Annual Report
2020-21

BEACH HATCHERY LIMITED

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Letter of Transmit

Shareholders
Bangladesh Securities and Exchange Commission
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.

Sub: Annual Report 2020-2021

We are pleased to present you the copy of Annual Report of Beach Hatchery Ltd for the 12 months' period from July 01, 2020 to June 30, 2021 along with Audited Financial Statements containing Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in equity and Statement of Cash Flows and a summary of significant Accounting policies and other explanatory information.

Annual Report will be available in website of the company www.bhlbd.net

Thanking you

Truly yours

(Md.Nur Islam)
Company Secretary

NOTICE OF THE 26TH ANNUAL GENERAL MEETING

Notice is hereby given that the 26th ANNUAL GENERAL MEETING of the company will be held only virtually on Wednesday,28th September 2022 at 2.00p.m. to transact the following business:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30 June 2021 together with the reports of Auditors and Directors thereon.
2. To elect Directors.
3. To declare 1% (one percent) cash dividend for the year ended 30 June 2021.
4. To appoint Auditors & Independent Director and to fix their remuneration.
5. Toappoint Corporate Governance Code Compliance Auditor for the year 2021-2022 and fix their remuneration.

By order of the Board



(Md. Nur Islam)
Company Secretary

Dated: August 29, 2022

Notes:

1. The Shareholders, whose names appeared in the Share Register of the Company or in the Depository Register on the **Record date** i.e. 22nd December 2021 will be entitled to attend the Annual General Meeting.
2. A member entitled to attend and vote at the Annual General Meeting may appoint proxy to attend and vote in his/her behalf. The proxy form duly stamped must be deposited to the Registered Office of the Company 72 hours before meeting.
3. The Annual Report for the year 2020-2021 will be e-mailed to the shareholders and will be available on the company **website:bhlbd.net**
4. In light of the coronavirus pandemic, AGM will be held only virtually. The shareholders are requested to join the Virtual AGM through the following link: https://beachhatch26thagm.digitalagmbd.net Shareholders are requested to send their BOID and number of shares to msfldhaka@gmail.com or Mobile No. 01714034997 by 18 September 2022.The link for the AGM will go live 72 hours prior to the stipulated AGM date.
5. We encourage the shareholders to login into the system prior to the meeting. Please allow ample time to login and establish your connectivity. For any IT related guidance, shareholders may contact via email:**msfldhaka@gmail.com**

Corporate profile

Board of Directors

Fahmida Islam	Chairman
Md.Moniruzzaman	Director
Syed Nur Ahmed	Director
Abdur Rahman, FCA	Independent Director

Audit Committee

Mr.Abdur Rahman, FCA, Independent Director	Chairman
Mr.Md.Maniruzzaman, Director	Member
Mrs.Fahmida Islam, Director	Member

Chief Executive Officer

Rabeed Islam

Company Secretary

Md.Nur Islam

Chief Financial Officer

Khan Md.Masud Rana

Head of Internal Audit

Mr.Md. Mizanur Rahman

Registered Office

House#B-139(3rd Floor), Road#22,
DOHS Mohakhali, Dhaka-1206

Factory:

Moheshkhaalipara
Teknaf Sea Beach,Teknaf,Cox's Bazar

Auditor:

ISLAM QUAZI SHAFIQUE & CO.
CHARTERED ACCOUNTANTS
Al-Haj Shamsuddin Mansion (4th Floor)
Room#C,17 New Eskaton Road,
Moghbazar, Dhaka-1000

Bankers:

Bangladesh Krishi Bank, Teknaf, Satkhira, Khulna, Cox's bazar Br. and LPO, Dhaka
IFIC Bank Ltd.Kawran Bazar
Prime Bank Ltd.,New Eskaton Br.
Al-Arafa Islami Bank Ltd., Motijheel Branch

General Information

Date of Incorporation	: 09.08.1994
Listing with DSE	: 07.01.2002
Listing with CSE	: 07.01.2002
Commercial Production	: March 1997
Business Line	: Production of Shrimp Fry
Authorized Capital Tk.	: 200.00 crore
Paid-up Capital Tk.	: 41,40,10,210.00
Number of Employee	: 25

Message from Chief Executive Officer

Distinguished shareholders and guests

By the grace of Almighty Allah, Beach Hatchery Ltd passed another year. I, on behalf of the Board of Directors, welcome you to the 26th Annual General Meeting. I would like to take this opportunity to say afew words regarding the performance of the company.

Dear Shareholders

During the year the company earned net loss of Tk.0.92 crore and net loss of Tk. 1.42 crore in the preceding year.

Honorable shareholders

You are well aware of the fact that due to the construction of Marine Drive & the dismantlement of our hatchery premises, our production came to a sudden & unexpected halt. As a result, we suffered heavy losses. We did not have the financial ability to re-structure our setup. Therefore, we had to cease production & the overall operation of the hatchery. Our honourable shareholders also had to suffer losses as a result. However, after to suffer much deliberation & overcoming countless hurdles & with the grace of the Almighty, we were able to resume production at the end of the fiscal year 2021 & declared dividend as well.

I cordially thank Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd, Chittagong Stock Exchange Ltd. Banks, Financial Institutions, valued shareholders, Directors, employees, workers, customers, suppliers, creditors, well-wishers and patrons for their continued support and co-operation in our endeavor to achieve greater success for the company in the years to come. I hope & pray that this is just the beginning of many good things to come.

With best regards



(Rabeed Islam)
Chief Executive Officer

Annexure-A
[As per condition No.1 (5)(xxvi)]

Beach Hatchery Limited

Declaration by CEO and CFO

Date: December 8, 2021

The Board of Directors
Beach Hatchery Ltd
113 Kazi Nazrul Islam Ave.
Dhaka-1000

Sub: Declaration on Financial Statements for the year ended on June 30, 2021

Dear Sirs,

Pursuant to the condition No.1(5)(xxvi) imposed vide 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 Beach Hatchery Ltd for the year ended on June 30,2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFAS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;

(2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;

(3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;

(4) To ensure above, the company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;

(5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and

(6) The management's use of the going concerns 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 30,2021 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) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

(Rabeed Islam)
Chief Executive Officer

(Khan Md.Masud Rana)
Chief Financial Officer

Report of the Board of Directors for the year ended 30th June 2021.

It is a great pleasure for us to welcome you all to the 26th Annual General Meeting of Beach Hatchery Ltd. (BHL). My profound good wishes to those who are present and also to those who could not attend. I pray to Almighty for long life, happiness and prosperous future for you all.

Respected shareholders

I feel honored to be able to present before you the Annual Report of the company along with audited financial statements for the year ended on 30th June 2021 and Auditors' Report thereon.

Company's performance and financial Result.

You, the honorable shareholders, are aware that Beach Hatchery Ltd. is a shrimp fry producing industry with yearly production capacity of 600 million fry in 6-7 cycles. Normally we produced about 60% to 70% of installed capacity depending on demand and supply. But the factory was dismantled by the Government to construct marine drive road and entire operation has stopped.

We passed financial year 2020-2021 and the company earned a net loss of Tk. 93,04,780.00 as against Tk. 1,42,16, 409.00 financial years 2019-2020. Because Building and Hatchery Equipment have been destroyed by Bangladesh Army to Construct Marine drive road and some portion of the land also Hatchery Plant acquired by them. Now it has become impossible to run Hatchery.

Dear shareholders.

Our Directors have been striving hard to improve business position and income of the company.

Auditors' qualified opinion on financial statements for the years ended 30th June 2021.

1. Trade debtors

Outstanding against this head is because of nature of business and product we deal in. There are some special features in marketing of fry. Since it is a perishable product, terms of sale is normally dictated by buyers. Unhealthy competition among sellers also attribute to credit sale. These have made the market highly credit based. We are aware of this situation and trying our best to realize the outstanding amount. Direct contact with debtors, social pressure and legal action are the measures we have been pursuing. We are optimistic about realization of outstanding dues in due course.

2. Advance against purchase

This is a continuous process. We have been pursuing to adjust the same. In our efforts to adjust, total advance has been reduced by 0% compared to the outstanding in preceding year. Efforts to adjust and bring it to minimum will continue.

3. Bank Loan

We are working for final settlement with the bank and hopeful about positive decision soon.

4. Tax

Our Tax Adviser is working to file appeal against assessment order and it will be completed in due time.

Dividend:

Considering the overall financial condition of the company the Board of Directors has recommended 1% (one) cash dividend to shareholders other than sponsor shareholders for the periodended 30th June 2021.

Appointment of Auditors

Messrs ISLAM QUAZI SHAFIQUE & CO., Chartered Accounts,Al-Haj Shamsuddin Mansion (4th Floor) 17 New Eskaton Road, Moghbazar, Dhaka-1000 completed terms as Auditor. We have in the meantime received offer letter from ISLAM QUAZI SHAFIQUE &CO., Chartered Accountants, Al-Haj Shamsuddin Mansion (4th Floor) 17 New Eskaton Road, Moghbazar, Dhaka-1000. The offer may be considered in 26th Annual General Meeting with remuneration to be paid to them.

Corporate Governance

The company is determined to ensure good governance by complying with all the applicable rules and regulations of corporate Governance Guideline as per Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 03, June 2018 issued under section 2CC of the Securities and Exchange Ordinance,1969 of Bangladesh Securities and Exchange Commission. The company already took necessary steps to maintain corporate management standard as per SEC guidelines. The Board of the company consisting of 4 (five) members including 1(one) Independent Director, is the supreme authority for the management of the company. The company has appointed a Chief Financial Officer, a Head of Internal Audit and a Company Secretary. Duties and responsibilities of all the personnel have been clearly defined.

Corporate Governance Compliance Report.

In pursuance of Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 03, June 2018 issued under section 2CC of the Securities and Exchange Ordinance,1969 of Securities and Exchange Commission, the corporate governance compliance report by the Directors may please be seen in page no 19-26

APPRECIATION

The Board expresses its heartfelt thanks to you, the valued shareholders and looks forward for continued support and best wishes from you all.

The Board of Directors also takes the opportunity to extend thanks and appreciation to the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd., all other Government Agencies, Banking and non-Banking Financial Institutions, Clients, Distributors, Dealers, Patrons and well-wishers for their support and co-operation.

On behalf of the Board

Fahmida Islam
Chairman.

Additional Statement by the Board of Directors as per condition 1.5 of the notification dated 03, June 2018.

Industry outlook and possible future developments in the industry

This is said to be a backward linkage sector of shrimp processing industry, a 100 % export oriented sector. As harmonious combination of temperature, salinity & humidity is a pre-requisite for this industry, in Bangladesh context, coastal belt of Cox's bazar District is considered to be only location for setting up of shrimp Hatchery. As a result, there had been a mushroom growth of Hatcheries in Cox's bazar District in the Nineties. Total number being about 60 (Sixty) of different sizes and capacity, about 30 (thirty) is non-functional for poor structure and erroneous business policy. Ours is a Hatchery of 600(six hundred) million (Fry) production capacity with super structure and maximum (production) facilities started production in 1997. Our production has been dismantled by the Government to construct marine drive road and hence entire operation has stopped.

Risk and concern.

As a matter of fact, every investment is risk prone. So is the case with investment in our company. The risk could result in loss of income and even capital investment as location of the industry is very close to Sea. Investors may seek independent financial advice while deciding to invest.

Management Perception.

This is a nature dependent business. Also dependent on prospect of (i) Shrimp culture and (ii) processing industry. If prospect of these sectors remain bright Hatchery sector also shines. We have to see good marketing of processed shrimp worldwide as our marketing is linked with it.

Interest rate risk.

It is related with borrowed fund both short and long term. Our money market is not organized to cope with increased demand for loan and investment as a growing economy requires. If interest rate increases, our cost of fund increases & profitability gets hampered.

Management Perception.

The Management of the company is fully aware of the impact of high rate of interest as it increases cost of production affecting profitability.

Exchange rate Risk

We have to use imported raw materials particularly feed and chemicals. But don't import the same normally.

Management Perception.

As the company is not involved in import and export we have little concern about exchange risk. However, we are aware of it.

Market and Technology related risk.

Replacement of old technology by developed and latest one is the trend of the present day production and marketing strategy. Existing technology may not be efficient enough to cope with future trend and needs.

Management Perception.

Management is fully aware about the development in the sector and will bring about changes, where needed.

Economic and political situation.

Diversification in agro-economy sector is the motto of the Government nowadays. Hence, thetrend is to go for expansion of command area, more production at economic rate and increase in export of processed shrimp.

Management Perception.

Management of the company has been working for increased production at economic rate and higher profit. Success is dependent on political and social condition in the country.

Energy

Energy is backbone of production. If energy supply remains un-interrupted, production target in relation to market demand and capacity can be reached to yield more profit.

Management Perception.

Management is aware about it. We have our own Generators mitigate any problems to meet situation. Too much dependence on Generators may increase production cost and affect profitability.

History of non-operation, if any

Since start of Production in 1997 never we had to face 'Shut Down' position. As against production capacity of 6oo million per annum we produced 400 million to 500 million every year in 6-7 cycle depending entirely on demand and supply. Since 2016 our factory has been dismantled by the Government to construct marine drive road and hence entire operation has stopped.

Management Perception.

Our company was incorporated in August 1994 as private limited company and later converted into public limited company in November 1995. We have already completed 20 years of successful operation sincestart of production in 1997. Since 2016 our factory has been dismantled by the Government to construct marine drive road and hence entire operation has stopped.

Discussion on cost of Goods sold Gross profit margin and Net profit-margin.

Particulars	July'20 to Jun'21	July'19 to Jun'20	Decrease Tk.	decrease %
Revenue	-	-		
Cost of Goods sold	(45,05,787.00)	(39,12,669.00)	(5,93,118.00)	15.15
Gross Profit/(Loss)	(45,05,787.00)	(39,12,669.00)	(5,93,118.00)	15.15
Net Profit/(Loss)	(93,04,780.00)	(1,42,16,409.00)	(49,11,629)	34.55

Reason for Decrease of

1. Revenue
2. Cost of Goods sold
3. Gross Profit
4. Net Profit

Decrease of Revenue

During the period ended 30th June, 2021 revenue nil owing to production stopped this year.

Decrease of cost of Goods Sold.

During the period ended 30th June, 2021 cost of goods sold decreased owing to Factory production stopped this year

Decrease of Gross Profit

During the period ended 30th June, 2021 gross loss by an amount total Tk. 45,05,787.00 due to production stopped this year.

Decrease of Net Profit

Due to production stopped this year.

Discussion on extra-ordinary loss

There is an Extra-Ordinary loss during the period ended June 30, 2021 because the factory has been dismantled by the Government to construct marine drive road and hence entire operation has stopped.

Related Party Transactions.

During the period ended June 30, 2021 the company did not make any transaction with any related party.

During the period ended June 30, 2021 the company did not make any transaction with any related party.

Utilization of the proceeds of IPO

Our IPO dates back 2001. Proceeds were fully utilized for the purpose it was raised and proper utilization was reported to BSEC accordingly.

Significant variation of financial Performance

Our production season starts in January- February and continuous upto October -November depending on weather condition. Again there is peak and lean period. Production and all related expenses and income increases/decreases accordingly which reflects in un-audited financial statement of March, June, and September and at times causes major variation between quarterly financial statements and Annual financial statements.

Remuneration to Directors including Independent Directors.

Remuneration to Directors of the company is stated in Note No.18.00 of the "Notes to financial statements."

The Directors also report that

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.

The proper books of account of the company have been maintained.

The appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

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

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

There are no doubts about the company's ability to continue as a going concern.

Last year's operating results of the company.

The summery of key operating and financial data of preceding 5 (Five) years

Taka in Thousand

Particulars	July 2020 to June 2021	July'19 to June'20	July'18 to June'19	July'17 to June'18	July' 16 to June'17
Turnover (Net)		-	-	-	-
Gross Profit/(loss)	(4,505)	(3,912)	(4,547)	(5,473)	(6,442)
Net Profit before Tax/(loss)	(9,280)	(14,216)	(15,021)	(15,291)	(15,946)
Net profit After Tax/(loss)	(9,304)	(14,216)	(15,021)	(15,291)	(15,946)
Shareholders' Equity	3,96,346	4,05,651	4,19,867	4,34,888	4,50,180
Earnings per share after Tax (Tk.)	(0.22)	(0.34)	(0.36)	(0.37)	(0.39)
Cash Dividend per share(Tk.)	0.10	-	-	-	-
Stock Dividend (Percentage)	-	-	-	-	-

Dividend

Financial Results	July 2020to June 2021	July 2019 to June 2020
Net Profit for the Year/(loss)	(93,04,780)	(1,42,16,409)
Add non-operative income	40,00,075	61
Add : Retained earnings	(3,40,37,348)	(2,47,32,568)
Profit available for appro.	(3,40,37,348)	(2,47,32,568)

Proposed appropriation

Provision for Income tax	94,44,176	94,20,183
Stock Dividend (5%)	-	-
Retained earnings	(3,40,37,348)	(2,47,32,568)

Considering the overall financial position of the Company the Board Directors has recommended 1% (One) for the general shareholders other than the sponsor shareholders for the period ended 30th, June 2021.

The number of Board meetings held during the year and attendance by each director.

During the period ended 30th June 2021 the Board of Directors had 5 (Five) meetings and attendance by the Directors are as follows:

Name of the Directors	Official Status	Meeting Attendance
Mrs.Fahmida Islam	Chairman	5
Md.Moniruzzaman	Director	5
Syed Nur Ahmed	Director	4
Mr.Abdur Rahman,FCA	Independent Director	5

Notes:

The chief Financial Officer and Company Secretary attended all Board Meetings of the Company held during the period.

A Brief resume of Directors

Ms. Fahmida Islam,Chairman.

She is Associated with the business since 1980. Her business experience is wide ranging and she is able to cope with any situation. Academically a graduate. She is widely travelled.

Moniruzzaman, Director.

He is Director of the company representing Meghna Shrimp Culture Ltd for about 17 years. He has grass root experience in this sector for about 51 years which at times proves magical to cope with any situation faced by the industry in operational field.

Syed Nur Ahmed, Director

He is a graduate from Chittagong University. He is from Cox's Bazar District having inborn experience in this sector. He participates in company's activities and contributes substantially in policy making and operational matters.

Abdur Rahman, FCA

He is an independent Director w.e.f 28.03.2019. As a professional since 1978 he is experienced for more than 45years with knowledge in multifarious field. He can contribute a lot in streamlining system development, proper maintenance of records and reporting of financial matters etc. He is very widely travelled.

Name of the Companies in which the people mentioned above also has Directorship.

Name of the company	Persons
Meghna Shrimp Culture Ltd.	Engr.Md.Shariful Islam,Mrs.Fahmida Islam and Md.Moniruzzaman is holding the post of Director in mentioned company

The pattern of shareholding.

Sl.No	Categories	No. of shares	% of Holding
a)	Parent/subsidiary/Associated Companies and other related parties (name wise details)	Nil	Nil
b)	Directors, Chief Executive Officer, Company secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children(name wise details) are as follows:		
1	Mr.Md.Shariful Islam	9045704	21.85
2	Mrs.Fahmida Islam Chairman	1956075	4.73
3	Md.Moniruzzaman Director	1856660	4.48
4.	Syed Nur Ahmed Director	1619746	3.91
5	Mr.Md.Abdur Rahman, FCA Independent Director	Nil	Nil
6	Shareholders holding ten percentages (10%) or more is voting interest in the company.	Nil	Nil

Report of the Audit Committee

Audit Committee of the Board.

In compliance with Bangladesh Securities and Exchange Commission (BSEC) Notification on Corporate Governance the Audit Committee of the Board of Beach Hatchery Ltd. formed by the Board of Directors to provide independent oversight of the company's financial reporting, internal control systems and compliances.

To review the financial reporting process, the system of internal control and approach to manage risks, the audit process, monitoring compliance with laws and regulations.

To assist the board in fulfilling its responsibilities including implementation of the objectives, strategies and overall business plans set by the board for effective functioning of the company.

Composition and Qualifications

The Audit Committee of the board was duly reconstituted by the Board of Directors as per BSEC Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03June 2018. The committee reformed comprising 3(three) members of the board.

Sl. No.	Name	Status with Company	Status with Committee	Educational Qualification
1.	Mr. Abdur Rahman	Independent Director	Chairman	FCA
2.	Mr. Md. Moniruzzaman	Director		B.A
3.	Mrs. Fahmida Islam	Director		B.A

The Company Secretary acts as the Secretary of the Audit Committee of the board.

The committee held 5(five) meetings during the period.

Purpose of Audit Committee

The roles of the Audit Committee is to monitor the integrity of the financial statements of the company and review, when appropriate, make recommendations to the board on business risks, internal controls and compliance. The committee satisfies itself by means of suitable steps and appropriate information, that proper satisfactory internal control systems are in place to identify and contain business risks and the company's business is conducted in a proper and economically sound manner. The key responsibilities of the Audit Committee include:

Monitor the integrity of the financial reporting process ensuring compliance to accounting policies, standards and principles.

Monitor internal control, business risk management process and performance of external auditors.

Monitor and review the effectiveness of internal audit function.

Other matters as per terms of reference of the Audit Committee.

Roles and Responsibilities of Audit Committee Internal Control

Evaluate whether management is adhering to the appropriate compliance culture by communicating the importance of internal control and risk management to ensure that all employees have clear understanding of their respective roles and responsibilities.

Consider whether internal control strategies recommended by internal and external auditors have been implemented timely by the management.

Review the existing risk management policy and procedures for ensuring an effective internal check and control system.

Financial Reporting

Review the Annual Financial Statements and determine whether they are complete and consistent with applicable accounting and reporting standards set by respective governing bodies.
Meet with Management and external/statutory Auditors to review annual financial statements before finalization.
Review, along with management, the quarterly, half-yearly and annual financial statements before submission to the board for approval.

Internal Audit

Review and assess the annual internal audit plan.
Review the efficiency and effectiveness of internal audit function.
Review that findings and recommendations made by the internal Auditors for removing the irregularities, if any, detected are duly acted upon by the management in running the affairs of the company.

External Audit

Review with the external auditors, the company's annual financial statements with the CEO and CFO, focusing on findings arising from audits, particularly the comments and responses in management letter, as well as assistance given by the employees of the company before recommending them to the Board of Directors for approval.
Review the external auditor's audit plan including its nature and scope, audit report, evaluation of internal controls and coordination of the external auditors.
Review the external auditors' findings arising from audits, particularly comments and responses in management letters as well as the assistance given by the employees of the company in order to be satisfied that appropriate action is being taken.

Approval of Financial Statement

The Audit Committee reviewed and examined Annual Financial Statement for the period ended 30th June, 2021 prepared by the management and audited by external auditors "Islam Quazi Shafique & Co., "Chartered Accountants and submitted to the board for due consideration and approval.

Note: The operation of the factory has been discontinued since 24.04.2016 due to the construction of the marine drive road by the Government.

On behalf of the Audit Committee,

Abdur Rahman
Chairman of the Audit Committee

Appointment/Re-appointment of Directors:

In terms of article 126 of the Articles of Association of the company Mrs. Fahmida Islam and Moniruzzaman retire from the Board at this 26th Annual General Meeting and being eligible offer themselves for re-election.

Hafiz Ahmed & Co.
Chartered Accountants

Mukta Bangla Shopping Complex
Room No. 26s (4th Floor),
Mirpur-1, Dhaka-1216, Bangladesh.
Mobile: 01719-875359, 01768-660186
E-mail: hafizahmed.co@gmail.com

Annexure-B
[Certificate as per condition No.1(5)(xxvii)]

Report to the shareholders of Beach Hatchery Limited on Compliance of Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Beach Hatchery Limited for the year ended 30 June 2021. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

(a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mention Corporate Governance Code issued by the Commission

(b) The Company has complied with provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code

(c) Proper books and records have been kept by the company as required under the Companies Act.1994, the securities laws and other relevant laws (if not complied, specify non-compliances); and

(d) The standard of governance of the company is satisfactory.

Dated: December 20, 2021
Dhaka

Hafiz Ahmed & Co. Dhaka Chartered Accountants

Hafiz Ahmed & Co.
Chartered Accountants

Annexure-C
[As per condition No.1(5)(xxvii)]

Corporate Governance Compliance Report

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

Condition No.	Title	Compliance status (Put √ in the appropriate column)		Remarks
		Complied	Not complied	
1(1)	Board's Size (number of Directors- minimum 5 and maximum 20).		√	
1(2) (a)	At least one -fifth (1/5) of directors in the company's board shall be Independent director;	√		
1(2)(b)(i)	"Independent Director" means a director-who either does not hold any share in the company or holds less than one percent(1%) shares of the total paid-up capital;	√		
1(2)(b) (ii)	Non connectivity with the company's any sponsor of director or shareholder who holds 1% or more shares on the basis of family relationship;	√		
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2(two) financial years;	√		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		
1(2)(b) (v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√		
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (Three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		
1(2)(b) (viii)	Who is not independent director in more than 5 listed companies;	√		
1(2)(ii) (ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	√		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	√		
1(2)(c)	The independent director(s) shall be appointed by the board and approved by the shareholders in the Annual general Meeting (AGM);	√		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety)days;	√		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (Three) years which may be extended for 1 (One) tenure only;	√		

1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		
1(3)(b)(i)	Business leader who is or was a promoter 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;	√		
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;	√		
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;	√		
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;	√		
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.			No such incident happened
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 record in the minutes	√		If arise, will be complied
1(5)(i)	An industry outlook and possible future developments in the industry;	√		
1(5)(ii)	The segment-wise or product-wise performance;	√		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	√		
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;	√		

1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;		√	
1(5)(viii)	An explanation of the financial results deteriorate after the company goes for initial Public Offering (IPO) Repeat Public Offering (RPO), Rights Share Officer, Direct Listing etc.;	√		
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performance and Annual Financial Statement;	√		
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√		
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)(xiv)	A statement that minority shareholders have been protected from abusive action's 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	√		
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 financial date of at least preceding 5 (five) years shall be summarized;	√		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			Factory has been dismantled by the Govt. for marine drive road.
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√		
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√		
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		
1(5)(xxiii)(c)	Executives;	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	√		
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 Boards;	√		
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;	√		

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 plain 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)	Board meeting and record the minutes	√		
1(7)(a)	The code of conduct 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;			Will be complied
2(a)	Composition of the Board	√		
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;			N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;			N/A
2 (e)	The audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company;			N/A
3(i)(a)	The Board shall appoint a Chief Executive Officer (CEO), a Company Secretary(CS),Chief Financial Officer(CFO) and a Head of Internal audit and Compliance (HIAC)	√		
3(i)(b)	The Position of the 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(i)(c)	The CEO,CS,CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;		√	
3(i)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3(i)(e)	The CEO,CS and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and the stock Exchange(s)	√		

3(2)	**Requirement to attend Board of Directors' Meetings** The CEO, CS, CFO and HIAC of the company shall attend the meeting of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which consideration of an agenda item relating to their personal matters;	√		
3(3)(a)	The CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief;	√		
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√		
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 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 CEO and CFO shall be disclosed in the Annual Report.	√		
4(i)	Audit Committee;	√		
4(ii)	Nomination and Remuneration Committee.		√	
5(i)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		
5(i)(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(i)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
5(2)(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 non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent Director;	√		
5(2)(c)	All members of the audit committee should be "financial literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			No such incident happened
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.	√		
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	√		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM)			Will be complied

5(4)(a)	The Audit Committee shall conduct at least its four meeting 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.	√		
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 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 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 state in relevant offer document or prospectus approved by the Commission:	√		
5(6)(a)(ii)	The Audit Committee shall report on its activities to the Board;	√		
5(6)(a)(ii)(a)	report on conflicts of interest;			No such incident happened
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;			No such incident happened
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws ,rules and regulations;			No such incident happened
5(6)(a)(ii)(d)	Any other matter which the audit committee deems necessary shall be disclosed to the Board immediately;			No such incident happened
5(6)(b)	Reporting to the Authorities If the audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6(six) months from the date of first reporting to the Board, whichever is earlier;			N/A

5(7)	**Reporting to the shareholders and General Investors** Report on activities carried out by the Audit Committee, including any report made to the Board under condition No.5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company;			No such incident happened
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, experience and independence of directors and top level executive as well as policy for formal process of considering remuneration of directors, top level executive;		√	
6(1)(c)	The Terms of Reference (TOR) of the NRC shall set forth in writing covering the areas stated at the condition No.6(5)(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 the death, resignation, disqualification, or removal of any member of the committee or in any other cases of vacancies, the board shall fill the vacancy within 180(one hundred eighty) days of occurring such vacancy in the Committee;		√	
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff required or valuable for the Committee;		√	
6(2)(g)	The company secretary shall act as the secretary of the Committee;		√	
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;		√	
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.		√	
6(3)(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;		√	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;		√	
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;		√	
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;		√	
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);		√	
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.		√	
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;		√	
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;		√	
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.		√	
7(1)(i)	Appraisal or valuation services or fairness opinion's	√		
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 certificate 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;	√		
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 listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		

To the Shareholders of
Beach Hatchery Limited
Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of "**Beach Hatchery Limited**" (The Company) which comprises the Statement of Financial Position as at 30 June 2021, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended 30 June 2021, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matters described under paragraph (a to f) in the basis for qualified opinion section of our report, the accompanying financial statements give a true and fair view, in all material respect of the financial position of the Company as at 30 June 2021, and of its financial performance and its cash flows for the year then ended 30 June 2021 in accordance with International Financial Reporting Standards (IFRSs), The companies Act 1994, The securities and exchange rules 1987 and other applicable laws and regulations

Basis for Qualified Opinion

a. We draw attention to "Statement of Profit or Loss and other Comprehensive Income" which indicates that the company incurred a net loss of Tk. 9,304,780.00 during the year ended June 30, 2021 and several years the company recurring net loss and also shown negative retained earnings, negative net profit after tax and negative earnings per share that indicate a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Also inform that as per Price Sensitive Information (PSI) dated 27.06.2021 the company has already started the alternative production of white fish culture dated 28.06.2021.
b. As per paragraph 58 of IAS-12 "Income Taxes" the company has not recognized deferred tax expense/income in the statement of profit or loss and other comprehensive income.
c. The company has not provided required disclosure regarding compensation package of key management personnel, who is the related parties of the company which is non-compliance of paragraph 17 of IAS-24 "Related Party Disclosures".
d. As referred to the note # 2.12 to the financial statements which disclosed that the factory building and hatchery equipment of the company have been dismantled by the Government to construct marine drive road and some portion of the land constituting of hatchery plant was also acquired by government authority. Hence, the entire operation of the Company has been halted since 24th April 2016 and though the management of the Company is taking initiatives but commercial production is yet to resume as of 30 June 2021. Moreover, the Company continued to make significant amount of net losses during the year as well as previous year and retained earnings of the Company stood at (Tk. 34,037,348) as on 30 June 2021. These conditions along with other matters as set forth in Annexure-1 indicate that a material uncertainty exists that may cause significant doubt about the Company's ability to continue as a going concern in the foreseeable future. The Company is currently at risk of being delisted and under the scrutiny of Dhaka Stock Exchange as its production has remained suspended for more than for a period of consecutive four years. The Company did not make an assessment of its ability to continue as a going concern and material uncertainties related to the above conditions were also adequately disclosed in the notes to the financial statements as required by IAS 1: Presentation of Financial Statements.
e. Trade receivables amounting to Tk. 269,180,569 was carried in the statement of financial position at the reporting date. These balances were outstanding for more than five years and due to non-operation of the Company for several years there is a probability that recoverability of these long outstanding balances involves a high degree of uncertainty against which no provision for doubtful debt have been recognized by the Company which would overstate total assets and understate net losses in the financial statements.

f. Property, Plant and Equipment (PPE) with carrying amount of Tk. 213,485,143 was recognized at the reporting date. The Company did not provide us with details information showing individual items of these PPE like purchase date, cost of acquisition, purchase amount, asset identification number and location. As a result of this, we were not able to determine the accuracy, existence and valuation of said carrying amount.

g. Income tax authority has issued letter dated 04.02.2015 claiming Tk. 19,335,561 as outstanding tax up to the assessment year 2012-2013 but the Company did not make sufficient provision to meet up the said claim on the ground. Now they are the appellate tribunal processing for hearing in this respect.

h. Advance, deposits and prepayments of Tk. 2,799,791 was carried in the statement of financial position as on 30 June 2021. Despite, management of the Company considered that the full portion of these balances are good subject to realization or adjustment, we noted that some of these balances were beyond more than five years against which no such adjustment was made in the financial statements.

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

Key Audit Matters

Except for the matters described in the above Basis for Qualified Opinion section of the Auditors' Report, we have determined that there are no other key audit matters to be communicated in our report.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we concluded that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRSs, the companies Act 1994, the securities and exchange rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The companies Act 1944 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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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 company 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's 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 that charged with governance with a statement that we have complied with relevant ethical requirements regarding Independence, and 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 a consequence of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Reporton other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, and the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
b. In our opinion, except to the matters as referred to in the above Basis for Qualified Opinion section of our report proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
c. The statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
d. The expenditures incurred were for the purpose of the Company's business.

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

Dated: Dhaka
November 28, 2021
DVC:2111280165AS798215

BEACH HATCHERY LIMITED

Statement of Financial Position

As at June 30, 2021

PARTICULARS	NOTES	AMOUNT IN TAKA	
		June 30, 2021	June 30, 2020
ASSETS			
Non-Current Assets:		**213,485,143**	**215,360,903**
Property, Plant & Equipment	**05.00**	213,485,143	215,360,903
Current Assets:		**272,051,582**	**276,132,029**
Trade Receivables	**06.00**	269,180,569	273,280,569
Advances, Deposits & Pre-Payments	**07.00**	2,799,791	2,799,791
Cash & Cash Equivalents	**08.00**	71,222	51,669
TOTAL ASSETS		**485,536,724**	**491,492,932**
EQUITY & Liabilities			
Shareholders Equity:		**396,346,666**	**405,651,446**
Share Capital	**09.00**	414,010,210	414,010,210
Retained Earnings		(34,037,348)	(24,732,568)
Tax Holiday Reserve	**10.00**	16,373,804	16,373,804
LIABILITIES:			
Non-Current Liabilities:		**18,845,558**	**17,982,250**
Secured Loan	**11.00**	18,845,558	17,982,250
Current Liabilities:		**70,344,500**	**67,859,236**
Short Term Liabilities	**12.00**	51,008,189	46,559,596
Liability for Expenses	**13.00**	8,443,808	10,431,130
Liabilities for Goods & Services	**14.00**	1,213,357	1,213,357
Unclaimed Dividend	**15.00**	234,970	234,970
Provision for Income Tax	**16.00**	9,444,176	9,420,183
TOTAL EQUITY AND LIABILITIES		**485,536,724**	**491,492,932**
Net Asset Value per Share (NAVPS)	**27.00**	**9.57**	**9.80**

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

Company Secretary | **Chief Financial Officer** | **Director** | **CEO** | **Chairman**

Signed as per our separate report on same date

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

Dated: November 28, 2021
Place:Dhaka
DVC: 2111280165AS798215

BEACH HATCHERY LIMITED

Statement of Profit or Loss and Other Comprehensive Income

For the year ended June 30, 2021

PARTICULARS	NOTES	Amount In Taka	
		01-Jul-2020 to 30-Jun-2021	01-Jul-2019 to 30-Jun-2020
Operating Revenue/Income:			
Turnover/ Sales		-	-
Factory Overhead	**17.00**	(4,505,787)	(3,912,669)
Gross Profit		**(4,505,787)**	**(3,912,669)**
Operating Expenses:		**(2,939,614)**	**(4,927,925)**
Office & Administrative Expenses	**18.00**	(2,939,614)	(4,927,925)
Selling & Distribution Expenses		-	-
Operating Profit/(Loss):		**(7,445,401)**	**(8,840,594)**
Non-Operating Income:			
Other Income	**20.00**	4,000,075	61
Non-Operating Expenses:			
Financial Expenses	**19.00**	(5,835,453)	(5,375,861)
Profit/(Loss) before contribution to WPPF		**(9,280,779)**	**(14,216,394)**
Contribution to WPPF		-	-
Profit /(Loss) before Income Tax		**(9,280,779)**	**(14,216,394)**
Income Tax	**16.03**	(24,000)	(15)
Total other Comprehensive Income for the year		**(9,304,780)**	**(14,216,409)**
Earning per share(EPS)	**26.00**	**(0.22)**	**(0.34)**

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

Company Secretary | **Chief Financial Officer** | **Director** | **CEO** | **Chairman**

Signed as per our separate report on same date

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

Dated: November 28, 2021
Place: Dhaka
DVC: 2111280165AS798215

BEACH HATCHERY LIMITED

Statement of Changes in Equity

For the year ended June 30, 2021

Particulars	Share Capital	Tax Holiday Reserve	Proposed Stock Dividend	Retained Earnings	Total
Balance at 1 July 2020	414,010,210	16,373,804	-	(24,732,568)	405,651,446
Stock Dividend	-		-	-	-
Net Profit/(Loss) 30th June, 2021		-		(9,304,780)	(9,304,780)
Balance at 30th June, 2021	**414,010,210**	**16,373,804**	**-**	**(34,037,348)**	**396,346,666**

Statement of Changes in Equity

For the year ended June 30, 2020

Particulars	Share Capital	Tax Holiday Reserve	Proposed Stock Dividend	Retained Earnings	Total
Balance at 1 July 2019	414,010,210	16,373,804	-	(10,516,159)	419,867,855
Stock Dividend	-	-	-	-	-
Net Profit/(Loss) 30th June, 2020				(14,216,409)	(14,216,409)
Balance at 30th June, 2020	**414,010,210**	**16,373,804**	**-**	**(24,732,568)**	**405,651,446**

Company Secretary **Chief Financial Officer** **Director** **CEO** **Chairman**

Dated: November 28, 2021
Place:Dhaka

BEACH HATCHERY LIMITED

Statement of Cash Flows

For the year ended June 30, 2021

PARTICULARS	Amount in Taka	
	01-Jul-2020 to 30-Jun-2021	01-Jul-2019 to 30-Jun-2020
Cash flows from Operating Activities: (A)	**(9,292,423)**	**521,554**
Collection from Customers	4,100,000	3,246,371
Cash Paid to Suppliers		(249,906)
Operating Exp. Cash Paid	(7,556,962)	(2,913,651)
Finance Expense	(5,835,453)	
Income Tax Paid	(8)	
Advance, Deposit and Prepayments	-	438,740
Cash flows from Non-Operating Activities: (B)	**4,000,075**	**54**
Other Income	4,000,075	61
Tax Deducted at source	-	(7)
Cash flows from Investing Activities: (C)	**-**	**-**
Acquisition of Fixed Assets	-	-
Cash Flows from Financing Activities: (D)	**5,311,902**	**(521,000)**
Secured loan (paid)/received	863,308	(521,000)
Short term bank loan (paid)/received	4,448,593	-
Net Decrease in Cash and Cash Equivalents (A+B+C+D)	**19,553**	**608**
Cash and Cash Equivalents at Beginning of the Year	**51,669**	**51,061**
Cash & Cash Equivalents at the End of Year	**71,222**	**51,669**
Net Operating Cash Flow per Share (on the Equity Share of Taka 10 each)	**(0.0224)**	**0.0126**

Company Secretary | **Chief Financial Officer** | **Director** | **CEO** | **Chairman**

Dated: November 28, 2021

Place:Dhaka

BEACH HATCHERY LTD.
Notes to the Financial Statements
For the year ended 30 June, 2021

1.0THE COMPANY AND ITS OPERATION:

1.1 Status and Legal form of the Enterprise:

The Beach Hatchery Limited was incorporated with the Registrar of Joint Stock Companies, Dhaka, Bangladesh on 9th August, 1994 as Private Limited Company vide incorporation no. C-26397(241)/94 under the Companies Act, 1913 and subsequently been converted as a Public Limited Company on 15th November 1995 under the Companies Act, 1994. The Shares of the Company are publicly traded of the floors of the Dhaka and Chittagong Stock Exchanges.

1.2 Nature of Business Activities:

The Beach Hatchery Limited Produces Shrimp Fry to sell in the local market. It has gone into commercial production from 1st January, 1997.

1.3 Registered Office:

The registered office of the company is situated at Concord Tower (9th floor), 113, KaziNazrul Islam Avenue, Bangla Motor, Dhaka-1000, Bangladesh.

1.4 Factory:

The factory of the Company was situated at Moheshkhalipara, Teknaf Sea beach, Teknaf, Cox's Bazar, Bangladesh. The factory was dismantled by the Bangladesh Army to construct the marine drive road.

2.0 BASIS OF PREPARATION, PRESENTATION AND DISCLOSURES OF FINANCIAL STATEMENTS:

2.1 Statement of Compliance

The Financial Statements have been prepared on a going concern basis in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted in Bangladesh by the Institute of Chartered Accountant of Bangladesh (ICAB), Companies Act 1994 and other relevant laws and regulations applicable in Bangladesh.

2.2 Other regulatory compliances

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

- The Income Tax Ordinance 1984
- The Income Tax Rules 1984
- The Value Added Tax Act 1991
- The Value Added Tax Rules 1991
- The Value Added Tax (Amendment) Act, 2012
- The Value Added Tax (Amendment) Rules, 2012
- The Customs Act 1969
- The Stamp Act 1899
- The Bangladesh Securities and Exchange Commission Act 1993
- The Bangladesh Securities and Exchange Commission Rules 1987
- DSE/CSE Rules
- DSE Listing Regulations,2015
- Bangladesh Labor Act, 2006(as amended to 2013)
- Bangladesh Labor Rules 2015.

2.3 Authorization for issue

The financial statements have been authorized for issue by the Board of Directors on 28th November 2021.

2.4 Basis of measurement

These financial statements have been prepared under the 'historical cost' convention.

2.5 Accrual basis of accounting

Beach Hatchery Limited prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the company recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the IAS or IFRS conceptual Framework.

2.6 Presentations of financial statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements. The financial statements comprise of:

(a) Statement of Financial Position as at 30 June 2021;
(b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2021;
(c) Statement of Changes in Equity for the year ended 30 June 2021;
(d) Statement of Cash Flow for the year ended 30 June 2021;
(e) Notes, comprising summary of significant accounting policies and other explanatory information.

2.7 Functional and presentation currency

Functional and presentation currency items included in these financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). These financial statements are presented in Bangladesh Taka ("BDT") which is also the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest BDT except otherwise indicated.

2.8 Comparative information

Comparative information has been disclosed in respect of 2019-2020 in accordance with IAS 1: Presentation of Financial Statements for all numeric information in the financial statements and the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements. Prior year figure may have been re-arranged if considered necessary to ensure comparability with the current year.

2.9 Accounting convention and basis of preparation of the financial statements:

The Financial statements of the Company consistently cover one calendar year from 1st July 2020 to 30 June 2021, and are prepared under the historical cost convention in accordance with the applicable International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) which do not vary from therequirements of the Companies Act 1994 and other laws and rules applicable in Bangladesh.

2.10 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by **IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors**.

2.11 Materiality, aggregation and off setting

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Company has legal right to set off the amounts and intends tosettle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards. The values of assets or liabilities as shown in the statement of financial position are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the period.

2.12 Going concern assumption

As the factory has been dismantled by the Government to construct marine drive road and entire operation has stopped and the management is trying to run the production as soon as possible.

2.13 Reporting period

The reporting period of the company covers 12 (twelve) months from 1July 2020 to 30th June 2021.

3.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The specific accounting policies selected and applied by the Company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial Statements have been consistently applied throughout the year and were also consistent with those used in earlier years. For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendation of IAS-1 relating to the format of financial statements were also taken into full consideration for fair presentation.

3.1 Consistency:

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the year under audit are consistent with those policies and methods adopted in preparing the Financial Statements for the previous year.

3.2 Property, Plant and Equipment

i) Recognition and Measurement:

Property, Plant and Equipment are stated at cost less accumulated depreciation. Cost includes expenditures that are directly attributable to the acquisition of an asset and bringing it to working condition. The cost of self-constructed / installed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to the working condition for its intended use and the cost of dismantling and removing an item and restoring the site on which they are located. When parts of an item of Property, Plant and Equipment have different useful lives, they are accounted for as separate items (major components) of property, Plant and Equipment.

ii) Subsequent Costs:

The cost of replacing part of an item of Property, Plant and Equipment is recognized in the carrying amount of the item, if it is probable that the future benefit embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of Property, Plant and Equipment are recognized in profit and loss as incurred.

iii) Depreciation:

Land is held on a freehold basis and is not depreciated considering the unlimited life. Depreciation on all other fixed assets is computed to be charged on diminishing balance method sufficient to write off depreciable assets retired or otherwise disposed of are eliminated from the assets and accumulated depreciation and any loss on such disposal is reflected in operations for the year. No depreciation is charged for the year during which an asset is disposed of.

Category of Assets	Rate of Dep.	Allocated to
Land & Land Development	Nil	
Factory Building & Civil Const.	20%	Factory overhead
Hatchery Equipment & Machinery	20%	Factory overhead
Generator	15%	Factory overhead
Electric Installation	20%	Factory overhead
Fact. Office & Elec. Equipment	20%	Factory overhead
Lab. Equipment	20%	Factory overhead
Factory Furniture & Fixture	10%	Factory overhead
Water Installation	20%	Factory overhead
Motor Vehicle	20%	Factory overhead
Factory Office Furniture & Fixture	20%	Factory overhead
Fry Delivery Box	10%	Factory overhead
Aerator	20%	Factory overhead
Fencing Wire	10%	Factory overhead
Office Furniture & Fixture	10%	Administrative overhead
Vehicle	20%	Administrative overhead
Office & Electric Equipment	20%	Administrative overhead
Office Decoration	15%	Administrative overhead

3.3 Impairment

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

3.4 Interest income

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

3.6 Borrowing costs

Interest and other expenses incurred by the Company in respect of borrowing of fund and recognized as expense in the year in which they are incurred as per IAS 23 Borrowing Cost.

3.7 Taxation:

The applicable rate of income tax for the Fish Farming income of the Company as per SRO No. 255-Law/Income Tax/2015 dated 26 Auguest, 2015 is at the following rate with effects for the assessment year 2018-2019.

Income Range	Reduced Tax rate
Up to Tk. 10,00,000	Nil
On Next Tk. 10,00,000	5%
On remaining income	10%

and applicable rate of Income Tax for the other income of the Company is 25%.

3.8 Trade Receivable:

The receivables at the Balance Sheet date are stated at amounts which are considered good and realizable.

3.9 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and with banks on current accounts, deposit accounts and short-term investments (FDR- maturity less than 3 months) which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

3.10 Statement of cash flows

The Statement of Cash Flows has been prepared in accordance with the requirements of IAS 7: Statement of Cash Flows. The cash generating from operating activities has been reported using the Direct Method as prescribed by the Securities and Exchange Rules, 1987 and as the benchmark treatment of IAS 7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.11 Related party disclosures

As per International Accounting Standards IAS 24: Related Party Disclosures, parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosure has been disclosed in a separate note to the financial statements.

3.12 Employee benefits (ISA 19)

The company maintains defined contribution plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective trust deeds and rules. The plan is funded and recognized/approved under Income Tax Ordinance 1984.

i) Workers' Profit Participation Fund (WPPF)

The Company recognizes a provision for workers' profit participation and welfare fund (WPPF) @ 5% of income before tax and it has been managing, disbursing and investing as per provisions of the Bangladesh Labor (Amendment) Act, 2013. The Company is making the payment within nine months at the end of the relevant financial year. 80% of the Fund is being paid to eligible employees, 10% to Government Workers Welfare Foundation and remaining 10% to Beach Hatchery Limited Employees Welfare Fund as per provision of Bangladesh Labor (Amendment) Act, 2013.

4.0 ADDITIONAL INFORMATION ON FINANCIAL STATEMENTS:

4.1 Responsibility for preparation and presentation of financial statements:

The Board of Directors is responsible for the preparation and presentation of financial statements under section 183 of the Companies Act 1994 and as per provision of IAS 1, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

4.2 Employees Separation Plan:

The Company has not yet introduced any separation plan for its employees.

4.3 Earnings per Share (EPS):

The Company calculates Earning per Share (EPS) in accordance with International Accounting Standard (IAS)-33 "Earning per Share" as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). This has been calculated by dividing net profit/loss for the year attributable to the shareholders by the weighted average number of shares outstanding during the year.

4.4 Net Asset Value (NAV) per Share:

This has been calculated by dividing Net Assets for the year attributable to the shareholders by the weighted average number of shares outstanding during the year.

4.5 Net Operating Cash Flow (NOCFPS) per Share:

This has been calculated by dividing net cash flows from operating activities by the weighted average number of shares outstanding during the year.

4.6 Events after the reporting period

Events after the reporting period that provide additional information about the company's position at the statement of financial position date are reflected in the financial statements as per International Accounting Standards IAS 10: Events after the Reporting Period.

All material events occurring after the balance sheet date have been considered and where necessary, adjusted for or disclosed.

Also inform that as per Price Sensitive Information (PSI) dated 27.06.2021 the company has already started the alternative production of white fish culture dated 28.06.2021.

4.7 Compliance with financial reporting standards as applicable in Bangladesh:

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

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

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

		Amount in Taka	
		June 30, 2021	June 30, 2020
5.00	**PROPERTY, PLANT & EQUIPMENT**		
	This is arrived as under :		
	Balance as on 01.07.2020 (Cost)	482,260,635	482,260,635
	Add : Addition during the year	-	-
		482,260,635	482,260,635
	Less: Accumulated Dep. on 01.07.2020	266,899,732	261,716,238
		215,360,903	217,678,532
	Less: Depreciation charged during the year	1,875,761	2,317,629
	Balance (W.D.V) :	**213,485,143**	**215,360,903**

The details of fixed assets and depreciation charged thereon are shown in **Annexure -A**

6.00 TRADE RECEIVABLE

The movement of above balance is as under:		
Balance as on 01.07.2020	273,280,569	276,526,940
Add : Addition during the year	-	-
	273,280,569	276,526,940
Less : Realised/Adjusted during the year	(4,100,000)	(3,246,371)
	269,180,569	273,280,569
Less: Provision for bad & doubtful debts	-	-
Balance as on 30-06-21	**269,180,569**	**273,280,569**
Age analysis of the above balance of Debtors is as follows:		
Less than one year	-	-
More than one year	269,180,569	276,526,940
Total :	**269,180,569**	**276,526,940**

The management of the Company considered above mentioned balances of trade debtors are good for realisation and hence provision for bad and doubtful debts are not made.

7.00 ADVANCE, DEPOSIT & PREPAYMENT

This is made up as under :

Particulars		
a) ADVANCE:		
Advance against Purchase **(Note- 7.01)**	2,499,791	2,499,791
Total Advance:	**2,499,791**	**2,499,791**
b) DEPOSIT:		
Sundry Deposits **(Note- 7.02)**	300,000	300,000
Grand Total of Advance and Deposits(a+b):	**2,799,791**	**2,799,791**
More than one year		
Advance against Purchase	2,499,791	2,499,791
Advance against Expenses	-	-
Sub Total :	**2,499,791**	**2,499,791**
Grand Total:	**2,499,791**	**2,499,791**

The management of the Company considered above mentioned unadjusted balances of advance are fully realizable/adjustable.

7.01 Advance Against Purchase

This is made up as under:

a)	**Head Office :**		
1.00	Agrocare Ltd. (H/O)	98,235	98,235
2.00	M/S. Enam Brother	85,153	85,153
3.00	M/S. Fair Trade Center	77,400	77,400
4.00	M/S. Fakrul Anower & Brothers	75,530	75,530
5.00	M/S. Golden Deer Enterprise	65,485	65,485
	Total (Head office) (a):	**401,803**	**401,803**
b)	**Teknaf Office :**		
1.00	Air Cargo Association Cox's	211,000	211,000
2.00	Allwells Marketing	82,500	82,500
3.00	Alvin Trade International	125,740	125,740
4.00	Aman Enge.	144,934	144,934
5.00	Bay Gold Enterprise	225,364	225,364
6.00	Bangla Enterprise	84,400	84,400
7.00	Global International	76,593	76,593
8.00	Holly Enterprise	68,950	68,950
9.00	Inve Shop	58,572	58,572
10.00	Khulla Mia (Transportation)	165,500	165,500
11.00	M/s B S P Enterprise	155,273	155,273
12.00	M/S, Titu Engr. Works	76,450	76,450
13.00	M/S. Baban Desh	145,000	145,000
15.00	M/S. Momtag & Brothers	70,178	70,178
16.00	N.k. Enterprise	45,000	45,000
17.00	Mr. Azam&Hanif(Mother)	35,500	35,500
18.00	Mr. Sabed Ali (Mother)	48,000	48,000
19.00	Mr. Shagahan	85,400	85,400
20.00	Mr. Shrifuddin Roni	49,334	49,334
21.00	Ocean Aqua Tech	76,300	76,300
22.00	Saiful Hoque & Brothers	68,000	68,000
	Total (Teknaf) (b):	**2,097,988**	**2,097,988**
Grand Total of Adv. Against Purchase : (a+b)		**2,499,791**	**2,499,791**

7.02 Deposits : Tk. **300,000** **300,000**

The above balance has been brought down from last year account without any changes and the said balance represents amount deposited with CDBL.

8.00 CASH AND CASH EQUIVALENTS

This is made up as under:

Cash in Hand **(Note- 8.01)**	27,059	33,061
Cash at Bank **(Note - 8.02)**	44,163	18,608
Total:	**71,222**	**51,669**

8.01 Cash in Hand : Tk.

This is made up as under :

Cash in Cox's Bazar	-	-
Cash in Head Office	4,807	4,807
Cash in Khulna	-	-
Cash in Satkhira	-	-
Cash in Teknaf	22,252	28,254
Total Cash in Hand:	**27,059**	**33,061**

8.02	**Cash at Bank : Tk.**	**44,163**	**18,608**
	This is made up as under :		
	Particulars		
	a) Cash at Bank (Head office)		
	Bangladesh Krishi Bank-2465	833	833
	IFIC Bank-1017124081-001	12,140	12,140
	Prime Bank ltd. 12811050018053	1,383	1,383
	Bangladesh Krishi Bank STD 2172	693	693
	Agrani Bank Ltd. 0200015807944	25,555	-
	Total Cash at Bank (Head office)----(a)	**40,604**	**15,049**
	b) Cash at Bank (Satkhira)		
	Bangladesh Krishi Bank-1116	3,559	3,559
	Total Cash at Bank (Satkhira)--------(b)	**3,559**	**3,559**
	Total Cash at Bank(a+b):	**44,163**	**18,608**
9.00	**SHARE CAPITAL :**		
	Authorized Capital:		
	200,000,000 Ordinary Shares of Tk. 10/- each.	**2,000,000,000**	**2,000,000,000**
	Issued, Subscribed and Paid-up-Capital		
	34,286,560 Ordinary Shares of Tk. 10/- each. (Including Stock dividend up to 01-01-2014)	342,865,600	342,865,600
	5,142,984 ordinary of tk 10 each fully paid-up as stock dividend during 2014	51,429,840	51,429,840
	19,71,477 ordinary of tk 10 each fully paid-up as stock dividend during 2015	19,714,770	19,714,770
	Total:	**414,010,210**	**414,010,210**

Ordinary Share holding position of the Company is as follows:

Sl.No.	Name of the Shareholders	Nos. of Shares	Amount (Tk.)	Amount (Tk.)
1	Md. Shariful Islam	9,045,704	90,457,040	90,457,040
2	Mrs. Fahmida Islam	1,956,075	19,560,750	19,560,750
3	M/s Meghna Shrimp Culture Ltd	1,856,660	18,566,600	18,566,600
4	Syed Nur Ahmed	1,619,746	16,197,460	16,197,460
5	ICB	2,518,835	25,188,350	25,188,350
6	Financial Institution	5,365,585	53,655,850	53,655,850
7	General Public	19,038,416	190,384,160	190,384,160
	Total :	**41,401,021**	**414,010,210**	**414,010,210**

10.00	**TAX HOLIDAY RESERVE**	**16,373,804**	**16,373,804**
	The above balance was brought down from last year account without any change.		
11.00	**SECURED LOAN**		
	This represents the outstanding amount of principal and interest of project loan taken from Bangladesh Krishi Bank (BKB) Teknaf Branch, Teknaf. The loan is secured by all fixed assets of the Company. The above balance arrived as under :		
	Balance b/f	17,982,250	16,621,330
	Less : Refund/adjusted during the year	135,000	135,000
		17,847,250	16,486,330
	Add : Interest charged for the year	998,308	1,495,920
	Balance	**18,845,558**	**17,982,250**
12.00	**SHORT TERM LIABILITIES : Tk.**	**51,008,189**	**46,559,596**

12.01 Working Capital Loan Account

The above mentioned Bank's loan represents outstanding amount of working capital loan allowed by Bangladesh Krishi Bank, Teknaf branch. The above balance arrived as under :

Balance b/f	46,559,596	43,069,354
Less : Paid/Adjusted during the year	386,000	386,000
	46,173,596	42,683,354
Add : Provision for Interest during the year	4,834,593	3,876,242
Balance	**51,008,189**	**46,559,596**

13.00 LIABILITIES FOR EXPENSES

This is made up as under:

Audit Fees	330,000	310,000
Prov. for Salary and Allowances :	-	-
Salary Head Office	3,244,500	3,909,500
Factory Wages	104,400	889,280
Salary Factory	2,919,252	3,517,332
Telex, Fax and Telephone	69,912	69,912
Utility & Electricity Exp	89,643	49,005
Listing Fee & CDBL	1,686,101	1,686,101
Total Liabilities for Expenses	**8,443,808**	**10,431,130**

14.00 LIABILITIES FOR GOODS & SERVICES

This is made up as under:

M/s. B.S.P Enterprise	249,500	249,500
M/s. Alvin Trade Int.	219,500	219,500
M/s Khaja Electric Works	9,525	9,525
Monir Traders	159,270	159,270
M/s A. K. Enterprise	125,100	125,100
M/S Shrimp Mother Trade	84,400	84,400
M/S Global International	87,430	87,430
Mr. Jahangir	20,000	20,000
Technician Commission	215,000	215,000
M/S Enam Trading	15,000	15,000
M/s Aqua Shop	28,632	28,632
Total Liab.-Goods & Serv./Acc.Payable	**1,213,357**	**1,213,357**

15.00 Unclaimed Dividend

The above balance represents unclaimed dividend as on Balance Sheet date. Year wise break up of the balance is under.

Dividend for the year		
2003	7,220	7,220
2004	27,872	27,872
2005	152,392	152,392
Fraction of Stock Dividend	47,486	47,486
Total	**234,970**	**234,970**

16.00 PROVISION FOR INCOME TAX **9,444,176** **9,420,183**

The above balance arrived as under:

Balance b/f	9,420,183	9,420,175
Add : Provision for the year **(Note-16.01)**	24,000	8
	9,444,184	9,420,183
Less : Tax adjustment	(8)	-
Total	**9,444,176**	**9,420,183**

16.01	**Income Tax**			
	Minimum Tax	Note 16.02	24,000	0
	Regular Tax	Note 16.03	(8)	8
	Higher One		**24,000**	**8**
16.02	**Minimum Tax**			
	This is arrived as under :			
	Total Receipt		4,000,075	61
	Tax @ 0.60%		24,000	0.37
		Total	**24,000**	**0.37**
16.03	**Regular Tax Expenses**			
	This is arrived as under :			
	Profit /(Loss) before Income Tax		(9,280,779)	61
	Tax payable		-	15
	Tax Deduction at Sources		(8)	(7)
		Total	**(8)**	**8**

** This year company recognize loss before income tax. So that no provision has been charged.

17.00	**Factory Overhead**	**4,505,787**	**3,912,669**
	This is made up as under :		
	Depreciation (Factory)	1,753,694	2,168,249
	Electricity Exp. (Factory)	22,412	27,804
	Entertainment	38,423	4,086
	Factory Labour	-	-
	Factory Salary	1,803,840	1,215,600
	Factory Wages	390,240	390,240
	General mess Expe.	73,932	73,932
	Electric Goods	-	-
	Photostat Exp.	6,290	-
	Office Exp.	2,064	688
	Postage & Courier Exp.	75	370
	Printing Stationery	2,154	310
	Promotional Expense	400,000	-
	Repair & Maintenance	5,810	8,430
	Telex, Fax & Telephone	-	6,050
	Trade License & Fees	3,145	3,145
	Traveling & Conveyance	3,708	13,765
	Vehicle Expenses	-	-
	Total Cost of Goods Sold	**4,505,787**	**3,912,669**

18.00	**OFFICE & ADMINISTRATIVE EXPENSES**		
	This is made up as under:		
	Advertisement & Publicity	-	118,000
	AGM Exp.	-	-
	Audit Fees	230,000	230,000
	Promotional Expenses	-	-
	CDBL Annual Fees	-	106,000
	Computer Expenses	7,890	21,500
	Cleaning Exp.	3,750	3,170

Crockeries	-	50
Deprecation (Head Office)	122,066	149,380
Electricity Expense	63,541	52,161
Entertainment	49,783	18,773
Gas & Utility	8,000	8,000
Internet Exp.	19,500	19,500
Legal Charges & Fees	-	-
Listing Fee	-	414,010
Office Expenses	14,040	4,060
Photostat Expenses	8,672	2,543
Postage & Courier Expenses	7,384	3,620
Printing & Stationery	13,985	6,675
Rent, Rates & Taxes	292,500	390,000
Office Srvice Charges	12,000	4,000
Salary & Allowance	2,040,000	3,318,500
Telex. Fax & Telephone	24,792	16,883
Traveling & Conveyance	21,711	13,100
Office Decuration/Transfer Exp.	-	28,000
Total Office & Administrative Expenses	**2,939,614**	**4,927,925**

19.00 FINANCIAL EXPENSES

This is made up as under :

Bank charge & Commission	2,552	3,699
Interest on Project Loan from B.K.B	998,308	1,495,920
Interest on C.C. Loan from B.K.B	4,834,593	3,876,242
Total	**5,835,453**	**5,375,861**

20.00 OTHER INCOME

This is made up as under :

Land Lease	4,000,000	-
Bank Interest		
Interest on STD-184	75	61
Total	**4,000,075**	**61**

21.00 CAPITAL EXPENDITURE COMMITMENT :

There was no capital expenditure commitment as at 30 June, 2021.

22.00 LIABILITY AGAINST CLAIM :

There was no claim against the company acknowledged as debt as on 30.06.2021.

23.00 RELATED PARTY TRANSACTION :

The Company had no transaction with any related party that fall within the definition of related party contained in International Accounting Standard 24: Related Party Disclosures.

24.00 CONTINGENT LIABILITY :

There was no sum for which the Company is contingently liable as on 30.06.2021.

25.00 PRODUCTION CAPACITY :

a) Available Production Capacity	60 crore fry	60 crore fry
b) Actual Production	Nill	Nill

Shortfall in production was due to inherent risk and nature of the business.

26.00 EARNING PER SHARE (EPS) BASIC :

EPS and its components have been defined in the Note- 4.03.

The computation of EPS is given below :

a) Net Profit/(Loss) after tax for the year	(9,304,780)	(14,216,409)
b) Weighted average number of ordinary shares outstanding during the year	41,401,021	41,401,021
c) EPS Basic	**(0.22)**	**(0.34)**

27.00 Net Asset Value (NAV) per Share:

(NAV) and its components have been defined in the Note-4.04.

The computation of (NAV) is given below :	Tk.	Tk.
a) Net Assets as on 30 June 2021	396,346,666	405,651,446
b) Weighted average number of ordinary shares outstanding during the year	41,401,021	41,401,021
c) NAV Per Share	**9.57**	**9.80**

28.00 Events After the Reporting Period:

According to IAS-10, Events after the reporting period are those events, favourable and unfavorable that occur between the end of the reporting period and the date when the financial statements are authorised for issues.Also inform that as per Price Sensitive Information (PSI) dated 27.06.2021 the company has already started the alternative production of white fish culture dated 28.06.2021

29.00 Net Operating Cash Flow (NOCFPS) per Share:

(NOCFPS) and its components have been defined in the Note-4.05.

The computation of (NOCFPS) is given below :		Tk.
a) Cash flows from Operating Activities	(9,292,423)	521,554
b) Weighted average number of ordinary shares outstanding during the year	41,401,021	41,401,021
c) NOCFPS	**(0.2244)**	**0.0126**

30.00 Reconciliation of Net Profit with Cash Flows from Operating Activites for the Year Ended 30 June 2021 as - Under Indirect Method is Given below:

Net Profit/(Loss) after tax	(9,304,780)	(14,216,409)
Adjustments for non-cash items:		
Other Income Adjustment as non operating income	(4,000,075)	-
Depreciation	1,875,761	2,865,865
Net Profit/(Loss) before changes in working capital	**(11,429,094)**	**(11,350,544)**
Changes in working capital:		
(Increase)/Decrease of Current Assets	**4,100,000**	**4,008,257**
Decrease in Accounts Receivables	4,100,000	3,401,543
Decrease in Advances, Deposits & Pre-Payments	-	606,714
Increase/(Decrease) of Liabilities	**(1,963,330)**	**8,017,786**
Provision for Income Tax	23,992	15
Liability for Expenses	(1,987,322)	3,117,183
Secured Loan	-	1,372,403
Short Term Liabilities	-	3,556,185
Liabilities for Goods & Services	-	(28,000)
Liabilities for Other Finance	-	-
Net increase/(decrease) in working capital	**2,136,670**	**12,026,043**
Net cash flows from operating activities	**(9,292,423)**	**675,499**

29.00 Net Operating Cash Flow (NOCFPS) per Share:

(NOCFPS) and its components have been defined in the Note-4.05.

The computation of (NOCFPS) is given below :		Tk.
a) Cash flows from Operating Activities	(9,292,423)	521,554
b) Weighted average number of ordinary shares outstanding during the year	41,401,021	41,401,021
c) NOCFPS		**0.0126**

30.00 Reconciliation of Net Profit with Cash Flows from Operating Activites for the Year Ended 30 June 2021 as - Under Indirect Method is Given below:

Net Profit/(Loss) after tax	(9,304,780)	(14,216,409)
Adjustments for non-cash items:		
Other Income Adjustment as non operating income	(4,000,075)	-
Depreciation	1,875,761	2,865,865
Net Profit/(Loss) before changes in working capital	**(11,429,094)**	**(11,350,544)**
Changes in working capital:		
(Increase)/Decrease of Current Assets	**4,100,000**	**4,008,257**
Decrease in Accounts Receivables	4,100,000	3,401,543
Decrease in Advances, Deposits & Pre-Payments	-	606,714
Increase/(Decrease) of Liabilities	**(1,963,330)**	**8,017,786**
Provision for Income Tax	23,992	15
Liability for Expenses	(1,987,322)	3,117,183
Secured Loan	-	1,372,403
Short Term Liabilities	-	3,556,185
Liabilities for Goods & Services	-	(28,000)
Liabilities for Other Finance	-	-
Net increase/(decrease) in working capital	**2,136,670**	**12,026,043**
Net cash flows from operating activities	**(9,292,423)**	**675,499**

Schedule of Property, Plant & Equipment
For the year Ended June 30, 2020

PARTICULARS	COST			Rate	DEPRECIATION			Written Down Value (W.D.V.)
	Opening Balance As on 01.07.19	Addition during the year	Closing Balance As on 30.06.20	of Dep.(%)	Opening Balance As on 01.07.19	Charged for the year	Closing Balance As on 30.06.20	As on 30.06.20
1	2	3	(2+3)=4	5	6	7.00	6+(7)=8	9
Factory :								
Land & Land Development	205,229,927	-	205,229,927	0%	-	-	-	205,229,927
Factory Building & Civil Const.**	202,173,856	-	202,173,856	20%	196,530,469	1,128,677.40	197,659,146	4,514,710
Hatchery Equipment & Machinery	43,522,393	-	43,522,393	20%	41,079,464	488,585.80	41,568,050	1,954,343
Generator	6,832,022	-	6,832,022	15%	5,284,675	232,102.05	5,516,777	1,315,245
Electric Installation	4,114,245	-	4,114,245	20%	3,856,814	51,486.20	3,908,300	205,945
Fact.. Office & Elec. Equipment	1,667,487	-	1,667,487	20%	1,546,833	24,130.80	1,570,964	96,523
Lab. Equipment	1,462,422	-	1,462,422	20%	1,273,216	37,841.20	1,311,057	151,365
Factory Furniture & Fixture	682,098		682,098	10%	548,264	13,383.40	561,647	120,451
Water Installation	6,129,777		6,129,777	20%	5,559,310	114,093.40	5,673,403	456,374
Motor Vehicle	101,000		101,000	20%	97,096	780.80	97,877	3,123
Factory Office Furniture & Fixture	200,385		200,385	20%	159,538	8,169.40	167,707	32,678
Fry Delivery Box	3,479,300		3,479,300	10%	3,332,949	14,635.10	3,347,584	131,716
Aerator	187,625		187,625	20%	150,222	7,480.60	157,703	29,922
Fencing Wire	1,065,903		1,065,903	10%	597,074	46,882.90	643,957	421,946
Total	**476,848,440**	**-**	**476,848,440**		**260,015,924**	**2,168,249.05**	**262,184,173**	**214,664,267**
Office :								
Office Furniture & Fixture	333,270	-	333,270	10%	251,055	8,221.50	259,277	73,994
Vehicle	3,255,000	-	3,255,000	20%	2,763,511	98,297.80	2,861,809	393,191
Office & Electric Equipment	616,540	-	616,540	20%	576,269	8,054.20	584,323	32,217
Office Decoration	1,207,385	-	1,207,385	15%	975,344	34,806.15	1,010,150	197,235
Total :	**5,412,195**	**-**	**5,412,195**		**4,566,179**	**149,380**	**4,715,559**	**696,636**
Grand Total	**482,260,635**	**-**	**482,260,635**		**264,582,103**	**2,317,629**	**266,899,732**	**215,360,903**

Deprecation has been apportioned as below :

Cost of goods Sold :	2,168,249
Administrative Overhead :	149,380
	2,317,629

**Factory Building and Hatchery Equipment have been destroyed by Bangladesh Army to Construct Marine drive road and some portion of the land also Hatchery Plant acquired by them. Now it has become impossible to run a Hatchery.

BEACH HATCHERY LIMITED

Schedule of Property, Plant & Equipment

For the year Ended June 30, 2021

Annexure-A

PARTICULARS	COST			Rate	DEPRECIATION			Written Down Value (W.D.V.)
	Opening Balance As on 01.07.20	Addition during the year	Closing Balance As on 30.06.21	of Dep.(%)	Opening Balance As on 01-07-20	Charged for the year	Closing Balance As on 30.06.21	As on 30.06.21
1	2	3	(2+3)=4	5	6	7.00	6+(7)=8	9
Factory :								
Land & Land Development	205,229,927	-	205,229,927	0%	-	-	-	205,229,927
Factory Building & Civil Const.**	202,173,856	-	202,173,856	20%	197,659,146	902,941.92	198,562,088	3,611,768
Hatchery Equipment & Machinery	43,522,393	-	43,522,393	20%	41,568,050	390,868.64	41,958,918	1,563,475
Generator	6,832,022	-	6,832,022	15%	5,516,777	197,286.74	5,714,064	1,117,958
Electric Installation	4,114,245	-	4,114,245	20%	3,908,300	41,188.96	3,949,489	164,756
Fact.. Office & Elec. Equipment	1,667,487	-	1,667,487	20%	1,570,964	19,304.64	1,590,268	77,219
Lab. Equipment	1,462,422	-	1,462,422	20%	1,311,057	30,272.96	1,341,330	121,092
Factory Furniture & Fixture	682,098		682,098	10%	561,647	12,045.06	573,692	108,406
Water Installation	6,129,777		6,129,777	20%	5,673,403	91,274.72	5,764,678	365,099
Motor Vehicle	101,000		101,000	20%	97,877	624.64	98,501	2,499
Factory Office Furniture & Fixture	200,385		200,385	20%	167,707	6,535.52	174,243	26,142
Fry Delivery Box	3,479,300		3,479,300	10%	3,347,584	13,171.59	3,360,756	118,544
Aerator	187,625		187,625	20%	157,703	5,984.48	163,687	23,938
Fencing Wire	1,065,903		1,065,903	10%	643,957	42,194.61	686,152	379,751
Total	**476,848,440**	**-**	**476,848,440**		**262,184,173**	**1,753,694.48**	**263,937,868**	**212,910,572**
Office :								
Office Furniture & Fixture	333,270	-	333,270	10%	259,277	7,399.35	266,676	66,594
Vehicle	3,255,000	-	3,255,000	20%	2,861,809	78,638.24	2,940,447	314,553
Office & Electric Equipment	616,540	-	616,540	20%	584,323	6,443.36	590,767	25,773
Office Decoration	1,207,385	-	1,207,385	15%	1,010,150	29,585.23	1,039,735	167,650
Total :	**5,412,195**	**-**	**5,412,195**		**4,715,559**	**122,066.18**	**4,837,625**	**574,570**
Grand Total	**482,260,635**	**-**	**482,260,635**		**266,899,732**	**1,875,760.66**	**268,775,492**	**213,485,143**

Deprecation has been apportioned as below :

Cost of goods Sold :	1,753,694
Administrative Overhead :	122,066
	1,875,761

**Factory Building and Hatchery Equipment have been destroyed by Bangladesh Army to Construct Marine drive road and some portion of the land also Hatchery Plant acquired by them.

BEACH HATCHERY LIMITED

HOUSE#B-139(3RD FLOOR),ROAD#22, DOHS MOHAKHALI, DHAKA-1206

PROXY FORM

I/We …….
Of…….
being a member of BEACH HATCHERY LIMITED hereby appoint
Mr./Mrs./Miss……of
……to attend and vote for me/us on my/our behalf at the **26th ANNUAL GENERAL MEETING** of the company to be held only virtually on Wednesday, the28 September 2022 at 2.00 p.m. under virtually platform through the link:https://beachhatch26thagm.digitalagmbd.net and any adjournment thereof.

Revenue Stamp Tk.20.00

Signature of the proxy…….....
BO/Folio of Proxy……
Signature of Shareholder……..
BO/Folio of Shareholder……..
No. of Shares……

Note. According to the Articles of Association of the Company, proxy can be given only to the to the person who is a member (Shareholder) of the Company. The proxy form should reach the company not later than 48 hours before the time fixed for the AGM.

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BEACH HATCHERY LIMITED

HOUSE#B-139(3RD FLOOR), ROAD#22, DOHS MOHAKHALI, DHAKA-1206

SHAREHOLDER'S ATTENDANCE SLIP

I hereby record my presence at the **26th Annual General Meeting** of the Company to be held on 28 September 2022 on at 2.00 p.m. only virtually.

Name of the Shareholder(s)……..
BO/Folio No…….
Name of the Proxy……
BO/Folio No…….

Name of shareholder(s)/Proxy…….

Note: Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall. The respected Shareholders are requested to note that entry on non-member is restricted.

BEACH HATCHERY LTD.

Registered Office
House No-B-139, (3rd Floor), Road No-22, Mohakhali DOHS, Dhaka-1206.