters Association (BFFEA), shrimp exports have been declining continuously for seven years. In FY2015-16, 40,702 tons of frozen shrimp were exported from the country. In FY2016-17 it decreased to 39,706 tons. The decline continued at 36,168 tons in FY2017-18, 33,306 tons in FY2018-19, 30,036 tons in FY2019-20, and 30,571 tons in FY2021-22.

Segment wise Performance

We process Shrimp and fish only, so there is no scope for providing any product wise performance report.

Reactions of Risks & Concerns etc

Farmed Shrimp is now being a major exporting commodity for several countries. Excessive use of chemicals such as pesticides, antibiotics and hormones are major concerns for the Shrimp industry. Shrimps Production successfully in the near future the whole sector will expanded several times rapidly. In the Bay of Bengal there is a huge reserve of fin fish. Beside that crab, vegetables and sea weeds have huge possibilities.

Moreover, there is a wide market of value- added products. The demand for Non- conventional products especially organic and sustainable products are increasing. Therefore, industry has a huge potential for both vertical and horizontal expansion. We are already working on introducing these products like organic, sustainable, value added items (e.g.: marinated, fish fillet) and to step into new market along with our existing market.

Boosting Production Growth and Future Developments

Bangladesh has the highest reserve of extensive Black Tiger Shrimp in the world. So, Black Tiger Shrimp should be more focused as it has naturally infrastructures and environment. If farmers can go for semi- intensive and improved cultivation, the production will increase several times.

Directors' Appointment, Retirement and Re-Appointment

With regard to the appointment, retirement and re-appointment of directors, the company is governed by its Articles of Association, the Companies Act, 1994 and other related legislations. Accordingly, the following Directors of the Board will retire at the 27th Annual General Meeting of the company:

1. Mr. Md. Tariqul Islam Zaheer (Managing Director)
2. Mr. Md. Yousha Zaheer (Director)

The above directors are eligible, offer themselves for re-election for next term.

Analysis of Cost of Goods Sold, Gross Profit Margin and Net Profit Margin:

a) Cost of Goods Sold

Cost of goods sold in the year 2022-2023 was BDT 44.78 crore only as compared to last year's cost of goods sold of BDT 35.94 crore for the year 2021-2022.

b) Gross Profit

The Company has achieved an export turnover of BDT 52.80 crore during the current year ended 30 June 2023. Gross Profit of BDT 8.01 crore has been earned during the current year as against of BDT 3.78 crore of last year.

c) Net Profit

Net profit (after tax) earned during the current year was 3.75 crore as compared to last year net profit (after tax) of Tk. 2.23 crore which has been enumerated in the Annual Report.

Extra-Ordinary Gain or Loss and their Implications

During the year there was no realized/ unrealized extra-ordinary gain or loss made by the Company as there was no investment elsewhere that Company could generate gain or loss.

Related Party 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 each term as related party transaction as per IAS: 24 "Related Party Disclosure". During the year under audit related party transactions were made that which has influenced the company's business. The details of related party transactions during the year along with the relationship is illustrated in the Audit Report of the Company (Note no: 31).

Utilization of Proceeds from Public Issues and/or Right Issues

Achia Sea Foods Limited has no any public issue and/or right issue offered during the year.

Directors Remuneration

The amount of Remuneration paid to Directors has already disclosed in the Audit Report (Page No: 30).

Corporate and Financial Reporting Framework

a) Fairness of Financial Statements

The Financial Statements prepared by the Management of ASFL present fairly its state of Affairs, the result of its operations, Cash Flows and Changes in Equity.

b) Books of Accounts

Books of Accounts of the Company have been maintained properly.

c) Accounting Policies

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.

a) Application of IAS/BAS/IFRS/BFRS

International Accounting Standards (IAS)/Bangladesh Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS) as applicable in Bangladesh, have been followed preparation of the Financial Statements and any departure there from has been adequately disclosed.

Internal Control System

The Board has already been established and practicing effective Internal Control System which is sound in design and has been effectively implemented and monitored. Please see the Corporate Governance headline for further details.

Rights and Protection of Minority Shareholders

Board of Directors of the Company believes, on being entered on the register of Members, a Shareholder acquires some specific rights on the Company of which he becomes a Member. The Board must commit to respect the following rights of Minority Shareholders.

Specific Rights

- a. Information about Allotment of Shares;
- b. Registration as Member;
- c. Certificate of Shares;
- d. Right to transfer shares according to Articles;
- e. Right to notices, attending Meetings, speak, propose and vote in person or by proxy;
- f. To obtain copies of Memorandum and Articles;
- g. To inspect registers maintained by Company and to get extracts;
- h. Right to have the option to buy new shares;
- i. To participate in the appointment at the General Meeting of a. Directors; b. Auditors; c. To fix their Remunerations
- j. To associate in the declaration of dividend;
- k. To receive dividend within one month of declaration;
- l. To obtain copy of the Minutes of General Meetings
- m. In case of a Public Limited Company, right to receive
 - i) Statutory Report
 - ii) Directors Report
 - iii) Auditors Report with Audited Balance Sheet and Profit and Loss Account before the Meeting;
- n. To call a Meeting;
- o. To protect & safeguard interest of Minority Shareholders by applying to the Court;

Going Concern

The Financial Statements of the Company have been prepared on a Going Concern Concept (GCC) basis, which encompasses the realization of assets and satisfaction of liabilities in the normal course of business. The Board of Directors of ASFL has made an Annual assessment about whether there exists any material uncertainty which may cast significant doubt upon the Company's ability to continue as a going concern and confirms the entity as a going concern.

Significant Variance within the Financial Year;

There was a significant variance between from last year financial statements to current year financial statements due to a number of pandemic circumstance in the Global Market and in this industry.

Key Operational and Financial Data at least preceding 5 years;

Particulars	30.06.2023	30.06.2022	30.06.2021	30.06.2020	30.06.2019
Authorized Capital	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Total Assets	1,048,839,437	924,016,838	1,007,428,994	687,631,241	668,200,504
Retained Earnings	198,146,734	180,509,937	158,143,037	136,485,784	121,673,816
Revenue	528,029,006	397,326,846	1,377,263,080	440,202,330	358,083,309
Gross Profit	80,139,081	37,853,363	116,903,027	46,048,298	38,397,052
Profit before Tax	47,561,491	25,073,942	52,417,930	21,869,048	20,159,999
Profit after tax	37,586,798	22,366,899	41,981,194	14,811,968	11,519,701
EPS	1.01	1.00	1.88	0.73	0.57
NAV	25.57	18.07	17.07	16.72	15.99

Dividend

Profit after Tax during the year 2022-2023 stood at BDT 37,586,798 against BDT 22,366,899 of the previous reporting period. The company has proposed 5% cash dividend (Excluding Directors & Sponsors) for the year ended 2022-2023.

Interim Dividend

No interim dividend was declared during the year.

Board Meetings and Attendance

The board of directors were present in the board meeting in compliance with the Companies Act 1994 under section 96. Total nos of Board Meeting were held 14 during the financial year: 2022-23.

SL No	Name	Position	Meeting	Attended
1	Md. Ali Azgar Nasir	Chairman	14	11
2	Md. Tariqul Islam Zaheer	Managing Director	14	12
3	Md. Yousha Zaheer	Director	14	13
4	Md. Nadirul Islam Babu	Director	14	10
5	Md. Arifin Ali	Independent Director	14	10

Pattern of Shareholding Name-wise details No. of Share;

a. Directors, Managing Director, Chief Financial Officer, Company Secretary (name wise details) as under:

SL No	Name	Position	Total No. of shares	% of total shares holding position
1	Md. Ali Azgar Nasir	Chairman	1,457,929	3.90%
2	Md. Tariqul Islam Zaheer	Managing Director	7,336,376	19.64%
3	Md. Yousha Zaheer	Director	1,173,708	3.14%
4	Md. Nadirul Islam Babu	Director	1,496,016	4.00%
5	Md. Arifin Ali	Independent Director	Nil	Nil
6	Md. Elias	Company Secretary	Nil	Nil
7	Mr. Shimul Kumar	CFO (Acting)	Nil	Nil

b. Senior Corporate Executives (top five salaried employees) of the Company, other than the Directors, Managing Director, Chief Financial Officer, Company Secretary.

SL No	Name	Designation	No. of shares
1	Mr. Prodip Kumer Dey	Head of Plant	Nil
2	Mr. Golap Hossain Khan	Factory In charge	Nil
3	Mr. Amit Kumar Saha	Commercial In Charge	Nil
4	Mr. Shimul Kumar	CFO (Acting)	Nil
5	Mr. BM Feroj Ahmed	Quality Assurance Manager	Nil

Management Discussion and Analysis on Accounts Position and Analysis after disclosing Audit Report

a. Accounting Policies and Estimation.

These Financial Statements have been prepared under the Historical Cost Convention and Going Concern concept basis in accordance with applicable International Accounting Standards in Bangladesh which do not vary from the requirements of the Companies Act 1994 and the Listing Regulations of the Stock Exchanges, The Securities and Exchange Rules, 1987 and other Laws and Rules applicable in Bangladesh.

b. Changes in Accounting Policies and Estimation (if any),

No changes occurred during this year. Comparative Analysis of Financial Performance Year Ended June 2022 vs Year Ended June 2023.

Audit Committee

The Audit Committee, as a subcommittee of the Board of Director has been constituted with the Independent Director as Chairman and two other Directors. The company Secretary acts as Secretary to the Audit Committee. This committee assists the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company. Audit committee is responsible to the Board of Directors and its roles and responsibilities are clearly set forth. The role of the Audit Committee has been started in the annual audit committee report.

Appointment of External Auditors

As per order of the Bangladesh Securities & Exchange Commission, existing Auditors Islam Quazi Shafique & Co Accountants, retires as the auditors of the Company at this Annual General Meeting. Newly appointment MABS & J Partners, Chartered Accountants as External Auditor for the Fiscal Year of 2023-2024 and agreed with the remuneration of Tk. 2,50,000 (Taka two lac Fifty Thousand) including VAT & Excluding TAX.

After review and discussion over the profile and particulars of the said firms the Board agreed to re-appoint the incumbent as recommended by NRC Committee. Finally, the Board decided to consider the matter and advised to place the proposal before the honorable shareholders in the ensuing 27th AGM of Achia Sea Foods Limited for approval.

Declaration or Certification by the MD & CFO to the Board

Declaration or Certificates by the MD and the CFO to the Board as required under condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 03/06/2018 has been disclosed on Annexure- A in page no 62.

Relation and communication with the Shareholders

The Company has been arranging regular Annual General Meeting (AGM) as per Companies Act, 1994 through which shareholders are informed about the Company's progress, important activities and development activities under taken during the year under review. As a result, the shareholders, concerned organizations and the people get various information about the Company in due time. The Shareholders of the Company are able to collect all required information from our Share Department through land-phone, and e-mail service.

Regular communication with Shareholders including Stakeholders is made through:

a. Registered Office B. Land Phone c. Email d. Annual report e. AGM f. Website.

Appreciation

Finally, on behalf of the Board, I would like to thank all the employees of ASFL for their tremendous efforts, passion and resilience in delivering results in a fiercely competitive environment in the pandemic and unstable world economy. I would also like to express sincere gratitude to the Stakeholders of the Company for their continued support that has paved the way for sustainable success.

Besides, we express our gratitude to the all our stakeholders for their co-operation and guidance extended to the Company during the year which helped up to prospers and achieve our target.

I once again assure you that no effort will be spared from our part to try and achieve a sustainable position for your Company in the days to come.

Thank you all.

On behalf of the Board of Directors,



Md. Ali Azgar Nasir
Chairman

ACHIA SEA FOODS LIMITED AUDIT COMMITTEE REPORT FOR THE YEAR 2022-23

The terms of reference the directives of the Bangladesh Securities and Exchange Commission's Corporate Governance Code under notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018. The Audit Committee of Achia Sea Foods Ltd. of four members, appointed by the Board of Directors of the Company.

The Audit Committee supports the Board in fulfilling its responsibilities as per standard practice.

Role of the Audit Committee

The Audit Committee assisted the Board of Directors in fulfilling its responsibilities regarding the Company's accounting and financial reporting process by monitoring the following:

Audit Committee

The Audit Committee of the Company was constituted with of the following members:

Name	Position
Md. Arfin Ali FCA	Chairman
Md. Nadirul Islam Babu	Member
Md. Yousha Zaheer	Member
Md. Elias	Secretary

During the period under review, the Independent Director of this Company- Mr. Md. Arfin Ali FCA performed as the Chairman of the Audit Committee and Mr. Md. Elias, Company Secretary performed as the Secretary of the Audit Committee as per the BSEC guidelines. The Chief Financial Officer the meeting by invitation only as and when require.

Qualifications of Members of the Audit Committee

The Audit Committee members possess adequate knowledge on business management, professionals who were financially literate as per regulatory requirements and were able to analyze, corporate laws, and finance could interpret the financial statements. The Committee was empowered to examine the matter related to financial and other affairs of the Company. The Audit Committee ensures a sound financial reporting system and updated information to the Board of Directors.

Roles and Responsibilities of the Audit Committee

The roles and responsibilities of the Audit Committee are clearly mentioned in the Terms of Reference of the Committee. The Board of Directors in fulfilment of its responsibility hold periodic meetings, at least once a quarter and provide an appropriate decision to the executive management. Such meetings usually consider operational performance, financial results, capital expenditure, products lines, procurement, raw materials, plant and machinery, training and promotion of employees. They in their meetings thoroughly reviewed quarterly, half-yearly and annual financial statements of the company prior to the submission to the Board of Directors of the Company for approval. The Audit Committee had found that the overall internal control and management process of the company was satisfactory.

During the Financial Year 2022-2023 the Audit Committee of the company accomplished the following:

- Review the quarterly, half-yearly and periodic financial statements and other financial results of the company and on the basis of its review, the Board of Directors considered those and approval.
- Reviewed and recommended to the Board regarding the quarterly and annual financial statements and to consider and approve the same by the Board of Directors;

- Report to the Board of Directors on internal control matters on the basis of internal audit reports;
- Reviewed of the performance of the external auditors of the Company and their independence;
- Reviewed the scope and effectiveness of periodic internal audit functions and adequacy of it; Overseen other issues within the terms of the code of conduct of the Audit Committee;
- Recommended to the Board of Directors to consider as to re-appoint the statutory auditors of the Company for the next term of FY 2022-2023.

Meeting Attendance by the Member

The Committee held 05 nos. of meetings during the period ended on 30 June 2023. The members of the Committee, Representatives of the Finance and Accounts Division, Auditors and other officials were reported regularly to the Board of Directors. The Details of attendance of the Audit Committee Members have been shown as below:

Name	Meeting	Attended
Md. Arfin Ali FCA , Chairman	5	5
Md. Nadirul Islam Babu , Member	5	4
Md. Yousha Zaheer , Member	5	4
Md. Elias , Secretary	5	5

Activities of the Audit Committee during the period ended on 30 June 2023

The Audit Committee carried out its duties in accordance with its Code of Conduct and regulatory directives in this regard. During the period ended on 30 June 2023, the Audit Committee carried out the following activities:

- i) Reviewed, among other issues the annual financial statements of the company. It recommended to the Board of Directors for adoption and circulation those to the regulatory authorities as per the directives in this respect;
- ii) Monitored the status of implementation of Internal Audit action plan, progress, findings and guided to ensure timely completion of action plans;
- iii) Compliance of all applicable legal and regulatory rules and regulations;
- iv) During the period under review the committee had overseen and reviewed the procedure and tasks of the internal audit functions, financial report preparation matters and the external audit report;
- v) The committee has forwarded the financial statements as reviewed by it for final approval of the Board. The Board has subsequently approved the financial statements which will be placed before members of the Company for discussion in the forthcoming 27th annual general meeting of the Company;
- vi) The Audit Committee expressed their sincere thanks to the members of the Board, Management, Statutory and Internal Auditors for their extraordinary support in carrying out its duties and responsibilities effectively.

The Audit Committee is of the view that the internal control and procedures are adequate to present a true and fair view of the activities and financial status of the Company.

sd/-

Md. Arfin Ali, FCA
Chairman

ACHIA SEA FOODS LIMITED

NOMINATION AND REMUNARATION OF COMMITTEE

ACTIVITY REPORT (FINANCIAL YEAR 2022-2023)

In accordance with the directives of the Bangladesh Securities and Exchange Commission through its Corporate Governance Code under notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018 the Nomination and Remuneration Committee (NRC) of Achia Sea Foods Ltd. was constituted. And four members were appointed by the Board of Directors of the Company to adhere to the directives as follows:

Name	Position
Md. Arfin Ali FCA	Chairman
Md. Nadirul Islam Babu	Member
Md. Yousha Zaheer	Member
Md. Elias	Secretary

During the period under review the Independent Director of this Company- Mr. Md. Arfin Ali FCA discharged the duties of the Chairman of the NRC and Mr. Md. Elias, Company Secretary performed as the Secretary of the NRC as per the BSEC Corporate Governance Code.

Meeting and Activities of the Nomination and Remuneration Committee

Meeting held during FY 2022-2023.

Name	Meeting	Attended
Md. Arfin Ali FCA , Chairman	4	4
Md. Nadirul Islam Babu , Member	4	4
Md. Yousha Zaheer , Member	4	4
Md. Elias , Secretary	4	4

Qualifications of the Committee Members

The NRC members possess adequate knowledge of business management and corporate governance issues, financially literate able to analyze, understand and interpret corporate laws, finance and financial statements and have business acumen.

Roles and Responsibilities

The roles and responsibilities of the NRC have been clearly mentioned in the Terms of Reference of the Committee as approved by the Board of Directors of Achia Sea Foods Ltd. The Committee discharged its responsibility by holding a meeting in the FY-2022-2023 and provided required advises and suggestions to the Board of Directors management to execute those duly.

In the meeting the committee it considered and assisted the Board in the formulation of the nomination criteria and determining of the qualifications of the prospective candidate's attributes, experiences etc. of the directors and top-level executives and the remunerations of directors, top-level executive of the company as well as.

Succession planning

The Committee reviewed the drafted succession plan designed for the executive and non-executive appointments to the Board, taking into account the objectives of the Company and the rotation of directors. In this process, the Committee also considered the business the skills, commitment and knowledge as to be required for the operation of this Company.

Composition of the NRC

According to the CG code 2018 issued by Bangladesh Securities and Exchange Commission (BSEC). The Committee shall be appointed and nominated by the Board consist of at least three members including an independent director. All members of the Committee shall be non-executive directors and any removal and appoint of any member in a committee is the subject to prior approval and full authority of the Board. A chairman of the Nomination and Remuneration Committee shall be selected from among its members and shall be an independent director. Composition of the NRC was:

- Reviewed the status of the Board composition along with their experience and track record of Board members, and made a recommendation to the Board in this regard;
- Identified and nominated candidates for appointment/reappointment to the Board based on their knowledge experience and aptitude for the attainment of the objectives of the company;
- Considered and accommodated various issues in connection with appointments, retirements and changes in the Board of Directors.
- Reviewed the issues including the company's requirement for employees as to be placed at different levels and determine their selection procedures and criteria;
- Reviewed the performance of the top-level executives of the Company and placed the recommendation on their findings;
- Reviewed the company's human resources status and the development and training policies of the Company aimed for the employees;
- Reviewed the scope and effectiveness of internal HR functions and adequacy of it;
- Overseen other issues within the Code of Conduct of the NRC.

The Nomination and Remuneration Committee expressing it's of the view that the nomination, re-election and remuneration, as well as internal control, were procedures are adequate to present a true and fair view of the Administration, HR activities and internal governance status of the Company.

sd/-

Md. Arfin Ali, FCA
Chairman



ISLAM QUAZI SHAFIQUE & CO.

Chartered Accountants

Al-Haj Shamsuddin Mansion

4th Floor, Room # C

17, New Eskaton Road

Moghbar, Dhaka-1000.

Phone: 02-48312349 Mobile: 01707-870798

Website: www.qsibd.com

E-mail: qsi.esk@gmail.com

PARTNERS:

Quazi Shafiqul Islam FCA, FCS

Biplab Hossain FCA

Abu Nasser FCA

Md. Abdur Rahman FCA, ACS, LL.B

Khan Tariqul Islam, FCA

INDEPENDENT AUDITOR'S REPORT

to the shareholders of

Achia Sea Foods Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **ACHIA SEA FOODS LIMITED** which comprise the Statement of Financial Position as at June 30, 2023 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended June 30, 2023, 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 matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2023 and its financial performance and its cash flows for the year then ended June 30, 2023 in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

- 1 The company did not maintain tax deduction at source (TDS) and VAT deduction at source (VDS) properly on various expenditure head. Even they were not making any provision against TDS and VDS payable in the statement of financial position.
- 2 As per labor act 2006 (Amended 2013) the company did not comply **Worker's Profit Participation Fund** even there was no provision against WPPF.
- 3 As referred note no. 23 "**Other Income**" where **Wastage & Others Sale (Rotten and PD Items)** shown amount Tk.5,705,431 in the statement of financial position but we could not verify that aforesaid amount by VAT return (Mushak 9.1) because they did not show that amount in VAT return which is non-compliance.

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

Emphasis of Matters

We draw attention on the following matters in respect of which our opinion is not qualified:

1. During our audit we had collected and checked VAT return (Mushak 9.1) where purchase information on the financial statements and VAT return were not matched though the company enjoy Zero (0) rated VAT facilities.

2. The company did not disclose dividend distribution policy in the company official website as per BSEC directives.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in the audit of the financial statement for June 30, 2023. These matters were addressed in the context of the audit of the financial statement as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the financial statement section of our report, including in relation to those matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risk of material misstatement of the financial statement. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statement.

Appropriateness of revenue recognition and disclosures.

At year end the company reported total revenue of BDT 528,029,006. Revenue is measured net of discounts, VAT, incentives and rebates earned by customers on the Company's sales. Within a number of the Company's markets, the estimation of discounts, incentives and rebates recognized based on sales made during the year is material and considered to be complex and judgmental. Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives, rebates. There is also a risk that revenue may be overstated due to fraud through manipulation of the discounts, incentives and rebates recognized resulting from the pressure local management may feel to achieve performance.

How our audit addresses the key audit matter

We have tested the design and operating effectiveness of key controls focusing on the following:

- Segregation of duties in invoice creation and modification
- Authorization of credit terms and credit limits to customers
- Approval of Price list
- Calculation of discounts, incentives and rebates;
- Timing of revenue

Our substantive procedures in relation to the revenue recognition comprises the following:

- Performed substantive analytical procedure to calculated expected revenue booked.
- Obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct period;
- Examine the sample sales transaction with source documents including the credit limit, VAT, Credit notes etc.
- Performed cut off test to assure the completeness and accuracy of booking revenue in the reporting period and revenue has been recognized as per policy.
- Critically assessing manual journals posted to revenue to identify unusual or irregular items; and
- Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.

Inventory Valuation

The company had inventory of BDT 215,524,749 at 30 June 2023, held in warehouses and across multiple product lines. Inventories are carried at the lower of cost and net realizable value. As a result, the Directors apply judgement in determining the appropriate values for slow-moving or obsolete items.

How our audit addresses the key audit matter

We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:

- Evaluating the design and implementation of key inventory controls operating across the company, including those at a sample of warehouses;
- Attending inventory counts and reconciling the count results to the inventory listings to test the completeness of data;
- 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 and comparison to the associated provision to assess whether inventory provisions are complete;
- Reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year;

Long Term & Short-term loan

At reporting date, the position of Long-Term Loan (Current and Non-Current Portion) outstanding BDT 866,408 and Short-Term Loan outstanding was BDT 413,752,421 for the company. In other words, approximately 39.53% of total equity & liabilities are represented by loans for the Company. Evidently, the Company is using loan to operate the business and also, to acquire non-current assets. Loan, therefore, has been considered as key audit area.

How our audit addresses the key audit matter

We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the loans. Our audit procedures included, among others, the followings:

- Understanding and reviewing the nature or types of loans;
- Reviewing the board meeting minutes on arrangements of the loans;
- Obtaining the repayment schedules, loan statements and facility offer letters to review terms, debt covenants, interest rates and other conditions associated with the loans;
- Recalculating the interest related to loans;
- Finally, assessing the appropriateness and presentation of disclosures against relevant accounting standards.

Our procedures above did not identify any issues with regard to loans

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.
- 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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 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, the Securities and Exchange Rules-2020 we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) 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;
- (iii) the statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (iv) the expenditure incurred and payments made were for the purposes of the company's business

Place: Dhaka
Dated: November 30, 2023
DVC: 2312100165AS167520


Quazi Shafiqul Islam, FCA
Enrolment No. 0165
Islam Quazi Shafique & Co.
Chartered Accountants

Achia Sea Foods Limited
Statement of Financial Position

As at June 30, 2023

Particulars	Notes	Amount in Taka	
		June 30, 2023	June 30, 2022
Assets:			
Non-Current Assets		315,608,687	236,015,214
Property, Plant & Equipment	4.00	315,608,687	236,015,214
Current Assets		733,230,749	688,001,624
Inventories	5.00	215,524,749	173,897,376
Accounts Receivable	6.00	333,911,996	423,691,596
Advances, Deposits & Pre-Payments	7.00	174,359,577	88,961,233
Cash & Cash Equivalents	8.00	9,434,428	1,451,419
Total Assets		1,048,839,437	924,016,838
Shareholder's Equity & Liabilities:			
Shareholders Equity		571,710,074	404,073,277
Share Capital	9.00	373,563,340	223,563,340
Retained Earnings	10.00	198,146,734	180,509,936
Non-Current Liabilities		17,932,723	23,790,562
Long Term Loan	11.00	-	2,569,028
Deferred Tax liabilities	13.00	17,932,723	21,221,534
Current Liabilities		459,196,640	496,152,999
Accounts Payable	14.00	25,472,090	44,028,216
Long Term Loan - Current Portion	12.00	866,408	9,384,000
Short Term Loan	15.00	413,752,421	439,441,270
Provision for Income Tax	16.00	13,263,504	3,299,513
Unclaimed Dividend	17.00	5,842,217	
Total Shareholder's Equity & Liabilities		1,048,839,437	924,016,838
Net Asset Value (NAV) per share	18.00	25.57	18.07

The accompanying notes form an integral part of this financial statements are to be read in conjunction therewith.


Chairman


Managing Director



Director


Head of Accounts & CFO (Acting)


Company Secretary

Signed in terms of our separate report of even date annexed

Place: Dhaka
Dated: November 30, 2023
DVC: 2312100165AS167520


Quazi Shafiqul Islam, FCA
Enrolment No. 0165
Islam Quazi Shafique & Co.
Chartered Accountants

Achia Sea Foods Limited
Statement of Profit or Loss and other Comprehensive Income
For the period ended June 30, 2023

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
Revenue	19.00	528,029,006	397,326,846
Cost of goods sold	20.00	(447,889,925)	(359,473,483)
Gross Profit		80,139,081	37,853,363
Operating Expenses		(71,074,765)	(62,994,422)
General and Administrative Expenses	21.00	(19,746,008)	(13,105,648)
Selling and Distribution Expenses	22.00	(12,416,366)	(11,029,699)
Financial Expenses	23.00	(38,912,392)	(38,859,075)
Operating Profit/(loss) after Financial Expense		9,064,316	(25,141,058)
Non-Operating Income		38,497,175	50,215,000
Other Income	24.00	38,497,175	50,215,000
Profit before Tax		47,561,491	25,073,942
Tax Expense		(9,974,693)	(2,707,043)
Current income Tax	25.00	(13,263,504)	(3,299,513)
Deferred Tax	26.00	3,288,811	592,470
Net profit after tax		37,586,798	22,366,899
Basic Earning Per Share	27.00	1.01	1.00
Diluted EPS	28.00	1.01	1.00

The accompanying notes form an integral part of this financial statements are to be read in conjunction therewith.


Chairman


Managing Director



Director


Head of Accounts & CFO (Acting)


Company Secretary

Signed in terms of our separate report of even date annexed

Place: Dhaka
Dated: November 30, 2023
DVC: 2312100165AS167520


Quazi Shafiqul Islam, FCA
Enrolment No. 0165
Islam Quazi Shafique & Co.
Chartered Accountants

Achia Sea Foods Limited
Statement of Changes in Equity
For the period ended June 30, 2023

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total Amount
Balance as at July 01, 2022	223,563,340	180,509,936	404,073,276
Additional Share Capital	150,000,000	-	150,000,000
Net profit after tax for the year	-	37,586,798	37,586,798
Dividend Disbursement 2021-22		(19,950,000)	(19,950,000)
Balance as at June 30, 2023	373,563,340	198,146,734	571,710,074

Statement of Changes in Equity
For the year ended June 30, 2022

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total Amount
Balance as at July 01, 2021	223,563,340	158,143,037	381,706,377
Net profit after tax for the year	-	22,366,899	22,366,899
Balance as at June 30, 2022	223,563,340	180,509,936	404,073,276


Chairman


Managing Director


Director


Head of Accounts & CFO (Acting)


Company Secretary

Signed in terms of our separate report of even date annexed

Achia Sea Foods Limited**Statement of Cash Flows**

For the period ended June 30, 2023

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
Cash flows from Operating Activities			
Cash received from customer & others		656,305,781	539,017,366
Payment to creditors, suppliers & others		(576,699,825)	(530,920,061)
Financial expenses		(38,912,392)	(38,531,482)
Dividend Paid During the year		(14,107,783)	-
Income tax paid		(13,263,504)	(3,299,513)
Net cash from Operating Activities		13,322,277	(33,733,690)
Cash flows from Investing Activities			
Acquisition of Property, Plant and Equipment		(118,563,799)	(10,193,468)
Investment in Share		-	-
Net cash used in Investing Activities		(118,563,799)	(10,193,468)
Cash flows from Financing Activities			
Paid Up Capital Increase/(Decrease)		150,000,000	-
Long term bank loan (paid)/received		(2,569,028)	(1,817,395)
Long term bank loan - Current portion		(8,517,592)	(474,541)
Short term bank loan (paid)/received		(25,688,848)	47,413,849
Net cash from Financing Activities		113,224,532	45,121,913
Net Increase in Cash and Cash Equivalents		7,983,010	1,194,755
Cash and cash equivalents at the beginning of the year		1,451,418	256,663
Cash and cash equivalents at the end of the year		9,434,428	1,451,418
Net Operating Cash Flows per share	29.00	0.36	(1.51)


Chairman


Managing Director


Director


Head of Accounts & CFO (Acting)


Company Secretary

Signed in terms of our separate report of even date annexed

Achia Sea Foods Limited

Notes to the Financial Statements

As at and for the year ended June 30, 2023

1.0 Status and Legal Form of the Company

Achia Sea Foods Limited was registered as a private limited company with the Registrar of Joint Stock Companies and Firms (RJSC) vide registration no. Khulna-178 dated December 27, 1993 under the Companies Act-1913. Subsequently the company was converted into a public limited company under companies act 1994 effective from September 27, 2014. And also publicly listed by the approval of Bangladesh Securities and Exchange Commission (BSEC) on June 01, 2022 and trading started at July 17, 2022.

The registered office of the company is located 50/7 Shipyard Road, Labonchara, Khulna.

1.01 Nature and Place of Business Activities

The Company is engaged in the processing & exporting of the finest quality Sea Food products "Shrimps & Fish" in the foreign market.

2.00 Basis of preparation and significant accounting policies

The financial statements of the company are prepared on going concern basis under historical cost convention and in accordance with the International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other laws & regulations applicable for the company.

2.01 Accounting Standards

The financial statements of the company have been prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by Financial Reporting Council (FRC).

The following International Accounting Standards were applied for the preparation of the financial statements for the year ended June 30, 2022.

The Company as per Para-12 of Securities & Exchange Rule-1987, with the following International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by Financial Reporting Council (FRC) in preparing the financial statements.

Sl. No.	IAS No.	IAS Title	Compliance Status
1	1	Presentation of Financial Statements	Complied
2	2	Inventories	Complied
3	7	Statement of Cash Flows	Complied
4	8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
5	10	Events after the Reporting Period	Complied
6	12	Income Taxes	Complied
7	16	Property, Plant & Equipment	Complied
8	17	Leases	Complied
9	19	Employee Benefits	Complied
10	20	Accounting for Government Grants and Disclosure of Government Assistance	Not Applicable
11	21	The Effects of Changes in Foreign Exchange Rates	Complied
12	23	Borrowing Cost	Complied
13	24	Related Party Disclosures	Complied
14	26	Accounting and Reporting by Retirement Benefit Plans	Complied
15	27	Separate Financial Statements	Not Applicable
16	28	Investments in Associates and joint ventures	Not Applicable
17	29	Financial Reporting in Hyper Inflationary Economics	Not Applicable
18	31	Interest in Joint Ventures	Not Applicable
19	32	Financial Instruments: Presentation	Complied
20	33	Earnings per Share	Complied
21	34	Interim Financial Reporting	Complied
22	36	Impairment of Assets	Complied
23	37	Provisions, Contingent Liabilities and Contingent Assets	Complied
24	38	Intangible Assets	Not Applicable
25	39	Financial Instruments: Recognition and Measurement	Not Applicable
26	41	Agriculture	Not Applicable

Sl. No.	IFRS No.	IFRS Title	Compliance Status
1	1	First-time adoption of International Financial Reporting Standards	Complied
2	2	Share -based Payment	Not Applicable
3	3	Business Combinations	Not Applicable
4	4	Insurance Contracts	Not Applicable
5	5	Non -current Assets Held for Sale and Discontinued Operations	Not Applicable
6	6	Exploration for and Evaluation of Mineral Resources	Not Applicable
7	7	Financial Instruments: Disclosures	Complied
8	9	Financial Instruments	Complied
9	8	Operating Segments	Not Applicable
10	10	Consolidated Financial Statements	Not Applicable
11	11	Joint Arrangements	Not Applicable
12	12	Disclosure of Interests in other Entities	Not Applicable
13	13	Fair Value Measurement	Complied
14	14	Regulatory Deferral Accounts	Not Applicable
15	15	Revenue from Contracts with Customers	Complied
16	16	Leases	Not Applicable
17	17	Insurance Contracts	Not Applicable

2.02 Legal Compliance

The financial statements have been prepared on a going concern basis following accrual basis of accounting except for the statement of cash flows. The disclosures of information made in accordance with the requirements of the Companies Act 1994, the Securities and Exchange Rules of 1987, and IASs and IFRSs adopted by the ICAB. On the basis of these regulations, International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs) were applied with the applicable standards at the financial position date. As required, Achia Sea Foods Limited complies with the following major legal provisions and other applicable laws and regulations:

2.03 Other Regulatory Compliances

The Company is also required to comply with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations in Bangladesh:

The Income Tax Ordinance, 1984

The Income Tax Rules, 1984

The Value Added Tax Act, 1991

The Value Added Tax Rules, 1991

The Value Added Tax (Amendment) Act, 2012

The Value Added Tax (Amendment) Rules, 2012

The Customs Act, 1969

The Stamp Act, 1899

The Bangladesh Securities and Exchange Commission Act, 1993

The Bangladesh Securities and Exchange Commission Rules, 2020

DSE/CSE Rules

DSE Listing Regulations, 2015

Bangladesh Labor Act, 2006(as amended to 2013)

Bangladesh Labor Rules, 2015.

2.04 Going Concern Basis

The company has adequate resources to continue its operation for the foreseeable future. As such, the directors intended to adopt the 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.

2.05 Accrual Basis

The financial statements have been prepared except cash flow information using the accrual basis of accounting.

2.06 Structure, Content and Presentation of Financial Statements

Being the general purpose of financial statements, the presentation of these financial statements is in accordance with the guidelines provided by IAS-1: "Presentation of Financial Statements". A complete set of financial statements comprises:

- (a) Statement of Financial Position as at 30 June, 2023;
- (b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2023;
- (c) Statement of Changes in Equity for the year ended 30 June 2023;
- (d) Statement of Cash Flow for the year ended 30 June 2023
- (e) Notes, comprising summary of significant accounting policies and other explanatory information.

2.07 Accounting Convention and basis

The Company's Accounts have been prepared under the historical cost convention in accordance with the International Accounting Standards.

2.08 Comparative Information

Comparative information has been disclosed in respect of 2022-2023 in accordance with IAS 1: Presentation of Financial Statements for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements. Prior year figure may have been re-arranged if considered necessary to ensure comparability with the current year.

2.09 Reporting Currency

The Financial Statements are prepared and presented in Bangladeshi currency (Taka), which is the functional currency of the company. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

2.10 Reporting Period

The Financial year of the company under audit covers for a period of 1(One) year effective from July 01, 2022 to June 30, 2023.

2.11 Revenue from contracts with customers

The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, this standard establishes a five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised goods to a customer. Goods are considered as transferred when (or as) the customer obtains control of those goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates.

(i) Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer when the buyer's provide assurance by giving acceptance on the delivery of goods. Revenue represents the invoice value of goods supplied to the customers measured at the fair value of the consideration received or receivable.

(ii) Interest income

Interest on bank deposits has been accounted for on accrual basis.

2.12 Property, Plant and Equipment**2.12.01 Initial Recognition and measurement**

Property, plant and equipment are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation in compliance with the requirements of IAS-16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties, non-refundable taxes and un-allocated expenditures etc.

2.12.02 Depreciation on Fixed Assets

In accordance with the provisions of IAS-16: Property, Plant and Equipment of depreciation on all fixed assets are computed consistently using the reducing balance method on monthly basis so as to written off the assets over their expected useful life from the date when the corresponding assets are ready for use as per management intention. Total depreciation Charge has been estimated for General & Administrative Expenses 26% and Factory Overhead 74% respectively by the management. The Rate of depreciation for this period as below:

SL No.	Particulars	Rate of Depreciation
01	Land and Land Development	0%
02	Factory Building	5%
03	Plant & Machinery	10%
04	IQF Machinery	10%
05	Cold Storage Compressor Unit	10%
06	Fleck Ice Machinery	10%
07	Factory Equipment	15%
08	Tools & Equipment	20%
09	Transformer	15%
10	I Phone & I Pad	15%
11	Processing Equipment	20%
12	Laboratory Equipment	20%
13	Electric Equipment	20%
14	Refrigeration Van	20%
15	Office Equipment	20%
16	Furniture & Fixture	10%
17	Jetty	20%
18	Crockery's & Cutleries	20%
19	Tube well & waterline	20%
20	Vacuums Machine	20%
21	Metal Detector Machine	20%
22	Boundary Wall	20%
23	Vehicles	20%

2.12.03 Impairment

All Fixed Assets have been reviewed as per IAS 36 and it was confirmed that no such fixed assets have been impaired during the period and for this reason no provision has been made for impairment of assets.

2.13 Cash and Cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits and short-term deposit, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.14 Inventories

Inventories comprise Raw Materials, Packaging Material, and Finished Goods. Inventories are carried at the lower of cost and net realizable value as prescribed by IAS 2: Inventories. Cost is determined on weighted average cost basis. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

2.15 Events after the Reporting Period

In compliance with the requirements of IAS-10: Events after the reporting period, post balance sheet events that provide additional information about the Company's position at the reporting date are reflected in the financial statements and events after the balance sheet date that are not adjusting events.

2.16 Statement of Cash Flows

The Statement of Cash Flows is prepared in accordance with International Accounting Standards IAS-7 Statement of Cash Flows and cash flows from the operating activities have been presented under direct method considering the provision of paragraph 19 of IAS-7 which provides that "Entities are encouraged to report cash flows from operating activities using the direct method".

2.17 Related Party Disclosures

Related party considered if the party is related to the company and exerts significant influence over the day-to-day transactions of the subject gain as per IAS-24.

2.18 Authorization Date Issuing Financial statements:

The Financial Statements were authorized by the Board of Directors on 30th November, 2023.

2.19 Borrowing Cost

Borrowing costs are not directly attributable to the acquisition, construction or production of qualifying assets is recognized in profit or loss using effective interest method. Borrowing cost incurred against bank loan has been capitalized under effective interest rate method.

2.20 Impairment of Assets

I) Financial Assets

Accounts receivable and others receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default of delinquency by a debtor, indicates that a debtor of issuer will enter bankruptcy etc. No Financial assets are impaired during the period.

II) Non-Financial assets

An asset is impaired when it carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss is recognized immediately in statement of comprehensive income unless the asset is carried at revalued amount. Any impaired loss of a revalued asset treated as a revaluation decrease. No non-financial assets are impaired during the period.

2.21 Financial Instruments

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

2.22 Financial Assets

Financial assets of the company include cash and cash equivalents, equity instrument of another equity, trade receivable and other receivables. The company initially recognizes receivable on the date they are originated. All other financial assets are recognized initially on the date which the company becomes a part to the contractual obligation of the transaction. The company derecognizes a financial asset when and only when contractual rights or probabilities of receiving the cash flows from the assets expire or it transfer the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and reward of ownership of the financial assets are transferred.

2.23 Initial Recognition

An entity recognizes a financial assets or liabilities in its statement of financial position when, and only when, the entity becomes a party to the contractual provision of the instrument and subsequently recognizes at their amortized cost.

2.24 Trade Receivables

These are carried at original invoice amount. Trade receivables are accrued in the ordinary course of business. All receivable has been considered as good and realizable and therefore, no amount was written off as bad debt was considered doubtful of recovery.

2.25 Financial Liabilities

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities include loan and borrowing trade creditors, Liabilities for expenses and liabilities for other finance.

2.26 Provisions

In accordance with the guidelines as prescribed by IAS-37 Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- a) when the company has an obligation (legal or constructive) as a result of past events;
- b) when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c) When reliable estimates can be made of the amount of the obligation.

2.27 Income Tax

Current Tax

Current tax has been made at the rate of 27.5% on operating income as prescribed in the Income Tax Ordinance-1984 on the accounting profit made by the company in compliance with IAS-12 "Income Taxes".

Deferred Tax

Deferred Tax arises due to temporary/deductible difference between accounting and Tax base depreciation, Deferred Assets/Liabilities is recognized as per International Accounting Standard (IAS-12)

2.28 VAT

The company is registered with VAT authority vide registration number 15011019469 is subject to 0% VAT as the company is export oriented. The company is yet to submit VAT return.

2.29 Foreign Currency Transaction:

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date. At the end of each reporting period, in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates, are determined as under:

- (a) Foreign currency monetary items are translated using the closing rate.
- (b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
- (c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

2.30 Creditors and Accrued Expenses

Liabilities are recognized for accounts to be paid in future for goods and services received from suppliers/ service providers.

2.31 Earnings per Share (EPS)

This has been calculated in compliance with the requirement of IAS-33: Earnings per share by dividing the net earnings after tax by the weighted average number of ordinary shares outstanding during the period.

**2.33 Basic Earnings per share (Numerator /Denominator)
Earnings (Numerator)**

EPS represents weighted average number of ordinary share outstanding during the year.

3.00 Risk Exposure**Interest rate risk**

Interest rate risk is the risk that Company faces due to unfavorable movements in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/ investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

Management perception

The Company maintains low debt/ equity ratio and accordingly, adverse impact of interest rate fluctuation is insignificant. Considering the global economy and inflection of overseas financing, financial institutions in Bangladesh reducing lending rate creating an opportunity for saving in financial cost.

Exchange rate risk

Exchange rate risk occurs due to changes in exchange rates. As the Company imports materials and equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the Company. If exchange rate increases against local currency, opportunity arises for generating more profit.

Management perception

The company purchase raw materials and sells finished product mostly in US\$ currency and the transaction would settle within very short period. Therefore, volatility of exchange rate will have no impact on profitability of the Company.

Industry risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business, financial condition and results of operation.

Management perception

Management is optimistic about growth opportunity in sea food products sector in Bangladesh. Furthermore, there is untapped international market.

Market risks

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

Management perception

Management is fully aware of the market risk and act accordingly. Market for sea food products is decent. Moreover, the company has a strong marketing and brand management to increase the customer base and customer loyalty.

Operational risks

Non-availabilities of materials/equipment/services may affect the smooth operational activities of The Company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

Management perception

The company perceives that allocation of its resources properly can reduce this risk factor to great extent. The Company hedges such risks and also takes preventive measures therefor.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

Management perception

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

Note No	Particulars	Amount in Taka	
		June 30, 2023	June 30, 2022
4.00	Property, Plant & Equipment		
	A. Cost		
	Opening Balance	408,481,338	398,287,870
	Add: Addition during the year	118,563,799	10,193,468
	Closing Balance	527,045,137	408,481,338
	B.Accumulated Depreciation		
	Opening Balance	172,466,124	155,096,072
	Add: Charge during the year	38,970,325	17,370,052
	Closing Balance	211,436,449	172,466,124
	Written Down Value (A-B)	315,608,687	236,015,214
	*Details are shown in Annexure: A		
5.00	Inventories		
	Finished Goods:		
	BT HOSO	33,635,240	11,317,881
	BT HLSO	79,100,534	80,459,709
	BT PND	19,958,880	25,535,368
	Fresh Water Shrimps-HOSO	14,278,920	17,333,273
	Fresh Water Shrimps-HLSO	24,043,236	12,150,526
	White Fish	42,537,119	25,058,044
	Closing Stock of Finished Goods	213,553,929	171,854,801
	General & Packing Materials	1,645,210	1,217,835
	Raw Materials	325,610	824,740
	Total	215,524,749	173,897,376
	*Details are shown in Annexure: B		
6.00	Accounts Receivable		
	Cash subsidy receivable 6.01	2,156,706	56,069,806
	Receivable against Export 6.02	331,755,290	367,621,790
	Total	333,911,996	423,691,596
6.01	Cash Subsidy Receivable		
	Opening Balance	56,069,806	14,219,806
	Addition during the year	23,147,700	41,850,000
		79,217,506	56,069,806
	Adjustment during the year	77,060,800	-
	Closing Balance	2,156,706	56,069,806
6.02	Receivable against Export		
	Opening Balance	367,621,790	500,947,310
	Export during the period	528,029,006	397,326,846
		895,650,796	898,274,156
	Realized during the year	563,895,506	(530,652,366)
	Closing Balance	331,755,290	367,621,790

Note No	Particulars	Amount in Taka	
		June 30, 2023	June 30, 2022

Disclosure as per schedule-XI, Part-I, of the Company Act, 1994

Debts exceeding 6 Months	-	14,219,806
Debts below 6 Months	333,911,996	423,691,596
Other debts less provision	-	-
i) Receivables considered good in respect of which the company is fully secured.	331,755,290	367,621,790
ii) Receivables considered good for which the company holds no security other than the debtor personal security.	-	-
iii) Receivables considered doubtful or bad.	-	-
iv) Receivable due by director or other officers of the company or any of them either severally or jointly with any other person or receivables due by firm so rprivate companies respectively in which any director is a partner or a director or a member.	-	-
v) Receivables due by companies under the same management.	-	-
vi) The maximum amount of receivables due by any directors or other officers of the company at any time during the period to be shown by way of a note.	-	-

*The Management recognized the bad and doubtful debts when the debt is not recoverable. The Company didn't face any doubt till today to collect any dues from its existing customers as on to date. The sales were made through exports Letter of Credit. The beneficiaries' banks had guaranteed the payment on behalf of the foreign buyers against their credit sales. Thus there is no possibility of bad and doubtful debts against the credit exports. Since, all sales were collected in full amount during the year under consideration hence, the Company expected that they have no credit losses on Trade Receivables. Hence, no bad debts or expected credit loss had occurred and therefore no provision was made against the receivables.

7.00 Advances, Deposits and Pre-payments

Advance against salary	7.01	535,332	1,091,232
Advance income tax	7.02	13,263,504	3,299,513
Advance Insurance Premium		-	568,297
Other advance	7.03	160,544,741	83,986,191
Security deposits		16,000	16,000
Total		174,359,577	88,961,233

7.01 Advance against Salary

Opening Balance	1,091,232	182,800
Addition during the year	102,310	1,091,232
	1,193,542	1,274,032
Adjustment during the year	658,210	182,800
Closing Balance	535,332	1,091,232

7.02 Advance Income Tax

Opening Balance	3,299,513	10,359,120
Deduction against Export	5,513,145	3,299,513
Deduction against Import	44,279	-
Deduction against Cash Subsidy	7,706,080	-
	16,563,017	13,658,633
Less: Adjustment during the year	3,299,513	(10,359,120)
Closing Balance	13,263,504	3,299,513

Note No	Particulars	Amount in Taka	
		June 30, 2023	June 30, 2022
7.03 Other Advance			
	Advance for Suppliers & others	160,544,741	83,986,191
	Total	160,544,741	83,986,191

All Advance s and deposits amount are considered good and recoverable.

8.00 Cash & Cash Equivalent

Cash in Hand	8.01	90,313	303,576
Cash at Bank	8.02	9,344,115	1,147,843
Total		9,434,428	1,451,419

8.01 Cash in Hand

Head office	90,000	275,825
Factory	313	27,751
Total	90,313	303,576

8.02 Cash at Bank

Name of the Bank	A/C Type	Branch Name	Account Number	Taka	Taka
Sonali Bank Ltd.	Current	Khulna Corporate	2715133009694	4,911,864	85,641
Sonali Bank Ltd.	SND	Khulna Corporate	2715103000064	3,681	-
Islami Bank BD Ltd.	Current	Khulna	205010701458517	41,891	1,768
Dutch Bangla Bank Ltd.	Current	Khulna	1201100025606	29,921	30,611
Southeast Bank Ltd.	Current	Khulna	0011-1110020151	3,279,550	4,260
Mercantile Bank Ltd.	ERQ	Main	110115024384408	1,064,921	1,019,743
Mercantile Bank Ltd.	CD	Main	1111000717342	12,287	-
Mercantile Bank Ltd.	Current	Khulna	1111000732788	-	5,820
Total				9,344,115	1,147,843

9.00 Share Capital

A: Authorized Capital

100,000,000 ordinary shares of tk. 10/- each	1,000,000,000	1,000,000,000
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B: Issued and Paid-up Capital

37,356,334 Ordinary shares of tk. 10/- each	373,563,340	223,563,340
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Composition of Shareholding	30.06.2023	
	No. of Shares	% Holding
Directors and Sponsors	17,406,334	46.60%
Institutions	8,218,393	22.00%
General Public	11,731,607	31.40%
Total	37,356,334	100%

Details of the Shareholding is given below:

The distribution schedule showing the number of Shareholders and their shareholding in percentage has been disclosed below as the requirement of the " Listing Regulation" of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited

Note No	Particulars	Amount in Taka	
		June 30, 2023	June 30, 2022
Range of holding in number of share	Holding %	No. of Shareholders	No. of Shares
Less than 500 share	0.04%	91	14,961
501 to 5000 share	1.45%	205	540,685
5001 to 10000 share	2.06%	98	768,450
10001 to 20000 share	4.39%	106	1,641,111
20001 to 30000 share	4.41%	62	1,646,757
30001 to 40000 share	3.15%	33	1,175,303
40001 to 50000 share	3.31%	27	1,237,072
50001 to 60000 share	2.48%	17	927,147
60001 to 70000 share	1.40%	8	522,446
70001 to 80000 share	1.60%	8	598,630
80001 to 90000 share	0.91%	4	338,212
90001 to 1000000 share	1.51%	6	565,640
1000001 to above share	73.29%	45	27,379,920
Total	100.00%	710	37,356,334

10.00 Retained Earnings

Opening Balance

Add: Net Profit/(Loss) after tax for the year

Dividend Disbursement 2021-22

Closing Balance

180,509,936	158,143,037
37,586,798	22,366,899
(19,950,000)	-
198,146,734	180,509,936

11.00 Long Term Loan

Mercantile Bank Ltd- A/C No. 1719005308

Mercantile Bank Ltd- A/C No. LD2022215361

Mercantile Bank Ltd- A/C No. 1771000000732

Total

-	1,300,910
-	288,127
-	979,991
-	2,569,028

12.00 Long Term Loan - Current Portion

Mercantile Bank Ltd- A/C No. 1719005308

Mercantile Bank Ltd- A/C No. LD2022215361

Mercantile Bank Ltd- A/C No. 1771000000732

Total

	4,704,000
	1,200,000
866,408	3,480,000
866,408	9,384,000

* Loan details are shown in **Annexure-C****13.00 Deferred Tax liabilities**

Book Value of Depreciable Asset

Less: Tax base value of depreciable assets

Taxable Temporary Difference

Effective Tax Rate

Deferred Tax Liability on original cost of assets

315,608,683	236,015,210
235,907,690	158,845,995
79,700,993	77,169,215
22.5%	27.5%
17,932,723	21,221,534

*Details are shown in **Annexure-D****14.00 Accounts Payable**

Trade Creditors

Sundry Creditors

Total**14.01****14.02**

21,682,395	39,848,578
3,789,695	4,179,638
25,472,090	44,028,216

Note No	Particulars	Amount in Taka				
		June 30, 2023	June 30, 2022			
14.01	Trade Creditors					
	Liabilities for goods Purchased	21,682,395	39,848,578			
	Total	21,682,395	39,848,578			
	* All creditors are good and regular.					
	*Details are shown in Annexure-E					
14.02	Sundry Creditors					
	Liabilities for Expenses	3,476,695	3,949,638			
	Provision for Audit Fees	313,000	230,000			
	Total	3,789,695	4,179,638			
	*Details are shown in Annexure-F					
15.00	Short Term Loan					
	Bank Name	A/C Type	Br. Name	Account Number	June 30, 2023	June 30, 2022
	Mercantile Bank Ltd.	CC Hypo	Khulna	112172921646834	274,646,897	286,117,237
	Mercantile Bank Ltd.	Time Loan	Khulna	1720000012968	53,958,503	-
	Mercantile Bank Ltd.	Time Loan	Khulna	1780000029332	53,443,207	-
	Mercantile Bank Ltd.	Time Loan	Khulna	1780000005039	-	57,888,861
	Mercantile Bank Ltd.	Time Loan	Khulna	1720000008027	4,034,154	23,461,392
	Mercantile Bank Ltd.	Term Loan	Khulna	1770000020187	2,538,995	7,164,052
	Sonali Bank Limited	Subsidy Loan	Khulna	2715143000639	-	4,352,175
	Sonali Bank Limited	Subsidy Loan	Khulna	2751430000001	-	8,791,350
	Mercantile Bank Ltd.	Working Capital	Khulna	112172133858448	-	51,666,203
	Mercantile Bank Ltd.	Time Loan	Khulna	1780000029191	21,125,665	-
	Sonali Bank Limited	Subsidy Loan	Khulna	2715143000781	4,005,000	-
	Total				413,752,421	439,441,270
16.00	Provision for Income Tax					
	Opening Balance				3,299,513	10,258,612
	Add: during the year				13,263,504	3,299,513
	Total				16,563,017	13,558,125
	Less: Adjustment during the year				3,299,513	(10,258,612)
	Closing Balance				13,263,504	3,299,513
17.00	Unclaimed Dividend					
	Opening Balance				-	-
	Add:Dividend Approved at AGM				19,950,000	-
					19,950,000	-
	Less: Paid during the year up to 30.06.2023				14,107,783	-
	Closing Balance				5,842,217	-
18.00	Basic Net Asset Value (NAV) Per Share					
	Basic Net Asset value					
	Total Assets				1,048,839,437	924,016,838
	Less:Total Liabilities				477,129,363	519,943,561
	Net Asset Value				571,710,074	404,073,277
	Weighted Average Number of Ordinary Shares				22,356,334	22,356,334
	Basic Net Asset value (NAV) Per Share				25.57	18.07

Note No	Particulars	Amount in Taka	
		2022-2023	2021-2022
19.00	Revenue		
	Sales (BT, Fresh Water & White Fish)	528,029,006	397,326,846
	Total	528,029,006	397,326,846
** Since it is 100% export oriented company so sale amount is certified according to bank certificate.			
20.00	Cost of Goods Sold		
	Raw material consumed 20.01	417,682,677	277,840,588
	Packing material consumed 20.02	20,590,665	34,742,665
	Manufacturing expenses 20.03	51,641,321	28,854,709
	Cost of Production	489,914,663	341,437,962
	Add: Opening stock of finished goods	171,854,801	189,890,322
	Cost of Goods available for Sale	661,769,464	531,328,284
	Less: Closing stock of finished Goods	213,879,539	171,854,801
	Total	447,889,925	359,473,483
20.01	Raw Material Consumed		
	Opening Stock	171,854,801	561,506
	Add: Purchase during the year 20.01.01	459,707,415	449,133,883
	Less: Closing stock	213,879,539	171,854,801
	Total	417,682,677	277,840,588
20.01.01	Raw Material Purchase		
	Purchase of BT & Fresh Water	459,707,415	449,133,883
	Total	459,707,415	449,133,883
20.02	Packing Material Consumed		
	Opening Stock	1,217,835	1,989,880
	Add: Purchase during the year	21,018,040	33,970,620
	Less: Closing Stock	1,645,210	1,217,835
	Total	20,590,665	34,742,665
20.03	Manufacturing Expenses		
	Salary & allowances	5,143,794	4,129,963
	Bonus	688,700	240,950
	Causal wages	218,397	161,540
	Depreciation	35,073,292	12,853,839
	Eid Festival	119,848	-
	Gas & Chemical	197,729	179,000
	Ice Purchase	261,130	1,078,000
	Ifter	20,287	-
	Oil & Lubricant	-	1,573,130
	Production Expense	45,950	536,360
	Power & Fuel (Diesel)	300,400	45,000
	Power & Fuel (Electricity)	7,031,096	6,560,549
	Processing expenses	1,649,454	1,044,668
	Repair & Maintenance (Machinery)	891,243	451,710
	Total	51,641,321	28,854,709

Note No	Particulars	Amount in Taka	
		2022-2023	2021-2022
21.00	General and Administrative Expenses		
	Advertisement	-	35,000
	Annual Listing Fee	104,712	-
	Audit Fees	484,600	415,240
	Bonus	459,134	230,500
	Business promotion Expenses	181,200	68,455
	Board Meeting Fees	18,500	57,500
	Carriage	103,075	39,315
	Canteen	27,156	16,275
	Cleaning & Sanitation	22,437	11,406
	Computer Expenses	51,280	-
	Conveyance	72,210	81,233
	Courier Service	78,061	69,660
	Credit Rating Expenses	116,662	26,187
	Director Remuneration	4,210,300	2,190,000
	Donation & Subscriptions	146,065	107,647
	Depreciation	3,897,032	4,516,214
	Electric Expenses	115,829	76,314
	Power & Fuel (Electricity)	732,167	-
	Entertainment Expenses	54,508	77,354
	Fine & Compensation	-	214,239
	General Expenses	17,633	17,365
	Insurance Premium	-	797,706
	IT, Mobile & Telephone Expenses	107,701	54,667
	IPO Expense	816,330	203,558
	Internet Expense	151,385	84,300
	Legal Fees	76,310	321,593
	Medical Expenses	2,360	7,700
	Miscellaneous Expenses	148,280	59,405
	Office Rent	480,000	320,000
	Annual Picnic Expense	56,035	-
	Petrol, Octen & Oil	209,997	50,182
	Printing & Stationery	155,662	67,251
	Professional Fees	15,000	75,000
	Renewal, Enhance & Registration Fees	302,457	220,762
	Repair & Maintenance (Vehicles)	125,049	99,506
	Repair & Maintenance (Factory)	84,200	97,800
	Repair & Maintenance (Others)	89,574	60,040
	Rent, Rate & Tax	223,215	200,956
	Stamp Fees	78,560	53,670
	Salary & Allowance	4,857,106	1,744,114
	Service charge	61,876	1,060
	Traveling Expenses	42,888	59,469
	Uniform Expense	49,945	17,573
	VAT & Others	708,636	253,452
	Water bill	10,880	-
	Website Development Expense	-	5,980
	Total	19,746,008	13,105,648

Note No	Particulars	Amount in Taka	
		2022-2023	2021-2022
22.00	Selling & Distribution Expenses		
	Clearing & Forwarding expenses	345,813	318,800
	Ocean freight	9,011,601	8,521,836
	PRC Certificate	1,000	-
	Packing Materials	688,621	-
	Quality control expenses	981,666	1,032,850
	Survey fees	111,500	54,500
	Sales commission (Buyers)	535,000	477,000
	Shipment expenses	708,930	613,593
	Toll expenses	32,235	11,120
	Total	12,416,366	11,029,699
23.00	Financial Expenses		
	Bank Interest, Charges & Others	38,912,392	38,859,075
	Total	38,912,392	38,859,075
24.00	Other Income		
	Cash Incentive- Marcantile Bank Ltd.	17,434,100	28,800,000
	Cash Incentive- Sonali Bank Ltd.	5,713,600	13,050,000
	Cash Incentive- Islami Bank Bangladesh Ltd.	46,700	-
	Foreign Exchange Gain (Loss)	9,597,344	1,236,928
	Wastage & Others Sale (Rotten and PD Items)	5,705,431	7,128,072
	Total	38,497,175	50,215,000
25.00	Current Income Tax		
	Minimum Tax on Revenue	13,263,504	3,299,513
	Regular Tax	-	-
	Higher one	13,263,504	3,299,513
25.01	Minimum Tax on Revenue		
	Revenue	528,029,006	397,326,846
	Non Operating Income (Cash Subsidy)	77,014,100	50,215,000
	Total	605,043,106	447,541,846
	Minimum Tax @0.60%	3,630,259	2,685,251
	Deducted Tax at Source		
	AIT on Export	5,513,145	3,299,513
	AIT on Import	44,279	-
	AIT on Cash Subsidy	7,706,080	-
	Total	13,263,504	3,299,513
25.02	Regular Tax		
	Net profit before tax	47,561,491	25,073,942
	Add: Accounting Depreciation	38,970,325	17,370,052
		86,531,816	42,443,994
	Less: Tax Depreciation	41,373,104	21,825,923
		45,158,712	20,618,071
	Less: Cash subsidy income	38,497,175	50,215,000
		6,661,537	(29,596,929)
	Effective tax rate	22.5%	27.5%
	Total	-	-
26.00	Deferred Tax (Income)/Expenses		
	Closing deferred tax liability	17,932,723	21,221,534
	Less: Opening deferred tax liability	21,221,534	21,814,004
	Deferred Tax (Income)/Expenses	(3,288,811)	(592,470)

Note No	Particulars	Amount in Taka	
		2022-2023	2021-2022
27.00	Basic Earnings Per Share		
	Basic Earnings per Share		
	Earning attributable to the shareholders (Net profit after tax)	37,586,799	22,366,899
	Weighted Average Number of Ordinary Shares	37,356,334	22,356,334
	Basic Earning Per Share	1.01	1.00
28.00	Diluted EPS		
	Net profit after tax	37,586,798	22,366,899
	Number of shares	37,356,334	22,356,334
	Diluted EPS	1.01	1.00
	Weighted Average Number of Ordinary Shares outstanding		

No. of Shares	Days	Factor	Weighted Average No. of Shares
37,356,334	365	1.000	37,356,334
Total			37,356,334

29.00	Basic Cash Flow Operating Activities per share		
	Basic Cash Flow Operating Activities per share		
	Cash flow from operating Activities	13,322,277	(33,733,690)
	Weighted Average Number of Ordinary Shares	37,356,334	22,356,334
	Cash Flow Operating Activities per share	0.36	(1.51)

30.00 Statement of Cash Flows:

Statement of Cash Flows have been prepared in accordance with IAS 7 "Statement of Cash Flows" and the cash flows from operating activities are shown under direct method as prescribed. Reconciliation of net profit with cash flows from operating activities is as follows:

Particulars	2022-2023	2021-2022
Net Profit/ (Loss) during the year	37,586,798	22,366,899
Add: Adjustment of Tax Holiday Reserve	-	-
Add: Adjustment of Depreciation	38,970,325	17,370,053
	76,557,123	39,736,952
<u>Increase / (Decrease) in</u>		
Inventories	(41,627,373)	18,544,333
Trade Receivable	89,779,600	91,475,520
Advance, Deposit & Prepayment	(85,398,343)	(32,589,525)
Trade Payable	(18,556,126)	(143,349,400)
Dividend Paid During the year	(14,107,783)	-
Income Tax Provision	9,963,991	(6,959,099)
Deferred Tax Provision	(3,288,811)	(592,470)
	(63,234,846)	(73,470,641)
Net Cash Provided by/ (used in) Operating Activities	13,322,277	(33,733,689)

31.00 Related Party Disclosure:

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

Note No	Particulars			Amount in Taka	
				2022-2023	2021-2022
	Name of the Party	Relationship with the Company	Nature of Transaction	June 30, 2023	June 30, 2022
	Md. Ali Asgar Nasir	Sponsor/Chairman	Board Meeting Fees	5,000	10,000
	Md. Tariqul Islam Zaheer	Sponsor/Managing Director	Board Meeting Fees	10,000	10,000
	Md. Yousha Zaheer	Nominee Director	Board Meeting Fees	3,500	10,000
	Md. Nadirul Islam Babu	Nominee Director	Board Meeting Fees	-	10,000
	Md. Arfin Ali, FCA	Independent Director	Board Meeting Fees	-	10,000
	Sundarban Shrimps Pvt. Ltd	Sister Concern	Advance for Supplies	-	19,714,500
	Sundarban Shrimps Pvt. Ltd	Sister Concern	Purchase	-	41,578,212
	Total			18,500	61,342,712

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

Particulars			June 30, 2023	June 30, 2022
Name	Designation	Nature of Transaction		
Md. Ali Asgar Nasir	Chairman	Cash	480,000	450,000
Md. Tariqul Islam Zaheer	Managing Director	Cash	1,440,000	960,000
Md. Yousha Zaheer	Director	Cash	480,000	360,000
Md. Arifur Rahaman Sagir		Cash	-	180,000
Md. Nadirul Islam Babu	Director	Cash	240,000	240,000
Total			2,640,000	2,190,000

32.02 Total amount of remuneration paid to the top five salaried officers of the compnay in the accounting year is as follows:

Name	Designation	June 30, 2023	June 30, 2022
Mr. Prodip Kumer Dey	Head of Business	900,000	1,320,000
Swapan kumar Saha	Chief Financial Officer	500,000	300,000
Md. Elias	Company Secretary	260,000	250,000
Md. Golap Hossain	Head of Plant	416,000	400,000
Mr. Amit Kumer Saha	Commercial Incharge	237,000	493,750

32.03 Aggregate amount of remuneration paid to all directors and officers during the financial year is as follows:

Particulars	Nature of payment	June 30, 2022	June 30, 2021
Directors	Board Meeting Fees	18,500	50,000
Directors	Remuneration	2,640,000	2,190,000
Officer's & Executives	Salary, Bonus & Others Allowances	10,000,900	11,517,041

Note No	Particulars	Amount in Taka	
		2022-2023	2021-2022

33.00 Employee long term benefit:

The company has no Gratuity Fund, PF and WPPF scheme as yet as such no provision has been made in the financial statement.

34.00 Events After the Reporting Period:

Events after the reporting period are those events, favourable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorised for issues. There is no such type of event during the year 2022-2023.

35.00 Disclosure as per requirement of Schedule XI, Part II para 8 of the Companies Act, 1994:

Disclosure as per requirement of Schedule XI, Part II, para 8 of company Act 1994:

Particulars	Local purchase	Import	Total	Consumed	% of Consumed
Raw Materials	459,707,415	-	459,707,415	447,889,925	85%
Packing Materials	21,018,040	-	21,018,040	20,590,665	4%

36.00 Employee position of the company as at 30 June, 2023:

Salary (Monthly)	Factory	Head Office	Sales & Marketing	Total Employees
Below BDT 6,000	10	-	-	10
Above BDT 6,000	90	1	-	91

37.00 Production Capacity and Utilization

Major Products	Production Capacity	Actual Production (AVG)	Capacity Utilization (%)
Raw Materials & Chemical (In MT)	33	8	24%

Achia Sea Foods Limited
Schedule of Property, Plant & Equipment
For the year ended June 30, 2023

Achia Sea Foods Limited | 2022-2023

Particulars	Cost		Dep. Rate	Depreciation			Annexure: A
	Balance as at July 01, 2022	Addition during the year		Balance as at July 01, 2022	Charged during the year	Balance as at June 30, 2023	
Land and Land Development	69,646,009	-	0%	-	-	-	69,646,009
Factory Building	124,520,639	5,211,845	5%	39,321,212	6,291,180	45,612,392	84,120,092
Plant & Machinery	54,802,532	43,443,620	10%	33,139,118	6,566,344	39,705,462	58,540,690
IQF Machinery	23,783,803	15,600	10%	12,283,368	2,378,770	14,662,138	9,137,265
Cold Storage Compressor Unit	7,771,306	57,431,810	10%	2,980,056	2,212,926	5,192,982	60,010,134
Fleck Ice Machinery	5,164,994	7,170,000	10%	2,856,832	695,749	3,552,581	8,782,413
Factory Equipment	73,643,260	-	15%	52,875,964	11,046,489	63,922,453	9,720,807
Tools & Equipment	4,634,262	42,375	20%	2,467,986	928,971	3,396,957	1,279,680
Transformer	364,530	-	15%	292,737	54,680	347,417	17,113
I Phone & I Pad	290,516	-	15%	206,680	43,577	250,257	40,259
Processing Equipment	6,397,997	93,360	20%	3,737,789	1,284,267	5,022,056	1,469,301
Laboratory Equipment	1,800,089	-	20%	942,818	360,018	1,302,836	497,253
Electric Equipment	5,334,519	2,646,305	20%	3,358,572	1,199,219	4,557,791	3,423,033
Refrigeration Van	1,035,103	-	20%	921,889	113,214	1,035,103	-
Office Equipment	3,679,403	112,025	20%	2,238,765	741,482	2,980,246	811,182
Furniture & Fixture	3,072,572	29,300	10%	1,085,362	308,722	1,394,084	1,707,788
Jetty	938,376	36,840	20%	521,995	191,359	713,354	261,862
Crockery's & Cutleries	228,402	-	20%	84,965	45,680	130,646	97,756
Tube well & waterline	1,650,943	657,667	20%	1,138,518	395,955	1,534,474	774,137
Vacuums Machine	1,382,515	-	20%	1,019,797	276,503	1,296,300	86,215
Metal Detector Machine	2,561,111	1,232,852	20%	1,751,223	635,507	2,386,730	1,407,232
Boundary Wall	14,100,957	31,200	20%	8,070,784	2,823,311	10,894,096	3,238,061
Vehicles	1,677,500	280,000	20%	1,169,698	363,500	1,533,198	424,302
Sotware	-	129,000	20%	-	12,900	12,900	116,100
Balance as at June 30, 2023	408,481,338	118,563,799		172,466,128	38,970,325	211,436,453	315,608,683

Depreciation Charged To-	30.06.2023	30.06.2022
General & Administrative Expenses	3,897,032	4,516,214
Manufacturing Expenses	35,073,292	12,853,839
Total:	38,970,325	17,370,052

- i) Depreciation has been charged on addition of assets during the year when it is put in to available for use.
ii) Total depreciation Charge has been estimated for General & Administrative Expenses 10% and Factory Overhead 90% respectively.

Achia Sea Foods Limited

Schedule of Inventories

As on 30 June 2023

Annexure-B

SL	Particular	Carton/Box	Quantity	Total Amount
1.BT HLSO				
a	BT HLSO 11.00 KG	31	341	514,910
b	BT HLSO 10.00 KG	219	2,190	1,997,280
c	BT HLSO 6.00 KG	5,768	44,608	46,526,144
d	BT HLSO Easy Peel 10.00 KG	1,052	30,520	30,062,200
Sub-Total		7,070	77,659	79,100,534
2.BT HOSO				
a	BT HOSO 10.00 KG	2,902	39,020	33,635,240
Sub-Total		2,902	39,020	33,635,240
3.BT PND				
a.	BT PND 10.00 KG	934	19,340	19,958,880
Sub-Total		934	19,340	19,958,880
4.Fresh Water HOSO				
a.	Fresh Water HOSO 10.00 KG	926	9,260	14,278,920
Sub-Total		926	9,260	14,278,920
5.Fresh Water HLSO				
a.	Fresh Water HLSO 6.00 KG	1,921	11,526	24,043,236
Sub-Total		1,921	11,526	24,043,236
White Fish		-	-	42,537,119
General Store		-	-	1,645,210
Raw Materials				325,610
Grand Total		13,753	156,805	215,524,749

Achia Sea Foods Limited**Schedule of Bank Loan**

For the year ended June 30, 2023

Annexure- C**Nature of Security of Loans:**

Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	LD1719005308
Category	Term Loan-Corp.
Limit	BDT 50,000,000.00
Repayment	Monthly
Interest Rate	9.00%
Period of Loan	60 months
Expiry Date	28/Mar/2023
Renewal Status	N/A
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries.</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md.Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	To purchase 03 (Three) Refrigerated Van Vehicles , Civil Construction & finishing works to set up /building a cold storage with the capacity of 1000 M.T.

Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	LD 2022215361
Category	Term Loan(FSF)-Corp.
Limit	BDT 1,883,500.00
Repayment	Monthly
Interest Rate	4.50%
Period of Loan	18 months
Expiry Date	28/Feb/2023
Renewal Status	N/A
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries.</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md.Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	To pay salary & wages of the Staff & workers for the months of July ,2020.

Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	LD 2013900073
Category	Term Loan(FSF)-Corp.
Limit	BDT 5,650,500.00
Repayment	Monthly
Interest Rate	0.00%
Period of Loan	18 months
Expiry Date	28/Feb/2023
Renewal Status	N/A
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries.</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md.Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	To pay salary & wages of the Staff & workers for the months of April, May, June,2020

Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	LD 2116192918
Category	Term Loan-Corp.
Limit	BDT 7,620,000.00
Repayment	Quarterly
Interest Rate	9.00%
Period of Loan	12 months
Expiry Date	30/Jun/2022
Renewal Status	N/A
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries.</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md.Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	To meet up working capital requirement of the business.

Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	112172133858448
Category	Working Capital Under Stim Package
Limit	BDT 50,000,000.00
Repayment	01(One) Time payment
Interest Rate	4.50%
Expiry Date	13/Apr/2022
Renewal Status	N/A
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries.</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md.Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	For meet up day to day working capital requirement of the business.

Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	112172131775488
Category	Working Capital Under Stim Package
Limit	BDT 22,000,000.00
Repayment	01(One) Time payment
Interest Rate	4.50%
Expiry Date	13/Jul/2021
Renewal Status	Applicable at 9% Interest
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries.</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md.Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	For continue normal business operation.

Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	112172921646834
Category	Cash Credit Hypo-Corp.
Limit	BDT 250,000,000.00
Repayment	1(One) Time Payment
Interest Rate	9.00%
Expiry Date	30/Jun/2022
Renewal Status	10/Jun/2021
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries.</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md.Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	To meet up working capital requirement of the business.

Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	LD2027449302
Category	Time Loan(Non-revolving)-Corp.
Limit	BDT 50,000,000.00
Repayment	1(One) Time Payment
Interest Rate	9.00%
Expiry Date	30/Jun/2021
Renewal Status	N/A
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries.</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md.Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	To Meet up working capital requirements as to procure additional stocks of Golda, Freshwater, Cat tiger, Black Tiger or Bagda Shrimps in the peak season(January to March for Golda or Freshwater, Cat tiger & March to December for black tiger or Bagda) for the meeting off Seasonal demand of foreign buyers.

Achia Sea Foods Limited
Calculation of Deferred Tax
For the year ended June 30, 2023

"Annexure-D"

Particulars	Amount in Taka	
	2022-2023	2021-2022
A Deferred Tax (Income)/Expenses recognized in Profit and Loss		
Cost:		
Carrying amount except land		
Property Plant and Equipment	315,608,683	236,015,210
Workers Profit Participation Fund	-	-
	315,608,683	236,015,210
Tax base:		
Property, Plant and Equipment	235,907,690	158,845,995
	235,907,690	158,845,995
Taxable/(Deductable) temporary difference	79,700,993	77,169,215
Income tax rate	22.50%	27.50%
Deferred tax liability at the end of the period	17,932,723	21,221,534
Closing Deferred Tax Liabilities/(Assets)	17,932,723	21,221,534
Opening Deferred Tax Liabilities/(Assets)	21,221,534	21,814,004
Deferred Tax (Income)/Expenses recognized in Profit and Loss	(3,288,811)	(592,470)

Achia Sea Foods Limited**Schedule of Trade Creditors**

As at June 30, 2023

Annexure-E

Particulars	Amount in Taka	
	June 30, 2023	June 30, 2022
Abul Fish	27,948	-
Alia Fish	125,541	205,041
ADJ Electric System	-	21,930
A. Hossain Enterprise	-	4,629
Airpath Aviation		(100,000)
Bappi Fish	214,062	414,062
Baltic Control (BD) Ltd.	-	2,000
Bangladesh Prawns		245,000
Bangladesh Telecommunication Co.	1,730	38,926
Bismillah Thai	-	(1,000)
Chandni Fish	128,987	319,557
Cas Scal BD Ltd.	-	(6,500)
Colachal Songhtha	-	11,000
Confidence Salt	23,650	44,900
Grand Deco	117,500	217,550
Electro Power & Engineering	2,557	117,360
First Rate Enterprise	287,933	449,893
Fresh Trade	92,750	1,300
Islam Quazi Shafique & Co.	50,000	62,500
Jahirul Islam Enterprise	121,000	339,181
Jalalabad Frozen Foods Ltd	-	(3,000)
Joyti International	-	100,000
Khatoons Sons (Pvt.) Ltd.	54,200	15,265
Khulna City Corporation.	185,641	185,206
Life Safety Enterprise	-	16,500
Mayer Doa Enterprise	6,067,733	12,253,427
Mr.Aminul Chairman.	650,000	-
Biswas Enterprise	114,000	-
Sonali Fish	167,000	-
M/S Naznin Enterprise	211,041	-
Mayer Doa Enterprise- Ice	-	748,838
Modern Sheet Metal	-	(5,000)
Modhaumoti Mudranalay	-	328,968
Modina Sheet Metal	-	(1,120,750)
MABS & J.	71,740	
Nalta Ahsania Fish-Purchase	2,559,166	404,942
Neoti Sea Food Traders	-	81,662
New Kazi Gas Company	-	3,000
Next Trip	-	25,500

Annexure-E

Particulars	Amount in Taka	
	June 30, 2023	June 30, 2022
Ocean Fish Trading	300,000	400,000
Pranti Acqua Culture	500,393	-
Primus Frozen Ltd.	-	(3,000)
Riaz Enterprise	113,440	-
R K Trading	1,000,000	
R&M Suppliers	45,400	119,992
Royal Inspection International Ltd.	-	29,147
Sagor Fish	346,847	4,546,847
Sanawar Enterprise	-	141,176
Shana Fish	725,000	850,000
Shawon Fish		-
Sumi Fish	2,904,240	6,821,754
Super Fish	10,677	-
Safe Guard Inspection	3,500	5,500
Sea Source Foods International	-	(100,000)
Sharifa Printer & Packagers Pvt. Ltd.	2,654,100	7,301,880
Sitara Begum Hafizia Madrasa	-	(198,268)
South Asian Printing & Packagers Ltd (D.E.L)	-	438,873
To.Do Foil Pack Industries	-	750
Zicko Fish	1,804,619	4,072,040
Trade Creditors	21,682,395	39,848,578

Achia Sea Foods Limited
Schedule of Liabilities for Expenses
 As at June 30, 2023

Annexure-F

Particulars	Amount in Taka	
	June 30, 2023	June 30, 2022
West Zone Power Distribution Co. Ltd.	2,164,075	535,470
Office Rent	40,000	40,000
Md. Tariqul Islam Zaheer(D/C/A)	120,000	120,000
Md. Ali Asgar Nasir(D/C/A)	40,000	40,000
Md. Nadirul Islam Zaheer(D/C/A)	20,000	20,000
Md. Yousha Zaheer(D/C/A)	40,000	40,000
Board Meeting Fees	30,000	15,000
Accrued Salary	1,022,620	3,139,168
Liabilities for Expenses	3,476,695	3,949,638

Achia Sea Foods Limited
Schedule of Property, Plant & Equipment (Tax Base)
For the year ended June 30, 2023

Particulars	Cost		Dep. Rate	Depreciation			Annexure: G Written Down Value as at June 30, 2023
	Balance as at July 01, 2022	Addition during the year		Balance as at July 01, 2022	Charged during the year	Balance as at June 30, 2023	
Land and Land Development	69,646,009	-	0%	-	-	-	69,646,009
Factory Building	123,384,422	5,211,845	20%	90,965,943	7,526,065	98,492,008	30,104,259
Plant & Machinery	54,802,532	43,443,620	20%	42,244,862	11,200,258	53,445,120	44,801,032
IQF Machinery	23,783,803	15,600	20%	20,660,523	627,776	21,288,299	2,511,104
Cold Storage Compressor Unit	7,256,306	57,431,810	20%	4,930,915	11,951,440	16,882,355	47,805,761
Fleck Ice Machinery	5,164,994	7,170,000	20%	4,615,255	1,543,948	6,159,203	6,175,791
Factory Equipment	72,358,210	-	20%	54,166,061	3,638,430	57,804,491	14,553,719
Tools & Equipment	4,002,767	42,375	20%	2,046,229	399,783	2,446,011	1,599,131
Transformer	364,530	-	20%	307,925	11,321	319,246	45,284
I Phone & I Pad	290,516	-	10%	156,795	13,372	170,167	120,349
Processing Equipment	5,054,672	93,360	20%	3,139,470	401,712	3,541,183	1,606,849
Laboratory Equipment	1,800,089	-	20%	892,138	181,590	1,073,728	726,361
Electric Equipment	4,878,137	2,646,305	30%	3,750,317	1,132,237	4,882,555	2,641,887
Refrigeration Van	1,035,103	-	20%	861,259	34,769	896,028	139,075
Office Equipment	3,339,123	112,025	10%	1,231,037	222,011	1,453,048	1,998,100
Furniture & Fixture	2,994,572	29,300	10%	923,136	210,074	1,133,210	1,890,662
Jetty	938,376	36,840	20%	466,158	101,812	567,970	407,246
Crockery's & Cutleries	217,402	-	10%	43,210	17,419	60,629	156,773
Tube well & waterline	1,650,943	657,667	15%	940,813	205,170	1,145,982	1,162,628
Vacuums Machine	1,382,515	-	20%	961,786	84,146	1,045,932	336,583
Metal Detector Machine	2,561,111	1,232,852	20%	1,633,900	432,013	2,065,913	1,728,050
Boundary Wall	14,072,927	31,200	20%	7,698,400	1,281,145	8,979,546	5,124,581
Vehicles	1,677,500	280,000	20%	1,174,430	156,614	1,331,044	626,456
Balance as at June 30, 2023	402,656,559	118,434,799		243,810,564	41,373,104	285,183,667	235,907,690
Balance as at June 30, 2022	392,463,091	10,193,468		221,984,641	21,825,923	243,810,564	158,845,995

**ACHIA SEA FOODS LIMITED
DECLARATION BY MD & CFO**

[Declaration under Condition No. 1(5) (xxvi) of the Corporate Governance Code, 2018]

To,
The Board of Directors
Achia Sea Foods Limited
50/7, Shipyard, Road,
Labanchara, Khulna

Subject: Declaration on Financial Statements for the year ended on June 30, 2023.

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 03/06/2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Achia Sea Foods Limited for the year ended on June 30, 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure therefrom has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- I. We have reviewed the financial statements for the year ended on June 30, 2023 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 collectively present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- II. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely Yours,



Shimul Kumar

Chief Financial Officer CFO (Acting)



Md. Tarique Islam Zaheer

Managing Director (MD)

DIVIDEND DISTRIBUTION POLICY**A. Introduction**

The Dividend Distribution Policy is prepared and adopted in compliance with the provisions of the Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January, 2021 of the Bangladesh Securities and Exchange Commission (BSEC) about dividend declaration, pay off, disbursement and compliance. The Board of Directors (the Board) will consider the directive while declaring/ recommending dividend on behalf of the Company. The Policy is not an alternative to the decision of the Board for declaring/recommending dividend, which takes into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided by the Board.

B. Definitions

"the Act"	means Companies Act 1994
"the Company"	means Achia Sea Foods Ltd.
"AGM"	means Annual General Meeting "Board" means Board of Directors of Achia Sea Foods Ltd.
"Shareholders"	means Members whose name is registered in the Member Register of the Company.
"Shares"	means Ordinary Equity Shares.

C. Concept of Dividend

Dividend is the share of the profit that a Company decides to distribute among its Shareholders in proportion to the amount paid-up on shares they hold in the form of Cash and/or Stock (Bonus). The profits earned by the Company can either be retained in the business or can be distributed among the Shareholders as dividend.

D. Types of Dividend

The Act deals with two types of dividend - Interim and Final.

- Interim dividend is the dividend declared by the Board between two AGMs as and when considered appropriate. The Act authorizes the Board to declare interim dividend during any financial year out of the profits for the financial year in which the dividend is sought to be
- declared and/or out of the surplus in the profit and loss account.
- Final dividend is recommended for the financial year at the time of approval of the annual financial statements as well as appropriation of profit. The Board shall have the power to recommend final dividend to the Shareholders for their approval at the AGM of the Company. Dividend recommended by the Board of Directors cannot be changed prior to holding of the AGM.

E. Declaration of Dividend

Subject to the provisions of the Act, dividend shall be declared and paid out of:

1. Profits of the Company for the year for which the dividend is to be paid after setting off carried over previous losses and depreciation not provided in the previous year(s);
2. Undistributed profits of the previous financial years after providing for depreciation in
3. Accordance with law and remaining undistributed.
4. Out of 1 & 2 both.

Before declaration of dividend, the Company may transfer a portion of its profits to reserves of the Company as may be considered appropriate by the Board at its discretion.

In the event of inadequacy or absence of profits in any financial year, the Company may declare dividend out of free reserves subject to the compliance with the Act and Rules.

F. Factors Governing Declaration of Dividend

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among the Shareholders and amount of profit to be retained in business.

The circumstances for dividend pay-out decision depends on various external and internal factors which the Board of Directors shall consider while recommend/ declaring dividend including the following:

1. External Factors:

- The Board shall endeavor to retain a larger portion of profits to build up reserves, in case of Adverse Economic Scenario.
- The Board shall evaluate the market trends in terms of technological changes mandating investments, competition impacting profits, etc., which may require the Company to conserve resources.
- The Board shall consider the restrictions, if any, imposed by the Act and other applicable laws with regard to declaration of dividend in order to ensure compliance with the applicable laws.
- Dividend distribution tax or any tax deduction at source as required by tax regulations, applicable at the time of declaration of dividend may impact the decision with regard to dividend declaration.
- Other factors beyond control of the Management like natural calamities, fire, etc. effecting operations of the Company may impact the decision with regard to dividend declaration.

2. Internal Factors:

- Profitability;
- Availability and Liquidity of Funds;
- Capital Expenditure needs for the existing businesses;
- Expansion/Modernization of the business;
- Additional investments in subsidiaries/associates of the Company;
- Cost of raising funds from alternate sources;
- Cost of servicing outstanding debts;
- Funds for meeting contingent liabilities;
- Mergers and Acquisitions.
- Any other factor as deemed appropriate by the Board.

Apart from the above factors, the Board also considers past dividend history and sense of Shareholders' expectations while determining the rate of dividend. The Board may additionally recommend special dividend in special circumstances.

G. Financial Parameters for Declaring Dividend

The Company is committed to deliver sustainable value to its Stakeholders. The Company shall strive to distribute an optimal and appropriate level of the profits among the Shareholders in the form of dividend.

To keep investment attractive and to ensure capital appreciation for the Shareholders, the Company shall also endeavor to provide consistent return over a period of time. While deciding on the dividend, micro and macroeconomic parameters for the country in general and the Company in particular shall also be considered.

Taking into consideration the aforementioned factors, the Board shall endeavor to maintain a dividend pay-out.

H. Utilization of Retained Earnings

Subject to the provisions of the Act and other applicable laws, retained earnings may be utilized as under:

- Issue of fully paid-up bonus shares;
- Declaration of dividend-Interim or Final;
- Augmenting internal resources;
- Funding for capital expenditure/expansion plans/acquisition;
- Repayment of debt;
- Any other permitted use as may be decided by the Board.

I. Parameters for Various Classes of Shares

Currently, the Company has only one class of shares - Equity Shares. There is no privilege amongst Equity Shareholders of the Company with respect to dividend distribution.

J. Circumstances Impacting Dividend Payment

The Company has been paying dividend to its Shareholders around three decades and shall endeavor to continue with the dividend payment. Given here in below are some of the circumstances in which Shareholders of the Company may or may not expect dividend pay-out:

1. May Expect Dividend:

- Adequate profits and liquidity
- Accumulated profits not warranted for immediate business needs.

2. May Not Expect Dividend:

- Non availability of profits for dividend distribution
- Funds available for dividend but need to be conserved due to:
 - Business needs;
 - Adverse economic /market scenario expected in near future;
 - Augmenting internal resources.
 - Severe calamities i.e. COVID & other Pandemic.

K. Disclosure

This Dividend Distribution Policy shall be disclosed in the Annual Report of the Company and on the Company's website: www.achia-seafoods.com. If the Company proposes to declare dividend on the basis of any additional parameters apart from those mentioned in the Policy or proposes to change the parameters contained in this Policy, it shall disclose such changes along with the rationale for the same in the Annual Report and on the website.

L. Effective Date

This Policy has been approved by the Board of Directors of the Company at its meeting held on 7th December, 2023 shall be effective and applicable for dividend, if any, declared for the Financial Year 2022-2023 onwards.

M. Review/Amendment

The Board may amend, abrogate, modify or revise any or all provisions of this Policy. However, amendments in the Act or in the Listing Regulations shall be binding even if not incorporated in this Policy.

ACHIA SEA FOODS LIMITED

50/7, SHIPYARD ROAD, LABANCHARA, KHULNA

PROXY FORM

I/We.....
of.....
being shareholder (s) of ACHIA SEA FOODS LIMITED do hereby appoint
Mr./Mrs./Ms.....of.....as
my/our Proxy to attend and Vote for me /us and on my / our behalf at the 27th Annual General Meeting (AGM) of the
Company to be held 22th February, 2024 Thursday at 12.00 pm (Dhaka Time) at Digital Platform (Registered office of
Achia Sea Foods Limited, 50/7, Shipyard Road, Labanchara, Khulna) and any adjournment thereof or at any poll that
may be taken in consequence therefore. As witness my/our hand this.....day of
.....2024.

Affix Revenue Stamp

Signature of Proxy
Folio/ BO ID.....

Signature of Shareholder
Folio/ BO ID.....

1. A Member entitled to attend and vote at the Meeting may appoint his / her Proxy to attend and vote on his / her behalf.
2. Forms of Proxy, duly stamped and signed must be deposited at the Company's Registered Office at at 50/7, Shipyard, Labanchara, Khulna not later than 48 hours before the time appointed for the Meeting. In default, forms of Proxy will not be treated as valid.

ACHIA SEA FOODS LIMITED

50/7, SHIPYARD ROAD, LABANCHARA, KHULNA

ATTENDANCE SLIP

I hereby record my attendance at the 27th Annual General Meeting being held on 22th February, 2024 Thursday at 12.00 pm. at Digital Platform (Registered office of Achia Sea Foods Limited, 50/7, Shipyard Road, Labanchara, Khulna) and any adjournment thereof or at any poll that may be taken in consequence therefore.

Name of Shareholder/ Proxy.....

Folio/ BO ID.....

Note: Please complete this attendance slip and produce at the entrance of the venue.

Signature

Achia Sea Foods Limited

50/7, Shipyard Road, Labanchara, Khulna, Bangladesh

Tel: +88-04-1 813837, Fax: +88-04-1 913836

Email: info@achia-seafoods.com, Web: www.achia-seafoods.com