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Date: November 10, 2023

## TRANSMITTAL LETTER

To  
The Shareholders,  
Bangladesh Securities and Exchange Commission,  
Registrar of Joint Stock Companies & Firms,  
Dhaka Stock Exchange Limited and  
Chittagong Stock Exchange Limited

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

Dear Sir(s):

We are pleased to enclose a copy of the Annual Report of Apex Foods Limited together with the Audited Financial statements comprising of Statement of Financial Position as at June 30, 2023, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on June 30, 2023 along with Notes thereon for your kind information and record.

Yours sincerely,

Sd/-  
**Kamrul Islam**  
Company Secretary

## **NOTICE OF THE ANNUAL GENERAL MEETING**

Notice is hereby given that the **FORTY - FOURTH ANNUAL GENERAL MEETING** of the Shareholders of **APEX FOODS LIMITED** will be held virtually by using digital platform through link <http://virtualagm.apexfoods.com> (in pursuant with BSEC order SEC/SRMIC/94-231/25 dated July 08, 2020) on **Thursday, November 30, 2023 at 11.30 A.M.** to transact the following businesses:

### **AGENDA**

1. To receive and adopt the Audited Financial Statements for the year ended on 30 June 2023 and report of the Auditors' and Directors thereon.
2. To declare Dividend for the year 2022-23.
3. To elect Directors.
4. To approve the appointment of Independent Director.
5. To appoint Statutory Auditors for the year 2023-24 and fix their remuneration.
6. To appoint professional for the Certification on Corporate Governance Code for the year 2023-24 and fix their remuneration.
7. To transact any other business of the Company, with permission of the Chair.

Place: Dhaka  
Date: November 05, 2023

By order of the Board of Directors

Sd/-  
**Kamrul Islam**  
Company Secretary

### **NOTES:**

1. The Shareholders whose name appeared in the Register of Members of the Company or in the Depository on the "**Record Date i.e. October 26, 2023**" are eligible to attend in the Annual General Meeting and be entitled to the Dividend.
2. The detail login process and link of the online portal to attend the meeting will be communicated to the shareholders through email in due course and will be available at the company's Website at: <http://www.apexfoods.com>.
3. A member entitled to attend and vote at the Annual General Meeting may appoint only another member as proxy to attend and vote in his/her stead as per para **104** of the Articles of Association of the Company. The "**Proxy Form**" duly filled in, signed and stamped, must be submitted at the Registered Office of the Company not later than **48** hours before the time fixed for the Meeting.
4. Pursuant to the Bangladesh Securities and Exchange Commission's (BSEC) Notification No.: BSEC/CMRRCD/2006-158/208/Admin/81 dated 20<sup>th</sup> June, 2018 the **Annual Report 2022-23** of the Company shall be sent to the respective e-mail address of the shareholders mentioned in their Beneficiary Owner (BO) Accounts with the depository. In case of non-receipt of **Annual Report 2022-23** of the Company through e-mail, Shareholders may collect the same from Company's Website at: <http://www.apexfoods.com>.
5. In pursuance of BSEC's Notification No.: SEC/SRMI/2000-953/1950 dated October 24, 2000 gazette on November 07, 2000, the Company shall hold discussions in the Annual General Meeting strictly in conformity with the provisions of the Companies Act, 1994.

# CORPORATE DIRECTORY

## BOARD OF DIRECTORS

Chairman	: Mr. Zahur Ahmed PhD
Managing Director	: Mr. Shahriar Ahmed
Director	: Mrs. Shawkat Ara Ahmed
Director	: Mr. Ashim Kumar Barua
Independent Director	: Mr. Tarek Nizamuddin Ahmed

## AUDIT COMMITTEE

Chairman	: Mr. Tarek Nizamuddin Ahmed, Independent Director
Member	: Mr. Shahriar Ahmed, Managing Director
Member	: Mr. Ashim Kumar Barua, Director

## NOMINATION & REMUNERATION COMMITTEE

Chairman	: Mr. Tarek Nizamuddin Ahmed, Independent Director
Member	: Mr. Zahur Ahmed PhD, Chairman
Member	: Mr. Shahriar Ahmed, Managing Director

## SENIOR CORPORATE OFFICIALS

Executive Director	: Mr. Mominuddin Ahmed Khan
Chief Financial Officer	: Mrs. Sheuli Rani Dey
Head of Internal Audit & Compliance	: Mr. Ashish Kumar Paul FCA
Company Secretary	: Mr. Kamrul Islam

## LEGAL ADVISORS

Abdur Razzaque & Associates  
Md. Shahjahan Khan

## STATUTORY AUDITORS

M/s. Malek Siddiqui Wali  
Chartered Accountants

## CORPORATE GOVERNANCE COMPLIANCE AUDITORS

M/s. Shiraz Khan Basak & Co.  
Chartered Accountants

## SCRUTINIZER OF AGM

M/s. Shiraz Khan Basak & Co.  
Chartered Accountants

## BANKER

Agrani Bank Limited  
Agrabad Corporate Branch, Jahan Building  
Agrabad C/A, Chattogram

## REGISTERED OFFICE

SHANTA SKYMARK (Levels 8-13),  
18 Gulshan Avenue, Gulshan, Dhaka-1212  
Bangladesh.

## FACTORY

51-B Shagarika Road,  
Fouzderhat Industrial Estate, Pahartali,  
Chattogram-4219, Bangladesh.

# FIVE YEARS STATISTICS

*Figure in Thousand Taka*

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
<b>Results of Operations:</b>					
Revenue	2,419,770	3,512,950	2,759,680	2,184,387	1,712,670
Gross Profit	266,974	377,598	231,157	189,858	197,054
Operating Profit/(Loss)	106,178	106,822	91,390	85,399	96,071
Profit before Tax	99,603	77,284	48,104	36,422	38,406
Net Profit/(Loss) after Tax	50,832	29,316	11,805	10,738	11,781
Earnings per Share (EPS)	8.91	5.14	2.07	1.88	2.07
Dividend Per Share*	2.00	2.00	2.00	1.50	2.00
<b>Financial Positions:</b>					
Total Assets	1,164,979	1,239,984	1,453,953	1,714,463	1,682,611
Property, Plant and Equipment-Gross	764,692	749,849	732,112	725,427	710,997
Property, Plant and Equipment-Net	76,112	77,439	74,650	84,414	88,988
Gross Working Capital	742,719	836,087	1,074,803	1,315,229	1,256,464
Net Working Capital	393,918	369,229	337,906	326,994	325,898
Working Capital Loan	1,691	312,870	596,148	754,195	744,293
Share Capital	57,024	57,024	57,024	57,024	57,024
Share Premium	209,088	209,088	209,088	209,088	209,088
Reserve and Surplus	245,171	205,744	187,833	184,581	185,248
Share Holders' Equity	776,689	719,541	680,799	687,905	709,206
Long Term Loan	-	-	5,614	5,232	2,363
<b>Key Financial Ratios:</b>					
Current Ratio	2.13	1.79	1.46	1.33	1.35
Debt to Total Assets (%)	33.33	41.97	53.18	59.88	57.85
Return on Equity (%)	6.54	4.07	1.73	1.56	1.66
Net Assets Value Per Share	136.20	126.18	119.39	120.63	124.37
Dividend Payout Ratio (%)	22.45	38.90	96.61	79.66	96.81
Interest Service Coverage Ratio	6.80	4.25	1.86	1.19	1.24
<b>Others:</b>					
Market Price Per Share (30 <sup>th</sup> June)	428.80	181.90	124.70	120.10	175.60
Price Earning Multiple	13.47	35.39	60.24	63.88	84.83
Number of Employees (Including contract labor)	465	606	454	533	465
Capacity Utilization (%)	22.54	38.85	36.53	30.00	25.49

\* The Board of Directors recommended Cash Dividend @Tk. 2.00/- per Share for the year ended on 30<sup>th</sup> June 2023.



# APEX FOODS LIMITED

SHANTA SKYMARK , 8TH to 13TH FLOOR, 18 GULSHAN AVENUE, DHAKA 1212, BANGLADESH

PHONE - 88-2-222283358, FAX 88-2-222261685

E-mail : apex@apexfoods.com, apex@apexfoodsltd.com, web: www.apexfoods.com

## AUDIT COMMITTEE REPORT

The audit committee of **APEX FOODS LIMITED** is a sub-committee of the Board of Directors and appointed and authorized by the Board in pursuance of BSEC notification to review the activities of business.

The Audit Committee of the Company comprises of three Directors, nominated by the Board of Directors of the Company, headed by me, Tarek Nizamuddin Ahmed, Independent Director. The other members of the committee are, Mr. Shahriar Ahmed and Mr. Ashim Kumar Barua.

The committee has worked closely with the company's financial term to ensure that the audit processes adopted in connection with the financial statements are deal with best practice. The committee was empowered to examine the matter related to financial and other affairs of the Company. This committee ensures a sound financial reporting system and updated information to the Board of Directors.

The committee normally meets in the next month of every quarter. During the year 2022-23, Five Audit Committee meetings were held, the details of attendance of each member at the Audit Committee meetings are as follows:

Name of the Members	Number of Audit Committee Meeting held	Attended
Mr. Kazi Faruq Kader	5	4
Mr. Shahriar Ahmed	5	5
Mr. Ashim Kumar Barua	5	5
Mr. Tarek Nizamuddin Ahmed	5	1

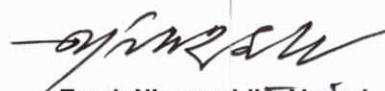
During the year the Audit Committee review and carry out the following tasks:

- Oversee the financial reporting process.
- Monitor choice of accounting policies and principles.
- Monitor Internal Control Risk management process.
- Oversee hiring and performance of external auditors.
- Hold meeting with the external auditors for review of the annual financial statements before submission to the Board for approval.
- Review along with the management, the annual financial statements before submission to the Board for approval.
- Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.
- Review the adequacy of internal audit function.
- Review the Management's discussions and analysis before disclosing in the annual report.
- Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.
- Review statement of significant related party transactions submitted by the management.
- Review Management letters or letter of internal control weakness issued by the statutory Auditor's.
- Sufficient effectiveness of the internal financial controls.
- Compliance of all applicable legal and regulatory rules and regulations.
- Various reports of operational activities and streamlined the operations of the Company.
- The committee reviewed the audit plan for the year 2022-23 and oversees the performance of external auditors.
- Reviewed compliance of corporate governance guidelines issued by Bangladesh Securities and Exchange Commission.

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.

Dated: Dhaka the 3<sup>rd</sup> October, 2023

On behalf of the Audit Committee

  
Tarek Nizamuddin Ahmed  
Chairman



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## NOMINATION AND REMUNERATION COMMITTEE REPORT

The Nomination and Remuneration Committee of **Apex Foods Limited** is a sub-committee of the Board of Directors and appointed and authorized by the Board in pursuance of BSEC notification to assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executives.

The Board of Directors of Apex Foods Limited has re-established on 05<sup>th</sup> April, 2023 the Nomination and Remuneration Committee comprises of three members, headed by me, Tarek Nizamuddin Ahmed, Independent Director. The other members of the committee are, Mr. Zahur Ahmed PhD and Mr. Shahriar Ahmed Directors of the company.

During the year 2022-23, three meetings of the Nomination and Remuneration Committee was held, the details of attendance of each member at the NRC meetings are as follows:

Name of the Members	Position	Number of Meeting held	Attended
Mr. Kazi Faruq Kader	Chairman	3	2
Mr. Zahur Ahmed PhD	Member	3	3
Mr. Shahriar Ahmed	Member	3	3
Mr. Tarek Nizamuddin Ahmed	Chairman	3	1

During the year the Nomination and Remuneration Committee oversee on the following matters:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully.
- The relationship of remuneration to performance is clear and meets appropriate performance benchmark.
- Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.
- Identifying person who may be appointed in top level executive position in accordance with the criteria laid down, and recommended their appointment and removal to the Board.
- Formulating the criteria for evaluation of performance of independent directors and the Board.
- Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria, and.
- Developing, recommending and reviewing annually the company's human resources and training policies.
- Reviewed compliance of corporate governance guidelines issued by Bangladesh Securities and Exchange Commission.
- **Appointment Criteria and qualifications:**
- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, senior management level and recommend to the board for appointment.



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- The NRC is responsible to ensure that the procedures for appointing new Directors are transparent. A combination of age, gender, experience, ethnicity, educational background, nationality and other relevant person attributes in the board is important in providing a range of perspectives, insights and challenges needed to support right decision making.

Recruitment and selection processes for board members identify candidates with the most suitable skills, knowledge, experiences and personal values.

- **Evaluation:**

The committee shall carry out evaluation of performance of Independent Directors and the board. The NRC is responsible for ensuring the effectiveness of the board. The evaluation includes a review of the administration of the Board and its committees covering their operations, agenda, reports and information produced for consideration and relationship with Management.

- **Top Level Executive Selection and Remuneration Policy:**

The performance of the Company depends upon the quality of its Directors and Top Level Executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and Executives.

- **The recruitment process for Top Level Executives shall be transparent:**

The objective of remuneration policy is to secure that reward for Top Level Executives shall contribute to attracting, engaging and retaining the right employees to deliver sustainable value for shareholders.

- **Acknowledgement:**

The Nomination and Remuneration Committee expressed of sincere thanks to the Chairman and Members of the Board and Management for their support in carrying out its duties and responsibilities.

Dated: Dhaka the 3<sup>rd</sup> October, 2023

On behalf of the Nomination and Remuneration  
Committee

**Tarek Nizamuddin Ahmed**  
Chairman

**MD & CFO's Declaration to the Board of Directors**

Date: October 03, 2023

The Board of Directors  
Apex Foods Limited  
SHANTA SKYMARK (Levels 8-13)  
18 Gulshan Avenue, Gulshan  
Dhaka-1212, Bangladesh.

**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 June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Apex Foods Limited for the year ended on June 30, 2023 have been prepared in compliance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), and any departure from there has been adequately disclosed;
- (2) The estimates and judgements 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 true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) These are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Sd/-  
**Shahriar Ahmed**  
Managing Director

Sd/-  
**Sheuli Rani Dey**  
Chief Financial Officer



# SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

(An associate firm of D. N. Gupta & Associates)

**R. K. TOWER** (LEVEL-10 & 6)  
86, Bir Uttam C.R. Datta Road  
(312, Sonargaon Road), Dhaka-1205  
Tel : 88-02-9635139, 88-02-9673597  
Mobile : 01552-575775, 01711-520770  
01922-117370, 01757-941837  
01312-501076, 01711-535885  
01645-738747, 01920-719463  
E-mail : shirazkhanbasak@yahoo.com  
Website : www.shirazkhanbasak.bd.com

## REPORT TO THE SHAREHOLDERS OF APEX FOODS LTD .COMPLIANCE ON THE CORPORATE GOVERNANCE CODE

We have examined the compliance status to the Corporate Governance Code by **Apex Foods Limited.** for the year ended on 30 June 2023. This Code relates to the Notification No. **Compliance of Notification No. BSEC/CMRRCD/2006-158/207/Admin/80** dated 03 June 2018 issued under section 2CC of the Bangladesh Securities and Exchange Commission.

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

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

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

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- The Governance of the company is satisfactory.

Dated: October 19 ,2023

Place: Dhaka

Chaity Basak, FCA  
Partner  
Shiraz Khan Basak & Co.  
Chartered Accountants

## Corporate Governance Code Compliance Status

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No.: BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
<b>1.</b>	<b>Board of Directors</b>			
1(1)	Board 's Size shall not be less than 5 and more than 20	✓		
<b>1(2)</b>	<b>Independent Directors</b>			
1(2)(a)	Independent Director(s) - at least one fifth (1/5) of the total number of directors	✓		
1(2)(b)(i)	Independent director does not hold any share or holds less than one percent (1%) shares of total paid up capital	✓		
1(2)(b)(ii)	Independent director is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company	✓		
1(2)(b)(iii)	Independent director has not been an executive of the company in immediately preceding 2 (two) financial years	✓		
1(2)(b)(iv)	Independent director does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	✓		
1(2)(b)(v)	Independent director is not member or TREC holder, director or officer of any stock exchange	✓		
1(2)(b)(vi)	Independent director is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		
1(2)(b)(vii)	Independent director is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	✓		
1(2)(b)(viii)	Independent director is not independent director in more than 5 (five) listed companies	✓		He is also an Independent Director of Apex Spinning & Knitting Mills Limited
1(2)(b)(ix)	Independent director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI)	✓		Not Applicable
1(2)(b)(x)	Independent director has not been convicted for a criminal offence involving moral turpitude	✓		Not Applicable
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the Shareholders in the AGM	✓		Appointed on 05-04-2023 by the Board and shall be approved in the ensuing AGM.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 days	✓		Not Applicable
1(2)(e)	The tenure of office of an Independent Directors shall be for a period of 3 (three) years which may be extended for 1 (one) tenure only	✓		
<b>1(3)</b>	<b>Qualification of Independent Director</b>			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business			No need to Comply
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association			No need to Comply
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company			No need to Comply
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law	✓		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law			No need to Comply
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification			No need to Comply
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission			Not Applicable
<b>1(4)</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer</b>			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	✓		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer	✓		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such incident was occurred during this year.
<b>1(5)</b>	<b>The Directors' Report to Shareholders</b>			
1(5)(i)	An industry outlook and possible future developments in the industry	✓		
1(5)(ii)	The Segment-wise or product-wise performance	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any	✓		Detail discussion are given in Directors analysis.
1(5)(iv)	A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin, where applicable	✓		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss)	✓		
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		See note 44 of audited financial statements
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments			No such incident was occurred during the year.
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.			
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements			N/A
1(5)(x)	A statement of remuneration paid to the directors including independent directors	✓		See note 35 of audited financial statements
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	✓		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained	✓		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	✓		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed	✓		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored	✓		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	✓		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed	✓		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained	✓		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized	✓		Please see note page 30 (xix)
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year			Not Applicable
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend			Not Applicable

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director	✓		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details)	✓		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details)	✓		
1(5)(xxiii)(c)	Shareholding pattern of Executives	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)	✓		
1(5)(xxiv)	In case of appointment or re-appointment of a Director, a disclosure on the following information to the Shareholders:			
1(5)(xxiv)(a)	A brief resume of the director	✓		
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board	✓		
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements	✓		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes			No such incident occurred during the year.
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	✓		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	✓		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe	✓		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	✓		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C	✓		
1(6)	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(7)	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:</b>			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		
2.	<b>Governance of Board of Directors of Subsidiary Company:</b>			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company			Not Applicable Entity don't have any subsidiary company.
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company			
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company			
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also			
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company			
3.	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):</b>			
3(1)	<b>Appointment</b>			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)	✓		
3(2)	<b>Requirement to attend Board of Directors' Meetings:</b>			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board	✓		
3(3)	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO):</b>			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
<b>4.</b>	<b>Board of Directors' Committee:</b>			
	For ensuring good governance in the company, the Board shall have at least following subcommittees:			
4(i)	Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.	✓		
<b>5.</b>	<b>Audit Committee:</b>			
<b>5(1)</b>	<b>Responsibility to the Board of Directors:</b>			
5(1)(a)	Audit Committee as a sub-committee of the Board	✓		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
<b>5.2</b>	<b>Constitution of the Audit Committee:</b>			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) Independent Director;		✓	Two members of the Committee is executive.
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1(one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5(2)(d)	Casual Vacancy of the Audit Committee fill up immediately or not later than 1 (one) month from the date of vacancy;			No such incident was occurred
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) Independent Director.			No such incident was occurred.
<b>5.3</b>	<b>Chairperson of the Audit Committee:</b>			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent Director;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			No such incident was occurred.
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM).	✓		
<b>5.4</b>	<b>Meeting of the Audit Committee:</b>			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year:	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.			No such incident was occurred.
<b>5.5</b>	<b>Role of Audit Committee:</b>			
5(5)(a)	Oversee the financial reporting process,	✓		
5(5)(b)	Monitor choice of accounting policies and principles,	✓		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5(5)(d)	Oversee hiring and performance of external auditors;	✓		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval;	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval;	✓		
5(5)(h)	Review the adequacy of internal audit function;	✓		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;		✓	
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:			No such incident was taken place during the year.
<b>5(6)</b>	<b>Reporting of the Audit Committee:</b>			
<b>5(6)(a)</b>	<b>Reporting to the Board of Directors:</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board;	✓		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
5(6)(a)(ii)(a)	Report on conflicts of interest;			No such incident was

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			occurred to report.
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;			
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			
5(6)(b)	<b>Reporting to the Authorities:</b> If any report which has material impact on the financial condition and results of operation and which has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier;			
5(7)	<b>Reporting to the Shareholders and General Investors:</b> Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.			
<b>6.</b>	<b>Nomination and Remuneration Committee (NRC):</b>			
<b>6(1)</b>	<b>Responsibility to the Board of Directors:</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	✓		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		
<b>6(2)</b>	<b>Constitution of the NRC:</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓		
6(2)(b)	All members of the Committee shall be non-executive directors;		✓	
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			No such incident was occurred.
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			No such incident was occurred.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;			No such incident was occurred
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
<b>6(3)</b>	<b>Chairperson of the NRC:</b>			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			No such incident was occurred.
6(3)(c)	The Chairperson of the NRC shall attend the Annual General Meeting (AGM) to answer the queries of the shareholders;	✓		
<b>6(4)</b>	<b>Meeting of the NRC:</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			No such incident was occurred.
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
<b>6(5)</b>	<b>Role of the NRC:</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6(5)(b)	<b>NRC shall oversee, among others, the following matters and make report with recommendation to the Board,</b>			
6(5)(b)(i)	<b>Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:</b>			
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	✓		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	✓		
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
<b>7.</b>	<b>External or Statutory Auditors:</b>			
7(1)	<b>The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:</b>			
7(1)(i)	Appraisal or valuation services or fairness opinions;	✓		
7(1)(ii)	Financial information systems design and implementation;	✓		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	Broker – dealer services	✓		
7(1)(v)	Actuarial services	✓		
7(1)(vi)	Internal audit services or special audit services;	✓		
7(1)(vii)	Any service that the Audit Committee determines;	✓		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1);	✓		
7(1)(ix)	Any other service that creates conflict of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company;	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
<b>8.</b>	<b>Maintaining a website by the Company:</b>			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
<b>9.</b>	<b>Reporting and Compliance of Corporate Governance:</b>			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting;	✓		
9(3)	The directors of the company shall state, in accordance with the Annexure-Attached, in the directors' report whether the company has complied with these conditions or not.	✓		

## DIVIDEND DISTRIBUTION POLICY

### 1. Introduction:

The Dividend Distribution Policy prescribes a set of principles/guidelines in relation to declaration and payment of dividend and matters incidental thereto or connected therewith. The said policy has been formulated for ensuring the proper distribution of declared dividend to the shareholders of the company.

This policy has been prepared pursuant to the Directive dated 14<sup>th</sup> January 2021 bearing reference No. BSEC/CMRRCD/2021-386/03 issued by the Bangladesh Securities and Exchange Commission (BSEC).

### 2. Procedure for Declaration of Dividend:

Amount of dividend (basis on the ordinary share of the company of taka 10 each) will be recommended by the Board of Directors on specific agenda of Board Meeting and finally dividend shall be approved by the shareholders at Annual General Meeting (AGM) on the basis of recommendation of the Board of Directors but no dividend shall exceed the amount recommended by the Board of Directors.

Mainly, declaration of dividend would be based on the audited financial statements of the company and also considering the following relevant factors:

- ❖ Past dividend trends
- ❖ Net profit after tax
- ❖ Shareholder expectations
- ❖ Dividend policy of competitors
- ❖ Cash flow position & working capital requirement &
- ❖ All applicable regulatory requirements.

### 3. Entitlement of Dividend:

The shareholders whose names would appear in the Register of Members of the company and/or in the depository on the “**Record Date**” would be eligible to join in the AGM & entitled to receive the annual/final dividend of the company.

### 4. Payment / Distribution of Dividend:

Company shall pay off final dividend to the entitled shareholders within 30 (thirty) days from the date of approval by the shareholders in AGM. Cash dividend shall be distributed in the following manner & procedures:

- ❖ Upon approval from shareholders in AGM, we will keep the whole amount of cash dividend payable declared by the Board of Directors for the concern year in our separate bank account within 10 (ten) days of the AGM.
- ❖ Company shall pay off cash dividend directly to the bank account of the entitled shareholders as available in the BO account maintained with the Depository Participants (DP) or the bank account as provided by the shareholders in paper form through Bangladesh Electronic Funds Transfer Network (BEFTN).
- ❖ In case of non-availability of bank account information or if not possible to distribute cash dividend through BEFTN or electronic payment system. Company shall issue cash dividend warrant and shall send it by post to the shareholders.

**5. Unpaid or Unclaimed Dividend:**

Pursuant to the Directive No. BSEC/CMRRCD/2021-386/03 dated 14.01.2021, the Company shall maintain as separate line item namely “**Unclaimed Dividend Account**” where unpaid or unclaimed dividend shall be accounted for in audited accounts for a period 3 (three) years and this unpaid or unclaimed cash dividend shall be kept to a separate bank account of the company within one year from the date of declaration or approval or record date. After elapse of the aforementioned period, if any dividend remains unpaid or unclaimed or unsettled, such dividend along with accrued interest shall be transferred to the “**Capital Market Stabilization Fund**” maintained by Bangladesh Securities and Exchange Commission.

**6. Procedure for claiming unpaid Dividend:**

The procedure for claiming unpaid or unclaimed dividend which are as follows:

- ❖ Shareholders are required to make an application for unpaid dividend for latest three years at its registered office address.
- ❖ Shareholders may apply in person at Corporate Office of the Company.
- ❖ Unpaid Dividends will be paid to the shareholders, upon verification of the relevant BO ID information, cell phone number, NID and email address maintained with the Central Depository of Bangladesh Limited (CDBL).
- ❖ Unpaid Dividends will be paid through issuance of Dividend Warrant/BEFTN/other banking channels within 15 (fifteen) working days from the application.

**7. Disclosure of Dividend Information:**

The Company maintains a record of unpaid or unclaimed dividend. Summary of such record shall be available in the Annual Report and in the Quarterly Financial Statements. The Company shall also publish such record in its website in accordance with the Directive No. BSEC/CMRRCD/2021-386/03 dated 14.01.2021.

**8. Submission of Dividend Distribution Compliance Report:**

The Company shall submit a dividend distribution compliance report to BSEC, DSE & CSE in a specific format issued by the regulator(s) within stipulated time of completion of dividend distribution to the entitled shareholders.

**9. General:**

The dividend Policy would be subject to revision/amendment in accordance with changes in applicable laws or the guidelines issued by BSEC or such other regulatory authority as may be authorized, from time to time, on the subject matter.

The Board shall review this Policy annually. Upon recommendation of the Board, the Company reserves its right to alter, modify, add, delete or amend any of the provision of this policy.

## MESSAGE FROM THE CHAIRMAN

**Dear Shareholders,**

It is a pleasure for me to welcome you all to the Forty-Fourth Annual General Meeting of your Company and to present the Annual Report for the year ended June 30, 2023.

### **World Economic Outlook:**

As your company is a 100% export oriented company, our performance is dependent on the overall global economy. Particularly the economy of the developed countries. The International Monetary Fund (IMF) has forecasted on April 11, 2023 in their world economic outlook that the growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. In a plausible alternative scenario with further financial sector stress, global growth declines to about 2.5 percent in 2023 with advanced economy growth falling below 1 percent. Global headline inflation in the baseline is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices but underlying (core) inflation is likely to decline more slowly. Inflation's return to target is unlikely before 2025 in most cases.

### **Bangladesh Economy:**

The slower growth forecast reflects subdued domestic demand and weaker export expansion due Bangladesh economy almost dependent on the export performance and export performance dependent on labor costs, fuel costs, electricity costs and infrastructure cost of Bangladesh. The economy of Bangladesh's has recovered from the economic damage caused by the impact of COVID-19 and the ongoing Russia-Ukraine crisis, although the recent slowdown in the global economy has adversely affected the country's economic growth. Bangladesh's economic growth in the pre COVID-19 fiscal year (FY 2018-19) was 7.88 percent. During the COVID-19 period, this growth rate declined to 3.45 percent in FY 2019-20, which increased to 6.94 percent in FY 2021-22. According to the provisional estimates of Bangladesh Bureau of Statistics (BBS), the GDP growth stood at 6.03 percent in FY 2022-23.

My sincere thanks to all the respectable Shareholders for extending their continuous support and confidence in the Board of Directors of your Company. I also like to put on record my sincere appreciation to the Banks, Financial and Regulatory Agencies, Suppliers, Customers, various people with whom we have interacted in the course of business, management staff, and members of the Company at all levels for their cooperation and sincere efforts in the growth of your Company.

Place: Dhaka

Dated: October 03, 2023

Sd/-

**Zahur Ahmed PhD**  
Chairman

## MANAGEMENT DISCUSSION & ANALYSIS

Management's Discussion and Analysis of the Company's position and operations along with a brief discussion of changes in the financial statements as per condition no. 1.5(XXV) of Corporate Governance Code dated June 03, 2018:

### (a) Accounting policies and estimation for preparation of financial statements:

These Financial Statements have been prepared under the Historical Cost Convention, accrual and Going Concern basis in accordance with applicable International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) in Bangladesh and the following IASs and IFRSs are applicable for the financial statements for the year under review:

IAS-1	Presentation of financial statements
IAS-2	Inventories
IAS-7	Statement of Cash Flows
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10	Events after the Reporting Period
IAS-12	Income Taxes
IAS-16	Property, Plant and Equipment
IAS-21	The Effects of Changes in Foreign Exchange Rates
IAS-23	Borrowing Costs
IAS-24	Related Party Disclosures
IAS-33	Earnings Per Share
IAS-36	Impairment of Assets
IAS-37	Provisions, Contingent Liabilities and Contingent Assets
IFRS-7	Financial Instruments: Disclosures
IFRS-9	Financial Instruments
IFRS-15	Revenue from contracts with customers
IFRS-16	Leases

### (b) Changes in accounting policies and estimation:

There was no change in accounting policies and estimation during the year under review.

### (c) Comparative analysis of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons:

Particulars	Figure in Thousand Taka					
	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
<b>Operational and Financial Data:</b>						
Revenue	2,419,770	3,512,950	2,759,680	2,184,387	1,712,670	1,922,168
Gross Profit	266,974	377,598	231,157	189,858	197,054	209,731
Operating Profit/(Loss)	106,178	106,822	91,390	85,399	96,071	102,415
Profit before Tax	99,603	77,284	48,104	36,422	38,406	33,931
Net Profit/(Loss) after Tax	50,832	29,316	11,805	10,738	11,781	9,660
Total Assets	1,164,979	1,239,984	1,453,953	1,714,463	1,682,611	1,872,183
Total Liabilities	388,290	520,443	773,154	1,026,559	973,405	1,093,400
Current Assets	742,719	836,087	1,074,803	1,315,229	1,256,464	1,353,620
Current Liabilities	348,801	466,858	736,897	988,234	930,566	1,047,479
Reserve and Surplus	245,171	205,744	187,833	184,581	185,248	184,752
Share Holders' Equity	776,689	719,541	680,799	687,905	709,206	779,088
Current Ratio	2.13	1.79	1.46	1.33	1.35	1.29
Net Assets Value (NAV) per Share	136.20	126.18	119.39	120.63	124.37	136.62
Earnings Per Share (EPS)	8.91	5.14	2.07	1.88	2.07	1.69
NOCFPS	81.84	62.14	42.87	16.66	24.70	8.25

There was significant variance in net operating cash flows. The Net Operating Cash Flows per Share are positive/negative and are different in every financial year as this depends on different issues mainly, Collection from revenue and payment for costs and expenses. This scenario is changeable from time to time depending on different issues.

**(d) Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario:**

"Figure in thousand Taka"

Particulars	Apex Foods Ltd. 2022-23	Peer Industry Scenario 2022-23
<b>Operational and Financial Data:</b>		
Revenue	2,419,770	Not available
Gross Profit	266,974	Not available
Profit before Tax	99,603	Not available
Net Profit/(Loss) after Tax	50,832	Not available
Net Assets Value (NAV) per Share	136.20	25.03
Earnings Per Share (EPS)	8.91	15.47
NOCFPS	81.84	0.20

**(e) Briefly explain the financial and economic scenario of the country and the globe:**

Bangladesh's economy has recovered from the economic damage caused by the impact of COVID-19 and the ongoing Russia-Ukraine crisis, although the recent slowdown in the global economy has adversely affected the country's economic growth. Bangladesh's economic growth in the pre-COVID-19 fiscal year (FY 2018-19) was 7.88 percent. During the COVID-19 period, this growth rate declined to 3.45 percent in FY 2019-20, which increased to 6.94 percent in FY 2020-21 and 7.10 percent in FY 2021-22. According to the provisional estimates of Bangladesh Bureau of Statistics (BBS), the GDP growth stood at 6.03 percent in FY 2022-23. Prices of Bangladeshi shrimp have dropped by 24% in FY23 due to the long-running Russia-Ukraine war on international markets. It could earn \$20.55 million in July 2023 instead of \$30.85 million in July 2022, according to data available with the Export Promotion Bureau. To prevent further erosion in the exports, which mostly comprise of black tigers, the Department of Fisheries recently gave preliminary permission for vannamei production in the country. In most cases here, shrimp farming is currently done in the traditional way, so production is only 300-400 kg per hectare, which is the lowest in the world.

However, if shrimp farming is done scientifically, the production will be 3-4 tonnes per hectare, which has not been possible to expand so far. Unlike leading exporters China and Vietnam, Bangladesh is still unable to produce higher value-added frozen shrimp products, which are in great demand abroad.

The government has also allowed for trial production of vannamei shrimp fry to meet the demand for quality post-larvae of the fish for cultivators. More than 60 countries, including China, India, Vietnam, Thailand, Indonesia, Malaysia, Ecuador and Mexico, are producing vannamei, meeting about 80% of the total shrimp demand in the world.

**(f) Risk and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company:**

Apex Foods Limited is availing working capital loan and there is risk of higher interest rate, it is highly exposed to interest rate risk. To minimize this exposure, the company is emphasizing on own fund based financing to reduce dependency on interest based borrowed fund.

The fisheries sector is a major driver for growth for Bangladesh. The marine and coastal fisheries have significant potential for sustainable and higher production. Bangladesh is keeping its focus on black tiger shrimp production, even as its neighbor, India, aims to farm one million metric tons of vannamei Shrimp per year. Bangladesh has a niche market for Black Tiger Shrimp but lags behind most other countries in adoption of modern technologies for shrimp farming and utilization of economic potential. So all out efforts should be made to adopt modern farming technology as quickly as possible to increase production & cut costs to remain competitive in the world market and retain the market share and survive global competition.

**g) Future plan:**

Apex Foods Limited continues to train its workers to make them more efficient and this will continue in future. As a result, the products will be able to meet international standards and be more hygienic. The Company's future plan is to sell its products with more value addition and explore new markets so that the Company can maintain a sustainable growth in the coming years.

Place: Dhaka

Dated: October 03, 2023

Sd/-

**Shahriar Ahmed**

Managing Director

## REPORT OF THE DIRECTORS

Dear Shareholders,

The Directors are pleased to submit to you the Annual Report together with the Auditor's Report and Audited Financial Statements of the Company for the year ended June 30, 2023.

The Directors' Report is prepared in compliance with Section 184 of the Companies Act, 1994 and Bangladesh Securities & Exchange Commission's (BSEC) notification no- BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018.

**(i) Industry outlook and possible future developments in the industry:**

Shrimp cultivation has a long and largely quiet history in Bangladesh, but during its rapid growth over the past two decades, in response to expanding global demand, it has acquired a highly contested status. Shrimp is a very important resource that supports a large industry in Bangladesh. Shrimp is the second most important source of export accounting for a yearly earning of over US\$ 300 million. Of all the exportable agro-based primary commodities, shrimp is by far the most important. It alone contributes more than 70% to the total export earnings from all the agro-based products, including tea, raw jute, vegetables, fruit, etc. The shrimp industry also provides direct employment to over 600,000 people who in turn support well over 3.5 million dependents. Despite all these positive points, there are views that the shrimp industry is not without vices. While its supporters see it as a valuable way of generating foreign exchange, those against it point to the environmental damage, social disruption, and rising domestic inequalities that result from trying to meet the growing luxury demands of distant Western consumers. The debate has become very polarized between those who support shrimp farming, and those who are opposed to it.

**(ii) Segment-wise or product-wise performance:**

As Apex Foods Limited produces only shrimp, there is no scope for Product-wise performance reporting. However, country-wise export details are given in note 29 of the Annual Report.

**(iii) Risks and concerns:**

The shrimp industry in Bangladesh is an important economic sector with growing demand, export potential and employment opportunities. However, the industry is threatened by external and local production and market risk. There are several reasons behind this. Viruses found in shrimp exported to foreign countries had a massive impact on shrimp exportation and the country's economy. Some time ago, due to the government's restriction on catching shrimp from natural sources, shrimp cultivation fell under huge risk. For these specific reasons, foreign export drops, and shrimp farmers start to lose interest. 85 per cent of shrimp from Bangladesh are exported to European countries. In those countries, the demand for tiger prawns and lobsters is not the same as before. There are also plenty of reasons behind it.

Whatever the purpose might be, shrimp farmers, researchers, businessmen, and the government all stakeholders are all working on solving these issues. They are thinking about how they can increase shrimp production in Bangladesh. They are working on an alternative way, which is cheaper for shrimp production. Even so, they are thinking of improving the quality of the shrimp production sector, and research is being done on this. The shrimp farmers are also working on the production of white leg shrimp.

**(iv) Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin:**

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

The reporting year's cost of goods sold was Tk. 2,153 million. The last year's cost of goods sold was Tk. 3,135 million. This is due to decrease in gross revenue and average production cost of Tk. 205/- per Kg. During the year 1,623,277 Kg of shrimps were

produced against last year's production of year 2,797,267 Kg. Production capacity utilized during the year was 22.54%. Raw material purchase cost has increased to the tune of Tk. 850.81 million against last year. Raw materials had to be purchased more during the year to meet the sales projection.

**(b) Gross Profit:**

The Company has achieved export revenue of Tk. 2,420 million during the year ended June 30, 2023. Last year's revenue was Tk. 3,513 million. The decrease in revenue is 31.12% over the previous year. The decrease in revenue is due to the global economic slowdown. During the year, gross profit earned was Tk. 266.97 million against last year's gross profit of Tk. 377.60 million. Despite substantial decrease in revenue, as well as decrease in the gross profit margin.

**(c) Net Profit:**

Net profit / (Loss) after tax earned during the year was Tk. 50.83 million compared to last year's Net Profit after tax of Tk. 29.32 million. During the year, the company manage to earn a net profit due to strong exchange rate support, decrease in freight forwarding expenses also financial expenses decrease and increased in other income.

**(v) Extra-Ordinary gain or loss:**

During the year, there was no realized extra-ordinary gain or loss made by the Company. An amount of Tk. 17.72 million has been shown as Fair Value Surplus of Investment in shares to the Statement of Comprehensive Income, which represents the difference between the closing price of the investment in the Shares of Apex Spinning & Knitting Mills Limited and Apex Weaving & Finishing Mills Limited and the price shown in the last Statement of Financial Position. This accounting effect was given to comply with the latest requirement of International Accounting Standards (IASs) & International Financial Reporting Standards (IFRSs). Details are given in Note 20 of the Annual Report.

**(vi) RELATED PARTY TRANSACTIONS:**

- There are one related party (inter Company) transactions during the year under review.
- Transaction with key management personnel:

Name	Relationship	Nature	Transaction	Opening Balance	Transaction during the period	Closing Balance
1. Mr. Zahur Ahmed PhD	Director	Revenue Expenditure	*Office rent	-	-	-
2. Mrs. Shawkat Ara Ahmed	Director					
3. Mr. Shahriar Ahmed	Director					
4. Mr. Mahir Ahmed	Family member of					
5. Mr. Eifaz Ahmed	Director					
6. Matex Bangladesh Limited	Common Director	Capital Expenditure	**To buy a Car	-	1,406,888/-	Nil

\*The Directors & their family members have provided a rent-free office space for business transaction for the company as per agreement. However, the total rental spaces as mentioned in the agreement is approximately 79,444.10 sft for 11 sister concerns of the Directors of the company which is located at Shanta Sky Mark (Level 8 to 13), Plot # 18, Block # CWS(A), Gulshan Avenue, Gulshan, Dhaka-1212. Therefore, the value of the related party transaction is nil.

\*\*Tk.1,406,888.00 was given to Matex Bangladesh Limited during the year to buy a car on behalf of the company. Now Closing Balance of related party is nil.

**(vii) Utilization of proceeds from public issues and/ or rights issues:**

There was no right issue offered during the year.

**(viii) Financial results after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.:**

Initial Public Offering was made on June 22, 1981, and subsequently, the Right Offer was made on January 11, 1997. Since then, the Company is performing well.

**(ix) Variance between Quarterly Financial performance and Annual Financial Statements:**

There was no significant variance between quarterly performance (i.e., up to 3<sup>rd</sup> quarter, EPS was Tk.7.29 & annually it has reached Tk. 8.91) and annual financial statements.

**(x) Remuneration to directors including independent directors:**

The remunerations of Directors, including Independent Director, are as follows:

Name of the Directors	Director / Independent Director	Yearly Remuneration
Mrs. Shawkat Ara Ahmed	Director	TK. 800,000/-
Mr. Ashim Kumar Barua	Director	TK. 4,200,000/-
Mr. Kazi Faruq Kader	Independent Director (Rtd.)	TK. 600,000/-
Mr. Tarek Nizamuddin Ahmed	Independent Director	-

**(xi)** The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows, and changes in equity.

**(xii)** Proper books of account of the Company have been maintained.

**(xiii)** Appropriate accounting policies have been consistently applied in the preparation of the financial statements, and that the accounting estimates are based on reasonable and prudent judgment.

**(xiv)** International Accounting Standards (IASs) & International Financial Reporting Standards (IFRSs), have been followed in the preparation of the financial statements and any departure there-from has been adequately disclosed.

**(xv)** The system of internal control is sound in design and has been effectively implemented and monitored.

**(xvi)** There was no such situation raised to protect the interest of minority shareholders.

**(xvii)** There are no significant doubts about the Company's ability to continue as a going concern.

**(xviii) Deviation from the last year's operating results:**

During the year, revenue has decreased. But due to price adjustments, more efficient handling raw material purchase and an increase in production efficiency, there is no significant deviation in operating results.

**(xix) Key operating and financial data of at least preceding 5 (five) years:**

"Figure in thousand Taka"

Particulars	2022-2023	2021-22	2020-21	2019-20	2018-19	2017-18
<b>Operational Data:</b>						
Revenue	2,419,770	3,512,950	2,759,680	2,184,387	1,712,670	1,922,168
Gross Profit	266,974	377,598	231,157	189,858	197,054	209,731
Operating Profit/(Loss)	106,178	106,822	91,390	85,399	96,071	102,415
Profit before Tax	99,603	77,284	48,104	36,422	38,406	33,931
Net Profit/(Loss) after Tax	50,832	29,316	11,805	10,738	11,781	9,660
Earnings Per Share (EPS)	8.91	5.14	2.07	1.88	2.07	1.69
Dividend Per Share	2.00	2.00	2.00	1.50	2.00	2.00
<b>Financial Data:</b>						
Total Assets	1,164,979	1,239,983	1,453,953	1,714,463	1,682,611	1,872,183
Property, Plant and Equipment-Gross	764,692	749,849	732,112	725,427	710,997	705,057
Property, Plant and Equipment-Net	76,112	77,439	74,650	84,414	88,988	103,205
Gross Working Capital	742,719	836,087	1,074,803	1,315,229	1,256,464	1,353,620
Net Working Capital	393,918	369,229	337,906	326,994	325,898	306,141
Working Capital Loan	1,691	312,870	596,148	754,195	744,293	762,783
Share Capital	57,024	57,024	57,024	57,024	57,024	57,024
Share Premium	209,088	209,088	209,088	209,088	209,088	209,088
Reserve and Surplus	245,171	205,744	187,833	184,581	185,248	184,752
Share Holders' Equity	776,689	719,541	680,799	687,905	709,206	779,088
Long Term Loan	-	-	5,614	5,232	2,363	2,975

**(xx) Dividend:**

The Board of Directors has recommended a Cash Dividend @ 20%, i.e., Taka 2.00 per share of Tk. 10.00 each for the year ended June 30, 2023, to those shareholders whose names would appear in the Share Register of Members of the Company or in the Depository list of CDBL as on October 26, 2023, at the close of office.

**(xxi) Interim Dividend:**

The Board of Directors has declared no bonus share or stock dividend for the interim period.

**(xxii) Board Meetings:**

During the year, 11 (Eleven) Board Meetings were held. The attendance record of the Directors is as follows:

Name of Directors	Meeting attended
Mr. Zahur Ahmed PhD	11
Mrs. Shawkat Ara Ahmed	03
Mr. Shahriar Ahmed	11
Mr. Mahir Ahmed	08
Mr. Eifaz Ahmed	07
Mr. Ashim Kumar Barua	11
Mr. Kazi Faruq Kader	06
Mr. Tarek Nizamuddin Ahmed	04

**(xxiii) The pattern of shareholding:**

Name wise details	No. Shares
<b>a) Parent/subsidiary/Associated companies and other related parties:</b>	
Apex Spinning & Knitting Mills Limited	169,250
Apex Lingerie Limited	10,800
<b>b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit &amp; Compliance:</b>	
Mr. Zahur Ahmed PhD – Chairman	160,740
Mrs. Shawkat Ara Ahmed – Director	988,066
Mr. Shahriar Ahmed – Director	1,718,894
Mr. Ashim Kumar Barua – Director	7,500
Mr. Tarek Nizamuddin Ahmed – Independent Director	NIL
Mrs. Sheuli Rani Dey – Chief Financial Officer	NIL
Mr. Ashish Kumar Paul, FCA - Head of Internal Audit & Compliance	NIL
Mr. Kamrul Islam – Company Secretary	NIL
<b>c) Senior Corporate Executives:</b>	
Mr. Mominuddin Ahmed Khan-Executive Director	2,450
<b>d) Shareholders holding ten percent (10%) or more voting interest in the Company:</b>	
Mr. Shahriar Ahmed	1,718,894
Mrs. Shawkat Ara Ahmed	988,066

**(xxiv) Appointment/re-appointment of directors of the Company:**

Mr. Shahriar Ahmed and Mr. Ashim Kumar Barua are retiring from the Board in terms of the Articles of Association of the Company and, being eligible, offer themselves for re-election. Beside them Mrs. Shawkat Ara Ahmed has appointed as Director and Mr. Tarek Nizamuddin Ahmed has appointed as Independent Director. The detailed work profiles of all of them are given below:

**Mr. Shahriar Ahmed**

- a. Mr. Shahriar Ahmed obtained his MBA from Johnson & Wales University, USA, and after completion of his education, he joined this Company in 2004. He is working in this sector since 2004. During his long tenure with the Company, Mr. Shahriar Ahmed has gathered vast knowledge about this sector as well as sufficient knowledge to run the company. Mr. Shahriar Ahmed is now acting as the Managing Director of the Company.
- b. He is holding the Directorship of (i) Apex Spinning & Knitting Mills Limited, (ii) Apex Lingerie Limited, (iii) Apex Yarn Dyeing Limited, (iv) Apex Textile Printing Mills Limited, (v) Apex Fashion Wear Limited and, (vi) Apex Agriscience Limited, (vii) Matex Bangladesh Limited.
- c. Presently, Mr. Shahriar Ahmed is one of the member of Audit Committee & Nomination and Remuneration Committee.

**Mr. Ashim Kumar Barua**

- a. Mr. Ashim Kumar Barua is a Post Graduate from Dhaka University. He joined this Company in 1982, and since then he is working in this sector. During his long tenure with the Company, Mr. Ashim Kumar Barua gathered vast knowledge about this sector. Mr. Ashim Kumar Barua is now acting as the Director of the Company.
- b. He is not holding the Directorship of any other Company.
- c. He is one of the members of the Audit Committee.

**Mrs. Shawkat Ara Ahmed**

- a. Mrs. Shawkat Ara Ahmed is a Graduate from Dhaka University. She joined in this Company in 1996, in the mean time she was out of Board from 2014 to 2022 for her personal reason. Mrs. Shawkat Ara Ahmed has worked in this sector since a long tenure. During her long tenure with the company, Mrs. Shawkat Ara Ahmed gathered vast knowledge about this sector.
- b. She is holding the Directorship of (i) Apex Lingerie Limited, (ii) Apex Yarn Dyeing Limited, (iii) Apex Textile Printing Mills Limited, (iv) Apex Fashion Wear Limited (v) Apex Agriscience Limited and (vi) Matex Bangladesh Limited.
- c. She is not a member any committee of the Board.

**Mr. Tarek Nizamuddin Ahmed**

- a. Mr. Tarek Nizamuddin Ahmed is a post Graduate in management from the University of Chittagong. After completion of his education he joined as Officer in ICB on August 02, 1987, he held various important positions during his long career with ICB and has retired from his service on November 21, 2019 as Deputy General Manager. He is appointed as Independent Director of the Company on April 05, 2023.
- b. He has sound Knowledge in this Sector.

- c. He is also appointed as Independent Director of Apex Spinning & Knitting Mills Ltd.
- d. Presently, he is the Chairman of the Audit Committee and Nomination and Remuneration Committee of the Board.

**(xxv) Management Discussion & Analysis Signed by MD:**

The Managing Director has signed the management discussion and analysis, representing a detailed analysis of the Company's position and operation in the annual report as "Management Discussion & Analysis".

**(xxvi) Declaration signed by MD & CFO:**

Please refer to Annexure-A for declaration signed by MD and CFO.

**(xxvii) Corporate Governance Compliance Report:**

According to the Bangladesh Securities and Exchange Commission (BSEC) requirements, the "Corporate Governance Report" is annexed in Annexure B and C.

**(xxviii) Appointment of Statutory Auditors:**

The retiring Statutory Auditor M/s. Malek Siddiqui Wali., Chartered Accountants, being eligible, offer themselves for re-appointment as Statutory Auditors of the Company for the year 2023-2024.

**(xxix) Appointment of Compliance Auditors:**

As per of the Bangladesh Securities & Exchange Commission for appointment of Compliance Auditor M/s. Shiraz Khan Basak & Co., Chartered Accountants, being eligible, offer themselves for appointment as a Professional for Certification on Compliance of Corporate Governance Code for the year 2023-2024.

**(xxx) Meeting of the Board of Directors:**

We have conducted our Board Meeting & recorded the minutes of the meeting as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).

Place: Dhaka  
Dated: October 03, 2023

On behalf of the Board

Sd/-  
**Zahur Ahmed PhD**  
Chairman

## পরিচালকগণের প্রতিবেদন

প্রিয় শেয়ারহোল্ডারগণ,

আপনাদের কোম্পানীর পরিচালকগণ ২০২৩ সালের ৩০ শে জুন তারিখে সমাপ্ত হিসাব বৎসরের বার্ষিক প্রতিবেদন এর সাথে নিরীক্ষকের প্রতিবেদন ও নিরীক্ষিত আর্থিক বিবরণী আপনাদের সম্মুখে উপস্থাপন করতে পেরে আনন্দিত।

পরিচালনা পর্ষদের প্রতিবেদন প্রনয়নের ক্ষেত্রে কোম্পানী আইন, ১৯৯৪ এর ১৮৪ ধারা ও বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের (বিএসইসি) নোটিফিকেশন নং- বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখ- জুন ০৩, ২০১৮ অনুসরণ করা হয়েছে।

### ১. শিল্প সম্পর্কিত ধারণা এবং এই শিল্পের ভবিষ্যত উন্নয়নের সম্ভাবনাঃ

বাংলাদেশে চিংড়ি চাষের দীর্ঘ ও পুরোনো ইতিহাস রয়েছে, কিন্তু গত দুই দশকে এর দ্রুত প্রবৃদ্ধির, বিশ্বব্যাপী ক্রমবর্ধমান চাহিদার প্রতিক্রিয়ায় এটি একটি অত্যন্ত প্রতিদ্বন্দ্বিতাপূর্ণ অবস্থান অর্জন করেছে। চিংড়ি একটি অত্যন্ত গুরুত্বপূর্ণ সম্পদ যা বাংলাদেশের একটি বৃহৎ শিল্পকে সহায়তা করে। চিংড়ি হচ্ছে রফতানি আয়ের দ্বিতীয় গুরুত্বপূর্ণ উৎস যা বার্ষিক ৩০০ মিলিয়নেরও বেশী আমেরিকান ডলার আয় করে। রফতানিযোগ্য কৃষিভিত্তিক প্রাথমিক পণ্যের মধ্যে চিংড়ি এখন পর্যন্ত সবচেয়ে গুরুত্বপূর্ণ। এটি চা, কাঁচা পাট, শাকসবজি, ফলমূলসহ কৃষিভিত্তিক সব পণ্য থেকে মোট রফতানি আয়ের ৭০ শতাংশের বেশি অবদান রাখে। চিংড়ি শিল্প ৬,০০,০০০ এরও বেশি লোককে সরাসরি কর্মসংস্থানের ব্যবস্থা করে, যার ফলস্বরূপ প্রায় ৩.৫ মিলিয়নেরও বেশী মানুষের জীবন জীবিকার সক্ষমতা যোগাচ্ছে। এই সমস্ত ইতিবাচক দিক থাকা সত্ত্বেও, চিংড়ি শিল্প ঝুঁকি মুক্ত নয়। যদিও এর স্বার্থ সংশ্লিষ্ট গোষ্ঠীরা এটিকে বৈদেশিক মুদ্রা অর্জনের একটি মূল্যবান উপায় হিসাবে দেখেন, আর যারা এর বিরোধিতা করেন তারা পরিবেশগত ক্ষতি, সামাজিক বিঘ্ন এবং ক্রমবর্ধমান অভ্যন্তরীণ বৈষম্যের দিকে ইঙ্গিত করেন। তারা মনে করেন যে এটি দূরবর্তী পশ্চিমা ভোক্তাদের ক্রমবর্ধমান বিলাসবহুল চাহিদা পূরণের চেষ্টার ফলস্বরূপ। তাই যারা চিংড়ি চাষকে সমর্থন করেন এবং যারা এর বিরোধিতা করেন তাদের মধ্যে বিতর্কটি মেরুকৃত হয়ে গেছে।

### ২. খাতওয়ারি অথবা পন্য ভিত্তিক ফলাফলঃ

যেহেতু এপেক্স ফুডস লিমিটেড শুধু চিংড়ি প্রক্রিয়াকরন ও রপ্তানী করে সেহেতু এখানে পণ্য ভিত্তিক ফলাফলের বিবরণ দেওয়ার কোন সুযোগ নেই। যাইহোক বার্ষিক প্রতিবেদনের ২৯ নং নোটে আমাদের প্রতিষ্ঠানটি কোন দেশে কত রপ্তানী করেছে তার বিস্তারিত বিবরণ দেওয়া হয়েছে।

### ৩. ঝুঁকি ও উদ্ভিদতা সমূহঃ

বাংলাদেশের চিংড়ি শিল্প ক্রমবর্ধমান চাহিদা, রফতানি সম্ভাবনা এবং কর্মসংস্থানের সুযোগসহ একটি গুরুত্বপূর্ণ অর্থনৈতিক খাত। বর্তমানে, এই শিল্পে বাহ্যিক এবং স্থানীয় উৎপাদন এবং বাজারের ঝুঁকি দ্বারা হুমকির সম্মুখীন। এর পেছনে বেশ কয়েকটি কারণ রয়েছে। বিদেশে রফতানি করা চিংড়িতে ভাইরাস পাওয়ায় চিংড়ি রফতানি এবং দেশের অর্থনীতিতে ব্যাপক প্রভাব ফেলেছে। কিছুদিন আগে প্রাকৃতিক উৎস থেকে চিংড়ি ধরার ওপর সরকারের নিষেধাজ্ঞার কারণে চিংড়ি চাষ ব্যাপক ঝুঁকির মুখে পড়ে। এসব সুনির্দিষ্ট কারণে বিদেশে চিংড়ি রফতানি কমে যাচ্ছে এবং চিংড়ি চাষিরা আত্ম হারাতে শুরু করেছেন। বাংলাদেশে থেকে ৮৫ শতাংশ চিংড়ি ইউরোপের দেশগুলোতে রফতানি হয়। সেসব দেশগুলোতে বাধা চিংড়ি ও গলদা চিংড়ির চাহিদা আগের মতো নেই। এর পেছনেও রয়েছে অনেক কারণ।

উদ্দেশ্য যাই হোক না কেন, চিংড়ি চাষী, গবেষক, ব্যবসায়ী এবং সরকার-সমস্ত স্টেকহোল্ডার-সকলেই এই সমস্যাগুলি সমাধানে কাজ করছে। তারা বাংলাদেশে চিংড়ির উৎপাদন কীভাবে বাড়ানো যায় তা নিয়ে ভাবছেন। তারা বিকল্প উপায়ে কাজ করছেন, যাতে চিংড়ি উৎপাদনের জন্য খরচ কমে যায়। এমনকি তারা চিংড়ি উৎপাদন খাতের মান উন্নয়নের কথা ভাবছেন এবং এ নিয়ে গবেষণা ও চলছে। তাই বর্তমানে চিংড়ি চাষীরা সাদা পায়ের চিংড়ি উৎপাদনেও কাজ করছেন।

### ৪. বিক্রিত পণ্যের ব্যয় বিশ্লেষণ, মোট প্রান্তিক মুনাফা এবং নীট প্রান্তিক মুনাফা বিশ্লেষণঃ

#### ক) বিক্রিত পণ্যের ব্যয় :

প্রতিবেদন কালীন সময়ে বিক্রিত পণ্যের ব্যয় ছিল ২,১৫৩ মিলিয়ন টাকা। গত বৎসর বিক্রিত পণ্যের ব্যয় ছিল ৩,১৩৫ মিলিয়ন টাকা। বিক্রিত পণ্যের ব্যয় বৃদ্ধি পেয়েছে এর কারণ মূলত প্রতিবেদন কালীন সময়ে মোট বিক্রয়হ্রাস পেয়েছে সেই সাথে গড়ে কেজি প্রতি উৎপাদন ব্যয় ২০৫ টাকা হারে বৃদ্ধি পেয়েছে। চলতি বৎসর ১,৬২৩,২৭৭ কেজি চিংড়ি উৎপাদন হয়েছে যা গত বৎসর ছিল ২,৭৯৭,২৬৭ কেজি। চলতি বৎসরে উৎপাদন ক্ষমতার মাত্র ২২.৫৪ শতাংশ ব্যবহৃত হয়েছে। গত বৎসরের

তুলনায় কাঁচামাল ক্রয়ের জন্য ৮৫০.৮১ মিলিয়ন টাকা বেশি খরচ হয়েছে। বিক্রয় চাহিদা পূরণের জন্য এ বছর বেশি কাঁচামাল ক্রয় করা হয়েছে।

#### খ) মোট মুনাফাঃ

৩০ শে জুন ২০২৩ সমাপ্ত অর্থ বৎসরে কোম্পানী মোট বিক্রয় করেছে ২,৪২০ মিলিয়ন টাকা। গত বৎসর বিক্রয় ছিল ৩,৫১৩ মিলিয়ন টাকা। গত বৎসরের তুলনায় বিক্রয় ৩১.১২ শতাংশ হ্রাস পেয়েছে। বিক্রয় হ্রাস পেয়েছে মূলত বৈশ্বিক অর্থনীতি মন্দার কারণে। এ বৎসর মোট মুনাফা অর্জিত হয়েছে ২৬৬.৯৭ মিলিয়ন টাকা যা গত বৎসর ছিল ৩৭৭.৬০ মিলিয়ন টাকা। বিক্রয় যথেষ্ট পরিমানে হ্রাস পাওয়ার দরুন, মোট লাভ মার্জিন হ্রাস পেয়েছে।

#### গ) নীট মুনাফাঃ

এ বৎসর কর পরবর্তী নীট মুনাফা হয়েছে ৫০.৮৩ মিলিয়ন টাকা এবং গত বৎসর কর পরবর্তী নীট মুনাফা ছিল ২৯.৩২ মিলিয়ন টাকা। বৈদেশিক মুদ্রার মূল্য বৃদ্ধি, ফ্রেইট ফরওয়ার্ডিং চার্জ হ্রাস এবং ফাইন্যান্সিয়াল ব্যয় হ্রাসের দরুন এই বছর নীট লাভ বৃদ্ধি পেয়েছে।

#### ৫. অস্বাভাবিক লাভ বা ক্ষতিঃ

এ বৎসর বাস্তবিক অর্থে প্রাপ্ত কোন অস্বাভাবিক লাভ বা ক্ষতি নেই। বিনিয়োগের সুষ্ঠু মূল্যায়নের ফলে ১৭.৭২ মিলিয়ন টাকা লাভ হয়েছে যাহা সমন্বিত আয় বিবরণীতে দেখানো হয়েছে যাহা এপেক্স স্পিনিং এন্ড নীটিং মিলস্ লিমিটেড এবং এপেক্স উইভিং এন্ড ফিনিশিং মিলস্ লিমিটেড এর শেয়ারে বিনিয়োগের সমাপনী মূল্য এবং গত বৎসরের আর্থিক অবস্থার বিবরণীতে দেখানো মূল্যের পার্থক্য, ইহা ইন্টারন্যাশনাল এ্যাকাউন্টিং স্ট্যান্ডার্ডস (আই.এ.এস) এবং ইন্টারন্যাশনাল ফিন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (আই.এফ.আর.এস) অনুযায়ী হিসাব বিবরণীতে দেখানো হয়েছে। বার্ষিক প্রতিবেদনে ২০ নং নোটে বিস্তারিত বিবরণ দেওয়া হয়েছে।

#### ৬. আন্তঃ সম্পর্কিত কোম্পানীর লেনদেন সমূহঃ

পর্যালোচনায় দেখা যায় এ বৎসর আন্তঃ সম্পর্কিত কোম্পানীর সাথে একটা লেনদেন হয়েছে।

শেয়ারহোল্ডার পরিচালকদের সাথে লেনদেনের বিবরণঃ

কোম্পানির নাম	সম্পর্ক	লেনদেনের ধরণ	লেনদেন	প্রারম্ভিক ব্যালেন্স	এই বছর লেনদেনের পরিমাণ	সমাপনী ব্যালেন্স
১) জনাব জহুর আহমেদ পিএইচডি	পরিচালক	মুনাফা জাতীয়	অফিস ভাড়া	-	-	-
২) জনাবা শওকত আরা আহমেদ	পরিচালক	মুনাফা জাতীয়	অফিস ভাড়া	-	-	-
৩) জনাব শাহরিয়ার আহমেদ	পরিচালক	মুনাফা জাতীয়	অফিস ভাড়া	-	-	-
৪) জনাব মাহির আহমেদ	একই পরিবারের সদস্য	মুনাফা জাতীয়	অফিস ভাড়া	-	-	-
৫) জনাব ইফাজ আহমেদ	একই পরিবারের সদস্য	মুনাফা জাতীয়	অফিস ভাড়া	-	-	-
৬) ম্যাটেক্স বাংলাদেশ লিমিটেড	পরিচালক	মূলধনী জাতীয়	**গাড়ি ক্রয়	-	১,৪০৬,৮৮৮/-	-

কোম্পানীর শেয়ারহোল্ডার পরিচালকগণ বিনা ভাড়াই তাদের জায়গা ব্যবসায়িক উদ্দেশ্যে কোম্পানিকে প্রদান করেছে। দলিল অনুসারে, মোট ভাড়া কৃত জায়গার আনুমানিক পরিমাণ ৭৯,৪৪৪.১০ এস এফ টি মালিকদের ১১ টি সহপ্রতিষ্ঠানের সাথে রয়েছে। যাহার ঠিকানা শান্তা স্কাই মার্ক (লেভেল ৮-১৩), প্লট # ১৮, ব্লক # CWS(a), গুলশান এভিনিউ, গুলশান, ঢাকা-১২১২। তাই, আন্তঃ সম্পর্কিত লেনদেনের কোন সমাপনী মূল্য নাই। ইহা ছাড়া আর কোন লেনদেনও নাই।

\*\* কোম্পানীর পক্ষ থেকে একটি গাড়ি ক্রয় করার জন্য ম্যাটেক্স বাংলাদেশ লিমিটেড কে ১,৪০৬,৮৮৮/- টাকা প্রদান করা হয়েছে। বর্তমানে আন্তঃ সম্পর্কিত লেনদেন সমাপনী ব্যালেন্স ও শূন্য।

#### ৭. পাবলিক ইস্যু অথবা রাইট ইস্যু হইতে প্রাপ্ত তহবিলের ব্যবহারঃ

এ বৎসর কোন পাবলিক ইস্যু অথবা রাইট ইস্যু হয়নি।

৮. ইনিশিয়াল পাবলিক অফারিং (আই.পি.ও), রিপিট পাবলিক অফারিং (আর. পি. ও), রাইট অফার, ডাইরেক্ট লিস্টিং ইত্যাদি থেকে অর্থ বা তহবিল প্রাপ্তির পর কোম্পানীর আর্থিক অবস্থা :

১৯৮১ সালের জুন ২২, তারিখে ইনিশিয়াল পাবলিক অফারিং (আই.পি.ও) এবং পরবর্তী সময়ে ১৯৯৭ সালের জানুয়ারী, ১১ তারিখে রাইট অফার করা হয়। এর পর থেকে কোম্পানী নিয়মিত ভালো করে যাচ্ছে।

৯. বার্ষিক আর্থিক বিবরণী এবং ত্রৈমাসিক আর্থিক অবস্থার বিবরণীর মধ্যে পার্থক্যঃ

ত্রৈমাসিক আর্থিক অবস্থার বিবরণী এবং বার্ষিক আর্থিক বিবরণী মধ্যে উল্লেখযোগ্য পার্থক্য নেই (অর্থাৎ তৃতীয় কোয়ার্টার পর্যন্ত আর্থিক প্রতিবেদনে শেয়ার প্রতি লাভ ছিল ৭.২৯ টাকা কিন্তু বাৎসরিক ইহা ৮.৯১ টাকায় উপনীত হয়েছে)। ইহা হয়েছে মূলত পরিচালনায় দক্ষতা বৃদ্ধির পাশাপাশি ব্যয় হ্রাসকরণের ফলে।

১০. স্বতন্ত্র পরিচালক সহ পরিচালকদের পারিশ্রমিকঃ

স্বতন্ত্র পরিচালক সহ পরিচালকদের পারিশ্রমিক নিম্নরূপঃ-

পরিচালকদের নাম	পরিচালক/স্বতন্ত্র পরিচালক	বাৎসরিক পারিশ্রমিক
জনাবা শওকত আরা আহমেদ	পরিচালক	৮০০,০০০/-
জনাব অসীম কুমার বড়ুয়া	পরিচালক	৪,২০০,০০০/-
জনাব কাজী ফারুক কাদের	স্বতন্ত্র পরিচালক	৬০০,০০০/-

১১. কোম্পানীর ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক প্রস্তুতকৃত আর্থিক বিবরণীতে কোম্পানীর আর্থিক অবস্থা, আর্থিক কার্যক্রমের ফলাফল, নগদ প্রবাহ, মূলধনের পরিবর্তন সঠিক ভাবে উপস্থাপন করা হয়েছে।

১২. কোম্পানীর হিসাব বহি সমূহ যথাযথ ভাবে সংরক্ষণ করা হয়েছে।

১৩. আর্থিক বিবরণী প্রস্তুতিতে যথোপযুক্ত হিসাবনীতি সমূহ ধারাবাহিক ভাবে প্রয়োগ করা হয়েছে এবং হিসাবগত পরিমাপক সমূহ যুক্তিযুক্ত ও বিচক্ষণ সিদ্ধান্তের উপর প্রতিষ্ঠিত।

১৪. ইন্টারন্যাশনাল এ্যাকাউন্টিং স্ট্যান্ডার্ডস (আই.এ.এস) এবং ইন্টারন্যাশনাল ফিন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (আই.এফ.আর.এস) অনুসরণ করে আর্থিক বিবরণী প্রস্তুত করা হয়েছে এবং কোথাও কোন ব্যত্যয় থাকলে তাহা যথাযথ ভাবে প্রকাশ করা হয়েছে।

১৫. অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা সুসংহত ও কার্যকর ভাবে বাস্তবায়ন ও পর্যবেক্ষণ করা হয়েছে।

১৬. সংখ্যালঘু শেয়ারহোল্ডারদের স্বার্থ রক্ষার জন্য এ ধরনের কোন পরিস্থিতি উত্থাপিত হয়নি।

১৭. কোম্পানীর চলমান অস্তিত্বের সামর্থ্যের ক্ষেত্রে কোনরূপ সন্দেহের অবকাশ নাই।

১৮. গত বৎসরের পরিচালনগত ফলাফলের সহিত চলতি বৎসরের ব্যবধানঃ

চলতি বৎসরে বিক্রয় হ্রাস পেয়েছে পক্ষান্তরে যথাযথ মূল্য সমন্বয় এবং দক্ষতার সহিত কাঁচামাল ক্রয় এবং উপযুক্ত উৎপাদনে দক্ষতা বৃদ্ধির ফলে পরিচালনগত ফলাফলে তেমন কোন উল্লেখযোগ্য ব্যবধান হয়নি।

১৯. পূর্ববর্তী পাঁচ বছরের মুখ্য পরিচালন এবং আর্থিক উপাত্তঃ

বিবরণ	“সংখ্যা হাজার টাকায়”					
	২০২২-২৩	২০২১-২২	২০২০-২১	২০১৯-২০	২০১৮-১৯	২০১৭-১৮
<b>পরিচালন তথ্যঃ</b>						
বিক্রয়	২,৪১৯,৭৭০	৩,৫১২,৯৫০	২,৭৫৯,৬৮০	২,১৮৪,৩৮৭	১,৭১২,৬৭০	১,৯২২,১৬৮
মোট মুনাফা	২৬৬,৯৭৪	৩৭৭,৫৯৮	২৩১,১৫৭	১৮৯,৮৫৮	১৯৭,০৫৪	২০৯,৭৩১
পরিচালন মুনাফা/ (লোকসান)	১০৬,১৭৯	১০৬,৮২২	৯১,৩৯০	৮৫,৩৯৯	৯৬,০৭১	১০২,৪১৫
করপূর্ব মুনাফা	৯৯,৬০৩	৭৭,২৮৪	৪৮,১০৪	৩৬,৪২২	৩৮,৪০৬	৩৩,৯৩১
করপরবর্তী মুনাফা/ (লোকসান)	৫০,৮৩২	২৯,৩১৬	১১,৮০৫	১০,৭৩৮	১১,৭৮১	৯,৬০৬
শেয়ার প্রতি আয়	৮.৯১	৫.১৪	২.০৭	১.৮৮	২.০৭	১.৬৯
প্রতি শেয়ারের জন্য লভ্যাংশ	২.০০	২.০০	২.০০	১.৫০	২.০০	২.০০
<b>আর্থিক তথ্যঃ</b>						
মোট সম্পদ	১,১৬৪,৯৭৯	১,২৩৯,৯৮৩	১,৪৫৩,৯৫৩	১,৭১৪,৪৬৩	১,৬৮২,৬১১	১,৮৭২,১৮৩
সম্পত্তি, যন্ত্রপাতি ও যন্ত্রাংশ-	৭৬৪,৬৯২	৭৪৯,৮৪৯	৭৩২,১১২	৭২৫,৪২৭	৭১০,৯৯৭	৭০৫,০৫৭
সম্পত্তি, যন্ত্রপাতি ও যন্ত্রাংশ-নীট	৭৬,১১২	৭৭,৪৩৯	৭৪,৬৫০	৮৪,৪১৪	৮৮,৯৮৮	১০৩,২০৫
মোট চলতি মূলধন	৭৪২,৭১৯	৮৩৬,০৮৭	১,০৭৪,৮০৩	১,৩১৫,২২৯	১,২৫৬,৪৬৪	১,৩৫৩,৬২০
নীট চলতি মূলধন	৩৯৩,৯১৮	৩৬৯,২২৯	৩৩৭,৯০৬	৩২৬,৯৯৪	৩২৫,৮৯৮	৩০৬,১৪১
চলতি মূলধন ঋণ	১,৬৯১	৩১২,৮৭০	৫৯৬,১৪৮	৭৫৪,১৯৫	৭৪৪,২৯৩	৭৬২,৭৮৩
শেয়ার মূলধন	৫৭,০২৪	৫৭,০২৪	৫৭,০২৪	৫৭,০২৪	৫৭,০২৪	৫৭,০২৪
শেয়ার প্রিমিয়াম	২০৯,০৮৮	২০৯,০৮৮	২০৯,০৮৮	২০৯,০৮৮	২০৯,০৮৮	২০৯,০৮৮
সংরক্ষণ এবং উদ্ধৃত	২৪৫,১৭১	২০৫,৭৪৪	১৮৭,৮৩৩	১৮৪,৫৮১	১৮৫,২৪৮	১৮৪,৭৫২
শেয়ার মালিকদের ইকুইটি	৭৭৬,৬৮৯	৭১৯,৫৪১	৬৮০,৭৯৯	৬৮৭,৯০৫	৭০৯,২০৬	৭৭৯,০৮৮
দীর্ঘ মেয়াদী ঋণ	-	-	৫,৬১৪	৫,২৩২	২,৩৬৩	২,৯৭৫

**২০. লভ্যাংশঃ**

কোম্পানীর পরিচালকমন্ডলী ২০২২-২৩ হিসাব বৎসরে প্রতি ১০/- (দশ) টাকার শেয়ারের জন্য ২০ শতাংশ অর্থাৎ ২.০০ টাকা হারে নগদ লভ্যাংশ প্রদানের সুপারিশ করেছেন। এই বার্ষিক সাধারণ সভায় আপনাদের অনুমোদন সাপেক্ষে সেই সমস্ত শেয়ারহোল্ডারদের লভ্যাংশ প্রদান করা হবে যাদের নাম কোম্পানীর সদস্য বহিতে অথবা ডিপোজিটরিতে অক্টোবর ২৬, ২০২৩ ইং তারিখে কার্য সমাপ্ত সময়ে অন্তর্ভুক্ত থাকবে।

**২১. অন্তর্বর্তীকালীন লভ্যাংশঃ**

পরিচালনা পর্ষদ অন্তর্বর্তীকালীন সময়ে কোন বোনাস শেয়ার বা স্টক লভ্যাংশ ঘোষণা করেনি।

**২২. বোর্ডের সভাঃ**

এ বৎসর বোর্ডের ১১ (এগার) টি সভা অনুষ্ঠিত হয়েছে। পরিচালকগণের উপস্থিতির তালিকা নিম্নে প্রদত্ত হলঃ

পরিচালকবৃন্দের নাম	সভায় উপস্থিতি
জনাব জহুর আহমেদ পিএইচডি	১১
জনাবা শওকত আরা আহমেদ	০৩
জনাব শাহরিয়ার আহমেদ	১১
জনাব মাহির আহমেদ	০৮
জনাব ইফাজ আহমেদ	০৭
জনাব অসীম কুমার বড়ুয়া	১১
জনাব কাজী ফারুক কাদের	০৬
জনাব তারেক নিজামউদ্দিন আহমেদ	০৪

**২৩. শেয়ারহোল্ডিংস সংক্রান্ত বিবরণঃ**

নাম অনুসারে বিবরণ	শেয়ার সংখ্যা
ক) প্যারেন্ট/ সাবসিডিয়ারী/ এসোসিয়েটেড কোম্পানী এবং অন্যান্য সম্পর্কিত পার্টিসমূহঃ	
এপেক্স স্পিনিং এন্ড নীটিং মিলস্ লিমিটেড	১৬৯,২৫০
এপেক্স ল্যানজারী লিমিটেড	১০,৮০০
খ) পরিচালকবৃন্দ, প্রধান নির্বাহী কর্মকর্তা, প্রধান অর্থ কর্মকর্তা, অভ্যন্তরীণ নিরীক্ষা কমপ্লায়েন্স প্রধান, কোম্পানী সচিবঃ	
জনাব জহুর আহমেদ পিএইচডি	পরিচালক ১৬০,৭৪০
জনাবা শওকত আরা আহমেদ	পরিচালক ৯৮৮,০৬৬
জনাব শাহরিয়ার আহমেদ	পরিচালক ১,৭১৮,৮৯৪
জনাব অসীম কুমার বড়ুয়া	পরিচালক ৭,৫০০
জনাব তারেক নিজামউদ্দিন আহমেদ	স্বতন্ত্র পরিচালক -
জনাবা শিউলী রানী দে	প্রধান অর্থ কর্মকর্তা -
জনাব আশীষ কুমার পাল, এফসিএ	অভ্যন্তরীণ নিরীক্ষা ও কমপ্লায়েন্স প্রধান -
জনাব কামরুল ইসলাম	কোম্পানী সচিব -
গ) উর্ধ্বতন করপোরেট নির্বাহীগণঃ	
জনাব মমিন উদ্দিন আহমেদ খান	নির্বাহী পরিচালক ২,৪৫০
ঘ) কোম্পানীতে ১০ শতাংশ অথবা তার চেয়ে বেশী ভোটের অধিকারী শেয়ারহোল্ডারঃ	
জনাব শাহরিয়ার আহমেদ	১,৭১৮,৮৯৪
জনাবা শওকত আরা আহমেদ	৯৮৮,০৬৬

## ২৪. কোম্পানীর পরিচালকবৃন্দের নিয়োগ/পুনঃ নিয়োগঃ

জনাব শাহরিয়ার আহমেদ এবং জনাব অসীম কুমার বড়ুয়া কোম্পানীর সংঘবিধি মোতাবেক বোর্ড থেকে পদত্যাগ করেছেন এবং যোগ্য বিধায় পুনঃনির্বাচনের জন্য ইচ্ছা প্রকাশ করেছেন। এছাড়া ও জনাবা শওকত আরা আহমেদ পরিচালক ও জনাব তারেক নিজামউদ্দিন আহমেদ, স্বতন্ত্র পরিচালক হিসাবে কোম্পানীর পরিচালনা পর্ষদে নিযুক্ত হয়েছেন। জনাব শাহরিয়ার আহমেদ, জনাব অসীম কুমার বড়ুয়া, জনাবা শওকত আরা আহমেদ ও জনাব তারেক নিজামউদ্দিন আহমেদ এর বিস্তারিত বিবরণ নিম্নরূপঃ-

### জনাব শাহরিয়ার আহমেদ :

- ক) জনাব শাহরিয়ার আহমেদ, যুক্তরাষ্ট্রের জনসন এন্ড ওয়েলস বিশ্ববিদ্যালয় হইতে এমবিএ ডিগ্রী অর্জন করেন এবং তার শিক্ষা জীবন শেষ করে ২০০৪ সালে তিনি এই কোম্পানীতে যোগদান করেন। তিনি ২০০৪ সাল থেকে এই শিল্প খাতে কাজ করছেন। এই দীর্ঘ সময়ে তিনি এই শিল্প খাতে গভীর জ্ঞান অর্জন করেছেন। তিনি এখন এই কোম্পানীর ব্যবস্থাপনা পরিচালক।
- খ) তিনি এই কোম্পানীর পরিচালক ছাড়াও ১. এপেক্স স্পিনিং এন্ড নীটিং মিলস্ লিমিটেড, ২. এপেক্স ল্যানজারি লিমিটেড, ৩. এপেক্স ইয়ার্ন ডাইং লিমিটেড, ৪. এপেক্স টেক্সটাইল প্রিটিং মিলস্ লিমিটেড, ৫. এপেক্স ফ্যাশন ওয়্যার লিমিটেড ৬. এপেক্স এগ্রিসাইন্স লিমিটেড ও ৭. ম্যাটেস্ক বাংলাদেশ লিমিটেড-এর পরিচালক পদে নিযুক্ত আছেন।
- গ) বর্তমানে জনাব শাহরিয়ার আহমেদ অডিট কমিটি এবং নমিনেশন ও রিমুন্যারেশন কমিটির একজন সদস্য।

### জনাব অসীম কুমার বড়ুয়া :

- ক) জনাব অসীম কুমার বড়ুয়া, ঢাকা বিশ্ববিদ্যালয় থেকে স্নাতকোত্তর ডিগ্রী অর্জন করেন। ১৯৮২ সালে তিনি এই কোম্পানীতে যোগদান করেন। তিনি সেই থেকে এই শিল্প খাতে কাজ করছেন। এই দীর্ঘ সময়ে তিনি এই শিল্প খাতে গভীর জ্ঞান অর্জন করেছেন। তিনি এখন এই কোম্পানীর পরিচালক হিসাবে কাজ করছেন।
- খ) তিনি অন্য কোন কোম্পানীর পরিচালক পদে নিযুক্ত নেই।
- গ) বর্তমানে জনাব অসীম কুমার বড়ুয়া অডিট কমিটির একজন সদস্য।

### জনাবা শওকত আরা আহমেদ :

- ক) জনাবা শওকত আরা আহমেদ, ঢাকা বিশ্ববিদ্যালয় থেকে স্নাতক ডিগ্রী অর্জন করেন। ১৯৯৬ সালে তিনি এই কোম্পানীতে যোগদান করেন। ইতি মধ্যে তিনি ২০১৪ সাল থেকে ২০২২ সাল পর্যন্ত ব্যক্তিগত কারণে পরিচালনা পর্ষদের বাইরে ছিলেন। জনাবা শওকত আরা আহমেদ এই শিল্প খাতে দীর্ঘ সময় কাজ করেছেন। এই দীর্ঘ সময়ে তিনি এই শিল্প খাতে গভীর জ্ঞান অর্জন করেছেন। তিনি এখন এই কোম্পানীর পরিচালক হিসাবে কাজ করছেন।
- খ) তিনি এই কোম্পানীর পরিচালক ছাড়াও ১. এপেক্স ল্যানজারি লিমিটেড, ২. এপেক্স ইয়ার্ন ডাইং লিমিটেড, ৩. এপেক্স টেক্সটাইল প্রিটিং মিলস্ লিমিটেড, ৪. এপেক্স ফ্যাশন ওয়্যার লিমিটেড ৫. এপেক্স এগ্রিসাইন্স লিমিটেড ও ৬. ম্যাটেস্ক বাংলাদেশ লিমিটেড-এর পরিচালক পদে নিযুক্ত আছেন।
- গ) তিনি বোর্ডের অন্য কোন কমিটির সদস্য নন।

### জনাব তারেক নিজামউদ্দিন আহমেদ :

- ক) জনাব তারেক নিজামউদ্দিন আহমেদ ম্যানেজমেন্ট বিষয়ে চট্টগ্রাম বিশ্ববিদ্যালয় হইতে স্নাতকোত্তর ডিগ্রী অর্জন করেন। পড়াশোনা শেষে তিনি ০২ আগষ্ট, ১৯৮৭ সালে আইসিবিতে অফিসার পদে যোগদান করেন, তিনি আইসিবিতে দীর্ঘ কর্মজীবনে বিভিন্ন গুরুত্বপূর্ণ পদে অধিষ্ঠিত ছিলেন এবং ২১ নভেম্বর, ২০১৯ সালে তিনি ডেপুটি জেনারেল ম্যানেজার হিসাবে তাঁর চাকরি থেকে অবসর গ্রহণ করেন। তিনি ০৫ এপ্রিল, ২০২৩ তারিখে এই কোম্পানীর স্বতন্ত্র পরিচালক হিসাবে নিযুক্ত হন।
- খ) তিনি এই শিল্প খাত সম্পর্কে গভীর জ্ঞানের অধিকারী।

গ) তিনি এপেক্স স্পিনিং এন্ড নীটিং মিলস্ লিমিটেডের ও স্বতন্ত্র পরিচালক পদে নিযুক্ত হয়েছেন।

ঘ) বর্তমানে তিনি বোর্ডের অডিট কমিটির এবং নোমিনেশন ও রিমুনারেশন কমিটির চেয়ারম্যান।

**২৫. ম্যানেজমেন্ট আলোচনা এবং বিশ্লেষণ যাহা ব্যবস্থাপনা পরিচালক কর্তৃক স্বাক্ষরিত:**

ব্যবস্থাপনা পরিচালক কর্তৃক স্বাক্ষরিত ম্যানেজমেন্ট আলোচনা ও বিশ্লেষণ যা এই বার্ষিক প্রতিবেদনে সংযুক্ত কোম্পানীর অবস্থান, অপারেশন এবং বিশদ বিশ্লেষণ উল্লেখ করা হয়েছে।

**২৬. এমডি এবং সিএফও কর্তৃক স্বাক্ষরিত বিবৃতি:**

এমডি এবং সিএফও কর্তৃক স্বাক্ষরিত বিবৃতি অনুগ্রহপূর্বক **Annexure-A** পড়ুন।

**২৭. কর্পোরেট গভর্নেন্স কমপ্লায়েন্স প্রতিবেদন:**

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের চাহিদা অনুযায়ী কর্পোরেট গভর্নেন্স প্রতিবেদন যা **Annexure-B** এবং **C** এ সংযুক্ত করা হলো।

**২৮. বিধিবদ্ধ নিরীক্ষক নিয়োগ:**

অবসর গ্রহনকারী বিধিবদ্ধ নিরীক্ষক মেসার্স মালেক সিদ্দিকী ওয়ালী, চার্টার্ড এ্যাকাউন্ট্যান্টস যোগ্য বিধায় ২০২৩-২০২৪ হিসাব বৎসরের জন্য তাহাদেরকে বিধিবদ্ধ নিরীক্ষক হিসাবে পুনঃ নিয়োগের জন্য প্রস্তাব করেছেন।

**২৯. কমপ্লায়েন্স নিরীক্ষক নিয়োগ:**

কমপ্লায়েন্স নিরীক্ষক বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের (বি.এস.ই.সি) চাহিদা অনুযায়ী, মেসার্স সিরাজ খাঁন বসাক এন্ড কোম্পানী, চার্টার্ড এ্যাকাউন্ট্যান্টস্ যোগ্য বিধায় ২০২৩-২০২৪ হিসাব বৎসরের কর্পোরেট গভর্নেন্স কমপ্লায়েন্স সনদ প্রদানের জন্য কমপ্লায়েন্স নিরীক্ষক হিসাবে, তাহাদেরকে পুনঃ নিয়োগের জন্য প্রস্তাব করেছেন।

**৩০. বোর্ড পরিচালকদের সভা:**

পরিচালকদের বোর্ড সভা এবং ইহার নথি সমূহের সংরক্ষণ ইনস্টিটিউট অব চার্টার্ড সেক্রেটারীস অব বাংলাদেশ (আইসিএসবি) অনুসারে করা হয়েছে।

স্থান: ঢাকা

তারিখ: ০৩ অক্টোবর, ২০২৩

বোর্ডের পক্ষে

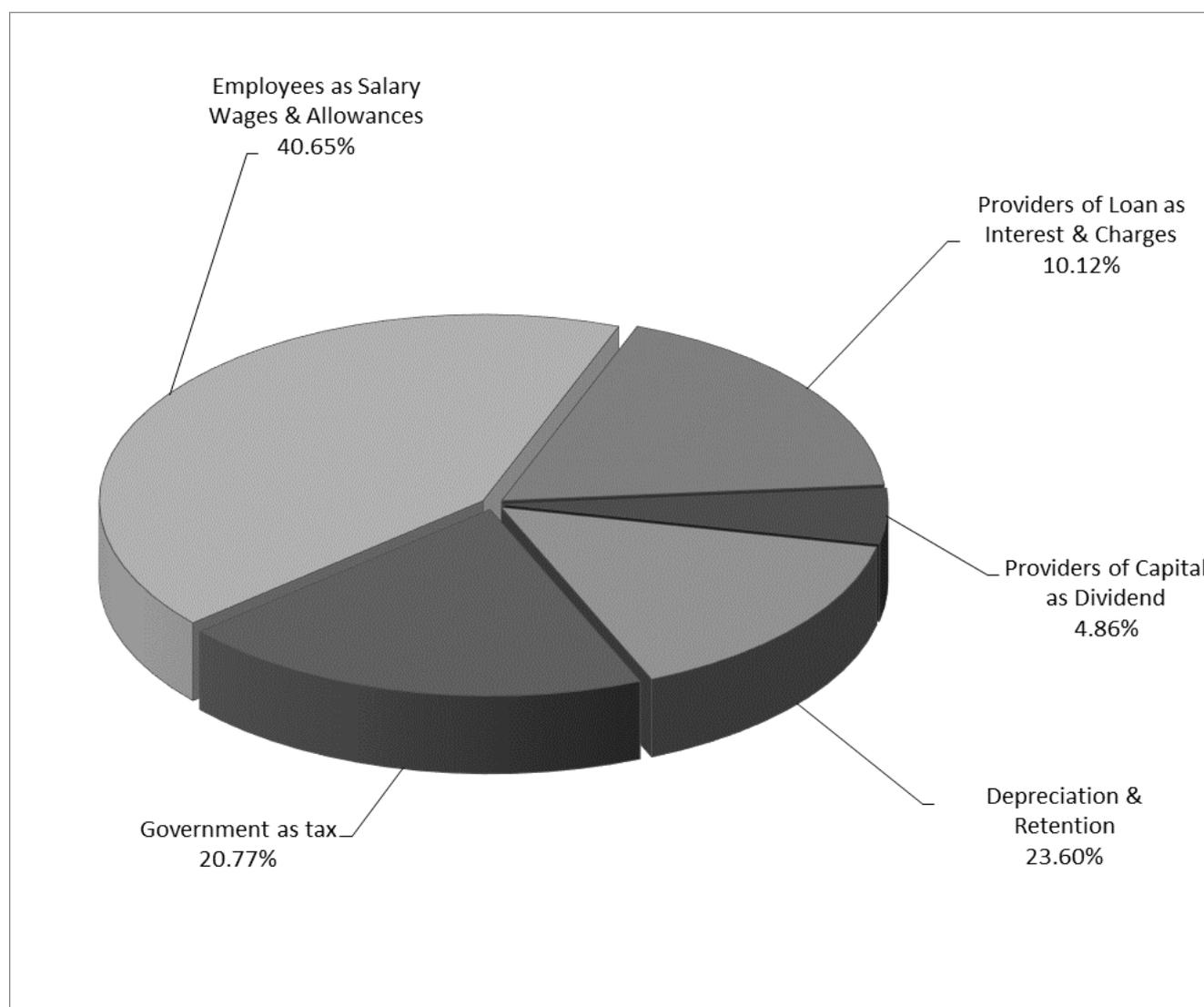
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জহুর আহমেদ পিএইচডি

সভাপতি

## VALUE ADDED STATEMENT

PARTICULARS	2022-23	%	2021-22	%
<b>VALUE ADDED</b>				
Revenue	2,419,769,848		3,512,949,969	
Less: Bought in Materials & Services	(2,207,162,877)		(3,294,206,424)	
Add: Indirect Income	22,156,972		17,154,439	
	<b>234,763,943</b>		<b>235,897,983</b>	
<b>APPLICATIONS</b>				
Government as tax	48,770,936	20.77	47,967,193	20.33
Employees as Salaries Wages & Allowances	95,437,484	40.65	100,873,686	42.76
Providers of Loan as Interest & Charges	23,752,400	10.12	42,828,727	18.16
Providers of Capital as Dividend	11,404,800	4.86	11,404,800	4.83
Depreciation & Retention	55,398,323	23.60	32,823,578	13.92
	<b>234,763,943</b>	<b>100.00</b>	<b>235,897,983</b>	<b>100.00</b>



## Independent Auditors' Report To the Shareholders of Apex Foods Limited

Report on the Audit of the Financial Statements

### Opinion:

We have audited the financial statements of Apex Foods Limited which comprise the financial position as at June 30, 2023, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at June 30, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the company act 1994, the Security and Exchange Rules 1987 and other applicable law and regulations.

### Basis for Opinion:

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), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter:

1. We draw attention to Note 3.03 and 09 of the financial statements, which describes the investment in Apex Weaving & Finishing Mills Ltd. is under litigation in the civil suit no. 191 (F) of 2018 with the honorable High Court Division.
2. We draw attention to Note 14 of the financial statements, which describes the insurance claim of Tk. 16,254,727 is under litigation and pending with the High Court Division.

Our report is not qualified in above respect.

### Key Audit Matters:

Risk	Our response
<p><b>Revenue recognition</b></p> <p>At the year ended, the company's reported total revenue of Tk. 2,419,769,848.</p> <p>Revenue is measured net of trade discount and VAT. Time of revenue recognition is matter. The revenue may overstated for the early recognition of revenue to achieve the desire result.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Policy of revenue recognition;</li> <li>• Issuance of VAT challan;</li> <li>• Segregation of duties in invoice creation and modification; and</li> <li>• Timing of revenue recognition.</li> </ul> <p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• VAT is correctly dealt with;</li> </ul>

Risk	Our response
	<ul style="list-style-type: none"> <li>• Critically assessing manual journals posted to revenue to identify unusual or irregular items; and</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting Standards.</li> </ul>
Please see the note 29 in this financial statements.	
<b>Valuation of inventory</b>	
<p>The balance of inventory of the Company at the year-end was Tk. 129,125,300 held in the company's warehouse.</p> <p>Inventories are carried at the lower of cost and net realizable value. As a result, the Directors apply judgment in determining the appropriate values for slow-moving or obsolete items.</p>	<p>We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory and related provisions by:</p> <ul style="list-style-type: none"> <li>• evaluating the design and implementation of key inventory controls operating across the Company in respect of inventory management;</li> <li>• to attend the physical inventory counts and reconciling the count results to the inventory listings to test the completeness of data;</li> <li>• to review the inventory costing procedures and methodology.</li> <li>• 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;</li> <li>• reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year; and</li> <li>• Challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow-moving/obsolete stock are valid and complete.</li> </ul>
Please see the note 11 in this financial statements.	
<b>Measurement and recognition of deferred tax</b>	
<p>The balance of reported deferred tax liability of the company was Tk. 39,488,682 as on June 30, 2023.</p> <p>The risk for the financial statements is that these provisions may not properly measured for all types of temporary difference as per IAs 12: Income Tax.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax.</p> <p>We have assessed the appropriateness of the carrying amounts of net asset value as per tax base and accounting base.</p> <p>We have also assessed the rate of deferred for each temporary difference.</p> <p>Also, we examined the accounting treatment of deferred tax.</p>
Please see the note 21 in this financial statements.	

**Other Information:**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. We have not been provided the Director's report and other information contained within the annual report except the financial statements to the date of our auditor's report. We expect to obtain the remaining reports of the Annual report after the date of our auditor's report. Management is responsible for the other information.

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.

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

**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 in accordance with IFRSs as explained, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require the Management to ensure effective internal audit, internal control and risk management functions of the Company.

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 the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the 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 within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on other Legal and Regulatory Requirements**

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

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

**Malek Siddiqui Wali, Chartered Accountants**

Dated, Dhaka  
October 08, 2023  
Data Verification Code (DVC) No:

Sd/-  
Md. Waliullah, FCA  
Enrolment No: 0247  
2310080247AS511894

**STATEMENT OF FINANCIAL POSITION****AS AT 30<sup>TH</sup> JUNE, 2023**

	NOTES	30.06.2023	Value in Taka 30.06.2022
<b>ASSETS</b>			
<b>Non-Current Assets:</b>		<b>422,259,246</b>	<b>403,896,709</b>
Property, Plant and Equipment	8	76,111,905	77,439,208
Investments	9	340,144,610	320,454,770
Security Deposits	10	6,002,731	6,002,731
<b>Current Assets:</b>		<b>742,719,268</b>	<b>836,086,935</b>
Inventories	11	129,125,300	261,341,483
Trade Receivables	12	82,333,352	44,826,338
Advance, Deposits & Prepayments	13	70,578,157	33,592,988
Other Receivables	14	110,844,619	268,968,573
Investment in Financial Assets	15	291,153,690	224,136,999
Cash & Cash Equivalents	16	58,684,150	3,220,554
<b>TOTAL ASSETS</b>		<b>1,164,978,514</b>	<b>1,239,983,644</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity:</b>		<b>776,688,845</b>	<b>719,540,884</b>
Share Capital	17	57,024,000	57,024,000
Share Premium	18	209,088,000	209,088,000
Reserve and Surplus	19	245,171,380	205,744,275
Fair Valuation Surplus of Investments	20	265,405,465	247,684,609
<b>Non-Current Liabilities:</b>		<b>39,488,682</b>	<b>53,585,135</b>
Deferred Tax Liabilities	21	39,488,682	53,585,135
<b>Current Liabilities:</b>		<b>348,800,987</b>	<b>466,857,625</b>
Working Capital Loan (Secured)	22	1,690,879	312,870,481
Long Term Loan-Current Maturity	23	-	2,087,880
Short Term Loan	24	-	7,216,806
Trade Payables	25	258,239,113	56,489,907
Other Payables	26	22,895,905	56,085,880
Current Tax Liabilities	27	64,776,310	30,796,983
Unclaimed Dividend Account	28	1,198,780	1,309,688
<b>Total Liabilities</b>		<b>388,289,669</b>	<b>520,442,760</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,164,978,514</b>	<b>1,239,983,644</b>
<b>Net Assets Value (NAV) Per Share</b>	41	<b>136.20</b>	<b>126.18</b>

Annexed notes form an integral part of these Financial Statements.

Sd/-  
**Shahriar Ahmed**  
Managing Director  
Signed in terms of our report of even date.

Sd/-  
**Ashim Kumar Barua**  
Director

Sd/-  
**Sheuli Rani Dey**  
Chief Financial Officer

**Malek Siddique Wali, Chartered Accountants**

Place: Dhaka  
Dated: October 08, 2023

Sd/-  
Md. Waliullah, FCA  
Enrolment No: 0247  
DVC:2310080247AS511894

**STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2023**

		Value in Taka	
	NOTES	2022-2023	2021-2022
<b>REVENUE</b>	<b>29</b>	<b>2,419,769,848</b>	<b>3,512,949,969</b>
Cost of goods sold	<b>30</b>	(2,152,795,726)	(3,135,351,675)
<b>GROSS PROFIT</b>		<b>266,974,122</b>	<b>377,598,294</b>
Other operating income / (loss)	<b>34</b>	198,480	35,844
Administrative & selling overhead	<b>35</b>	(160,994,192)	(270,812,163)
<b>OPERATING PROFIT/(LOSS)</b>		<b>106,178,411</b>	<b>106,821,975</b>
Finance & Other Income	<b>36</b>	22,156,972	17,154,439
Financial expenses	<b>37</b>	(23,752,400)	(42,828,727)
<b>PROFIT BEFORE PPF &amp; WF</b>		<b>104,582,982</b>	<b>81,147,687</b>
Provision for contribution to PPF & WF	<b>38</b>	(4,980,142)	(3,864,176)
<b>PROFIT BEFORE TAX</b>		<b>99,602,840</b>	<b>77,283,511</b>
<b>Tax expenses:</b>	<b>39</b>	<b>(48,770,936)</b>	<b>(47,967,193)</b>
Current tax (A)		(64,776,310)	(30,796,983)
Under Provision of Tax (B)		(60,064)	
Deferred tax (expenses) / income (C)		16,065,438	(17,170,210)
<b>NET PROFIT / (LOSS) AFTER TAX</b>		<b>50,831,905</b>	<b>29,316,318</b>
<b>Other comprehensive income:</b>			
Fair valuation surplus/(deficit) of investments	<b>20</b>	<b>17,720,856</b>	<b>20,830,500</b>
Fair valuation surplus/(deficit) during the year		19,689,840	23,145,000
Deferred tax income/(expense) on share valuation surplus		(1,968,984)	(2,314,500)
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>68,552,761</b>	<b>50,146,818</b>
<b>Basic Earnings Per Share (EPS)</b>	<b>40</b>	<b><u>8.91</u></b>	<b><u>5.14</u></b>

Annexed notes form an integral part of these Financial Statements.

**Sd/-**  
**Shahriar Ahmed**  
Managing Director

**Sd/-**  
**Ashim Kumar Barua**  
Director

**Sd/-**  
**Sheuli Rani Dey**  
Chief Financial Officer

Signed in terms of our report of even date.

**Malek Siddique Wali, Chartered Accountants**  
Sd/-

Place: Dhaka  
Dated: October 08, 2023

Md. Waliullah, FCA  
Enrolment No: 0247  
DVC:2310080247AS511894

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2023

Value in Taka

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 30 <sup>th</sup> June 2022	57,024,000	209,088,000	51,162,905	153,974,370	607,000	247,684,609	719,540,884
Net profit after tax of 2022-23	-	-	-	50,831,905	-	-	50,831,905
Final dividend for the year 2021-22	-	-	-	(11,404,800)	-	-	(11,404,800)
Fair valuation surplus/(deficit) of Investments	-	-	-	-	-	17,720,856	17,720,856
As at 30 <sup>th</sup> June 2023	57,024,000	209,088,000	51,162,905	193,401,475	607,000	265,405,465	776,688,845

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2022

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 30 <sup>th</sup> June 2021	57,024,000	209,088,000	51,162,905	136,062,852	607,000	226,854,109	680,798,866
Net profit after tax of 2021-22	-	-	-	29,316,318	-	-	29,316,318
Final dividend for the year 2020-21	-	-	-	(11,404,800)	-	-	(11,404,800)
Fair valuation surplus/(deficit) of Investments	-	-	-	-	-	20,830,500	20,830,500
As at 30 <sup>th</sup> June 2022	57,024,000	209,088,000	51,162,905	153,974,370	607,000	247,684,609	719,540,884

Annexed notes form an integral part of these Financial Statements.

**Sd/-**  
**Shahriar Ahmed**  
Managing Director

**Sd/-**  
**Ashim Kumar Barua**  
Director

**Sd/-**  
**Sheuli Rani Dey**  
Chief Financial Officer

Signed in terms of our report of even date.

**Malek Siddique Wali, Chartered Accountants**

Place: Dhaka  
Dated: October 08, 2023

Sd/-  
Md. Waliullah, FCA  
Enrolment No: 0247  
DVC:2310080247AS511894

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2023

	NOTES	2022-2023	Value in Taka 2021-2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Collection from revenue		2,352,727,977	3,692,393,494
Income from SND		275	306
Other Income from foreign exchange gain / (loss) from operation		212,220	-
Bank Charges & Commission		(8,143,707)	(9,956,796)
Received from PF Lapse (employer's portion)		243,887	234,581
Income tax paid during the year		(65,113,766)	(31,414,487)
Payment for costs and expenses		(1,813,249,854)	(3,296,902,366)
<b>Net cash generated from / (used in) operating activities (a)</b>		<b>466,677,032</b>	<b>354,354,732</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Property, plant and equipment acquired		(14,569,499)	(17,811,665)
Investment in Financial Assets		(67,016,691)	(9,564,494)
Financial Income from FDRs		12,193,386	12,160,472
Other Income from Dividend		5,954,352	5,954,352
<b>Net cash generated from / (used in) investing activities (b)</b>		<b>(63,438,452)</b>	<b>(9,261,335)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Working capital loan received/(repaid)		(311,179,602)	(283,277,474)
Long term loan received/(repaid)		(2,087,880)	(3,526,592)
Short term loan received/(repaid)		(7,216,806)	(1,802,437)
Payment on Lease Liabilities		-	(1,485,839)
Interest & Other financial charges paid		(15,761,248)	(32,686,602)
Dividend Paid during the year		(11,515,708)	(22,013,683)
<b>Net cash generated from / (used in) financing activities (c)</b>		<b>(347,761,244)</b>	<b>(344,792,627)</b>
<b>Net increase/(decrease) in cash and cash equivalents (a+b+c)</b>		<b>55,477,336</b>	<b>300,771</b>
Cash and cash equivalents on opening		3,220,554	2,883,939
The effect of foreign exchange translation gain/(loss)		(13,740)	35,844
<b>Cash and cash equivalents on closing</b>		<b>58,684,150</b>	<b>3,220,554</b>
<b>Net operating cash flows per share (NOCFPS) 42</b>		<b>81.84</b>	<b>62.14</b>

Annexed notes form an integral part of these Financial Statements.

**Sd/-**  
**Shahriar Ahmed**  
Managing Director

**Sd/-**  
**Ashim Kumar Barua**  
Director

**Sd/-**  
**Sheuli Rani Dey**  
Chief Financial Officer

Signed in terms of our report of even date.

**Malek Siddique Wali, Chartered Accountants**

**Sd/-**

Md. Waliullah, FCA  
Enrolment No: 0247

DVC:2310080247AS511894

Place: Dhaka  
Dated: October 08, 2023

- Please refer to **Annexure-1** for reconciliation of cash flows from operating activities under direct method and indirect method as per requirement of Bangladesh Securities & Exchange Commission (BSEC).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2023**

**1. The company and its operation:****1.01 Legal Form of the Enterprise:**

Apex Foods Limited is a Public Limited Company registered under the Companies Act, 1913 (Repealed in 1994). The Company was incorporated in Bangladesh vide its RJSC registration No. C-6841(571) dated 21.03.1979. Shares of the Company are listed in the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. in Bangladesh.

**1.02 Address of Registered Office and Factory:**

The Registered Office is located at Shanta Skymark, Level-8<sup>th</sup> to 13<sup>th</sup>, 18 Gulshan Avenue, Gulshan, Dhaka-1212 and the Factory is located at 51-B Shagarika Road, Fouzderhat Industrial Estate, Pahartali, and Chattogram.

**1.03 Nature of Business Activities:**

The Company owns and operates a modern Shrimps Processing Plant and exports 100% of its products in the foreign markets.

**2. Basis of the preparation of the Financial Statements:****2.01 Accounting Convention and Basis:**

These Financial Statements have been prepared under the Historical Cost Convention, accrual and Going Concern basis in accordance with applicable International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) which do not vary from the requirements of the Companies Act, 1994 and the Listing Regulations of the Stock Exchanges, The Securities & Exchange Rules, 2020 and other laws and rules applicable in Bangladesh.

**2.02 Application of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs):**

To comply with ICAB guideline, the following IASs and IFRSs are applicable for the financial statements for the year under review:

IAS-1	Presentation of Financial Statements
IAS-2	Inventories
IAS-7	Statement of Cash Flows
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10	Events after the Reporting Period
IAS-12	Income Taxes
IAS-16	Property, Plant and Equipment
IAS-21	The Effects of Changes in Foreign Exchange Rates
IAS-23	Borrowing Costs
IAS-24	Related Party Disclosures
IAS-33	Earnings Per Share
IAS-36	Impairment of Assets
IAS-37	Provisions, Contingent Liabilities and Contingent Assets
IFRS-7	Financial Instruments: Disclosures
IFRS-9	Financial Instruments
IFRS-15	Revenue from contracts with customers
IFRS-16	Leases

**2.03 Compliance with local laws:**

The Financial Statements have been prepared in compliance with requirements of the Companies Act, 1994, The Securities & Exchange Rules, 2020, The Income Tax Act, 2023, Income Tax Rules, 2023. The Value Added Tax and Supplementary Duty Act, 2012, The Value Added Tax and Supplementary Duty Rules, 2016 and other relevant local laws and rules.

**2.04 Compliance with International Financial Reporting Standards (IFRSs):**

The Financial Statements have been prepared in compliance with requirements of IFRSs.

**3. Significant Accounting Policy:****3.01 Property, Plant and Equipment:**

These are stated at historical cost less accumulated depreciation in accordance with IAS 16 "Property, Plant and Equipment".

**3.01(i) Depreciation on Property, Plant and Equipment:**

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of IAS 16: Property, Plant and Equipment. Depreciation is provided for the period in use of the assets. Depreciation is calculated on the cost of fixed assets in order to write off such amounts over the estimated useful lives of such assets. Depreciation has been charged on additions made during the year from the month in which those assets are ready to use. Depreciation is charged on all fixed assets except Land & Land Development at the following rates on reducing balance basis over the periods appropriate to the estimated useful lives of the different types of assets:

The rates of depreciation of each class of assets are as follows:

Factory Building	20 %
Plant & Machinery	20 %
Factory Equipments	20 %
Furniture & Fixtures	10 %
Office Equipments	20 %
Motor Vehicles	20 %
Crockeries	20 %

**3.01(ii) Disposal of Property, Plant and Equipment:**

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and sales proceeds. There was no disposal of any Property, Plant and Equipment during the year 2022-23.

**3.02 Inventories:**

Inventories in hand have been valued at lower of cost or net realizable value in accordance with IAS 2 "Inventories" after making due allowance for any obsolete or slow moving items. The cost of inventories comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location & condition.

**3.03 Investments:****Basis of fair value measurement:**

As fair value is a market based measurement, when measuring the fair value of an investment we considered the market value on Investments on reporting date.

Apex Weaving & Finishing Mills Limited's shares were traded to the DSE & CSE in the category of OTC Market till 2021. Apex Weaving & Finishing Mills Limited's shares trading category was changed from OTC to SME Market during FY 2021-2022. Since the company has an Investments in shares in Apex Weaving & Finishing Mills Limited, which is under litigation vide the civil suit no.191 (F) of 2018 with the Honorable High Court Division, the company has measured the value of the investment by applying cost approach rather than the fair market value approach.

**3.04 Current and non-current assets and liabilities:**

The Company presents assets and liabilities in statement of financial position based on current and non-current classification.

**An asset is current when it is:**

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle;
- ii) Held primarily for the purpose of trading;
- iii) Expected to be realized within twelve months after the reporting period; or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months.

All other assets are classified as non-current.

**A liability is current when it is:**

- i) Expected to be settled in normal operating cycle;
- ii) Held primarily for the purpose of trading;
- iii) Due to be settled within twelve months after the reporting period; or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classified all other liabilities as non-current.

Deferred tax assets/liabilities are classified as non-current assets/liabilities.

**3.05 Taxation:**

Provision for income tax has been made as per requirements of the Income Tax Act, 2023 and Income Tax Rules, 2023.

**3.06 Income Tax:**

The Company is a Publicly Traded, since the Company is a 100% export oriented Sea Food Processing Industry, as per the Income Tax Act, 2023 there is a tax rebate, the tax provision has been made 12% (i.e. tax rate is 20% on business profit) or tax deducted at source on export proceeds realized or tax on gross receipts during the period U/S 163 (2 Ka,Kha), 163 (5-Kh-Uho) and provision has been made accordingly. However, the tax provision has been made @ 20% on interest income, dividend income, PF Lapse receivable & 10% of cash incentive realization as per provision of Income Tax Act, 2023 and the Income Tax rules, 2023.

**3.07 Deferred Tax:**

Deferred tax assets or deferred tax liabilities have been accounted for in accordance with IAS 12 "Income Taxes". Deferred tax arises due to temporary difference, deductible or taxable for the events or transactions recognized in the statement of profit or loss and other comprehensive income. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount/reported amount in the financial statement. Deferred tax asset or liability is the amount of income tax payable or recoverable in future period(s) recognized in the current period. The deferred tax asset/income or liability/expense does not create a legal liability/recoverability to and from the Income Tax Authority.

**3.08 Trade Receivables:**

Trade bills receivables consist of export bill not negotiated with bank within 30.06.2023. Export bills receivables are recognized initially at the original invoice value.

**3.09 Payables and Accrued Expenses:**

Liabilities are recognized for amounts to be paid in future for goods and services received whether or not billed by the suppliers.

**3.10 Earnings Per Share:**

The Company calculates Earnings Per Share (EPS) in accordance with IAS 33 "Earnings Per Share" which has been shown on the face of statement of profit or loss and other comprehensive income and the computation of EPS is stated in Note 40.

**3.11(i) Basic Earnings:**

This represents earnings for the year attributable to ordinary shareholders. There was no preference dividend and minority interest. The net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

**3.11(ii) Weighted Average Number of Ordinary Shares outstanding during the Year:**

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time-weighting factor. The time-weighting factor is the number of days the specific shares is outstanding as a proportion of the total number of days in the period.

**3.11(iii) Basic Earnings Per Share:**

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

**3.11(iv) Diluted Earnings Per Share:**

No diluted EPS is required to be calculated for the year, as there was no scope for dilution during the year under review.

**3.12 Statement of Cash Flows:**

Statement of Cash Flows has been prepared in accordance with IAS 7 "Statement of Cash Flows" and the cash flows from the operating activities have been presented under direct method as required by the Securities and Exchange Rules, 2020 and considering

the provisions of paragraph 19 of IAS 7 which provides that “Entities are Encouraged to Report Cash Flows from Operating Activities using the Direct Method”. Reconciliation of cash flow from operating activities under direct method & indirect method has been given in Annexure-1.

### **3.13 Foreign Exchange:**

Foreign currencies are converted into Bangladesh Taka at the rates ruling on the date of transaction and the balance in hand at the close of the business, at the rate prevailing on the Statement of Financial Position date in accordance with IAS 21 “The Effects of Changes in Foreign Exchange Rates”. The Closing conversion rate of USD was Tk. 107.00.

### **3.14 Revenue Recognition:**

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. IFRS 15 is effective for annual reporting periods beginning on or after 1<sup>st</sup> January 2018, with early adoption permitted. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The sale proceeds are accounted for upon shipments and after satisfying all other conditions for revenue recognition as provided in IFRS 15 “Revenue from contracts with customers”.

### **3.15 Other Income Recognition:**

Other incomes have been recognized on accrual basis.

### **3.16 Employee Benefit Obligations:**

The Company operates a contributory provident fund and a Group insurance scheme for its permanent employees. A Board of Trustee administrates the provident fund.

### **3.17 Contribution to PPF & WF:**

This is being calculated at 5% of the net profit after charging such contribution provided as per provisions of the Bangladesh Labor Act, 2006 (amended 2013 & 2017) and Bangladesh Labor Rules, 2015 and is payable to workers’ as defined in the said Act.

### **3.18 Risk and uncertainties for use of estimates in preparation of Financial Statements:**

Preparation of Financial Statements in conformity with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as long term contracts, depreciation and amortization, employees benefit plans, taxes, reserves and contingencies.

## **4. Financial Risk Management:**

The Board of Directors has overall responsibility for the establishment and oversight of the Company’s financial risk management. The responsibility also includes developing and monitoring the Company’s risk management policies. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Company’s financial risk exposures. The

Company's exposure to the risks associated with the financial instruments and the risk management policies and procedures are summarized as follows:

- Credit risk
- Liquidity risk
- Market risk
- Price risk
- Interest rate risk
- Currency risk

#### 4.01 Credit risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. As the Company is 100% export oriented so the major customers of the Company are in USA, Netherlands, Russia, Belgium, Germany, UK, Ukraine, Canada, and Japan.

The Trade Receivables are due from foreign customers for export. The balances from foreign customers are secured against firm contracts/letters of credit. Management assesses the credit quality of foreign customers, taking into account their financial position, past experience and other factors. Trade receivable balances & the balances as on 30.06.2023 has subsequently been fully realized. For bank balances, financial institutions with strong credit ratings are accepted. Credit risk on bank balances is limited as these are placed with banks having good credit ratings.

#### 4.02 Liquidity risk:

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (Investment in financial assets, cash and cash equivalents) 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, the company ensures that it has sufficient Investment in financial assets & cash and cash equivalents to meet expected operational expenses, including financial obligation through preparation of the cash flow 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.

In extreme stressed conditions, the company may get support from the related company in the form of short term financing but till to date this was not required as the Company has not faced such a situation.

#### 4.03 Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns.

**4.04 Price risk:**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The company does not have any financial instrument that expose the price risk.

**4.05 Interest rate risk:**

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no such foreign currency loan which is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rates. The Company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

**4.06 Currency risk:**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Company is exposed to foreign currency risk on export and import though the import is very nominal, which, are entered in a currency other than BDT. The foreign currency transactions are mainly occurred in USD.

**5. Capital risk Management:**

The objective of the Company when managing capital, i.e., its shareholders' equity is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses. The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders or issue new shares.

**6. Operating segments:**

- These financial statements have been prepared on the basis of single reportable segment.
- All non-current assets of the Company as at 30<sup>th</sup> June 2023 are located in Bangladesh.

**7. Others:****7.01 Comparative Information:**

Comparative information has been disclosed in respect of the year 2021-22 for all numerical information of the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period's financial statements.

Last year's figures have been rearranged where considered necessary to conform to current year's presentation.

**7.02 Reporting currency and level of precision:**

The figures in the financial statements represent Bangladesh Currency (Taka), which have been rounded-off to nearest Taka.

**7.03 Reporting period:**

Financial Statements of the Company cover one financial year from 1<sup>st</sup> July to 30<sup>th</sup> June.

**7.04 Components of the Financial Statements:**

The Financial Statements include the following components as per IAS 1 “Presentation of Financial Statements”.

- i) Statement of Financial Position as at 30<sup>th</sup> June, 2023.
- ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30<sup>th</sup> June, 2023.
- iii) Statement of Changes in Equity for the year ended 30<sup>th</sup> June, 2023.
- iv) Statement of Cash Flows for the year ended 30<sup>th</sup> June, 2023 and
- v) Notes to the financial statements.

**7.05 Authorization of the Financial Statements:**

Financial statements were authorized for issue by the Board of Directors of the Company in its Board Meeting held on 03 October, 2023.

**8. PROPERTY, PLANT AND EQUIPMENT: TK. 76,111,905**

SL NO.	PARTICULAR	COST			RATE %	DEPRECIATION			W.D.V. as at 30.06.23
		Balance as at 01.07.22	Addition during the year	Balance as at 30.06.23		Balance as at 01.07.22	For the year	Balance as at 30.06.23	
1	Land & Land Development	3,392,470	-	3,392,470		-	-	-	3,392,470
2	Factory Building	103,288,501	3,319,542	106,608,043	20	93,577,436	2,175,171	95,752,607	10,855,436
3	Plant & Machinery	551,128,098	9,180,446	560,308,544	20	496,986,140	11,965,121	508,951,261	51,357,283
4	Factory Equipments	42,153,335	343,212	42,496,547	20	36,779,909	1,108,078	37,887,987	4,608,560
5	Furniture & Fixtures	14,687,895	448,545	15,136,440	10	11,828,668	326,396	12,155,064	2,981,376
6	Office Equipments	17,942,405	143,763	18,086,168	20	16,217,181	360,182	16,577,363	1,508,805
7	Motor Vehicles	16,945,243	1,406,888	18,352,131	20	16,742,944	228,045	16,970,989	1,381,142
8	Crockeries	311,272	-	311,272	20	277,732	6,708	284,440	26,832
	<b>Total</b>	<b>749,849,219</b>	<b>14,842,396</b>	<b>764,691,615</b>		<b>672,410,010</b>	<b>16,169,700</b>	<b>688,579,710</b>	<b>76,111,905</b>

**Charged to:**

Factory Overhead	15,248,369
Administrative & selling overhead	<u>921,331</u>
	<b><u>16,169,700</u></b>

**PROPERTY, PLANT AND EQUIPMENT FOR 2021-22**

SL NO.	PARTICULAR	COST			RATE %	DEPRECIATION			W.D.V. as at 30.06.22
		Balance as at 01.07.21	Addition during the year	Balance as at 30.06.22		Balance as at 01.07.21	For the year	Balance as at 30.06.22	
1	Land & Land Development	3,392,470	-	3,392,470		-	-	-	3,392,470
2	Factory Building	100,355,637	2,932,864	103,288,501	20	91,691,619	1,885,817	93,577,436	9,711,065
3	Plant & Machinery	538,956,652	12,171,446	551,128,098	20	485,884,249	11,101,891	496,986,140	54,141,958
4	Factory Equipments	39,678,101	2,475,234	42,153,335	20	35,607,453	1,172,456	36,779,909	5,373,426
5	Furniture & Fixtures	14,659,915	27,980	14,687,895	10	11,512,086	316,582	11,828,668	2,859,227
6	Office Equipments	17,824,280	118,125	17,942,405	20	15,802,720	414,461	16,217,181	1,725,224
7	Motor Vehicles	16,945,243	-	16,945,243	20	16,692,369	50,575	16,742,944	202,299
8	Crockeries	300,057	11,215	311,272	20	271,608	6,124	277,732	33,540
	<b>Total</b>	<b>732,112,355</b>	<b>17,736,864</b>	<b>749,849,219</b>		<b>657,462,104</b>	<b>14,947,906</b>	<b>672,410,010</b>	<b>77,439,208</b>

**Charged to:**

Factory Overhead	14,160,164
Administrative & selling overhead	<u>787,742</u>
	<b><u>14,947,906</u></b>

- Cash Credit (Hypo) was taken from Agrani Bank Limited, Agrabad Corporate Branch, Jahan Building, Agrabad C/A, Chattogram, which is fully secured against 1st charge on Land, Building, Plant & Machinery and all other Assets of the Company.

		<u>30.06.2023</u>	<u>30.06.2022</u>
<b>9. INVESTMENTS: TK. 340,144,610</b>			
<b>In Shares:</b>	<b>Cost value</b>		
Apex Spinning & Knitting Mills Limited (2,263,200 Shares of Tk. 10.00 each) at par	22,632,000	317,526,960	297,837,120
Apex Weaving & Finishing Mills Limited (2,000,000 Shares of Tk. 10.00 each) at par	20,000,000	20,000,000	20,000,000
Amam Sea Food Industries Limited (10,482 Shares of Tk. 100.00 each at par)	1,048,200	1,048,200	1,048,200
Central Depository Bangladesh Limited (571,181 Shares of Tk. 10/- each including 414,236 Bonus Shares and 56,945 Right Shares @ Tk. 10/- each) at par	1,569,450	1,569,450	1,569,450
	<u>45,249,650</u>	<u>340,144,610</u>	<u>320,454,770</u>

**Market Price of Listed Companies Shares (As on 30.06.2023):**

Apex Spinning & Knitting Mills Ltd. (Last trade date 30.06.2023)	140.30	131.60
Amam Sea Food Industries Ltd. (Last trade date 02.01.2011)	219	219

- Investments in shares of Apex Spinning & Knitting Mills Limited has been valued at market price on 30.06.2023 as per IFRS- 9, "Financial Instruments".
- As the shares of Amam Sea Food Industries Limited had not traded during the year under review and the last trade date was on 02.01.2011, the price has been shown at face value.
- Investments in Apex Weaving & Finishing Mills Ltd. is under litigation, the civil suit no.191 (F) of 2018 with the Honorable High Court Division. The case is being advocated by Mr. Masudur Rahman, Barrister-at-Law, Advocate, Appellate Division, Supreme Court of Bangladesh. On his present status report on September 07, 2023, he mentioned that: Paper book has been prepared attempted for fixing the matter for final hearing. He is confident on winning the case.

**10. SECURITY DEPOSITS: TK. 6,002,731**

Security Deposits to Bangladesh Power Development Board	903,000	903,000
Security Deposits for Office Rent	405,000	405,000
Security Deposits for TNT & Mobile	8,900	8,900
Security Deposits to BGSL/Karnaphuli Gas Distribution Co. Ltd.	4,685,831	4,685,831
	<u>6,002,731</u>	<u>6,002,731</u>

- Security Deposits are made to above statutory bodies and hence secured.

**11. INVENTORIES: TK. 129,125,300**

	Qty. in Kg.		
Shrimps (Finished Goods)	268,396	120,483,258	248,744,344
Packing Materials	-	3,746,726	3,777,339
Chemical & Ingredients	-	4,895,316	8,819,800
	<u>268,396</u>	<u>129,125,300</u>	<u>261,341,483</u>

- The above Inventories are as per physical checking made, valued and certified by the Internal Auditors and Management.
- Inventories in hand have been valued at lower of cost or net realizable value.
- The Company is availing working capital loan facilities against pledge of finished goods.

**30.06.2023**                      **30.06.2022**

**12. TRADE RECEIVABLES: TK. 82,333,352**

Export Bills Receivable	<b>82,333,352</b>	<b>44,826,338</b>
	=====	=====

The age analysis of trade receivables as on 30.06.2023 is shown below:

<u>Age analysis</u>	<u>Taka</u>	<u>Taka</u>
0 to 30 days	82,333,352	41,830,958
31 to 60 days	-	-
61 to 90 days	-	2,995,380
	-----	-----
	<b>82,333,352</b>	<b>44,826,338</b>
	=====	=====

- There was no foreign exchange gain or loss as the export bills are negotiated with the Agrani Bank Limited on the date of B/L received.
- The ageing of the trade receivables shows that the receivables are considered good and subsequently realized in full.

**13. ADVANCE, DEPOSITS AND PREPAYMENTS: TK. 70,578,157**

Advance against Expenses	1,060,721	1,174,721
Prepayments	4,250,892	1,408,443
Advance Income Tax <b>13.(a)</b>	64,837,460	30,580,740
Bank Guarantee Margin	429,084	429,084
	-----	-----
	<b>70,578,157</b>	<b>33,592,988</b>
	=====	=====

**13. (a) ADVANCE INCOME TAX: TK. 64,837,460**

Opening Balance	30,580,740	35,263,069
Add: Paid during the year	65,053,702	31,414,487
	-----	-----
	<b>95,634,443</b>	<b>66,677,556</b>
Less: Adjustment for the AY 2021-22	-	(36,096,816)
Less: Adjustment for the AY 2022-23	(30,796,983)	-
	-----	-----
	<b>64,837,460</b>	<b>30,580,740</b>
	=====	=====

- Advance against expenses are adjusted regularly and considered good.
- Prepayments and Advance Income Tax are made to statutory bodies and hence secured.
- No amount was due by the Directors and other officers of the Company or by associated undertaking.

**14. OTHER RECEIVABLES: TK. 110,844,619**

Insurance Claim Receivable	16,254,727	16,254,727
Cash Incentive Receivable	83,537,896	245,426,922
FDR's Interest Receivable	10,848,170	7,043,037
PF Lapse (Employer's Portion)	203,826	243,887
	-----	-----
	<b>110,844,619</b>	<b>268,968,573</b>
	=====	=====

**30.06.2023****30.06.2022**

- Insurance Claim was receivable from Insurance Company against deterioration of stock because of machinery break down. Appropriate claim has been lodged with the Insurance Company in 1997. The claim is under litigation and pending with the High Court Division.
- Cash incentive receivable represents the amount receivable from Bank against cash incentive. The amount will be received from the Bangladesh Bank through Agrani Bank Limited.
- The ageing of the Cash incentive receivable are maximum 06 (Six) months.
- FDR's interest receivable represents the provision of interest receivable on FDR's up to 30.06.2023.
- PF Lapse (Employer's Portion) receivable represents the provision of PF Lapse receivable on (Employer's Portion) up to 30.06.2023 as per Financial Reporting Act 2015.

**15. INVESTMENT IN FINANCIAL ASSETS: TK. 291,153,690**

FDRs with Dhaka Bank Ltd., Foreign Exchange Br., Dhaka	237,553,690	200,536,999
FDRs with Eastern Bank Ltd., Principle Br., Dhaka	30,000,000	-
FDRs with Agrani Bank Ltd., Agrabad Corporate Br., Chattogram	23,600,000	23,600,000
	-----	-----
	<b>291,153,690</b>	<b>224,136,999</b>
	=====	=====

- FDR's are made for more than 3 (three) months.

**16. CASH AND CASH EQUIVALENTS: TK. 58,684,150****Cash in Hand:**

Head Office	2,912	5,681
Factory Office	56,639	64,256
	<b>59,551</b>	<b>69,937</b>

**Cash at Bank with:**

Agrani Bank Ltd., ESA A/C, Agrabad Corporate Br., Chattogram	327,740	297,771
Agrani Bank Ltd., FCY A/C, Agrabad Corporate Br., Chattogram	885,917	189,490
Agrani Bank Ltd., CD A/C, Agrabad Corporate Br., Chattogram	56,000,000	-
Agrani Bank Ltd., PLEDGE A/C, Agrabad Corporate Br., Chattogram	5,975	-
Eastern Bank Ltd., SND A/C, Principal Branch, Dhaka	29,154	29,487
The Hongkong & Shanghai Banking Corporation Ltd., CD A/C, Dhaka	28,364	74,054
The Hongkong & Shanghai Banking Corporation Ltd., (CD-Div.A/C), Dhaka	1,235,105	2,466,553
Dhaka Bank Ltd., OD A/C, Foreign Exchange Br., Dhaka	19,297	-
Dhaka Bank Ltd., CD A/C, Foreign Exchange Br., Dhaka	93,048	93,263
	<b>58,624,599</b>	<b>3,150,617</b>
	<b>58,684,150</b>	<b>3,220,554</b>

- Cash in hand was physically counted and verified at the year ended as on 30.06.2023. All Bank balances were reconciled and confirmed by bank statements.
- Foreign currency Account balances in USD are given below which has converted in BDT. The Closing conversion rate of USD was Tk.107.00 on 30.06.2023 as compared to Tk. 92.40 on 30.06.2022.

	<b><u>In USD</u></b>	<b><u>In USD</u></b>
Agrani Bank Ltd., FCY A/C, Agrabad Corporate Br., Chattogram	<u>8,279.60</u>	<u>2,050.76</u>

30.06.202330.06.2022**17. SHARE CAPITAL: TK. 57,024,000****Authorized Capital:**

15,000,000 Ordinary Shares of Tk. 10/= each	<b>150,000,000</b>	<b>150,000,000</b>
	=====	=====

**Issued, Subscribed & Paid up Capital:**

5,702,400 Ordinary Shares of Tk. 10/= each	<b>57,024,000</b>	<b>57,024,000</b>
	=====	=====

Allotment Date	Types of Issue	No. of Share	Face value of Per Share	Amount (BDT)	Basis of allotment
21 <sup>st</sup> March 1979 during Incorporation	Ordinary	100	100	10,000	Cash (by Bank)
Allotted during the year 1979-80	Ordinary	21,900	100	2,190,000	Cash (by Bank)
Allotted during the year 1981-82	Ordinary	22,000	100	2,200,000	IPO
Allotted during the year 1985-86	Bonus	8,800	100	880,000	Bonus Share
Allotted during the year 1989-90	Bonus	10,560	100	1,056,000	Bonus Share
Allotted during the year 1993-94	Bonus	63,360	100	6,336,000	Bonus Share
Allotted during the year 1994-95	Bonus	63,360	100	6,336,000	Bonus Share
Allotted during the year 1996-97	Bonus	190,080	100	19,008,000	Bonus Share
Allotted during the year 1996-97	Right	190,080	100	19,008,000	Right Share
		<b>570,240</b>		<b>57,024,000</b>	
Split the share price as on 13.11.2011		<b>5,702,400</b>	10	<b>57,024,000</b>	BSEC notification

- There was no preference share issued by the Company.

**Composition of Shareholdings (As on 30.06.2023):**

Sponsors & Directors	53.39%	36.06%
Institutions	6.33%	4.26%
Public - Local	<u>40.28%</u>	<u>59.68%</u>
	<b>100.00%</b>	<b>100.00%</b>
	=====	=====

The distribution showing the number of shareholders and their shareholdings in percentages are as follows:

<u>No. of Share Holders</u>	<u>Range</u>	<u>Total Holdings</u>	<u>In %</u>
3,950	Less than & equal 500 Shares	490,198	8.60
824	501 to 5,000 Shares	1,281,356	22.47
47	5,001 to 10,000 Shares	322,356	5.65
17	10,001 to 20,000 Shares	224,420	3.94
5	20,001 to 30,000 Shares	129,950	2.28
0	30,001 to 40,000 Shares	-	-
1	40,001 to 50,000 Shares	50,000	0.88
2	50,001 to 100,000 Shares	171,670	3.01
2	100,001 to 200,000 Shares	325,490	5.71
2	Over 200,000 Shares	2,706,960	47.47
<b>4,850</b>		<b>5,702,400</b>	<b>100.00</b>
=====		=====	=====

	<u>30.06.2023</u>	<u>30.06.2022</u>
<b>18. SHARE PREMIUM: TK. 209,088,000</b>	<b>209,088,000</b>	<b>209,088,000</b>
	=====	=====

- This represents premium of Tk. 1,100 per Share of 190,080 Right Shares of Tk. 100 each.

**19. RESERVE AND SURPLUS: TK. 245,171,380**

This represents the following:

Reserve for Re-investment	51,162,905	51,162,905
Retained Earnings	193,401,475	153,974,370
Capital Gain	607,000	607,000
	-----	-----
	<b>245,171,380</b>	<b>205,744,275</b>
	=====	=====

- Reserve for Re-investment represents Tax Holiday Reserve made up to the Tax Holiday period of the Company as per requirements of the Income Tax Ordinance, 1984 and the capital gain represents the difference between sale proceeds less face value of Shares of Amam Sea Food Industries Limited in 2002-03. The reserve and surplus is utilized in the Company's business.

**20. FAIR VALUATION SURPLUS OF INVESTMENTS: TK. 265,405,465**

Opening Balance	<b>247,684,609</b>	<b>226,854,109</b>
Adjustment for fair valuation surplus/(deficit) during the year	19,689,840	23,145,000
Less: Deferred Tax @10%	(1,968,984)	(2,314,500)
Fair valuation surplus/(deficit) during the year	<b>17,720,856</b>	<b>20,830,500</b>
	-----	-----
	<b>265,405,465</b>	<b>247,684,609</b>
	=====	=====

- Fair valuation surplus/(deficit) of investments represents the difference between market value of the listed Company's shares (Apex Spinning & Knitting Mills Limited and Apex Weaving & Finishing Mills Limited) on the closing date and the cost price after adjustment of deferred tax.

**21. DEFERRED TAX LIABILITIES: TK. 39,488,682**

(a) Deferred tax liabilities on Depreciable Assets	(562,255)	57,377
(b) Deferred tax liabilities on foreign currency translation gain/(loss)	(2,748)	7,169
(c) Deferred tax liabilities on FDRs Interest Receivable	2,169,634	1,408,607
(d) Deferred tax liabilities on PF Lapse (Employer's Portion) Receivable	40,765	48,777
(e) Deferred tax liabilities on Cash Incentive Receivable	8,353,790	24,542,692
(f) Deferred tax liabilities on Fair valuation surplus of Investments	<u>29,489,496</u>	<u>27,520,512</u>
	<b>39,488,682</b>	<b>53,585,135</b>
	=====	=====

- The provision for deferred tax (expenses)/income is made to pay/adjust future income tax liability/ (asset) due to accumulated temporary differences. This has been raised mainly for fair valuation of Investments as per IAS 12. The details are given below:

	<u>30.06.2023</u>	<u>30.06.2022</u>
<b>a) Book Value of Depreciable Assets</b>	76,111,905	77,439,208
Tax base of Depreciable Assets	<u>80,797,363</u>	<u>76,865,434</u>
Net Taxable Temporary Difference	<b>(4,685,457)</b>	<b>573,774</b>
Effective Tax Rate	<u>12.00%</u>	<u>10.00%</u>
<b>Closing Deferred Tax (Assets)/Liabilities arising from depreciable assets</b>	<b>(562,255)</b>	<b>57,377</b>
Opening Deferred Tax Balance	<u>57,377</u>	<u>241,957</u>
<b>Deferred Tax (Expenses)/Income</b>	<b><u>619,632</u></b>	<b><u>184,579</u></b>
<b>b) Foreign currency translation gain/(loss) (unrealized)</b>	<b>(13,740)</b>	<b>35,844</b>
Effective Tax Rate	<u>20.00%</u>	<u>20.00%</u>
<b>Closing Deferred Tax (Assets)/Liabilities arising from unrealized Foreign currency translation gain/(loss)</b>	<b>(2,748)</b>	<b>7,169</b>
Opening Deferred Tax Balance	<u>7,169</u>	<u>(48)</u>
<b>Deferred Tax (Expenses)/Income</b>	<b>9,917</b>	<b><u>(7,217)</u></b>
<b>c) Unrealized Interest on FDRs</b>	10,848,170	7,043,037
Effective Tax Rate	<u>20.00%</u>	<u>20.00%</u>
<b>Closing Deferred Tax (Assets)/Liabilities arising from unrealized FDRs Interest</b>	<b>2,169,634</b>	<b>1,408,607</b>
Opening Deferred Tax Balance	<u>1,408,607</u>	<u>1,855,713</u>
<b>Deferred Tax (Expenses) / Income</b>	<b><u>(761,027)</u></b>	<b><u>447,106</u></b>
<b>d) PF Lapse (Employer's Portion) Receivable</b>	203,826	243,887
Effective Tax Rate	<u>20.00%</u>	<u>20.00%</u>
<b>Closing Deferred Tax (Assets)/Liabilities arising from PF Lapse (Employer's Portion) Receivable</b>	<b>40,765</b>	<b>48,777</b>
Opening Deferred Tax Balance	<u>48,777</u>	<u>52,781</u>
<b>Deferred Tax (Expenses) / Income</b>	<b><u>8,013</u></b>	<b><u>4,004</u></b>
<b>e) Cash Incentive Receivable</b>	83,537,896	245,426,922
Effective Tax Rate	<u>10.00%</u>	<u>10.00%</u>
<b>Closing Deferred Tax (Assets)/Liabilities arising from Cash Incentive Receivable</b>	<b>8,353,790</b>	<b>24,542,692</b>
Opening Deferred Tax Balance	<u>24,542,692</u>	<u>6,744,010</u>
<b>Deferred Tax (Expenses) / Income</b>	<b><u>16,188,903</u></b>	<b><u>(17,798,682)</u></b>
<b>Deferred Tax (Expenses) / Income (a+b+c+d+e)</b>	<b>16,065,438</b>	<b>(17,170,210)</b>
	=====	=====
<b>f) Deferred Tax (Assets)/Liabilities arising from Other Comprehensive Income:</b>		
Gains on hedging instruments in cash flow hedges	-	-
Tax for (Losses)/gains on available for sale investments	29,489,496	27,520,512
Revaluation of property	-	-
Actuarial gain on defined benefit pension schemes	-	-
Foreign exchange gain for foreign operation	-	-
	-----	-----
<b>Closing Deferred Tax (Assets)/Liabilities arising from investments</b>	<b>29,489,496</b>	<b>27,520,512</b>
Opening Deferred Tax Balance	<u>27,520,512</u>	<u>25,206,012</u>
<b>Deferred Tax (Expenses)/Income arising from investments</b>	<b>(1,968,984)</b>	<b>(2,314,500)</b>
	-----	-----
<b>Total Deferred Tax (Assets)/Liabilities (a+b+c+d+e+f)</b>	<b>39,488,682</b>	<b>53,585,135</b>
	=====	=====

	<u>30.06.2023</u>	<u>30.06.2022</u>
<b>22. WORKING CAPITAL LOAN (SECURED): TK. 1,690,879</b>		
CC (Hypo) from Agrani Bank Limited, Agrabad Corporate Branch, Chattogram	1,690,879	138,950,829
CC (Pledge) from Agrani Bank Ltd., Agrabad Corporate Branch, Chattogram	-	173,919,652
	<u>1,690,879</u>	<u>312,870,481</u>

- The Working Capital Loan was taken from Agrani Bank Limited, Agrabad Corporate Branch, Jahan Building, Agrabad C/A, Chattogram, which is fully secured against 1st charge on Land, Building, Plant & Machinery and all other Assets of the Company and Pledge of Finished Goods
- The Company has Cash Credit facilities of Tk. 78.00 Crore (Hypothecation Tk. 18.00 Crore & Pledge of finished goods Tk. 60.00 Crore) which has been fully availed. Apart from this, the Company has no such other credit facilities. The Loan bears interest @ 7.00% p.a. from 01.07.2022 to 31.03.2023 & @ 8.04% p.a. from 01.04.2023 to 30.06.2023.

### 23. LONG TERM LOAN-CURRENT MATURITY:

Stimulus Salary Loan	-	2,087,880
	<u>-</u>	<u>2,087,880</u>

### 24. SHORT TERM LOAN:

Dhaka Bank Limited	-	7,216,806
	<u>-</u>	<u>7,216,806</u>

- Loan from Dhaka Bank Limited, Foreign Exchange Branch, Dhaka against lien on FDRs. The Loan limit with Dhaka Bank Limited is Tk. 100.00 million.

### 25. TRADE PAYABLES: TK. 258,239,113

Shrimp Purchased	258,239,113	56,489,907
	<u>258,239,113</u>	<u>56,489,907</u>

Shrimps are purchased directly from the Shrimps cultivators i.e. the owner of the Gher and price are fixed after bargaining on the respective day of the purchase. All trade payables were paid in full subsequently.

	<u>30.06.2023</u>	<u>30.06.2022</u>
<b>26. OTHER PAYABLES: TK. 22,895,905</b>		
Advance against export	5,550,666	35,085,523
Audit Fees (including VAT)	443,000	402,500
Chemicals	64,000	73,500
Clearing & Forwarding	244,607	244,261
Consumable Stores & Spares	113,637	50,099
Contribution to PPF & WPPF	4,980,142	3,864,176
Contribution to Provident Fund	-	37,898
Directors' Remuneration	800,000	400,000
Electricity & WASA Charges	-	57,611
Factory Building	250,477	9,880
Factory Equipments	32,300	-
Ice	24,061	518,696
Interest Payable on Overdraft	-	152,555
Legal & Professional Fees	-	4,600
License & Renewals	-	30,326
Laboratory Expenses	-	3,240
Newspaper & Periodicals	-	266
Ocean Freight	1,278,102	2,016,175
Office Maintenance	1,898	5,340
Packing Materials	2,243,368	4,499,022
Power, Fuel and Water	357,580	50,790
Postage & Stamps	6,539	2,617
Printing & Stationery	2,100	52,485
Corporate Expenses & Others	49,337	-
Repairs (Factory Building)	26,930	-
Repairs (Machinery & Equipment)	691,531	275,479
Salaries & Allowances	2,693,646	2,627,475
Sanitation Expenses	-	15,240
Staff Income Tax	78,284	67,767
Staff Welfare Expenses	99,850	67,500
Survey Fees & Inspection	9,000	10,000
Telephone, Telex & Fax	6,023	14,502
T.A & Conveyance	-	426,748
TDS Payable to Govt.	8,687	5,448
Uniform & Liveries	44,229	44,028
Wages & Salaries	2,776,440	4,900,138
Transportation Expenses	-	47,500
VAT Payable to Govt.	19,471	22,495
	-----	-----
	<b>22,895,905</b>	<b>56,085,880</b>
	=====	=====

- All other payables have been fully paid subsequently except contribution to PPF & WF and Audit Fees.

	<u>30.06.2023</u>	<u>30.06.2022</u>
<b>27. CURRENT TAX LIABILITIES: TK. 64,776,310</b>		
Opening Balance	30,796,983	36,096,816
Add: Current year tax	64,776,310	30,796,983
	<b>95,573,293</b>	<b>66,893,799</b>
Less: Adjustment against assessment year 2021-22	-	(36,096,816)
Less: Adjustment against assessment year 2022-23	(30,796,983)	-
	<b>64,776,310</b>	<b>30,796,983</b>

- This represents the tax liability up to the assessment year 2022-23. Assessments have been completed up to income year 2021-22 and assessment figures (Liability/Advance) has been adjusted with the Accounts.

## 28. UNCLAIMED DIVIDEND ACCOUNT: TK. 1,198,780

### Unclaimed Dividend

Opening Balance	1,309,688	11,918,571
Add: Dividend approved at AGM	11,404,800	11,404,800
	<b>12,714,488</b>	<b>23,323,371</b>
Less: Paid during the year up to 30.06.2023	(11,515,708)	(22,013,683)
	<b>1,198,780</b>	<b>1,309,688</b>

- Unclaimed dividend represents the dividend warrants of Tk.1,198,780 not presented to bank by the shareholders within June 30, 2023. The details of unclaimed dividend as on 30 June 2023 is as under:

<u>Year</u>	<u>Taka</u>	<u>Taka</u>
2018-19	-	460,213.18
2019-20	369,822.73	379,014.50
2020-21	464,935.00	470,460.00
2021-22	364,022.40	-
	<b>1,198,780.13</b>	<b>1,309,687.68</b>

- According to the Directive (No. BSEC/CMRRCD/2021-386/03) dated January 14, 2021, of Bangladesh Securities and Exchange Commission (BSEC) para 3 (Vii) regarding the details information of unclaimed dividend shall report in the statement of Financial Position as separate line, so we have reported in the Statement of financial position as separate line item "Unclaimed Dividend Account".
- According to the BSEC's letter No. SEC/SRMIC/165-2020/131 dated March 31, 2022 regarding the transfer of Unclaimed Dividend along with prescribed dividend distribution compliance report upto 2018-2019. Accordingly, we have transferred the Unclaimed Dividend amount Tk.4,57,696.20 for the above periods to the "Capital Market Stabilization Fund" (CMSF) Vide Cheque - 0010076, dated 14 June 2023 of The Hongkong & Shanghai Banking Corporation Limited (HSBC).

**2022-2023****2021-2022****29. REVENUE: TK. 2,419,769,848**

	<u>Qty. in Kg</u>	<u>US\$</u>		
Export of Shrimps	1,919,868.00	23,995,828.00	2,419,769,848	3,512,949,969
	<u>1,919,868.00</u>	<u>23,995,828.00</u>	<u>2,419,769,848</u>	<u>3,512,949,969</u>
	=====	=====	=====	=====

- Country wise break up of the Export for the year 2022-2023:

<u>Name of the Countries</u>	<u>Quantity</u> <u>In KG</u>	<u>USD</u>
USA	821,916.00	11,540,333.00
Netherlands	363,808.00	4,374,268.00
Russia	270,800.00	2,667,110.00
Belgium	181,607.00	2,540,984.00
Germany	121,900.00	1,473,695.00
UK	54,870.00	799,950.00
Ukraine	82,800.00	334,150.00
Canada	11,907.00	152,250.00
Japan	10,260.00	113,088.00
	<u>1,919,868.00</u>	<u>23,995,828.00</u>
	-----	-----

**30. COST OF GOODS SOLD: TK. 2,152,795,726**

	<u>Qty. in Kg.</u>	Notes		
Opening Stock of Finished Goods	564,988		248,744,344	491,090,651
Add: Cost of Production	1,623,277	31	2,024,534,640	2,893,005,368
	<u>2,188,265</u>		<u>2,273,278,984</u>	<u>3,384,096,019</u>
Less: Closing Stock of Finished Goods	<u>(268,397)</u>		(120,483,258)	(248,744,344)
	<u>1,919,868</u>		<u>2,152,795,726</u>	<u>3,135,351,675</u>
	=====		=====	=====

**31. COST OF PRODUCTION: TK. 2,024,534,640**

	<u>Qty. in Kg.</u>	Notes		
Shrimp Purchased	<u>2,334,354</u>		1,832,391,976	2,683,202,222
Packing Materials, Chemicals, Ice and Ingredients consumed		32	72,006,876	95,989,477
Direct Labor			28,558,670	35,177,452
Factory Overhead		33	91,577,118	78,636,217
			<u>2,024,534,640</u>	<u>2,893,005,368</u>
			=====	=====

- Cash incentive adjusted with the raw materials purchase.

	<u>2022-2023</u>	<u>2021-2022</u>
<b>32. PACKING MATERIALS, CHEMICALS, ICE &amp; INGREDIENTS CONSUMED: TK. 72,006,876</b>		
(a) Opening Balance (Packing Materials)	3,777,339	5,079,375
Add: Packing Materials Purchase	62,421,394	79,146,297
	-----	-----
	<b>66,198,733</b>	<b>84,225,672</b>
Less: Packing Materials in hand	(3,746,726)	(3,777,339)
	-----	-----
	<b>62,452,007</b>	<b>80,448,333</b>
(b) Opening balance (Chemical & Ingredients)	8,819,800	4,438,748
Add: Chemicals, Ice and Ingredients Purchase	5,630,385	19,922,196
	-----	-----
	<b>14,450,185</b>	<b>24,360,944</b>
Less: Chemical and Ingredients in hand	(4,895,316)	(8,819,800)
	-----	-----
	<b>9,554,869</b>	<b>15,541,144</b>
<b>Total (a+b)</b>	<b>72,006,876</b>	<b>95,989,477</b>
	=====	=====

**33. FACTORY OVERHEAD: TK. 91,577,118**

Wages & Salaries	20,764,274	26,276,195
Bonus to Workers'	741,553	468,395
Power, Fuel & Water	37,441,868	25,802,063
Consumable Stores & Spares	1,528,905	1,086,807
Insurance premium	3,305,010	3,690,996
Repair & Maintenance	12,532,539	7,133,707
Carriage Inward	14,600	17,890
Depreciation	15,248,369	14,160,164
	-----	-----
	<b>91,577,118</b>	<b>78,636,217</b>
	=====	=====

**34. OTHER OPERATING INCOME / (LOSS): TK. 198,480**

Foreign Exchange Gain / (Loss) from operation/ Transaction	212,220	-
Foreign Currency Translation Gain / (Loss)	(13,740)	35,844
	<b>198,480</b>	<b>35,844</b>
	=====	=====

Foreign currency translation gain / (loss) represents the difference between the closing conversion rate and the ledger conversion rate of FCY Account as on 30.06.2023.

	<u>2022-2023</u>	<u>2021-2022</u>
<b>35. ADMINISTRATIVE AND SELLING OVERHEAD: TK. 160,994,192</b>		
Advertisement	217,352	263,903
Audit Fees (Including VAT)	402,500	402,500
Board Meeting Fees (Including VAT)	33,550	28,050
Bonus to Staff	6,075,333	3,088,503
Contribution to Provident Fund	2,268,934	2,225,216
Depreciation on Tangible Assets	921,331	787,742
Depreciation on Right of Use (ROU) Assets	-	1,187,195
Directors' Remuneration	5,600,000	7,200,000
Donation & Subscription	4,200	4,202
Electricity & WASA Charges	680,604	235,696
Entertainment	594,220	577,793
Freight, Forwarding & Export Expenses	76,186,209	196,484,456
General Fees & Charges	399,700	36,500
Guest House Expenses	339,105	497,215
Laboratory Expenses	99,270	82,892
Laboratory Testing Expenses	6,713,898	10,232,260
Legal & Professional Fees	557,965	66,350
License & Renewals	742,054	908,630
Medical Expenses	7,721	15,516
Membership Subscription	93,800	10,000
Newspaper & Periodicals	1,627	3,062
Office Maintenance	7,160	376,580
Postage & Stamp	306,795	383,860
Printing & Stationery	704,824	693,786
Rent, Rates & Taxes	259,350	-
Corporate Expenses & Others	1,678,213	152,035
VAT on Office Rent	-	216,020
Salaries & Allowances	32,048,578	29,773,749
Sales Commission	3,955,921	1,428,467
Sales Promotion Expenses	13,761,189	8,145,597
Sanitation Expenses	315,843	324,370
Staff Fooding	588,411	719,374
Staff Welfare Expenses	2,357,081	1,102,712
T.A & Conveyance	834,862	877,868
Telephone, Telex & Fax	482,179	439,084
Uniform & Liveries	601,343	494,638
Transportation Expenses	1,153,071	1,346,343
	<b>160,994,192</b>	<b>270,812,163</b>

- Directors' Remuneration paid to the Directors for their full time service rendered are:

a) Mr. Zafar Ahmed	-	2,400,000
b) Mrs. Shawkat Ara Ahmed	800,000	-
c) Mr. Ashim Kumar Barua	4,200,000	4,200,000
d) Mr. Kazi Faruq Kader	600,000	600,000
	<b>5,600,000</b>	<b>7,200,000</b>

- Audit Fee is fixed by the Shareholders in the Annual General Meeting and does not include any other remuneration to Auditors.
- Sales promotion expenses include cost of samples and courier cost for distribution of free samples to the buyers.
- There are **11 (Eleven)** Board Meetings held during the year.

	<u>2022-2023</u>	<u>2021-2022</u>
<b>36. FINANCE &amp; OTHER INCOME: Tk. 22,156,972</b>		
<b>Dividend Income:</b>		
Dividend from Apex Spinning & Knitting Mills Ltd.	4,526,400	4,526,400
Dividend from CDBL	1,427,952	1,427,952
	<b>5,954,352</b>	<b>5,954,352</b>
Interest Income on FDRs	15,998,519	10,955,894
Interest Income on SND Account	275	306
PF Lapse (Employer's Portion)	203,826	243,887
	<b>22,156,972</b>	<b>17,154,439</b>
	=====	=====
<b>37. FINANCIAL EXPENSES: TK. 23,752,400</b>		
Interest	15,608,693	32,839,157
Charges	8,143,707	9,956,796
Interest expenses on Lease Liability	-	32,774
	<b>23,752,400</b>	<b>42,828,727</b>
	=====	=====

**38. PROVISION FOR CONTRIBUTION TO PPF & WF: TK. (4,980,142) (3,864,176)**

This represents 5% of the net profit after charging such contribution provided as per provisions of the Bangladesh Labor Act, 2006 (Amended 2013 & 2017) and Bangladesh Labor Rules, 2015 and is payable to workers' as defined in the said Act.

**39. TAX EXPENSES:**

**A) CURRENT TAX: TK. 64,776,310**

Current tax consists the higher of minimum tax U/S 163 (2ka, kha), 163 (5-kh-uh) considering below a, b, c ie a) tax on income basis b) TDS on these income U/S 163 (2 ka, kha) & c) tax on all gross received U/S-163 (5-kh-e) and also others income realized during the period from 1<sup>st</sup> July 2022 to 30<sup>th</sup> June 2023. Details as follows:

**Calculation of Current tax:**

**a) Tax on Income basis:**

**i) Tax on Business profit:**

Profit before tax	99,602,840	77,283,511
Other Operating (Income) / Loss from translation	13,740	(35,844)
Less: Finance & Other Income	(22,156,972)	(17,154,439)
Net Operating Profit/(Loss)	<b>77,459,608</b>	<b>60,093,228</b>

Tax Rate	12%	12%
Tax on Business Profit	<b>9,295,153</b>	<b>7,211,187</b>

**ii) Tax on Other Income:**

x) Tax on Dividend Income @ 20%	1,190,870	-
y) Tax on Cash Incentive realized @ 10%**	37,568,730	-
z) Tax on Finance Income (FDRs & Savings Interest) @ 20%	2,438,732	-
	<b>41,198,332</b>	-
<b>Total a (i+ii)</b>	<b>50,493,484</b>	<b>7,211,187</b>

\*\*as per SRO # 253-law / income tax-09/23 dated 23.08.23

**b) TDS U/S-163 (2-ka, kha)**

i) TDS on export proceeds @ 1.00%	23,529,201	18,675,941
ii) TDS on Dividend Income @ 20.00%	1,190,870	1,190,870
iii) TDS on Cash Incentive (realized amount) @ 10.00%	37,568,730	8,451,100
iv) TDS on Finance Income (realized amount) @20.00%	1,822,381	2,432,156
	<b>64,111,182</b>	<b>30,750,067</b>



**41. NET ASSETS VALUE (NAV) PER SHARE:**

Net Assets (Total Assets – Total Liabilities)			
<b>NAV Per Share =</b>	-----		
	Number of ordinary shares outstanding		
<b>Net Assets Value (NAV) Per Share</b>	<b>776,688,845</b>	<b>= 136.20</b>	<b>719,540,884</b>
	<b>5,702,400</b>		<b>5,702,400</b>
			<b>= 126.18</b>

- Net Assets Value (NAV) per share is Tk. 136.20 as on 30.06.2023 but it was Tk. 126.18 as on 30.06.2022. The main reason for increasing NAV due to increase in reserve & surplus as well as share price of Investments.

**42. NET OPERATING CASH FLOWS PER SHARE (NOCFPS):**

Net Operating Cash Flows			
<b>NOCFPS =</b>	-----		
	Number of ordinary shares outstanding		
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>466,677,032</b>	<b>= 81.84</b>	<b>354,354,732</b>
	<b>5,702,400</b>		<b>5,702,400</b>
			<b>= 62.14</b>

- There was significant variance in net operating cash flows as compared to the last year. The Net Operating Cash Flows per Share is Tk. 81.84 but it was Tk.62.14 in 2021-22 which is mainly for decrease in payment for cost & expenses, decrease in other receivables during the year 2022-2023 as compared to last year. However, this scenario is changeable time to time depending on different issues.

**43. EVENTS AFTER REPORTING PERIOD:****a) Proposed Dividend:**

The Board of Directors has recommended cash Dividend of Tk. **2.00/-** per Share for the financial year 2022-23 at the Board Meeting held on October 03, 2023. The total amount of Dividend is TK.11,404,800/-.

**b) Other Significant Events:**

There is no other significant event that has occurred between the Statement of Financial Position date and the date when the financial statements were authorized for issue by the Board of Directors of the Company.

**44. RELATED PARTY TRANSACTIONS:**

- There are one related party (inter Company) transactions during the year under review.
- Transaction with key management personnel:

Name	Relationship	Nature	Transaction	Opening Balance	Transaction during the period	Closing Balance
1. Mr. Zahur Ahmed PhD	Director	Revenue Expenditure	*Office rent	-	-	-
2. Mrs. Shawkat Ara Ahmed	Director					
3. Mr. Shahriar Ahmed	Director					
4. Mr. Mahir Ahmed	Family member of Director					
5. Mr. Eifaz Ahmed						
6. Matex Bangladesh Limited	Common Directorship	Capital Expenditure	**To buy a Car	-	1,406,888/-	Nil

\*The Directors & their family members have provided a rent-free office space for business transaction for the company as per agreement. However, the total rental spaces as mentioned in the agreement is approximately 79,444.10 sft for 11 sister concerns of the Directors of the company which is located at Shanta Sky Mark (Level 8 to 13), Plot # 18, Block # CWS(A), Gulshan Avenue, Gulshan, Dhaka-1212. Therefore, the value of the related party transaction is nil.

\*\*Tk.1,406,888.00 was given to Matex Bangladesh Limited during the year to buy a car on behalf of the company. Closing Balance is nil.

2022-20232021-2022

- The Company is now paying Remuneration to the 03 (three) Directors who are rendering full time service to the Company and in addition to that there is nothing paid to them (**Note No. 35 for details**).
- The Company operates a contributory provident fund which is administrates by the Board of Trustee. The Company has also a Group Insurance Scheme. The Company pays its monthly contribution for the Key Management to the Provident Fund Trust and the Company has no further liability. Group insurance premium is paid to the Insurance Company once in a year and if there is any claim that will be entertained by the Insurance Company for the Key Management and the Company has no liability. In addition to that there is nothing paid to them except salaries and allowances.

**45. GENERAL:****(a) Production capacity (Quantity in M/T):**

Installed Capacity	7,200	%	7,200	%
Actual Capacity utilized	1,623	22.54	2,797	38.85
Variation	<u>5,577</u>		<u>4,403</u>	
	=====		=====	

- It is a seasonal business, shrimps season remains for only about 6 (six) months (May to October) in a year. The Company was unable to achieve the optimum capacity due to non-availability of adequate shrimps throughout the year.

**(b) Production (Quantity in Kg):**

Shrimps	1,623,277	2,797,267
	<u>1,623,277</u>	<u>2,797,267</u>
	=====	=====

**(c) Export (Quantity in Kg):**

Shrimps	1,919,868	2,952,730
	<u>1,919,868</u>	<u>2,952,730</u>
	=====	=====

**(d) Consumption (Value in Taka):**2022-2023

<u>Items</u>	<u>Value</u>	<u>Consumption</u>
		<u>%</u>
Local Shrimps	1,832,391,976	96.22
Local Packing Materials, Chemicals, Ice & Ingredients	72,006,876	3.78

**(e) Salaries & Wages:**

	<u>No. of Employees</u>	<u>Taka</u>
Up to Tk. 5,000.00 per month	-	-
Above Tk. 5,000.00 per month	235	61,898,672
	<u>235</u>	<u>61,898,672</u>
	=====	=====

**2022-2023****46. PAYMENTS /PERQUISITES TO DIRECTORS/OFFICERS (KEY MANAGEMENT):**

The aggregate amounts paid / provided during the year in respect of Directors and Officers of the Company as defined in the Securities and Exchange Commission Rules, 1987 are disclosed below:

	<u>Directors</u>	<u>Taka</u> <u>Officers</u>
Board Meeting Fees	33,550	-
Salaries and Allowances	5,600,000	34,118,212
Contribution to Provident Fund	-	1,999,547
Bonus	-	4,657,160
Perquisites	-	12,255,343

**47. CAPITAL EXPENDITURE COMMITMENT:**

- There was no capital expenditure contracted or incurred or provided for as on 30<sup>th</sup> June 2023.
- There was no material capital expenditure authorized by the Board or contracted for as on 30<sup>th</sup> June 2023.

**48. CONTINGENT LIABILITY:**

- There is Tk. 1.72 million as Bank guarantee for which the Company is contingently liable as on 30<sup>th</sup> June 2023.

**49. DURING THE YEAR UNDER REVIEW:**

- No amount of money was spent by the Company for compensating any member of the Board for special service rendered except as stated above.
- There was no bank guarantee issued by the company on behalf of the directors.
- There was no brokerage paid against sales during the year 2022-23.
- There was no expense on account of miscellaneous/general expenses.
- There was no claim against the Company that has not been acknowledged as debt on 30<sup>th</sup> June 2023.
- There was no credit facility available to the Company under any contract or availed of as on 30<sup>th</sup> June 2023 other than trade credit available in the ordinary course of business.
- There was no expense incurred in foreign exchange on account of Royalty, Technical Experts, Professional and Advisory Fee, Interest, Brokerage etc.

**ANNEXURE-1****Reconciliation of net profit with cash flows from operating activities:**

Reconciliation of net income or net profit with cash flows from operating activities making adjustment for non-cash items, for non-operating items and for the net changes in operating accruals has been disclosed as per BSEC notification no: BSEC/CMRRC/2006-158/208/Admin/81 dated 20 June, 2018

	<b>Amount in BDT</b>	
	<b><u>2022-2023</u></b>	<b><u>2021-2022</u></b>
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit after tax Expenses	50,831,905	29,316,318
Add: Depreciation on tangible assets	16,169,700	16,135,102
Less: Effect of foreign currency translation (gain) / loss	13,740	(35,844)
Less: Finance & other income during the year	(21,952,871)	(16,910,246)
Add: Interest paid during the year	15,608,693	32,871,931
Add: Tax Expenses	48,770,936	47,967,193
(Increase)/Decrease in Inventories	132,216,183	239,267,291
(Increase)/Decrease in Trade Receivables	(37,507,014)	179,443,526
(Increase)/Decrease in Advance, Deposits & Pre-payments	(2,728,449)	2,015,422
(Increase)/Decrease in Other Receivables	161,929,087	(177,996,128)
Income tax paid during the year	(65,113,766)	(31,414,487)
(Increase)/Decrease in Security deposits	-	-
Increase/(Decrease) in Trade Payables	201,749,206	18,418,708
Increase/(Decrease) in Other Payables	(33,310,317)	15,275,948
	-----	-----
<b>Net cash generated from/(used in) operating activities</b>	<b>466,677,032</b>	<b>354,354,732</b>
	=====	=====
<b>RECONCILIATION:</b>		
<b>Net cash generated from/(used in) operating activities- Indirect method:</b>	<b>466,677,032</b>	<b>354,354,732</b>
<b>Net cash generated from/(used in) operating activities- Direct method:</b>	<b>466,677,032</b>	<b>354,354,732</b>
	-----	-----
<b>Differences</b>	<b>-</b>	<b>-</b>
	=====	=====