



Annual Report

▶ 18-19



হাককানী পাল্প এন্ড পেপার মিলস লিঃ
HAKKANI PULP & PAPER MILLS LTD.



হাক্কানী পাল্প এন্ড পেপার মিলস্‌ লিঃ
HAKKANI PULP & PAPER MILLS LTD.

Annual Report
2018-2019

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TRANSMITTAL LETTER

Date: November 02, 2019

Valued Shareholders
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies and Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Subject: Annual Report for the year ended June 30, 2019

Dear Sir(s),

We are pleased to enclose a copy of the Annual Report of Hakkani Pulp & Paper Mills Limited together with the Audited Financial Statements, Report of the Board of Directors and Auditors Report thereon for the year ended June 30, 2019 for your information and records.

Yours sincerely


Mohammad Musa
Company Secretary



NOTICE OF THE 23rd ANNUAL GENERAL MEETING

This is hereby Noticed that the **23rd ANNUAL GENERAL MEETING** of the shareholders of **Hakkani Pulp & Paper Mills Limited** will be held on Thursday, the 26th December 2019 at 11.00 a.m at the **“Green City Convention Hall, Noya Bazar Moor, Bishawo Road, Halishar, Chattogram** to transact the following business:

- Agenda-1 : To receive, consider and adopt the Audited Financial Statements of the company for the year ended 30th June 2019 together with the Reports of the Auditors’ and the Directors’ thereon.
- Agenda-2 : To declare and approve Dividend for the year ended 30th June 2019 as recommended by the Board of Directors.
- Agenda-3 : To elect Directors in terms of the relevant provision of Articles of Association of the company.
- Agenda-4 : To approve the appointment of independent Director.
- Agenda-5 : To appoint Auditors for the year 2019-2020 and fix their remuneration.
- Agenda-6 : To appoint professional for the Certification on Corporate Governance for the year 2019-2020 and fix their remuneration.
- Agenda-7 : To transact any other business of the company with the permission of the Chair.

By order of the Board

Mohammad Musa
Company Secretary

Dated : Chattogram
November 02, 2019

Notes:

- (1) The Record Date will be 24th November 2019.
- (2) The Shareholders whose names would appear in the Register of Members of the Company on the Record Date will be eligible to attend the meeting.
- (3) A member eligible to attend and vote at the Annual General Meeting may appoint proxy to attend and vote on his / her behalf. The Proxy Form must be affixed with requisite revenue stamp and submit at the registered office of the Company not later than 48 hours before the time fixed for the Annual General Meeting.
- (4) Election of Directors will be held in terms of Articles of Association of the Company and relevant Rules / Circulars in force.
- (5) Shareholders are advised to update the change of address, if necessary, through their respective Depository Participant.
- (6) Admission to the meeting room will be strictly on production of the attendance slip sent with the Notice.

২৩তম বার্ষিক সাধারণ সভার নোটিশ

এই মর্মে হাক্কানী পাল্প এন্ড পেপার মিলস্‌ লিঃ এর সম্মানিত শেয়ারহোল্ডারদের অবহিত করা হচ্ছে যে, কোম্পানীর ২৩তম বার্ষিক সাধারণ সভা আগামী ২৬শে ডিসেম্বর ২০১৯ রোজ বৃহস্পতিবার সকাল ১১.০০ ঘটিকায় নগরীর “গ্রীন সিটি কনভেনশন হল, নয়াবাজার মোড়, বিশ্ব রোড, হালিশহর, চট্টগ্রাম”-এ অনুষ্ঠিত হবে। উক্ত সভার আলোচ্য বিষয় নিম্নরূপঃ

- আলোচ্য বিষয়-০১ : কোম্পানীর ৩০শে জুন ২০১৯ তারিখে সমাপ্ত বৎসরের নিরীক্ষিত আর্থিক বিবরণী, নিরীক্ষা প্রতিবেদন এবং পরিচালকমন্ডলীর প্রতিবেদন গ্রহণ, বিবেচনা ও অনুমোদন।
- আলোচ্য বিষয়-০২ : ৩০শে জুন ২০১৯ তারিখে সমাপ্ত বৎসরের জন্য পরিচালক পর্যদের সভায় সুপারিশকৃত লভ্যাংশ ঘোষণা এবং অনুমোদন।
- আলোচ্য বিষয়-০৩ : কোম্পানীর সংঘবিধির ধারা ৮২ অনুযায়ী পরিচালক নির্বাচন।
- আলোচ্য বিষয়-০৪ : স্বতন্ত্র পরিচালকের নিয়োগ অনুমোদন।
- আলোচ্য বিষয়-০৫ : ২০১৯-২০২০ সমাপ্ত বৎসরের জন্য নিরীক্ষক নিয়োগ এবং তাদের পারিশ্রমিক নির্ধারণ।
- আলোচ্য বিষয়-০৬ : ২০১৯-২০২০ অর্থ বৎসরের কর্পোরেট গভর্নেন্স সার্টিফিকেটের জন্য পেশাদার নিয়োগ এবং তাদের পারিশ্রমিক নির্ধারণ।
- আলোচ্য বিষয়-০৭ : সভাপতির অনুমতি সাপেক্ষে কোম্পানীর অন্য কোন বিষয় আলোচনা।

পরিচালকমন্ডলীর আদেশক্রমে,



(মোহাম্মদ মুসা)
কোম্পানী সচিব

তারিখঃ চট্টগ্রাম

নভেম্বর ০২, ২০১৯

টিকাঃ

- (১) রেকর্ড ডেট / শেয়ার হস্তান্তর বই বন্ধের তারিখ ২৪শে নভেম্বর ২০১৯।
- (২) বার্ষিক সাধারণ সভায় উপস্থিত থাকা এবং ভোটাধিকার প্রয়োগে যোগ্য শেয়ারহোল্ডার নিয়ম অনুযায়ী রাজস্ব স্ট্যাম্প প্রিন্ট ফরমে সংযোজনপূর্বক মিটিং শুরু হওয়ার কমপক্ষে ৪৮ ঘন্টা পূর্বে প্রিন্ট নিযুক্ত করিতে পারিবেন।
- (৩) পরিচালক নির্বাচনের ক্ষেত্রে কোম্পানীর সংঘবিধিতে সন্নিবেশিত নীতি অনুসরণ করা হবে।
- (৪) সম্মানিত শেয়ারহোল্ডারদের তাদের ঠিকানা, যদি দরকার হয়, হালনাগাদ এর জন্য অনুরোধ করা হল।
- (৫) সভাকক্ষে প্রবেশ এর সময় প্রবেশপত্র প্রদর্শন করতে হবে।



Company Profile

Company Profile

Hakkani Pulp & Paper Mills Ltd. is one of the pioneer, leading paper manufactures in Bangladesh, located at patiya, Chittagong, Bangladesh a sister concern of Hakkani Group has been established and incorporated in Registrar of Joint Stock Companies and firms in 1996 as public limited company and has already been issued public share in 2001 and listed with two largest Stock Exchange of the country Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. Authorized Capital of the company is 500 million and paid up capital is 190 million. The project commenced commercial production at the end of 2003.

Under the guidance of nine members of Board of Directors of the company is run by a management team headed by the managing director with a view to run the company efficiently. The company involved in producing the best quality of news print paper, writing printing paper and medium paper.

The vision and mission of the company is to conduct transparent business operation based on market mechanism within the legal and ethical frame work and to produce best quality paper to meet the required country's demand and also to ensuring benefit to the shareholders, stock holders and the society at large.

Company involved in the area production of papers and marketing, throughout the country with established agents and outlet in adequate supply chain to ensure effective smooth supply in time on terms. In the view of production of best quality paper and customer strength the company recognized for edge outstanding performance of product, quality manufacturing environment along with professional services.

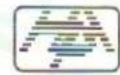
The company places total emphasis on maintaining and improving of quality of its products at every levels of production and handling of the company. The customer considered as prime focus as such implemented satisfactory customer's service as deemed suitable and has been acquainted space in paper market with a lion portion of share in quality papers. Finished products are produced by composition of wastage paper both local and imported which is fully favorable for environment and it does not harmful for environment which save the global environment.

Considering the local as well as foreign demand, the Company has almost completed the installation of Tissue project. After completion the installation of tissue project, the capacity of project will be increased to 25 ton per day. Various kinds of quality tissue will be produced from the project.

On the other hand the company wants to increase its production capacity by Balancing Modernization Replacement and Expansion (BMRE) by adding of modern and powerful machineries and technology to meet the increasing market demand. The main objectives of up-coming project are to produce quality writing printing paper, both side quoted paper, off-set paper & glossy paper.

Since commercial production, the company has been achieving profitability by utilization of maximum capacity and improvement in all phases, resulting gradually increases net asset value of shareholders simultaneously.

The company using most dependable machineries equipment's and technology to produce compatible best quality paper and also keeping continuous effort to upgrade and adopt new technology in production, quality control, distribution and administration of its products. Since commencement of commercial operation company has been contributing a decent amount to the national exchequer in the form of import related taxes, duties, VAT and Income Tax.



MD. ABDULLAH

Chairman

Mr. Mohammad Abdullah was born in a famous Muslim family of Chattogram, Bangladesh in 1947. He is one of the founders of Hakkani Group of Companies. He earns a treasure of experiences through doing business, setting different industrial units and leading the whole activities from the front for the last 37 years in Hakkani Group of Companies. He has been the key person of this group. He was appointed as Vice Chairman of the Company since its incorporation. After that, he was appointed as Chairman of Hakkani Pulp & Paper Mills Limited on 30th April, 2015. He has shown his immeasurable capacity as a successful entrepreneur in different sectors of economy for more than three decades. He has exploited his considerable talents and expertise to operate paper industries, transport business and other business most successfully. He has already affiliated him with many foremost businesses. He always intends to add new dimension to his business portfolio. He is man of commitment prudent personality. He is involved in many social organizations and performing various social activities for the welfare of the societies.



MD. GOLAM MOSTOFA

Managing Director

Mr. Mohammad Golam Mostofa was born in a famous Muslim family of Chattogram, Bangladesh in 1977. He is the 1st son of Mr. Md. Abdullah. He was appointed as Managing Director of the company since the incorporation of Hakkani Pulp & Paper Mills limited. He completed his Masters in Management from the Government College of Commerce, Chittagong. He is the dynamic Managing Director of Hakkani Pulp & Paper Mills Ltd. He has gathered huge knowledge and experience in the management of both industrial and trading organization. He started his business career after completion of his post graduation. Mr. Mostofa looks after the overall production of industrial concerns of Hakkani Group from the very beginning. He has been leading Business in different arena with his pragmatic and dynamic efforts. This is how, he has gathered immense experienced in paper manufacturing business, Trading business, packing industry, international trade, logistic management, fuel station etc.. He has been playing major role in planning, executing and controlling operating, financing and investing activities of Hakkani pulp & paper mills limited most productively.



MD. GOLAM KIBRIA

Deputy Managing Director

Mr. Mohammad Golam Kibria was born in a famous Muslim family of Chattogram, Bangladesh in 1980. He is the 2nd son of Mr. Md. Abdullah. He joined the family business after completion of his graduation. He was appointed as Deputy Managing Director of Hakkani Pulp & Paper Mills Limited from its incorporation. He has gathered huge knowledge in industrial management and production technology through working at different level of responsibilities with the inheritance of the group. He acquired computer based education from NCC, UK and involved related business since long with goodwill and success. He can individually manage the whole operational technological side of the industry. He has been also playing an important role on various aspects of management and corporate planning. He is a member of Audit committee of Hakkani Pulp & Paper Mills Limited. Ensuring quality of the product and focusing on customer's satisfactions are his priority.



HOSNE ARA BEGUM

Director

Mrs. Hosne Ara Begum was born in Chattogram, Bangladesh in 1952. She is the wife of Mr. Md. Abdullah. She is the Sponsor Director of Hakkani Pulp & Paper Mills Ltd. and one of the important fellows in planning policy maker and executer. She is actively involving with this group business since 32 years. She is regular in Board of Directors meeting to play vital role and to make decision and ensure transparency in all assignment related to this Business group. She provided necessary back up to strength this group of company. She involved with different corporate social responsibility activities.



MD. GOLAM HAIDER

Director

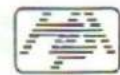
Mr. Mohammad Golam Haider was born in a famous Muslim family of Chattogram, Bangladesh in 1984. He is the 3rd son of Mr. Md. Abdullah. He was appointed as Director of Hakkani Pulp & Paper Mills Ltd. from its incorporation. He has been started his business career after completion his graduation. As a Director, Operation he has proved himself as a dynamic one in the relevant field. He is a young, energetic and devotee to his duty assigned for. His analytical knowledge and experience helped to implement and run a number of industries and enterprise and holds the external ability to manage it in a up-to-date view.



MD. GOLAM MORSHED

Director

Mr. Mohammad Golam Morshed was born in a famous Muslim family of Chattogram, Bangladesh in 1985. He is the 4th son of Mr. Md. Abdullah. He is an MBA. He was appointed as Director of Hakkani Pulp & Paper Mills Limited on 30th April, 2015. He engaged with the family business after completion of his post graduation. He is active in the day to day operation of the company as the Director. He is introducing modern management practices in the company and installing a team spirit to excel in the industry. He is also a member of the Audit Committee.



MD. GOLAM RASUL MUKTADIR

Director

Mr. Mohammad Golam Rasul Muktadir was born in a famous Muslim family of Chattogram, Bangladesh in 1991. He is the 5th son of Mr. Md. Abdullah. He was appointed as Director of Hakkani Pulp & Paper Mills Limited on 30th April, 2015. He completed his graduation in Business Administration. He is one of the youngest Director of Hakkani Pulp & Paper Mills Limited. He started his business career after completion of his graduation. He has gathered his immense experience in paper manufacturing industries and transport business.



MD. AMIRUL ISLAM FCA, FCS

Independent Director

Mr. Mohammad Amirul Islam FCA, FCS was born in 1954. He is a Fellow Member of Institute of Chartered Accountants of Bangladesh (ICAB) and Institute of Chartered Secretary of Bangladesh (ICSB). He did his Honors' and Masters in Management from University of Dhaka. Mr. Islam retired as General Manager from Bangladesh Development Bank Limited. Currently he is a Senior Partner of K M Hassan & Co., Chartered Accountants.

He was appointed as Independent Director of the Company in 2013. He is the Chairman of the Audit Committee of the company. He is adding a unique dimension to the Board with his long experiences in working for the BSRS and BDBL. Now he is working as Independent Director of NCC Bank Limited and Dhaka Dying & Manufacturing Company Limited. He is also the Chairman of Audit Committee of the Board of Directors of NCC Bank Limited. He is a senior faculty member of the Institute of Chartered Accountants of Bangladesh (ICAB) since 1994.



DR. MOHAMMAD SALEH JAHUR

Independent Director

Dr. Mohammad Saleh Jahur was born on January 21, 1966 in Chattogram. He completed B.Com.(Hons.) in Accounting in 1986 and Masters in Accounting in 1987 from University of Chittagong, Bangladesh. He did his Ph. D. in Finance and got awarded with Ph.D. on January 18, 2003 from University Business School, Panjab University, Chandigarh, India. Dr. Saleh Jahur has also completed Certificate Course in International Financial Reporting Standards (IFRSs) from Institute of Chartered Accountants in England and Wales (ICAEW), United Kingdom in 2008; and Course on Green Productivity for Bangladesh (BDGP), Conducted by HIDA-The Overseas Human Resources and Industry Development Association and AOTs, Japan in January-February 2014.

Mr. Saleh Jahur started his teaching career as a Lecturer in Finance, Department of Finance and Banking, University of Chittagong from September 30, 1993. Currently, He is Professor of Accounting and Finance of the same university. Bangladesh. He was also acted as a Chairman of

Directors
Profile

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Department of Finance and Banking and Director of Bureau of Business Research, Faculty of Business Administration, University of Chittagong, Bangladesh. Before starting career as teacher, he joined BPC as executive officer in 1992 and worked there for almost 30 months, and completed 14th BCS Cadre successfully. He also works as adjunct faculty of reputed private universities and professional bodies in Chattogram. Dr. Saleh Jahur being academic and researcher got published a good number of research based articles at home and abroad in different areas like management accounting, corporate finance, investment in money and stock market, risk management, etc.

Dr. Saleh Jahur has been working in the corporate sectors for many years in the capacities of advisor, consultant, and independent directors in different reputed corporate firms in Bangladesh. He has also exposure to the capital market as stock market analyst and editor of stock market issue. Board of Directors has appointed him as an independent director of the Company in 2017. He is also the member of Audit Committee of the Company. His excellent academic background, professional knowledge, and analytical ability are expected to contribute to the growth and development of Hakkani Pulp & Paper Mills Limited. Dr. Saleh Jahur is associated with many social organization and activities. He is a member of Chittagong Club Limited, Chattogram; Director of Khulshi Club Limited, Life Member of Ma O Shishu Hospital Limited, Chattogram, and Life Member of Chittagong Diabetics Association, Khulshi, Chattogram.



PROFESSOR S. M. NASRUL QUADIR
Independent Director

Professor S.M. Nasrul Quadir was born on 26th November, 1964 in Chattogram. He completed Bachelor of Commerce with Honours in Finance in 1985 and Masters in Finance and Banking in 1986 from University of Dhaka, Bangladesh. He did his PGDPM from Bangladesh Institute of Management (formerly Bangladesh Management Development Centre - BMDC) in 1992. Professor Quadir has also obtained his MBA in International Business from Birmingham, United Kingdom in 2009.

Professor Quadir started his teaching career as a Lecturer in Finance, Department of Finance and Banking, University of Chittagong from May, 1996. He has been serving as a Professor of Department of Finance of the same university, Bangladesh since 2012. He was the syndicate member of University of Chittagong, and also the General Secretary, Joint Secretary and Treasurer of Chittagong University Teachers' Association. Before starting career as teacher, Professor Quadir worked as Regional Sales Manager with ICI Bangladesh Limited, Dhaka, a subsidiary of ICI plc UK from September, 1989 to February, 1994 and with Linkers (Far East) Pte Limited, Singapore as Manager, Bangladesh Liaison office, Chittagong from March, 1994 to April, 1996. He also serves as adjunct faculty of reputed private universities and professional bodies in Chattogram. Professor Quadir has a good number of research articles published in recognized national and international journals and books in different areas



like Micro Finance, Lease Finance, e-banking, Corporate Finance, Capital Market, Human Resource Management, Risk Management, etc.

Professor Quadir has been involved with the corporate sectors for many years in the capacities of advisor and consultant in different reputed corporate firms in Bangladesh. Professor Quadir is associated with many social organizations and activities. He is a member of Chittagong Club Limited, Chattogram; Director of Independent School and College, Chittagong, Member of Academy of International Business (AIB), USA, Member Of Islamabad Town Co-operative Bank, Chattogram, Life Member of Maa O Shishu Hospital Limited, Chattogram and Bangladesh Red Crescent Society ,member of Governing Body of Maa O Shishu Nursing Institute, Chattogram and Majidia Islamia Alim Madrasha, Chandgaon, Chattogram and President of Baitullah Jam-e-Mosque, Bakalia, Chattogram. He has attended many seminars, symposiums and workshops at home and abroad.

Board of Directors of Hakkani Pulp and Paper Mills Ltd. has appointed him as an Independent Director of the Company in 2019. His befitting academic background, professional knowledge, polished communication skills and analytical ability are expected to contribute to the further growth and development of the company.

CORPORATE MANAGEMENT

Board of Directors:

Sl. No.	Name of the Directors	Position
01.	Mr. Md. Abdullah	Chairman
02.	Mr. Md. Golam Mostofa	Managing Director
03.	Mr. Md. Golam Kibria	Deputy Managing Director
04.	Mr. Amirul Islam FCA, FCS	Independent Director (Retired on 27.04.2019)
05.	Dr. Mohammad Saleh Jahur	Independent Director
06.	Mr. S. M Nasrul Quadir	Independent Director
07.	Mr. Md. Golam Haider	Director
08.	Mr. Md. Golam Morshed	Director
09.	Mr. Md. Golam Rasul Muktadir	Director
10.	Mrs. Hosne Ara Begum	Director

Audit Committee:

Sl. No.	Name of the Member	Status in the Company	Status in the Committee
01.	Dr. Mohammad Saleh Jahur	Independent Director	Chairman
02.	Mr. Md. Golam Kibria	Deputy Managing Director	Member
03.	Mr. Md. Golam Morshed	Director	Member
04.	Mr. Mohammad Musa	Company Secretary	Secretary of the Committee

Nomination and Remuneration Committee (NRC):

S.L No.	Name of the Member	Status in the Company	Status in the Committee
01.	Dr. Mohammad Saleh Jahur	Independent Director	Chairperson
02.	Mr. S. M Nasrul Quadir	Independent Director	Member
03.	Mr. Md. Golam Kibria	Deputy Managing Director	Member
04.	Mr. Md. Golam Haider	Director	Member
05.	Mr. Md. Golam Morshed	Director	Member
06.	Mr. Mohammad Musa	Company Secretary	Secretary of the Committee

Company Secretary:

Mr. Mohammad Musa



OTHER PARTICULARS

Bank and other financial institution :

Sl. No. Name of the Bank

01. Social Islami Bank Ltd.
02. AB Bank Ltd.
03. First Security Islami Bank Ltd.
04. National Bank Ltd.
05. Prime Bank Ltd.
06. Premier Bank Ltd.
07. Southeast Bank Ltd.
08. The City Bank Ltd.
09. Bangladesh Krishi Bank Ltd.
10. National Credit and Commerce Bank Ltd.
11. Mercantile Bank Ltd.
12. Standard Bank Ltd.
13. Union Bank Ltd.
14. Dhaka Bank Ltd.
15. Islami Bank Bangladesh Ltd.
16. United Commercial Bank Ltd.

Auditors:

Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Rupali Bima Bhaban (5th & 6th Floor)
7, Rajuk Avenue, Motijheel, Dhaka, Bangladesh
Phone: 9565136, 9551663, 9551821
Fax: 880-02-9551821
E-mail: kwsr@dhaka.net

Registered Office:

2/10, Dhaka Trunk Road
North Pahartali, Chattogram, Bangladesh
Phone: +88-02-43151463-64, 02-43150864-65 (PABX)
Fax: +88-02-43152344
E-mail : info@hakkanigroup.com, hppml@hakkanigroup.com
Web : www.hakkanigroup.com

Dhaka Office:

Flat # B-03, 3rd Floor, 30 Topkhana Road
Paltan, Dhaka-1000, Bangladesh
Mobile: +88-01714-087508

Factory :

Halim Kharchar, P.S.: Patiya
Chattogram, Bangladesh

পরিচালনা পর্ষদের প্রতিবেদন

৩০ জুন, ২০১৯ সমাপ্ত বৎসরের জন্য

বিসমিল্লাহির রাহমানির রাহিম

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

আসসালামু আলাইকুম

হাক্কানী পাল্প এন্ড পেপার মিলস্‌ লিমিটেড এর ২৩তম বার্ষিক সাধারণ সভায় কোম্পানীর পরিচালক পর্ষদ ও আমার পক্ষ থেকে উপস্থিত সকলকে স্বাগত জানাচ্ছি। সভার শুরুতেই আমি বোর্ডের পরিচালকবৃন্দ, কোম্পানীর সম্মানীত শেয়ারহোল্ডার এবং সংশ্লিষ্ট সকলকে আপনাদের একান্ত সহযোগিতা, প্রচেষ্টা এবং অনুপ্রেরনার জন্য জানাই আন্তরিক অভিনন্দন।

কোম্পানী আইন ১৯৯৪, সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন রুলস্‌ ১৯৮৭, আন্তর্জাতিক হিসাব মান (আইএএস) এবং আন্তর্জাতিক আর্থিক প্রতিবেদন মান (আইএফআরএস) অনুসারে প্রস্তুতকৃত কোম্পানীর ৩০শে জুন ২০১৯ তারিখে সমাপ্ত অর্থিক বৎসরের নিরীক্ষিত আর্থিক বিবরণী, নিরীক্ষকের প্রতিবেদন এবং পরিচালকদের প্রতিবেদন আপনাদের সদয় বিবেচনা ও অনুমোদনের জন্য উপস্থাপন করছি।

১। আন্তর্জাতিক অর্থনৈতিক প্রেক্ষাপটঃ

বিশ্বব্যাংকের Global Economic Prospects শীর্ষক রিপোর্ট অনুযায়ী চলতি বৎসরে আন্তর্জাতিক প্রবৃদ্ধির হার কিছুটা স্থিমিত হয়ে এসেছে। উন্নয়নশীল দেশ গুলোতে বিনিয়োগ প্রবৃদ্ধি আশানুরূপভাবে বৃদ্ধি না পাওয়ায় প্রবৃদ্ধির হার স্থিমিত হয়েছে। বাণিজ্যিক উদ্ভেজনা বৃদ্ধি পাওয়ায় বিশ্বের প্রধান অর্থনীতিগুলো প্রত্যাশার তুলনায় স্তব্ধতা এবং উন্নয়নশীল দেশগুলোতে নতুন আর্থিক চাপ সৃষ্টি হওয়ার কারণে আন্তর্জাতিক অর্থনীতিতে ঝুঁকির মাত্রা বেড়ে গেছে।

২০১৮ সালের মাঝামাঝি সময়ে আন্তর্জাতিক অর্থনীতির কার্যক্রমে কিছুটা ধীরগতি পরিলক্ষিত হয়। যদিও ২০১৭ ও ২০১৮ সালের প্রথম দিকে এই পরিস্থিতি ছিল সম্পূর্ণ বিপরীত। ক্রমবর্ধমান বাণিজ্য উত্তেজনার নেতিবাচক প্রভাব ব্যবসায়িক আস্থাকে বিনষ্ট করেছে ফলে আর্থিক বাজার পরিস্থিতি তুলনা মূলকভাবে খারাপ হয়ে গেছে। ২০১৮ সালের মাঝামাঝি সময়ে আন্তর্জাতিক অর্থনীতিতে ধীরগতি পরিলক্ষিত হওয়ায়, বিনিয়োগে মন্দাভাব এবং বাণিজ্যে অস্তিরতা বৃদ্ধির কারণে ২০১৯ সালে আন্তর্জাতিক প্রবৃদ্ধি ২.৬ শতাংশ প্রাক্কলন করা হয়। উন্নত দেশগুলোতে প্রবৃদ্ধির হার ১.৯ শতাংশ হবে বলে ধারণা করা হয়। চলতি বৎসরে ইউরো অঞ্চলের প্রবৃদ্ধি ১.৩ শতাংশ ধারণা করা হয়। তবে জার্মানীর জন্য এই পূর্বভাস কিছুটা কমানো হয়েছে যেখানে ফ্রান্স এবং ইতালির ক্ষেত্রে তা অপরিবর্তিত রাখা হয়েছে। ২০১৯ সালে যুক্তরাজ্যের প্রবৃদ্ধিও ১.৩ শতাংশ ধারণা করা হয়। চলতি বৎসরের শেষের দিকে ইউরো অঞ্চলের প্রবৃদ্ধি বৃদ্ধি পাবে বলে ধারণা করা হচ্ছে। বৈদেশিক চাহিদা বৃদ্ধির কারণে মূলত এই ধারণা করা হয়। ২০১৯-২০২০ সালে এশিয়ার উন্নয়নশীল দেশগুলোর অর্থনৈতিক প্রবৃদ্ধি ৬.২ শতাংশ প্রাক্কলন করা হচ্ছে। ২০২০ সালে ভারতে অর্থনৈতিক প্রবৃদ্ধি ৭ শতাংশ প্রাক্কলন করা হচ্ছে। ২০২০ সালে দেশটির অর্থনৈতিক প্রবৃদ্ধি ৭.২ শতাংশ হবে বলে ধারণা করা হচ্ছে।

২। বাংলাদেশের অর্থনৈতিক প্রেক্ষাপট এবং ২০১৮-২০১৯ অর্থ বৎসরের সামগ্রিক কার্যক্রম পর্যালোচনা ৪

আন্তর্জাতিক মুদ্রা তহবিল (আইএমএফ) জিডিপি রাখিংক অনুযায়ী, বর্তমানে বাংলাদেশ বিশ্বের অন্যতম বৃহৎ অর্থনীতি। ২০১৯-২০২০ অর্থ বৎসরের বাজেটের বক্তব্য অনুযায়ী দক্ষিণ এশিয়ার দ্বিতীয় বৃহত্তম অর্থনীতি হচ্ছে বাংলাদেশ যা ভারতের পরেই অবস্থান করছে। বাংলাদেশ জাতীয় ও আন্তর্জাতিক পর্যায়ের বিভিন্ন চ্যালেঞ্জ এবং প্রতিবন্ধকতা উপেক্ষা করে অর্থনৈতিক উন্নয়ন এবং উচ্চ প্রবৃদ্ধি অর্জন করতে সক্ষম হয়েছে। ২০১৮-২০১৯ অর্থ বৎসরে বাংলাদেশের জিডিপি প্রবৃদ্ধির হার ছিল ৮.১৩ শতাংশ দেশের মাথাপিছু আয় ৯ শতাংশ বৃদ্ধি পেয়ে ১৮২৭.০০ ডলারে উন্নীত হয়েছে। বাংলাদেশের জিডিপির আকার বর্তমানে ৩০২.৪ বিলিয়ন ডলার হয়েছে। গত বৎসর বাংলাদেশের জিডিপি প্রবৃদ্ধির হার ছিল ৭.৬৫ শতাংশ শিল্প খাতের সমৃদ্ধির ফলে দেশের অর্থনীতি উল্লেখযোগ্য হারে বেড়েছে।

২০১৮-২০১৯ অর্থ বৎসরে সরকারী ও বেসরকারী খাতে সামগ্রিক বিনিয়োগ বৃদ্ধি পেয়ে জিডিপি ৩১.৫৬ শতাংশে দাঁড়িয়েছে। গত বৎসরে উক্ত হার ছিল ৩১.২৩ শতাংশ। আভ্যন্তরীণ ও বৈদেশিক বিনিয়োগ বাড়াত্তে বিনিয়োগ পরিবেশের সামগ্রিক উন্নয়নের বাংলাদেশ সরকার কাজ করে যাচ্ছে। অনুকূল আবহাওয়া, সহায়ক মুদ্রানীতির এবং বিনিয়োগ বান্ধব পরিবেশের ফলে ২০১৮-২০১৯ অর্থ বৎসরে মুদ্রাস্ফীতির পরিমাণ হ্রাস পেয়ে গড়ে ৫.৪৪ শতাংশে দাঁড়িয়েছে। বিগত অর্থ বৎসরে মুদ্রাস্ফীতির পরিমাণ ছিল প্রায় গড়ে ৬.০০ শতাংশ। মুদ্রা স্ফীতি, সুদের হার এর মত সূচক সমূহ আভ্যন্তরীণ বিনিয়োগের জন্য এখন অনুকূল পর্যায়ে ধীরে ধীরে এগিয়ে যাচ্ছে।

২০১৮-২০১৯ অর্থ বৎসরে জিডিপিতে শিল্প খাতের অবদান প্রাক্কলন করা হয়েছিল প্রায় ৪৫.১৪ শতাংশ। শিল্পের উন্নয়নের জন্য জাতীয় শিল্পনীতি ২০১৯ অনুযায়ী কাজ করে যাচ্ছে বাংলাদেশ সরকার। গত এক দশকে দারিদ্র্য দূরীকরণের ক্ষেত্রে অভূতপূর্ব উন্নতি লাভ করেছে বাংলাদেশ।



দারিদ্র্যের হার ও ব্যাপ্তি উভয়ই ধীরে ধীরে কমে আসছে। সপ্তম পঞ্চবার্ষিক পরিকল্পনায় ২০২০ সালের মধ্যে দারিদ্র্যের হার ১৮ দশমিক ৬ শতাংশ হ্রাসের লক্ষ্য নির্ধারণ করা হয়েছিল, যা এরই মধ্যে ১৮ দশমিক ২ শতাংশ কমেছে। ন্যাশনাল সোস্যাল সিকিউরিটি স্ট্র্যাটেজির (এনএসএসএস) আওতায় সামাজিক সুরক্ষা জাল কর্মসূচির সুযোগ ও বরাদ্দ সম্প্রসারিত করা হয়েছে। ২০১৮-১৯ অর্থ বৎসরে এ খাতে ৬৪ হাজার ১৭৬ কোটি ৪৮ লাখ টাকা বরাদ্দ দেয়া হয়েছে। বর্তমানে এসডিজির লক্ষ্যমাত্রা অর্জনের দিকে মনোযোগ দেয়া হচ্ছে। একই সঙ্গে ২০৩০ সালের মধ্যে দারিদ্র্য কমিয়ে ৯ দশমিক ৭ শতাংশ ও অপুষ্টির হার কমিয়ে ১০ শতাংশের নিচে নামিয়ে আনার লক্ষ্য ঠিক করা হয়েছে।

৩। কাগজ শিল্পের সার্বিক অবস্থা ও সম্ভাব্য ভবিষ্যৎ পরিস্থিতি :

২০১৮-২০১৯ অর্থ বৎসরেও বাংলাদেশের কাগজ শিল্প বিভিন্ন প্রতিবন্ধকতার সম্মুখীন হয় যা আলোচ্য বৎসরে এই শিল্পের প্রবৃদ্ধির ক্ষেত্রে বড় অন্তরায় হিসেবে কাজ করেছে। আলোচ্য অর্থ বৎসরের প্রথম দিকে আন্তর্জাতিক বাজারে এই শিল্পের প্রধান কাঁচামাল যেমন সফটউড পাল্প এবং হার্ডউড পাল্প, বিভিন্ন গ্রেডের রিসাইকেল্ড / রিকভার্ড পেপার এবং পেপার বোর্ড এর দাম অস্বাভাবিকভাবে বৃদ্ধি পায় অন্যদিকে দেশীয় বাজারেও বিভিন্ন গ্রেডের রিসাইকেল্ড / রিকভার্ড পেপার এর দাম মারাত্মকভাবে বৃদ্ধি পেয়েছিল। পাশাপাশি বিভিন্ন প্যাকিং মোটেরিয়াল যেমন, মিডিয়াম পেপার, বক্স বোর্ড, গাম টেপ, লাইনার পেপার এবং উৎপাদনে ব্যবহৃত কেমিক্যালের দামও অস্বাভাবিক হারে বৃদ্ধি পেয়েছে। ফলে বিক্রয় মূল্য এবং বিক্রিত দ্রব্যের ব্যয় এর মধ্যে সামঞ্জস্য রক্ষা করা সম্ভব হয়নি যা এই শিল্পের লাভজনকতা বৃদ্ধির ক্ষেত্রে বড় বাঁধা হিসাবে কাজ করেছে। তাছাড়া ইতোমধ্যে এই শিল্পের প্রচুর প্রতিযোগী বাজারে প্রবেশ করার ফলে চাহিদা অপেক্ষা সরবরাহ মারাত্মক হারে বৃদ্ধি পেয়েছে। প্রতিযোগিতা মূলক বাজারে ব্যবসার চলমান অবস্থা ধরে রাখার জন্য অধিকতর কম মূল্যে পণ্য বিক্রয় করতে বাধ্য হয়। ফলে এই শিল্প মারাত্মকভাবে ঝুঁকি এবং লোকসানের সম্মুখীন হয়।

৪। টিস্যু পণ্য উৎপাদন প্রকল্পের পর্যালোচনা :

২০১৫-২০১৬ অর্থ বৎসরে বর্তমান কাগজ উৎপাদন প্রকল্পকে একটি লাভজনক প্রকল্পে রূপান্তরের লক্ষ্যে টিস্যু পণ্য উৎপাদন প্রকল্প সংস্থাপন করার সিদ্ধান্ত নেওয়া হয়। পণ্য বহুমুখীকরণ, নতুন পণ্যের বাজার সৃষ্টি, ভোক্তার সন্তুষ্টি বিধান এবং সর্বপরি মুনাফা অর্জনের লক্ষ্যে মূলত টিস্যু পণ্য উৎপাদন প্রকল্পটি সংস্থাপন করা হয়। ২০১৬ সালের জানুয়ারী মাসে টিস্যু পণ্য উৎপাদন প্রকল্প সংস্থাপনের কাজ আরম্ভ হয়। প্রয়োজনীয় ট্রাইয়াল এবং আনুসঙ্গিক পরীক্ষা নিরীক্ষা সম্পন্ন করে ২০১৯ সালের জানুয়ারী মাসে আনুষ্ঠানিকভাবে উক্ত প্রকল্পের উৎপাদন কার্যক্রম আরম্ভ করা হয়। উক্ত প্রকল্পকে উৎপাদন উপযোগী করার লক্ষ্যে কোম্পানীর আভ্যন্তরীণ এবং বাহ্যিক উৎস থেকে বিপুল পরিমাণ অর্থ ব্যয় করতে হয়েছে। নির্দিষ্ট সময়ে প্রকল্প সংস্থাপনের কাজ সম্পন্ন করে উৎপাদন শুরু করার জন্য আর্থিক প্রতিষ্ঠান থেকে যে পরিমাণ সার্পেট দরকার ছিল তা কোম্পানী পায়নি। ফলে প্রকল্পের সংস্থাপন কাজ সম্পন্ন করতে এবং উৎপাদন শুরু করতে বিলম্ব হয়। তাছাড়া উক্ত প্রকল্পের উৎপাদন ক্ষমতার পূর্ণ ব্যবহারের জন্য আরো অনেক নতুন যন্ত্রপাতি সংস্থাপন করতে হবে। পর্যাপ্ত অর্থায়নের অভাবে এই মুহুর্তে কোম্পানীর পক্ষে নতুন যন্ত্রপাতিতে বিনিয়োগ করা সম্ভব হচ্ছে না। উক্ত প্রকল্পের উৎপাদন কার্যক্রম সুচারুরূপে পরিচালনার লক্ষ্যে চলতি মূলধনের জন্য কোন অর্থ সংস্থান করা সম্ভব হয়নি। ফলে নির্দিষ্ট সময়ে কাঁচামাল ক্রয় সহ উৎপাদনের অন্যান্য উপকরণের যোগান দেওয়া সম্ভব হচ্ছে না। একদিকে মেকানিক্যাল, ইলেকট্রিক্যাল এবং অন্যান্য যান্ত্রিক ক্রটি উপেক্ষা করে নিরবিচ্ছিন্ন উৎপাদন পরিচালনা করা যেমন চ্যালেঞ্জ অন্যদিকে পর্যাপ্ত অর্থায়নের অভাবে অন্যান্য যন্ত্রপাতি ক্রয় এবং সংস্থাপন, কাঁচামাল এবং উৎপাদনের অন্যান্য উপকরণের যোগান দেওয়া সম্ভব হচ্ছে না। ফলে কোন ভাবেই উৎপাদন ক্ষমতার পূর্ণ ব্যবহার সম্ভব হচ্ছে না। এমতাবস্থায় কোম্পানীর আর্থিক ব্যয় এবং অন্যান্য উপরি ব্যয় মারাত্মকভাবে বৃদ্ধি পায়। তাছাড়া উক্ত পণ্যের প্রধান কাঁচামাল, ক্যামিকেল এবং অন্যান্য উপরিব্যয়ের হার তুলনা মূলকভাবে বেশি।

অধিকন্তু, ইতোমধ্যে উক্ত পণ্যের প্রচুর প্রতিযোগী বাজারে প্রবেশ করেছে। বর্তমান প্রতিযোগীদের সাথে পাল্লা দিয়ে উক্ত পণ্যের বাজার সৃষ্টি এবং বাজারে পণ্যের অবস্থান শক্ত করার লক্ষ্যে ডিলার / ক্রেতাকে নতুন নতুন সুযোগ সুবিধা দিয়ে পণ্য বিক্রয় করতে হচ্ছে। ফলে অন্যান্য পণ্যের চেয়ে উক্ত পণ্যের বিক্রয় ব্যয় বেশি। তাছাড়া গ্যাসের সংকট এবং প্রচলিত বিদ্যুৎ- বিভ্রাটের কারণেও উক্ত প্রকল্পের নিরবিচ্ছিন্ন উৎপাদন নিশ্চিত করা সম্ভব হচ্ছে না। ফলে বিক্রয় এবং বিক্রিত দ্রব্যের ব্যয়ের মধ্যে ঋণাত্মক ঘাটতি সৃষ্টি হয়।

৫। বিক্রয় কার্যক্রম ও পণ্য ভিত্তিক ফলাফল :

২০১৮-২০১৯ অর্থ বৎসরে কাগজের বাজারে পূর্ণ প্রতিযোগীতা বিরাজমান ছিল। ফলে বিপণন ব্যবস্থা ছিল সর্বোচ্চ চ্যালেঞ্জের সম্মুখীন। বিশেষ করে চাহিদা অপেক্ষা সরবরাহ বেশি থাকায় অপেক্ষাকৃত কম মূল্যে পণ্য সরবরাহ করতে হয়েছে। তাছাড়া ২০১৮-২০১৯ অর্থ বৎসরে জাতীয় শিক্ষাক্রম ও পাঠ্য পুস্তক বোর্ডের টেন্ডারে অংশ গ্রহন করতে না পারায় পেপার ইউনিটের বিক্রয় রাজস্ব আশানুরূপ হয়নি। অন্যদিকে বিভিন্ন প্রতিবন্ধকতার কারণে টিস্যু ইউনিটের পণ্য বিক্রয়ও প্রত্যাশা অনুযায়ী অর্জন করা সম্ভব হয়নি। তবে আশার বিষয় এই যে টিস্যু ইউনিট এর বিভিন্ন প্রতিবন্ধকতা দূর করা সম্ভব হলে বিক্রয় তথা প্রতিষ্ঠানের মুনাফা বৃদ্ধি পাবে। অত্র প্রতিষ্ঠান ২টি প্রোডাক্ট লাইন থেকে বিভিন্ন গ্রেডের এবং বিভিন্ন পরিমাপের পণ্য উৎপাদন করে থাকে-

নিম্নে পন্য ভিত্তিক বিক্রয় রাজস্ব উল্লেখ করা হলঃ

টেবিল-১ : পন্য ভিত্তিক বিক্রয় কার্যক্রমের তথ্য

বিবরণ	২০১৮-২০১৯	২০১৭-২০১৮	২০১৬-২০১৭	২০১৫-২০১৬	২০১৪-২০১৫
রাইটিং প্রিন্টিং বিক্রয়	১১,২১,০৪,৩৫৫	-	২২,৮৯,৯৪,৪৩৮	৯১,৮১২,০৪২	৮৩,৩৭৯,৭৮৫
ব্রাইট নিউজপ্রিন্ট বিক্রয়	২৭,৭৯,৮৪,৩৬২	২৪,৩০,৩৫,৭৫৮	৯,৮৫,০৬,২৮৭	১৮১,১৬৩,১৫৭	২১৫,৫০১,৯৮১
মিডিয়াম পেপার বিক্রয়	৩২,৪৬,৮২১	৬৫,৯৭,১৩৫	১,১৩,৬১,০৪৫	-	১,৩৪১,৪৫২
বৈদেশিক বাজারে বিক্রয়	১,২৫,০৬,২১৭	৩,২৯,৫৬,৩৬১	২২,৭৬,৪০৩	-	-
এমজি নিউজপ্রিন্ট পেপার	৪,০২,৩২,৪৭৬	-	-	-	-
বিভিন্ন গ্রেডের টিস্যু	৪,৮৭,৬৮,১৪৯	-	-	-	-
মোট বিক্রয়	৪৯,৪৮,৪২,৩৮০	২৮,২৫,৮৯,২৫৪	৩৪,১১,৩৮,১৭৩	২৭২,৯৭৫,১৯৯	৩০০,২২৩,২১৮

আমাদের দৃঢ় বিশ্বাস ২০১৯-২০২০ অর্থ বছরে বাজারে স্থিতিশীলতা আসবে এবং পন্য বাজার আরোও শক্তিশালী হবে। সকল প্রতিবদ্ধকতা দূর করে বাজারে আমাদের পণ্যের চাহিদা বৃদ্ধি পাবে এবং বিক্রয়ের পরিমাণও বৃদ্ধি পাবে।

৬। ঝুঁকি সমূহ :

কোম্পানীর সাথে সংশ্লিষ্ট ঝুঁকি সমূহ নিম্নে তুলে ধরা হল :

(i) সামগ্রিক অর্থনৈতিক কর্মকান্ড :

সামগ্রিক অর্থনৈতিক কর্মকান্ড কোম্পানীর জন্য অত্যন্ত গুরুত্বপূর্ণ কারণ এর দ্বারা কাগজ শিল্প ও শিল্পায়ন প্রভাবিত হয়। অর্থনৈতিক কর্মকান্ডের উপর ভিত্তি করে অত্র শিল্পের উৎপাদন, ক্রয় ও বিপণন কার্য পরিচালিত হয়। স্থির ও সুনিশ্চিত অর্থনৈতিক কর্মকান্ড শিল্পায়নের পূর্ব শর্ত।

(ii) বাহ্যিক বিষয়াবলী :

রাজনৈতিক অস্থিরতা, ধর্মঘট, গণ আন্দোলন ও সন্ত্রাসী কর্মকান্ড দ্বারা কোম্পানীর আর্থিক ফলাফল প্রভাবিত হয়।

(iii) মুদ্রার বিনিময় হারের পরিবর্তন :

হাক্কানী পাল্প এন্ড পেপার মিলের কাঁচামাল অধিকাংশই আমদানী নির্ভর, বৈদেশিক মুদ্রার বিনিময় হারের পরিবর্তনের কারণে কোম্পানীর মুনাফা প্রভাবিত হয়।

(iv) অন্যান্য আর্থিক ঝুঁকিঃ

অন্যান্য আর্থিক ঝুঁকির মধ্যে যেমন তারল্য ঝুঁকি, অনাদায়ী দেনা সংক্রান্ত ঝুঁকি, বাজার ব্যবস্থার ঝুঁকি এবং সুদের হারের পরিবর্তন ঝুঁকি অন্যতম যা প্রতিষ্ঠানের মুনাফা অর্জন ক্ষমতাকে প্রভাবিত করতে পারে।

হিসাব বিবরণীর নোট ৩৬.০০ এ এই ব্যাপারে বিস্তারিত আলোচনা রয়েছে।

ঝুঁকি বিষয়ে ব্যবস্থাপনা কর্তৃপক্ষের মূল্যায়নঃ

যদি ও বেশির ভাগ ঝুঁকি কোম্পানী বিশেষের আয়ত্বের বাইরে, এইরূপ প্রত্যেক ঝুঁকির বিষয়ে হাক্কানী পাল্প এন্ড পেপার মিলস লিঃ সর্বদা সর্ভক দৃষ্টি রাখে এবং পণ্যের বাজার বহুমুখীকরণ, দক্ষভাবে কাঁচামাল সংগ্রহ, সর্বাধুনিক প্রযুক্তি ব্যবহার এবং গবেষণা কার্যক্রমে বিনিয়োগের মাধ্যমে এই সকল ঝুঁকির মোকাবেলা ও কোম্পানীর প্রতিযোগিতামূলক অবস্থান অর্জন করে। পরিবেশ বিধিমালায় একনিষ্ঠ অনুসারী হিসেবে হাক্কানী পাল্প এন্ড পেপার মিলস লিঃ ভাল মানের Effluent Treatment Plant (ETP) স্থাপন করে পরিবেশগত ঝুঁকি মোকাবেলায় গুরুত্বপূর্ণ ভূমিকা পালন করে আসছে। বর্তমানে কারখানায় ব্যবহৃত পানির ৮০-১০০ ভাগ পরিশোধন করে পুনরায় ব্যবহার উপযোগী করে তোলার জন্য উন্নতমানের Effluent Treatment Plant স্থাপন করেছে। আঙন, বন্যা, ভূমিকম্প ইত্যাদির সাথে মোকাবিলা করার জন্য নিয়মিতভাবে শ্রমিক কর্মচারীদেরকে দুর্ঘটনা ব্যবস্থাপনা প্রশিক্ষণ দেওয়া হচ্ছে। এছাড়া নিয়মিত নিরাপত্তা পরীক্ষা ও যন্ত্রপাতির রক্ষণাবেক্ষণ করা হচ্ছে যা পরিচালনগত ঝুঁকি হ্রাস করতে সক্ষম হবে।



৭। বিক্রীত পণ্যের ব্যয়, মোট মুনাফা ও নীট মুনাফার উপর সংক্ষিপ্ত প্রতিবেদনঃ

আপনাদের সদয় অবগতির জন্য হার্বানী পাল্ল এন্ড পেপার মিলস্ লিঃ এর বিক্রীত পণ্যের ব্যয়, মোট মুনাফা ও নীট মুনাফার উপর কিছু উল্লেখযোগ্য তথ্য ও উপাত্ত সন্নিবেশ করছি।

টেবিল-২ঃ বিক্রীত পণ্যের ব্যয়, মোট মুনাফা ও নীট মুনাফা

বিবরণ	২০১৮-২০১৯		২০১৭-২০১৮		২০১৬-২০১৭	
	টাকা	শতকরা হার	টাকা	শতকরা হার	টাকা	শতকরা হার
বিক্রয়	৪৮,৪০,০৯,১৮৯	-	২৮,২৫,৮৯,২৫৪	-	৩৪,১১,৩৮,১৭৩	-
বিক্রীত পণ্যের ব্যয়	৪১,৭৭,৪৬,৪১৫	৮৬.৩০	২৪৯,৩৭৮,৩০৩	৮৮.২৫	৩১,৫৭,২৪,১১৭	৯২.৫৩
মোট মুনাফা	৬,৬২,৬২,৭৭৪	১৩.৭৯	৩৩,২১০,৯৫১	১১.৭৫	২,৫৪,১৪,০৫৫	৭.৪৫
নীট মুনাফা	(২,১১,৩৫,২১৩)	(৪.৩৬)	(১৮,২১৯,৭২২)	(৬.৪৫)	(১,৮১,০১,৫২০)	(৫.৩১)

৮। উৎপাদনঃ

সঠিক ও বাস্তবভিত্তিক পরিকল্পনা প্রণয়ন, দিক নির্দেশনা, তদারকি, সঠিক ব্যবস্থাপনা ও নিয়ন্ত্রণের মাধ্যমে উৎপাদন প্রক্রিয়ায় বিদ্যুৎ সরবরাহ সমস্যা বিরাজমান থাকা সত্ত্বেও এবং চলমান মেশিনারী সংযোজন, বিয়োজন, রক্ষণাবেক্ষন কার্যক্রম সচল রেখে উৎপাদনের ধারাকে অব্যাহত রাখার জন্য অত্র প্রতিষ্ঠান নিরলসভাবে কাজ করে যাচ্ছে।

প্রানোদনার মাধ্যমে জনশক্তি, জ্বালানী শক্তি ও কাঁচামালের সঠিক ব্যবহার এবং সর্বোপরি নিবিড় তদারকির মাধ্যমে পণ্যের মান সংরক্ষণ করে উৎপাদন ব্যয় যৌক্তিক স্তরে রাখার দিকে কোম্পানীর ব্যবস্থাপনা কর্তৃপক্ষ সর্বদা সচেতন রয়েছে এবং ভবিষ্যতেও এর ধারাবাহিকতা বজায় থাকবে। উৎপাদনের সর্বস্তরে দক্ষতা বৃদ্ধির মাধ্যমে কাম্বিত মুনাফা অর্জন আমাদের একান্ত লক্ষ্য।

৯। উৎপাদন পর্যালোচনাঃ

টেবিল-৩ঃ উৎপাদন

বিবরণ	২০১৮-২০১৯	২০১৭-২০১৮	২০১৬-২০১৭	২০১৫-২০১৬	
উৎপাদন ক্ষমতা (মেট্রিক টন)		১১,২৫০	৭৫০০	৬০০০	৬০০০
প্রকৃত উৎপাদন (মেট্রিক টন)		৪,৮৭২	৪৪১৯	৩৫৮৬	৫১৭২
উৎপাদন ক্ষমতার ব্যবহার (%)		৪৩.৩১	৫৮.৯২	৬০.০০	৮৬.২০
বিক্রয় (মেট্রিক টন)		৪০৩০,৭৬	৪৭৭৯	৪৯৬৫	৩৭৪৩,২৮

বিভিন্ন প্রতিকূল পরিস্থিতি যেমন, বিদ্যুৎ বিজ্ঞাট, গ্যাস সরবরাহে অপ্রতুলতা, ঘণ ঘণ মেশিনারী ব্রেকডাউন এবং মেশিন পুরাতন হওয়ায় উৎপাদনশীলতা হ্রাস পাওয়ায় চলতি বৎসরের উৎপাদন বিগত বৎসরের তুলনায় হ্রাস পেয়েছে। তবে আশা করি সংযোজিত মেশিনারীকে সঠিকভাবে ব্যবহারের মাধ্যমে আগামী বৎসর উৎপাদনশীলতা বৃদ্ধি করা সম্ভব হবে।

১০। অস্বাভাবিক মুনাফা / ক্ষতিঃ

২০১৭-২০১৮ অর্থ বছরে কোম্পানীর কোন রূপ অস্বাভাবিক মুনাফা / ক্ষতি (Extra ordinary gain or loss) ছিল না।

১১। সংশ্লিষ্ট অন্যান্য কোম্পানীর সাথে আর্থিক লেনদেনঃ

সংযুক্ত অন্যান্য প্রতিষ্ঠান এবং সংশ্লিষ্ট পক্ষের লেনদেনের বিস্তারিত বিবরণ হিসাব বিবরণীর নোট ৩৮.০০ এ বিস্তারিত আলোচনা রয়েছে।

১২। ত্রৈমাসিক ও বার্ষিক ফলাফলের উল্লেখযোগ্য ব্যবধানঃ

কোম্পানীর ত্রৈমাসিক ও বার্ষিক ফলাফলের মধ্যে উল্লেখযোগ্য কোন ব্যবধান পরিলক্ষিত হয়নি। পরিচালনা পর্ষদের পূর্বানুমান ও সিদ্ধান্ত এবং নির্বাহীদের সঠিক কার্যক্রমের মাধ্যমে কোম্পানীর বৎসরব্যাপি ফলাফলের মধ্যে সামঞ্জস্য রাখতে সক্ষম হয়েছে। ত্রৈমাসিক ও বার্ষিক ফলাফলের উল্লেখযোগ্য ব্যবধান সমূহ হিসাব বিবরণীতে প্রদর্শিত হয়েছে।

১৩। আর্থিক পর্যালোচনাঃ

২০১৭-২০১৮ অর্থ বৎসরের বিক্রয় ও অর্জিত মুনাফার চিত্র নিম্নে প্রদর্শিত হলঃ

টেবিল-৪ঃ আর্থিক ফলাফল

বিবরণ	২০১৮-২০১৯ (টাকায়)	২০১৭-২০১৮ (টাকায়)	২০১৬-২০১৭ (টাকায়)
মোট বিক্রয়	৪৮,৪০,০৯,১৮৯	২৮,২৫,৮৯,২৫৪	৩৪,১১,৩৮,১৭৩
মোট ব্যয়	৫০,৭৩,৮৭,২০৬	২৯,৮৫,০৮,৪২৬	৩৫,৯৮,২৮,৮০২
পরিচালন মুনাফা / (ক্ষতি)	(৭৭,৫০,৭৬১)	(১৫,৯১৯,১৭২)	(১,৮৬,৯০,৬৩০)
অন্যান্য আয়	২২,৪২,৮০৪	১০,৯৫,১৭৩	২৭,৯৪,৮৫৯
নীট মুনাফা / (ক্ষতি)	(২,১১,৩৫,২১৩)	(১৮,২১৯,৭২২)	(১,৮১,০১,৫২০)

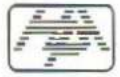
১৪। পরিচালক পর্ষদের সদস্যদের ভাতা / সম্মানীঃ

কোম্পানীর ব্যবস্থাপনা পরিচালক ব্যতিত পরিচালক পর্ষদের অন্যকোন সদস্যকে কোন ধরনের মাসিক সম্মানী, ভাতা এবং অন্যান্য সুবিধাদি কোম্পানী হতে প্রদান করা হয় না যা হিসাব বিবরণীর নোট নং-২৭.১ এ বর্ণিত রয়েছে। আর্থিক বৎসরে পরিচালকদের মোট প্রদত্ত সম্মানী নিচে উল্লেখ করা হলঃ

ক্রমিক নং	পরিচালকের নাম	পদবী	টাকা
০১	জনাব মোঃ আবদুল্লাহ	চেয়ারম্যান	----
০২	জনাব মোঃ গোলাম মোস্তফা	ব্যবস্থাপনা পরিচালক	৬,২০,৪০০.০০
০৩	জনাব মোঃ গোলাম কিবরিয়া	পরিচালক	----
০৪	জনাব মোঃ আমিরুল ইসলাম এফসিএস, এফসিএ	স্বতন্ত্র পরিচালক (৩০/০৪/২০১৯ তারিখে অবসরপ্রাপ্ত)	----
০৫	ড. মোহাম্মদ সালেহ জহুর	স্বতন্ত্র পরিচালক	----
০৬	জনাব এস. এম. নছরুল কদির	স্বতন্ত্র পরিচালক	----
০৭	জনাব মোঃ গোলাম হায়দার	পরিচালক	----
০৮	জনাব মোঃ গোলাম মোরশেদ	পরিচালক	----
০৯	জনাব মোঃ গোলাম রসুল মুক্তাদির	পরিচালক	----
১০	জনাবা হোসনে আরা বেগম	পরিচালক	----

১৫। পরিচালক পর্ষদের সভার উপস্থিতিঃ

আলোচ্য বৎসরে পরিচালনা পর্ষদের মোট ৮টি সভা অনুষ্ঠিত হয়। উক্ত সভায় পর্ষদের সদস্যদের স্ব - স্ব উপস্থিতি নিম্নে উল্লেখ করা হলঃ



ক্রমিক নং	পরিচালকের নাম	পদবী	অনুষ্ঠিত মোট সভার সংখ্যা	উপস্থিতি সংখ্যা
০১	জনাব মোঃ আবদুল্লাহ	চেয়ারম্যান।	০৮	০৮
০২	জনাব মোঃ গোলাম মোস্তফা	ব্যবস্থাপনা পরিচালক	০৮	০৮
০৩	জনাব মোঃ গোলাম কিবরিয়া	পরিচালক	০৮	০৮
০৪	জনাব মোঃ আমিরুল ইসলাম এফসিএস, এফসিএ	স্বতন্ত্র পরিচালক	০৮	০৮
০৫	ড. মোহাম্মদ সালেহ জাহর	স্বতন্ত্র পরিচালক	০৮	০৮
০৬	জনাব মোঃ গোলাম হায়দার	পরিচালক	০৮	০৮
০৭	জনাব মোঃ গোলাম মোরশেদ	পরিচালক	০৮	০৮
০৮	জনাব মোঃ গোলাম রসুল মুক্তাদির	পরিচালক	০৮	০৮
০৯	জনাবা হোসনে আরা বেগম	পরিচালক	০৮	০৮

১৬। শেয়ারহোল্ডিং প্যাটার্ন :

কোম্পানীর শেয়ারহোল্ডিং প্যাটার্ন Annexure (ii) এ বিস্তারিতভাবে প্রদর্শন করা হয়েছে।

১৭। লভ্যাংশ ঘোষণা :

আপনারা অবগত আছেন যে, টিস্যু পেপার প্রকল্পের উৎপাদন ০১/০১/২০১৯ তারিখ থেকে আনুষ্ঠানিকভাবে শুরু হয়েছে। তাছাড়া উক্ত প্রকল্পের উৎপাদন ক্ষমতার পূর্ণ ব্যবহারের জন্য আরো অনেক নতুন যন্ত্রপাতি সংস্থাপন করতে হবে। এই প্রকল্পের উৎপাদন ক্ষমতার পূর্ণ ব্যবহারের জন্য আরো বিপুল পরিমাণ অর্থ ব্যয় করতে হবে। অত্র প্রতিষ্ঠানে নগদ তহবিলের সংকট থাকা সত্ত্বেও শুধুমাত্র শেয়ারহোল্ডারদের স্বার্থ বিবেচনা করে পরিচালকমন্ডলী ৩০শে জুন ২০১৯ সমাপ্ত বৎসরের জন্য স্পন্সর শেয়ার ব্যতিত পাবলিক শেয়ারের উপর ২% নগদ লভ্যাংশ সুপারিশ করেছে। যা ২৩তম বার্ষিক সাধারণ সভায় অনুমোদনের জন্য উপস্থাপন করা হবে।

১৮। ক্রেডিট রেটিং :

২০১৭-১৮ অর্থ বৎসরের জন্য কোম্পানীর ক্রেডিট রেটিং সম্পন্ন করা হয়। ক্রেডিট রেটিং ইনফরমেশন এন্ড সার্ভিসেস লিঃ নিম্নোক্ত প্রতিবেদন প্রদান করে।

Date of Declaration	Valid till	Long Term Rating	Short term Rating	Out look
May 30, 2019	May 29, 2020	BBB+	ST-3	Stable

১৯। পরিচালনা পর্ষদঃ

কোম্পানীর পরিচালনা পর্ষদ সর্বমোট ৯ জন সদস্য সমন্বয়ে গঠিত, যার মধ্যে ২ জন স্বতন্ত্র পরিচালক রয়েছেন। এদের মধ্যে ১ জন পর্ষদের সভাপতি, ১ জন ব্যবস্থাপনা পরিচালক, ১ জন উপ-ব্যবস্থাপনা পরিচালক, ৪ জন সাধারণ পরিচালক এবং ২ জন স্বতন্ত্র পরিচালক। পরিচালকদের পরিচয় প্রতিবেদনের “Directors Profile” শিরোনামে উল্লেখ করা হয়েছে।

২০। অডিট কমিটি :

পরিচালনা পর্ষদের মনোনীত ৪ জন সদস্যের সমন্বয়ে অডিট কমিটি গঠিত এবং এর মধ্যে ২ জন স্বতন্ত্র পরিচালক এবং ২ জন অ-নির্বাহী পরিচালক রয়েছেন। নিরীক্ষা কমিটি যা বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের কর্পোরেট গার্ডনেস কোর্ড অনুযায়ী নির্ধারিত নির্দেশনা মোতাবেক পরিচালিত হয়। অডিট কমিটির উদ্দেশ্য হল আভ্যন্তরীণ আর্থিক নিয়ন্ত্রণ ব্যবস্থার উন্নয়ন, মজবুত এবং কোম্পানীর ত্রৈমাসিক, স্মাসিক এবং বার্ষিক আর্থিক প্রতিবেদন সমূহ পর্যালোচনা ও সুপারিশ প্রদান করা। কমিটির সভায় সদস্যদের স্ব - স্ব উপস্থিতি নিম্নে উল্লেখ করা হলঃ

টেবিল-৭ : অডিট কমিটির সভা ও উপস্থিতি

ক্রমিক নং	সদস্যদের নাম	পদবী	অনুষ্ঠিত মোট সভার সংখ্যা	উপস্থিতি সংখ্যা
০১	জনাব মোঃ আমিরুল ইসলাম এফসিএস, এফসিএ	সভাপতি (৩০/০৪/২০১৯ তারিখে অবসর গ্রাঙ্ক)	০৪	০৪
০২	জনাব ড. মোহাম্মদ সালেহ জহুর	সদস্য	০৪	০৪
০৩	জনাব মোঃ গোলাম কিবরিয়া	সদস্য	০৪	০৪
০৪	জনাব মোঃ গোলাম মোরশেদ	সদস্য	০৪	০৪

২১। মনোনয়ন ও বেতন কমিটিঃ বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক ইস্যুকৃত কর্পোরেট গভর্নেন্স কোর্ড নং-BSEC/CMRRCD/2006-158/207/Admin/80 তারিখ ০৩ জুন ২০১৮ অনুযায়ী ২৭ জুলাই ২০১৮ তারিখে অনুষ্ঠিত বোর্ড সভায় ৫জন সদস্য সমন্বয়ে মনোনয়ন ও বেতন কমিটি গঠন করা হয়। বিগত ০৪/০৪/২০১৯ তারিখ রোজ বৃহস্পতিবার সকাল ১০ ঘটিকায় কোম্পানীর রেজিস্টার্ড কার্যালয়ে কমিটির প্রথম সভা অনুষ্ঠিত হয়। কমিটি সভায় কোম্পানীর সাংগঠনিক কাঠামো, কর্মকর্তাদের দায়-দায়িত্ব, বেতন কাঠামো ইত্যাদি পর্যালোচনা করেন এবং এই বিষয়ে বোর্ডের নিকট প্রয়োজনীয় সুপারিশ করেন।

কমিটির সভায় সদস্যদের স্ব - স্ব উপস্থিতি নিম্নে উল্লেখ করা হলঃ

ক্রমিক নং	সদস্যদের নাম	পদবী	অনুষ্ঠিত মোট সভার সংখ্যা	উপস্থিতি সংখ্যা
০১	ড. মোহাম্মদ সালেহ জহুর	সভাপতি	০১	০১
০২	জনাব মোঃ আমিরুল ইসলাম এফসিএস, এফসিএ	সভাপতি (৩০/০৪/২০১৯ তারিখে অবসর গ্রাঙ্ক)	০১	০১
০৩	জনাব মোঃ গোলাম কিবরিয়া	সদস্য	০১	০১
০৪	জনাব মোঃ গোলাম হায়দার	সদস্য	০১	০১
০৫	জনাব মোঃ গোলাম মোরশেদ	সদস্য	০১	০১

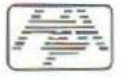
২২। পরিচালকবৃন্দের নিয়োগ ও পুনঃ নিয়োগ ঃ

কোম্পানীর আর্টিকেলস্‌ অব এসোসিয়েশন এর ৮২ ধারা অনুযায়ী পরিচালক জনাব মোঃ গোলাম মোরশেদ, জনাব মোঃ গোলাম রসুল মুক্তাদির এবং জনাবা হোসনে আরা বেগম পরিচালনা পর্ষদ থেকে অবসর গ্রহন করবেন এবং তাঁরা যোগ্য বিধায় পুনঃ নির্বাচনের আবেদন জানিয়েছেন তাদের নিয়োগ অনুমোদনের জন্য ২৩তম বার্ষিক সাধারণ সভায় উপস্থাপন করা হবে।

এখানে আরো উল্লেখ্য যে, অত্র প্রতিষ্ঠানের স্বতন্ত্র পরিচালক জনাব মোঃ আমিরুল ইসলাম এফসিএস, এফসিএ এর মেয়াদ পূর্ণ হয়। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক ইস্যুকৃত কর্পোরেট গভর্নেন্স কোর্ড নং-BSEC/CMRRCD/2006-158/207/Admin/80 তারিখ ০৩ জুন ২০১৮ এর নির্দেশনা পরিপালনের লক্ষ্যে ২৭/০৪/২০১৯ তারিখে কোম্পানীর রেজিস্টার্ড কার্যালয় ২/১০ ডি.টি. রোড, উত্তর পাহাড়তলী, চট্টগ্রামে অনুষ্ঠিত পরিচালক পর্ষদের সভায় জনাব জনাব মোঃ আমিরুল ইসলাম এফসিএস, এফসিএ এর স্থলে চট্টগ্রাম বিশ্ববিদ্যালয়ের ফাইন্যান্স এন্ড ব্যাংকিং বিভাগের অধ্যাপক জনাব এস. এম নাছরুল কদির ০১/০৫/২০১৯ তারিখ থেকে পরবর্তী ৩(তিন) বৎসরের জন্য স্বতন্ত্র পরিচালক হিসাবে নিয়োগ করা হয় যা ২৩তম বার্ষিক সাধারণ সভায় অনুমোদনের জন্য উপস্থাপন করা হবে।

২৩। নিরীক্ষক ঃ

২৩তম বার্ষিক সাধারণ সভায় কোম্পানীর বর্তমান বিধিবদ্ধ নিরীক্ষক মেসার্স খান ওহাব শফিক রহমান এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস তাদের দায়িত্ব ও কর্তব্য সম্পন্ন করার পর অবসর গ্রহন করবে। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নির্দেশ নং BSEC/SMRRCD/2009-193/104/Admin dated July 27, 2011 অনুযায়ী মেসার্স খান ওহাব শফিক রহমান এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস আগামী বৎসরের জন্য নিরীক্ষা কার্য সম্পাদনের যোগ্য হওয়ায় তারা পূরণীয় নিয়োগ পাওয়ার ইচ্ছা প্রকাশ করেছেন যা পরিচালক পর্ষদের সভায় অনুমোদিত হয়েছে।



২৪। কর্পোরেট সুশাসনঃ

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক নির্দেশিত কর্পোরেট সুশাসনের শর্তগুলো কোম্পানী যথাযথভাবে পরিপালন করছে। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক ইস্যুকৃত প্রজ্ঞাপন নং- বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখ ০৩ জুন ২০১৮ এর নির্দেশনানুসারে প্রয়োজনীয় প্রতিবেদন (Corporate Governance Compliance Report) সম্মানিত শেয়ারহোল্ডারবৃন্দের অবগতির জন্য - সংযুক্তি ১, ২, ৩ ও ৪ এর মাধ্যমে উপস্থাপন করা হয়েছে।

২৫। সরকারী কোষাগারে অর্থ প্রদানঃ

কোম্পানী সর্বদা সরকারী আইনকানুন, নিয়মনীতি সমূহ যথাযথভাবে অনুসরণ করছে। জাতীয় কোষাগারে অর্থ প্রদানের ক্ষেত্রে কোম্পানী সচেতন ও যত্নবান। ২০১৭-২০১৮ অর্থ বছরে সরকারী কোষাগারে আর্থিক অবদানের পরিসংখ্যান নিম্নে দেয়া হলোঃ

টেবিল ৫ঃ সরকারী কোষাগারে অনুদান

বিবরণ	২০১৮-২০১৯ (টাকায়)	২০১৭-২০১৮ (টাকায়)	২০১৬-২০১৭ (টাকায়)	২০১৫-২০১৬ (টাকায়)	২০১৪-২০১৫ (টাকায়)
কর্পোরেট আয়কর বাবদ প্রদান	১৭,০৩,২৯১	৪,৫৬,২১১	১,২১,৮২,৩৫০	৯,২৩২,৬৭৫	৯,৪৬০,১৪৯
আমদানী শুল্ক ও মূসক পরিশোধ	১,০৮,৩৩,১৯০	৬২,০০,০০০	১,৬৪,৭৫,০০০	৭,৯০৭,৫১৫	৬,৮৩৮,৭০২
লভ্যাংশের বিপরীতে কর কর্তন বাবদ	৩,৪৪,০২৭	১,৯৫,৫০৪	৬,৪১,১৮৮	১,০৯৬,৫৮৫	৮৫৫,৭৮৫
উৎস কর ও মূসক পরিশোধ	১৫,২৬,৩৯২	১১,৩৯,৮৫৬	১৪,২০,২৭৩	১,৫৮৫,১৮২	১,১৪৮,১৪৮
মোট	১,৪৪,০৬,৯০০	৭৯,৯১,৫৭১	৩,০৭,১৮,৮১১	১৯,৮২১,৯৫৭	১৮,৩০২,৭৮৪

২৬। মানবসম্পদ উন্নয়নঃ

কোম্পানীর কর্মকর্তা কর্মচারীদের সর্বোচ্চ মেধা ও কর্ম ক্ষমতার উন্নয়নে সঠিক পরিচর্যা ও ব্যবহারের উদ্দেশ্যে কর্মকর্তা কর্মচারীদের কাজের ক্ষেত্র, পরিধি, দায়-দায়িত্ব, কর্তব্য ও ক্ষমতা নির্ধারণ পূর্বক সময়ে সময়ে পূর্ণ বিনিয়োগ করার ব্যবস্থা নিয়মিত ভাবে পরিচালিত হচ্ছে। উপরন্তু প্রণোদনার জন্য বিশেষ প্রণোদনা কার্যক্রম বাবস্থা গ্রহণ করা হয়েছে। ফলশ্রুতিতে সকলের কর্মপ্রেরণা ও দক্ষতা উত্তরোত্তর বৃদ্ধি পাচ্ছে। কোম্পানীর সামগ্রিক ব্যবস্থাপনায় তথ্য প্রযুক্তির ব্যবহার সম্প্রসারণ করে কার্যক্ষেত্রে আনয়ন করা হচ্ছে অধিকতর স্বচ্ছতা, দ্রুততা এবং নিশ্চিত করা হচ্ছে শ্রমশক্তির কাম্য ব্যবহার। কর্মরত সকল কর্মকর্তা কর্মচারীদের আর্থিক প্রণোদনা সহ সার্বিক উন্নয়নের লক্ষ্যে প্রতি বছর কোম্পানীর নীট মুনাফার ৫% (পাঁচ শতাংশ) শ্রমিক কর্মচারী মুনাফা অংশীদারিত্ব তহবিলে নিয়মিতভাবে প্রদান করা হচ্ছে। প্রতি বছর দক্ষতা, যোগ্যতা, শৃঙ্খলা ইত্যাদির বিবেচনায় নিয়মিত ভাবে পদোন্নতি, বেতন বৃদ্ধি সহ বিশেষ প্রণোদনা বোনাস এর মাধ্যমে সকল কর্মকর্তা কর্মচারীদের কর্মের মূল্যায়ন ও দক্ষতার উন্নয়ন সাধন করা হচ্ছে। আভ্যন্তরীণ নিরীক্ষায় প্রয়োজনীয় ট্রেনিং ও সঠিক দিক নির্দেশনার মাধ্যমে কর্মরত সকলের কর্মদক্ষতা বৃদ্ধি করা হচ্ছে এবং ভবিষ্যতে যুগোপযোগী মানব সম্পদ প্রকল্পের যাবতীয় কার্যক্রম ও চলমান রাখা হয়েছে।

২৭। পরিবেশ ও নিরাপত্তাঃ

কোম্পানীর কারখানার চতুর্দিকে পর্যাপ্ত সুপরিচ্ছন্নত বৃক্ষ রোপনের মাধ্যমে সবুজ বেষ্টিত তৈরী করা হয়েছে এবং বর্জ্য নিঃসরণের যথাযথ ব্যবস্থা গৃহীত হয়েছে। স্বাস্থ্য ও নিরাপত্তার জন্য প্রয়োজনীয় ব্যবস্থা গ্রহণ করা হয়েছে এবং উত্তরোত্তর তা সম্প্রসারণ করা হচ্ছে। আভ্যন্তরীণ ও বাহ্যিক সংবেদনশীল পরিবেশ অত্যন্ত যত্নসহকারে রক্ষণাবেক্ষণ করা হয় এবং কারখানায় অবস্থিত সকল সম্পদের যথাযথ নিরাপত্তা ও সুরক্ষার যাবতীয় ব্যবস্থা সুদৃঢ় করা হয়েছে। প্রতি বৎসর প্রয়োজনীয় সকল ক্ষেত্রে প্রাক্ক প্রস্তুতি গ্রহণ, তদারকি ও উন্নয়ন কার্যক্রম ধারাবাহিকভাবে পরিচালিত হচ্ছে। বিগত বৎসরের ন্যায় ২০১৮-২০১৯ অর্থ বৎসরে ও সম্ভাব্য ঝুঁকি বিবেচনায় কোম্পানীর কাঁচামাল গোড়াউন, গ্যাস জেনারেটরের বীমা করা হয়েছে এবং যথারীতি এসিড, অগ্নিনির্বাপক ব্যবস্থা সংক্রান্ত পরিদর্শন ও তদন্ত প্রতিবেদন গ্রহণ পূর্বক লাইসেন্স নবায়ন করা হয়েছে। কারখানার কাঁচামাল ও তৈরী পণ্যের মজুদাগার, মেশিনারিজ সহ স্থাপনা সমূহে অগ্নিনির্বাপক যন্ত্র বৃদ্ধি করা হয়েছে এবং যথারীতি নবায়ন ও রক্ষণাবেক্ষণ করা হচ্ছে। তদুপরি কর্মরত কর্মচারীদের প্রয়োজনীয় যন্ত্র ব্যবহার প্রশিক্ষণও প্রদান করা হয়েছে।

কারখানায় নিঃসারিত প্রাকৃতিক ক্ষতিকর রাসায়নিক নিঃসরণের জন্য ইটিপি স্থাপন সম্পন্ন হয়েছে। কোম্পানীর কারখানায় নিঃসারিত পানি উপযুক্ত রি সাইক্লিং প্রক্রিয়ায় পূর্ণ পূর্ণ ব্যবহার পূর্বক ড্রেইনেজ সিস্টেমের মাধ্যমে নিষ্কাশন করা হয় যাতে পরিবেশ কোন ভাবে দূষিত না হয় কিংবা প্রাকৃতিক পরিবেশে কোন নেতিবাচক প্রভাব না পড়ে। কোম্পানীর কারখানার অভ্যন্তরে স্থাপিত সকল বিপদজনক স্থাপনা সমূহ ও কেমিক্যাল

মজুদাগারে যথোপযুক্ত উপায়ে সংরক্ষণ ও সতর্কতা অবলম্বন করা হয়। কোম্পানীর কর্মরত সকল শ্রমিক কর্মচারীদের স্বাস্থ্য সুরক্ষা ও নিরাপত্তার জন্য প্রয়োজনীয় চিকিৎসার ব্যবস্থা গ্রহণ করা হয়েছে। কোম্পানীর আভ্যন্তরীণ ও বাহ্যিক সর্বোপরি পরিবেশগত ক্ষতি এড়ানোর বিষয়ে এই সংক্রান্ত বিধিমালাও যথাবীতি অনুসরণ করা হচ্ছে এবং সকল সরকারী নির্দেশনা যথাবীতি অনুসরণ করা হচ্ছে। সম্পদের সুরক্ষা ও নিরাপত্তার জন্য সঠিক সংখ্যক প্রহরীর মাধ্যমে নিরাপত্তা বেষ্টনী রাখা হয়েছে।

২৮। আর্থিক বিবরণীর ব্যাপারে পরিচালকমন্ডলীর দায়িত্বঃ

বাংলাদেশ সিকিউরিটিস এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং- বিএসইসি/সিএমআরআরসি-ডি/২০০৬-১৫৮/ ২০৭/এডমিন/৮০ তারিখ ০৩ জুন ২০১৮ অনুযায়ী পরিচালকমন্ডলী নিশ্চিত করছে যেঃ

- (ক) কোম্পানীর ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক প্রস্তুতকৃত আর্থিক বিবরণীতে এর কর্মকান্ড, কার্যক্রমের ফলাফল, নগদ প্রবাহ ও ইকুইটির পরিবর্তন সম্পর্কে যথার্থ চিত্র উপস্থাপিত হয়েছে;
- (খ) কোম্পানীর হিসাবের বহিসমূহ যথাযথভাবে সংরক্ষণ করা হয়েছে;
- (গ) আর্থিক প্রতিবেদন প্রস্তুত করার সময় উপযুক্ত হিসাবনীতি সঙ্গতিপূর্ণভাবে প্রয়োগ করা হয়েছে এবং হিসাবের প্রাক্কলন যুক্তিসঙ্গত ও বিজ্ঞ বিচারবোধের ভিত্তিতে করা হয়েছে;
- (ঘ) আর্থিক প্রতিবেদন প্রস্তুত করার সময় আন্তর্জাতিক হিসাব মান অনুসরণ করা হয়েছে এবং তা থেকে যেকোন ব্যত্যয় পর্যাপ্তভাবে প্রকাশ করা হয়েছে;
- (ঙ) আভ্যন্তরীণ নিয়ন্ত্রণ পদ্ধতি ছিল বলিষ্ঠ এবং তা কার্যকরভাবে বাস্তবায়ন ও মনিটরিং করা হয়েছে;
- (চ) একটি চলমান প্রতিষ্ঠান হিসেবে কার্যক্রম অব্যাহত রাখায় কোম্পানীর সামর্থ্যের ব্যাপারে তেমন কোন দ্বিধা নেই;
- (ছ) কোম্পানীর কার্যক্রমের ফলাফলের ক্ষেত্রে বিগত বছরের তুলনায় উল্লেখযোগ্য খেসব ব্যত্যয় রয়েছে সেগুলো বর্ণনা করা হয়েছে এবং তার কারণ ব্যাখ্যা করা হয়েছে; এবং
- (জ) কার্যক্রম ও আর্থিক বিষয়ে পাঁচ বছরের উপাত্ত সংযোজন করা হয়েছে।

২৯। স্বীকৃতিঃ

সম্মানিত শেয়ারহোল্ডারবৃন্দ, আর্থিক প্রতিষ্ঠান, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, চট্টগ্রাম স্টক এক্সচেঞ্জ লিঃ, ঢাকা স্টক এক্সচেঞ্জ লিঃ, সেন্ট্রাল ডিপোজিটরী বাংলাদেশ লিঃ, সংশ্লিষ্ট সরকারী সংস্থা, নিরীক্ষক ও সরবরাহকারী সহ সকলের সার্বিক পরামর্শ ও সহযোগিতার জন্য আমরা সকলের প্রতি কৃতজ্ঞতা জ্ঞাপন করছি। সাথে সাথে ভবিষ্যতেও তাদের অনুরূপ সহযোগিতার হাত আমাদের প্রতি প্রশস্ত থাকবে এই কামনা করছি। ২০১৮-১৯ অর্থ বৎসরে কোম্পানীর সার্বিক কার্যক্রমে অংশ গ্রহণ করে বিরূপ পরিস্থিতি ও প্রতিকূলতা উত্তরণে যারা সার্বিক ও সর্বাঙ্গিক সহযোগিতা করেছেন পরিচালকবৃন্দের পক্ষ থেকে সেই সকল কর্মকর্তা কর্মচারীবৃন্দকে কৃতজ্ঞতা ও ধন্যবাদ জানাচ্ছি এবং ভবিষ্যতে অনুরূপ আন্তরিকতা, সহযোগিতা অব্যাহত থাকবে এই কামনা করছি। মহান আল্লাহ আমাদের সহায় হউন।

চট্টগ্রাম

তারিখঃ ০২ নভেম্বর ২০১৯

পরিচালকমন্ডলীর পক্ষে,


মোঃ আবদুল্লাহ
চেয়ারম্যান





HAKANI PULP AND PAPER MILLS LIMITED
Declaration by CEO and CFO

Date: 2nd November 2019

The Board of Directors
Hakkani Pulp & Paper Mills Limited
2/10, D.T Road, North Pahartali,
Chattogram, Bangladesh.

Subject: Declaration on Financial Statements for the year ended on 30th June 2019

Dear Sirs,

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

- (1) The Financial Statements of Hakkani Pulp & Paper Mills Limited for the year ended on 30th June 2019 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), 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 prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

- (i) We have reviewed the financial statements for the Year ended on 30th June 2019 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 which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Md. Golam Mostofa
Chief Executive Officer (CEO)



Md. Moinul Abedin
Chief Financial Officer (CFO)



CORPORATE GOVERNANCE

Hakkani Pulp & Paper Mills Limited maintains a standard of corporate governance that stems right from the Board of Directors down to all employees. This translates into interacting with all our members with trust, confidence and transference. The company's corporate governance is based on full compliance to the laws of the country in which it operates, adhering to the principles of integrity and openness towards the community stakeholders and employees.

The company also ensures that it works in strict compliance with the accounting and reporting standards of Bangladesh Securities and Exchange Commission and other regulatory bodies of the Government.

Board of Directors:

The Board of Directors is currently comprised of nine members. Well the Board is responsible of overall management and business of the company, it has entrusted the Chief Executive Officer of the company, also a director of the Board, to run the Management team. The Chief Executive Officer provides the link between the Board of Directors and the Management team of the company. It is the responsibility of the Board of Directors to see that prudent administration of business activities and effective control is maintained.

The Board of Directors meets at least once a quarter and four meetings of the Board were held during the year.

Accountability and Audit:

In compliance with the order of Bangladesh Securities and Exchange Commission, the Board of Directors formed a Audit Committee. The Audit Committee consists of four Directors of the Company including two independent directors, one of whom is the Chairman of the Audit Committee.

As part of its core jobs, the Audit Committee ensures the assessment of the relevance and consistency of accounting methods adopted to prepare the Financial Statements and also reviews the Financial Statements. The report of the Audit Committee is also published in the Annual Report of the Company. The Audit Committee held four meeting during the year.

Statutory Audit:

Statutory Audit of the company is governed by the Companies Act. 1994 of Bangladesh. It provides clear guidelines for the appointment, scope of work and retirement of Auditors. The Auditors are appointed in the Annual General Meeting (AGM) by the shareholders.

Legal and Compliance:

We strongly believed that compliance is the key to building shareholders' trust. The company strictly adheres to the applicable laws, rules and regulation of the country in which it operates, and this belief is core to its business. The regulatory bodies like Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, National Board of Revenue and Board of Investment closely monitor the company.

Throughout its year of operations, the company has been fully compliant with national laws, rules and regulation and paid all applicable taxes and duties. We scrutinize and review the legal papers and required legal permissions to conduct the business in Bangladesh.



শফিক বসাক এন্ড কোং
SHAFIQ BASAK & CO.
CHARTERED ACCOUNTANTS

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Partners :

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Sampad Kumar Basak, FCA
Md. Enayet Ullah, FCA
Sarwar Mahmud, FCA
Sheikh Zahidul Islam, MBA, FCA

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Annexure-B

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

**REPORT TO THE SHAREHOLDERS
OF
HAKKANI PULP & PAPER MILLS LIMITED (HPPML)
ON COMPLIANCE ON THE CORPORATE GOVERNANCE CODE**

We have examined the compliance status to the Corporate Governance Code by **Hakkani Pulp & Paper Mills Ltd. (HPPML)** for the year ended on 30 June 2019. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3rd 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.

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

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

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except conditions number 1(7)(b), 6(1)(c) and 6(5)(b)(i)(a) to (6)(5)(c);
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BBS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws;
- The governance of the company is satisfactory.

Place: Chittagong

Dated: 2nd November 2019


(Md. Enayet Ullah, FCA)
Partner
SHAFIQ BASAK & CO.
CHARTERED ACCOUNTANTS



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

HAKKANI PULP & PAPER MILLS LTD (HPPML)

REPORT ON COMPLIANCE OF CORPORATE GOVERNANCE CODE UNDER CONDITION NO. 9

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is as follows:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
1	BOARD OF DIRECTORS:			
1(1)	Size of the Board of Directors: The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓	-	The HPPML Board is comprised of 9 (Nine) Directors including 02 Independent Directors.
1(2)	INDEPENDENT DIRECTORS: All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following:-			There are 2 (TWO) Independent Directors in the HPPML Board
1(2)(a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓	-	
1(2)(b)	For the purpose of this clause "independent director" means a director -			
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓	-	Does not hold any share of the Company.
1(2)(b)(ii)	Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company; Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	✓	-	-
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 (five) listed companies;	✓	-	-
1(2)(b)(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	✓	-	-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
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);	✓	-	Board of Director appointed 2 (Two) Independent Directors & were duly approved in the AGM
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓	-	No vacancy occurred.
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: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮নং আইন)(Companies Act, 1994). Explanation: For the purpose of counting tenure of term of independent Director, any partial term of tenure shall be deemed to be a full tenure.	✓	-	-
1(3)	Qualification of Independent Director.			
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;	✓	-	The qualifications and background of IDs justify their abilities as such.
1(3)(b)	Independent director shall have following qualifications:			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	-	-	N/A
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; or Explanation: Top level executive includes Managing Director (Md) or Chief Executive Officer (CEO), Additional or Deputy Managing Director (AMD or DMD), Chief Operating (COO), Chief Financial Officer (CFO), Company Secretary (CS), Head of Internal Audit and Compliance(HIAC),Head of Administration and Human Resources or equivalent position and same level or ranked or salaried officials of the 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; or	✓	-	-
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	✓	-	-
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;	✓	-	-



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
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 deviation Occurred
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.			
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 nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓	-	-
1(5)	The Directors' Report to Shareholders The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):-			
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);	✓	-	No such event arose
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;	✓	-	A statement of all related party transaction are disclosed under Notes to the Financial Statements No:-38
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	-	-	There was no IPO/RPO/Rights share issued in 2018-2019
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	-	-	N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓	-	A statement of Significant Variance has been disclosed under Notes to the Financial Statements No. 3.17

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓	-	A statement of Director remuneration are disclosed under notes to the Financial Statements No-27.01
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓	-	-
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓	-	-
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓	-	-
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓	-	-
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓	-	-
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓	-	-
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓	-	No Significant doubt has occurred.
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓	-	-
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓	-	The company has declared 2% cash dividend on other than Sponsors
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	✓	-	Company has declared 3% Cash Dividend
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 report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by: -			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓	-	N/A
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; and	✓	-	-



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details); Explanation: For the purpose of these clause, the expression "Executive" means top 5 (Five) salaried employees of the company, other than the directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance.	✓	-	-
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders: -			
1(5)(xxiv)(a)	a brief resume of the director;	✓	-	-
1(5)(xxiv)(b)	nature of his or her expertise in specific functional areas; and	✓	-	-
1(5)(xxiv)(c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓	-	-
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on			
1(5)(xxv)(a)	accounting policies and estimation for preparation of financial statements;	✓	-	-
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓	-	-
1(5)(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓	-	-
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓	-	-
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	✓	-	-
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓	-	-
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 ; and	✓	-	-
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)	Meetings of the Board of Directors The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓	-	-
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓	-	-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company.	-	✓	Under Process
2	Governance of Board of Directors of Subsidiary Company. –			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	-	-	HPMML does not have any subsidiary company.
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	-	-	N/A
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	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS). -			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓	-	-
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓	-	-
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓	-	-
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓	-	-
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓	-	-
3(2)	Requirement to attend Board of Directors' Meetings The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓	-	-
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief;	✓	-	CEO and CFO certified to the board during finalization of financial statements.
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓	-	-



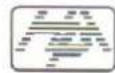
Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√	-	-
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members.	√	-	-
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report	√	-	-
4	Board of Directors' Committee. - For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee; and	√	-	-
4(ii)	Nomination and Remuneration Committee.	√	-	-
5	Audit Committee. -			
5(1)	Responsibility to the Board of Directors.			
5(1)(a)	The company shall have an Audit Committee as a subcommittee of the Board;	√	-	-
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√	-	-
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√	-	-
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√	-	The Audit Committee is comprised of 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 "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience; Explanation: The term "financially literate" means the ability to read and understand the financial statements like statement of financial position, statement of comprehensive income, statement of changes in equity and cash flows statement and a person will be considered to have accounting or related financial management expertise if he or she possesses professional qualification or Accounting or Finance graduate with at least 10 (Ten) years of corporate management or professional experiences.	√	-	-
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;	√	-	The board has appointed members in due time and no vacancy occurred.
5(2)(e)	The company secretary shall act as the secretary of the Committee;	√	-	-
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√	-	-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
5(3)	Chairperson of the Audit Committee			
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): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	√	-	-
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	√	-	-
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)	Role of Audit Committee The Audit Committee shall: -			
5(5)(a)	Oversee the financial reporting process;	√	-	-
5(5)(b)	Monitor choice of accounting policies and principles;	√	-	-
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√	-	-
5(5)(d)	Oversee hiring and performance of external auditors;	√	-	-
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√	-	-
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	√	-	-
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√	-	-
5(5)(h)	Review the adequacy of internal audit function;	√	-	-
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√	-	-
5(5)(j)	Review statement of all related party transactions submitted by the management;	√	-	-



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√	-	-
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√	-	-
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission;	-	-	There was no IPO/RPO/ Rights issued in 2018-2019 or in recent past
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Director			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√	-	-
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any: -			
5(6)(a)(ii)(a)	Report on conflicts of interests;	√	-	There was no reportable case of conflict of interest in 2019
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;	√	-	There was no such case in the year.
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	√	-	DO
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	√	-	DO
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.	-	-	There was no such case in the year.
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.	√	-	The Audit Committee Report is disclosed in the annual report and signed by the Chairman of the AC.
6	Nomination and Remuneration Committee (NRC). -			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	√	-	-
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√	-	-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
6(1)(c)	The Terms of Reference (TOR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	-	✓	Under process
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓	-	-
6(2)(b)	All members of the Committee shall be non-executive directors;	✓	-	-
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓	-	-
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓	-	-
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓	-	-
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	✓	-	-
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)	Chairperson of the NRC			
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: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	✓	-	-
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓	-	-
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	-	-	No Such reportable incidence arose.
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);	✓	-	-



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
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)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓	-	-
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓	-	-
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓	-	-
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;	-	✓	Under process
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	-	✓	Under process
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;	-	✓	Under process
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-	✓	Under process
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;	-	✓	Under process
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	-	✓	Under process
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	-	✓	Under process
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	-	✓	Under process
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.	-	✓	Under process
7	External or Statutory Auditors			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	appraisal or valuation services or fairness opinions;	✓	-	The Statutory Auditor has declared their compliances.
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;	✓	-	-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
7(1)(vi)	Internal audit services or special audit services;	✓	-	-
7(1)(vii)	any service that the Audit Committee determines;	✓	-	-
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓	-	-
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: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓	-	-
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	Maintaining a website by the Company -			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓	-	-
8(2)	The company shall keep the website functional from the date of listing.	✓	-	-
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓	-	-
9	Reporting and Compliance of Corporate Governance -			
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.	✓	-	Proper certification has been obtained from M/s. Shañq Basak & Co. Chartered Accountants for the financial year 2018-2019.
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.	✓	-	Board recommended the professional for due appointment by the shareholders in 23 rd AGM
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.	✓	-	Status of Compliance will be published with the Director's Report as required.



Key operating and financial data of preceding 5 (Five) years:

Particulars	Parameter	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015 (Restated)
Operation and Market:						
Production Capacity	MT	11250	7500	6000	6000	6000
Actual Production	MT	4872	4419.20	3586.31	5171.63	4359.59
Sales Quantity	MT		4778.89	4965.19	3743.28	4566.84
Financial Results:						
Turnover	TK	484,009,189	28,25,89,254	34,11,38,173	27,29,75,199	30,02,23,218
Gross Profit	TK	66,262,774	33,210,951	25,414,055	17,987,201	16,654,993
	%	13.69%	11.75%	7.45%	6.59%	5.55%
Operating Profit	TK	(7,750,761)	(15,919,172)	(18,690,630)	(14,376,588)	(8,592,515)
	%	-1.60%	(5.63%)	(5.48%)	(5.27%)	(2.86%)
Net Profit before Tax	TK	(5,507,957)	(14,823,999)	(15,895,771)	(11,592,358)	(7,853,744)
	%	-1.14%	(5.25%)	(4.66%)	(4.25%)	(2.62%)
Net Profit after Tax	TK	(21,135,213)	(18,219,722)	(18,101,520)	(13,746,851)	(10,783,406)
	%	-4.37%	(6.45%)	(5.31%)	(5.04%)	(3.59%)
Earnings Per Share (EPS)	TK	(1.11)	(0.96)	(0.95)	(0.72)	(0.57)
Dividend (Cash)	%	2% cash dividend on other than Sponsors	3% cash dividend on all shares	No Dividend	5% cash dividend on other than Sponsors	5% cash dividend on all shares
Financial Position:						
Paid-up Capital	TK	19,00,00,000	19,00,00,000	19,00,00,000	19,00,00,000	19,00,00,000
Current Ratio		0.97:1	0.84:1	0.95:1	0.77:1	1.12:1
Non-Current Assets with Revaluation	TK	882,494,770	62,91,15,458	61,42,65,985	63,16,51,793	65,29,82,392
Current Assets	TK	421,535,574	38,38,17,319	32,56,52,056	26,44,56,451	20,11,90,654
Current Liability	TK	430,169,669	45,55,96,815	34,12,96,443	34,19,43,875	17,87,93,847
Net Current Assets	TK	(8,634,095)	(7,17,79,496)	(1,56,44,387)	(7,74,87,424)	2,23,96,807
Net Assets Value with Revaluation	TK	495,387,034.2	52,12,45,690	53,66,62,814	55,14,34,934	57,44,31,842
Net Assets Value without Revaluation	TK	206,661,925.7	22,10,96,045	22,43,03,072	22,60,24,320	23,50,70,413
Net Assets Value Per Share with Revaluation	TK	26.07	27.43	28.25	29.02	30.23
Net Assets Value Per Share without Revaluation	TK	10.88	11.64	11.81	11.90	12.37
Net Operating Cash Flow Per Share	TK	4.35	1.20	(3.43)	(2.65)	1.30

HAKKANI PULP AND PAPER MILLS LIMITED
THE PATTERN OF SHAREHOLDING AS ON 30 JUNE 2019

1) Parent/Subsidiary/Associated Companies and other related parties:

Name	Relation	Number of Share Holding	Percentage of Share	Remarks
Parent Company	N/A	Nil	Nil	The Company is not subsidiary of any Company
Subsidiary Company	N/A	Nil	Nil	The Company has no subsidiary Company
Other Related Parties	N/A	Nil	Nil	-

2) Directors:

Name	Position in the company	Number of Share Holding	Percentage of Share	Remarks
Mr. Md. Abdullah	Chairman	5,41,666	2.85%	-
Mr. Md. Golam Mostofa	Managing Director	15,16,666	7.98%	-
Mr. Md. Golam Kibria	Deputy Managing Director	15,05,000	7.92%	-
Mr. Md. Golam Haider	Director	16,66,666	8.77%	-
Mr. Md. Golam Morshed	Director	16,66,666	8.77%	-
Mr. Golam Rasul Muktadir	Director	16,66,666	8.77%	-
Mrs. Hosne Ara Begum	Director	5,50,000	2.89%	-

3) CEO/CFO/Head of Internal Audit & Compliance and their spouses and minor children:

Name	Position in the company	Number of Share Holding	Percentage of Share	Remarks
Mr. Md. Golam Mostofa	Chief Executive Officer	15,16,666	7.98%	Managing Director
Mr. Mohammad Musa	Company Secretary & Manager	Nil	Nil	-
Mr. Mohammad Moinul Abedin	Chief Financial Officer	Nil	Nil	-
Mr. Md. Saleh Ahmed Polash	Head of Internal Audit	Nil	Nil	-

4) Shareholding Position of top 5 salaried employee other than CEO, CS, CFO & HIA:

Name	Position in the company	Number of Share Holding	Percentage of Share	Remarks
Mr. Tanjil Mohammad Rajib	Head of Sales & Marketing	Nil	Nil	-
Mr. Md. Nazrul Islam Khan	Sr. Manager, Sales	Nil	Nil	-
Mr. Bipul Podder	Manager (Corporate Sales)	Nil	Nil	-
Mr. Mohammad Younus Mia	Assistant General Manager	Nil	Nil	-
Mr. Md. Hasanul Karim	Mechanical Engineer	Nil	Nil	-

5) Shareholders Holding 10% or more voting interest in the company:

Shareholders Holding 10% or more voting interest in the company	-	Nil	Nil	-
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BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: GM-2019/167

BAPLC

Date of issue : March 28, 2019

Renewed Certificate

This is to certify that

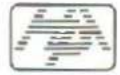
HAKKANI PULP & PAPER MILLS LIMITED

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December 2019.




Secretary-General





BANGLADESH
PAPER MILLS ASSOCIATION [BPMA]

Ref: BPMA/Certificate/2019 (21)

November 17, 2019

MEMBERSHIP CERTIFICATE

This is to certify that **Hakkani Pulp & Paper Mills Ltd.** 2/10, Dhaka Trunk Road, North Pahartali, Chittagong, Bangladesh is a Member Organization of this Association. Their membership ID is 21 and the membership shall remain valid up to December 31, 2019.

BPMA Management wishes continued success of Hakkani Pulp & Paper Mills Ltd.

On behalf of BPMA

AKM. Nawsherul Alam
17/11/2019

AKM. Nawsherul Alam
Secretary





Report of the Audit Committee

For the year ended 30th June, 2019

Constitution of the Audit Committee:

The audit committee of Hakkani Pulp & Paper Mills Limited was reconstituted by the Board of Directors in its meeting held on 28th October, 2017 with the following Directors:

Name of the Member	Status in the Company	Status in the Committee
Mr. Md. Amirul Islam FCA, FCS	Independent Director	Chairman
Dr. Mohammad Saleh Jahur	Independent Director	Member
Mr. Md. Golam Kibria	Director	Member
Mr. Md. Golam Morshed	Director	Member

On expiry of the tenure of Mr. Amirul Islam FCA the audit committee was further reconstituted by the Board of Directors in its meeting held on 27th April, 2019 with the following Directors:

Name of the Member	Status in the Company	Status in the Committee
Dr. Mohammad Saleh Jahur	Independent Director	Chairperson
Mr. Md. Golam Kibria	Director	Member
Mr. Md. Golam Morshed	Director	Member

Meeting of the Committee:

The audit committee held 4 (four) meetings during the year 2017-2018 on the following dates:

Number of Meetings	Date of Meetings
1st Meeting	28th September, 2018
2nd Meeting	1st November, 2018
3rd Meeting	31st January, 2019
4th Meeting	27th April, 2019

The Committee discharged its role as follows:

Internal Control:

- The Committee reviewed the procedure and task of the internal audit and financial report preparation.
- The Committee reviewed and considered the report of internal auditors and statutory auditors' observations on internal control.
- The Committee reviewed the internal control system prevailing in the company to introduce the appropriate compliance culture and also to ensure that all employees have clear understanding of their respective roles and responsibilities.
- The Committee reviewed the arrangements made by the management for developing a suitable Management Information System (MIS).
- The Committee reviewed statement of related party transactions submitted by the management.

External Audit:

- The Committee recommended the appointment of statutory auditors.
- The Committee reviewed the findings of external auditors and finalized the audit report and annual financial statements.

Financial Statements Reporting:

- The Committee reviewed quarterly and half yearly financial statements before submission to the Board for approval.
- The Committee reviewed the annual financial statements before submission to the Board for approval.


Dr. Mohammad Saleh Jahur
Chairperson
Audit Committee of the Board

Dated-November 02, 2019



NOMINATION & REMUNERATION COMMITTEE (NRC) REPORT FOR THE YEAR ENDED 30 JUNE 2019

The Nomination and Remuneration Committee (NRC) of **HAKKANI PULP AND PAPER MILLS LIMITED** was constituted by the Board of Directors in its meeting held on 26th July 2018 with the following Directors:

Name of Members	Status in the Company	Status in the Committee
Dr. Mohammad Saleh jahur	Independent Director	Chairperson
Mr. Amirul Islam FCA, FCS	Independent Director	Member
Mr. Md. Golam Kibria	Director	Member
Mr. Md. Golam Haider	Director	Member
Mr. Md. Golam Morshed	Director	Member

On expiry of the tenure of Mr. Amirul Islam FCA the committee was further reconstituted by the Board of Directors in its meeting held on 27th April, 2019 with the following Directors:

Name of the Member	Status in the Company	Status in the Committee
Dr. Mohammad Saleh jahur	Independent Director	Chairperson
Mr. Md. Golam Kibria	Director	Member
Mr. Md. Golam Haider	Director	Member
Mr. Md. Golam Morshed	Director	Member

Company Secretary acts as the member of secretary to the Committee. The Nomination and Remuneration Committee (NRC) had its first meeting on 4th April 2019

Role of the Nomination and Remuneration Committee (NRC):

- a) The Committee shall be independent and responsible or accountable to the Board and to the Shareholders;
 - b) The Committee shall oversee, among others, the following matters and make report with recommendation to the Board:
1. To formulate the criteria for determining qualifications, positive attributes and dependence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:
 - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
 - b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - 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;
 2. To devise policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
 3. To identify 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;

4. To formulate the criteria for evaluation of performance of independent directors and the Board;
5. To identify the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
6. To develop, recommend and review annually the company's human resource and training policies;

Activities of the Nomination and Remuneration Committee (NRC) for the period under Report:

In the FIRST Meeting of the committee focused on the review to the specific areas of existing status, policies and processes and addressed the following-

- The committee reviewed and recommended on organizational structure with Roles and Responsibilities of employees of the company;
- The Committee reviewed, developed and recommended a Service Rules for the employees of the Company.


Dr. Mohammad Saleh Jahur
Chairperson
NRC of the Board

Dated: November 02, 2019



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KHAN WAHAB SHAFIQUE RAHMAN & CO. CHARTERED ACCOUNTANTS



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Web : www.kwsrbd.com

Opinion

We have audited the Financial Statements of **"Hakkani Pulp & Paper Mills Limited"** which comprise the Statement of Financial Position as at 30 June 2019, and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and explanatory information's.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **"Hakkani Pulp and Paper Mills Limited"** as at 30 June 2019, and its financial performance and its cash flows for the year then ended 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 Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and Bangladesh Securities and Exchange Commission (BSEC), and we have fulfilled our 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 opinion.

Matter of Emphasise:

- An amount of loss of Tk 19,558,746 had been incurred in Tissue Unit and Tk.1,496,132 in Paper Unit. Total loss of Tk. 21,054,878 and the percentage of loss comparing with last year increased by 16% due to new Tissue Unit has been gone into commercial production from January 2019. The reason for decrease in EPS from (0.96) in the previous year to this year (1.11) is mainly due to increase in operating losses.

Our opinion is not modified in respect of this matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

In Practice since 1968

47

Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole. Our opinion on the financial statements is not modified with respect to any of the key audit matters described below, and we do not express an opinion on these individual matters.

We have determined the following key audit matters to communicate in our report.

Revenue Recognition:

The key Audit Matter

The company recognizes revenue from the sales of paper and tissue products when control over goods is transferred to a customer/dealers. The actual point in time when revenue is recognized varies depending on the specific terms and conditions of the sales contracts entered into with customers/dealers. The company has a number of customers operating in various geographies and sales contracts with customers/dealers have a different terms relating to the recognition of revenue, the right of return and price adjustments. Sales arrangements in certain jurisdictions lead to material deductions to gross sales in arriving at revenue. We identified the recognition of revenue from sale of products as a key audit matter because;

• Revenue is a key performance indicator of the company and there is risk of revenue being overstated due to fraud resulting from pressure to achieve targets.

How the scope of our audit responded to the key audit matter

- Assessing the appropriateness of the policies in respect of revenue recognition by comparing with applicable accounting standards;
- Evaluating the design, testing the implementation and operating effectiveness of the company's internal controls over recognition of revenue and measurement of rebates, discounts, returns and chargebacks;
- Assessing manual journals posted to revenue to identify unusual items not already covered by our audit testing;
- Evaluating the adequacy of the financial statement disclosures, including disclosures of key assumptions, judgments and sensitivities.

Property, Plant & Machinery:

The key Audit Matter

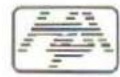
The company has Tk 882,494,770 as Written Down Value at Property Plant & Equipment which stands 66.94% of total assets with new acquisition of Tk 290,637,715 made during the year.

Please refer to Note 4.00 "Property, Plant & Machinery" of the notes to the Financial Statements for relevant details.

How the scope of our audit responded to the key audit matter:

Our procedures in relation to property, plant and equipment included:

- Obtained an understanding of the management process for acquisition of fixed assets.
- Evaluate the appropriateness of acquisition process of non-current assets.
- Testing the key controls over the management's judgment in relation to the accounting estimates of property, plant and equipment.



Taxation

The key Audit Matter

Given the company's exposure to complex tax issues, the high level of management judgment in estimating the amounts of reserve and provision for tax and involvement with regulatory authorities, taxation was considered to be a key audit matter.

Please refer to **Note 17.00 "Deferred Tax Liability"** and **Note 22.00 "Current Tax Liability"** to the financial statements for relevant disclosures regarding calculation and disclosure of taxation.

How the scope of our audit responded to the key audit matter:

We particularly focused on the impact of whether the tax provision was appropriately recognized; we conducted interviews with the company's tax personnel in order to assess the taxable income of the company. We re-performed the calculations made by the management regarding tax liabilities to ensure compliance with the provisions of Income Tax Ordinance, 1984 and checked the arithmetical accuracy of the calculations. We also carefully reviewed for any contingent liabilities to be included in the financial statements in this regard.

We also obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax liabilities and the assumptions used thereon. We assessed key assumptions, controls, recognition and measurement of deferred tax assets. We also assessed the appropriateness of presentation of disclosures against **"Income Tax"**.

Other Information

Management is responsible for the other information. The other information comprises all of the information other than the financial statements and our auditor's report thereon.

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 whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the Company.

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

Management is responsible for the preparation and fair presentation of the financial statements 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.

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 or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not for the purpose expressing an opinion on the effectiveness of the company's internal control.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

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

- a) we have obtained all the information and explanations (except the matter discussed in qualified opinion para) which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts(except the matter discussed in qualified opinion para) as required by law have been kept by the company so far as it appeared from our examination of these books;
- c) the statements of Financial Position and Statements of Profit or Loss and Other Comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred and payments made were for the purposes of the company's business.

Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Date: November 06, 2019
Chattogram

HAKKANI PULP & PAPER MILLS LIMITED

Statement of Financial Position

As at 30th June, 2019

	Note(s)	2019 Taka	2018 Taka
ASSETS			
Non Current Assets :			
Property, Plant and Equipment	04	882,494,770	629,115,458
Capital Work-In-Progress	05	14,218,124	233,233,316
Current Assets:			
Investment in Shares	06	23,449,916	24,971,261
Inventories	07	137,258,458	87,859,086
Trade Receivables	08	115,017,902	131,964,797
Advances, Deposits & Prepayments	09	140,828,005	154,301,561
Cash & Cash equivalents	10	4,981,294	9,691,875
TOTAL ASSETS		1,318,248,468	1,271,137,354
SHARE HOLDERS EQUITY & LIABILITIES			
Shareholders Equity:			
Share Capital	11	190,000,000	190,000,000
Dividend Equalization Reserve	12	15,000,000	15,000,000
Revaluation Reserve	13	288,725,108	300,149,645
Fair Value Reserve	6.02	1,523,617	2,563,152
Retained Earnings	14	138,309	13,532,891
Non Current Liabilities:			
Unsecured Loan	15	44,999,990	43,693,290
Long Term Loan	16.01	247,137,113	160,740,545
Deferred Tax Liability	17	100,554,663	89,861,013
Current Liabilities:			
Short Term Loan & Overdraft	18	246,138,646	346,071,124
Accrued Expenses	19	19,854,915	14,555,777
Workers Profit Participation and Welfare Fund	20	589,829	589,829
Current Portion of Long Term Loan	16.01	95,428,584	10,632,000
Trade Payables	21	49,313,000	69,473,125
Current Tax Liabilities	22	9,912,932	6,995,420
Liabilities for Other Finance	23	3,431,762	2,679,540
Directors Current Account	24	5,500,000	4,600,000
TOTAL EQUITY & LIABILITIES		1,318,248,468	1,271,137,354
Net Asset Value Per Share(with revaluation)	33	26.07	27.43
Net Asset Value Per Share(without revaluation)	34	10.88	11.64

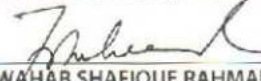
The annexed notes from 1 to 42 an integral part of these financial statements.


MANAGING DIRECTOR


DIRECTOR


COMPANY SECRETARY

Subject to our separate report of even date


KHAN WAHAB SHAFIQUE RAHMAN & CO.
CHARTERED ACCOUNTANTS



হাক্কানী পাথর এন্ড পেপার মিলস্ লিঃ

আর্থিক অবস্থার বিবরণী


৩০শে জুন, ২০১৯ইং তারিখে

	নোট	২০১৯ টাকা	২০১৮ টাকা
সম্পত্তি			
দীর্ঘমেয়াদী সম্পত্তি :		৮৯৬,৭১২,৮৯৪	৮৬২,৩৪৮,৭৭৪
স্থায়ী সম্পত্তি	০৪	৮৮২,৪৯৪,৭৭০	৬২৯,১১৫,৪৫৮
প্রক্রিয়াধীন মূলধনী কার্য	০৫	১৪,২১৮,১২৪	২৩৩,২৩৩,৩১৬
চলতি সম্পত্তি :		৪২১,৫৩৫,৫৭৪	৪০৮,৭৮৮,৫৮০
শেয়ারে বিনিয়োগ	০৬	২৩,৪৪৯,৯১৬	২৪,৯৭১,২৬১
মজুদ মালামাল	০৭	১৩৭,২৫৮,৪৫৮	৮৭,৮৫৯,০৮৬
বিবিধ সেনাদার	০৮	১১৫,০১৭,৯০২	১৩১,৯৬৪,৭৯৭
অগ্রিম, জমা ও আগাম পরিশোধ	০৯	১৪০,৮২৮,০০৫	১৩৪,৩০১,৫৬১
নগদ এবং নগদ সমতুল্য	১০	৪,৯৮১,২৯৪	৯,৬৯১,৮৭৫
মোট সম্পত্তি		১,৩১৮,২৪৮,৪৬৮	১,২৭১,১৩৭,৩৫৪
শেয়ারহোল্ডারদের মালিকানাধীন ও দায়			
শেয়ারহোল্ডারদের মালিকানাধীন :		৪৯৫,৩৮৭,০৩৪	৫২১,২৪৫,৬৮৯
শেয়ার মূলধন	১১	১৯০,০০০,০০০	১৯০,০০০,০০০
লভ্যাংশ সমতাকরণ তহবিল	১২	১৫,০০০,০০০	১৫,০০০,০০০
পুনঃ মূল্যায়ন সঞ্চিত তহবিল	১৩	২৮৮,৭২৫,১০৮	৩০০,১৪৪,৬৪৫
শেয়ারে বিনিয়োগের উপর ন্যায্য মূল্য সঞ্চিত	৬.০২	১,৫২৩,৬১৭	২,৫৬৩,১৫২
সংরক্ষিত মুনাফা তহবিল	১৪	১৩৮,৩০৯	১৩,৫৩২,৮৯১
দীর্ঘ মেয়াদী দায় :		৩৯২,৬৯১,৭৬৫	২৯৪,২৯৪,৮৪৯
জামানত বিহীন ঋণ	১৫	৪৪,৯৯৯,৯৯০	৪৩,৬৯৩,২৯০
দীর্ঘমেয়াদী ঋণ	১৬.০১	২৪৭,১৩৭,১১৩	১৬০,৭৪০,৫৪৫
বিবক্ষিত কর দায়	১৭	১০০,৫৫৪,৬৬৩	৮৯,৮৬১,০১৩
চলতি দায় :		৪৩০,১৬৯,৬৬৯	৪৫৫,৫৯৬,৮১৫
স্বল্পমেয়াদী ঋণ ও জমাতিরিক্ত	১৮	২৪৬,১৩৮,৬৪৬	৩৪৬,০৭১,১২৪
বকেয়া খরচাবণী	১৯	১৯,৮৫৪,৯১৫	১৪,৫৫৫,৭৭৭
শ্রমিকদের লাভের অংশীদারিত্ব ও কল্যাণ তহবিল	২০	৫৮৯,৮২৯	৫৮৯,৮২৯
দীর্ঘমেয়াদী ঋণের চলতি দায়	১৬.০১	৯৫,৪২৮,৫৮৪	১০,৬৩২,০০০
বিবিধ পাওনাদার	২১	৪৯,৩১৩,০০০	৬৯,৪৭৩,১২৫
চলতি কর দায়	২২	৯,৯১২,৯০২	৬,৯৯৫,৪২০
অন্যান্য অর্থ সংস্থানজনিত দায়	২৩	৩,৪৩১,৭৬২	২,৬৭৯,৫৪০
পরিচালকদের চলতি হিসাব	২৪	৫,৫০০,০০০	৪,৬০০,০০০
মোট মালিকানাধীন ও দায়		১,৩১৮,২৪৮,৪৬৮	১,২৭১,১৩৭,৩৫৪
পুনঃমূল্যায়িত শেয়ার প্রতি নীট সম্পদ মূল্য	৩৩	২৬.০৭	২৭.৪৩
পুনঃমূল্যায়িত ছাড়া শেয়ার প্রতি নীট সম্পদ মূল্য	৩৪	১০.৮৮	১১.৬৪

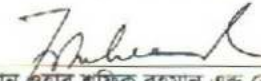
* সংযোজিত নোট সমূহ আর্থিক বিবরণীর একটি অবিচ্ছেদ্য অংশ


ব্যবস্থাপনা পরিচালক


পরিচালক


কোম্পানী সচিব

একই তারিখে স্বাক্ষরিত পৃথক নিরীক্ষা প্রতিবেদন সাপেক্ষে


খান ওহাব শফিক রহমান এন্ড কোং
চার্টার্ড একাউন্ট্যান্টস

স্থান : চট্টগ্রাম
তারিখ : নভেম্বর ০৬, ২০১৯ইং

HAKKANI PULP & PAPER MILLS LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June, 2019

	Note(s)	2019 Taka	2018 Taka
Revenue	25	484,009,189	282,589,254
Less: Cost of Sales	26	417,746,415	249,378,303
Gross Profit / (Loss)		66,262,774	33,210,951
Less: Operating Expenses:			
Administrative Expenses	27	18,635,395	13,072,394
Financial Expenses	28	50,000,652	35,601,011
Selling & Distribution Expenses	29	5,377,488	456,718
		74,013,535	49,130,123
Operating Profit		(7,750,761)	(15,919,172)
Add: Non-Operating Income	30	2,242,804	1,095,173
Net Profit Before WPPF & WWF		(5,507,957)	(14,823,999)
Less: Contribution to Workers Profit Participation and Welfare Fund		-	-
Net profit before Tax		(5,507,957)	(14,823,999)
Less: Income Tax Provision:			
Current Tax		2,917,512	1,702,107
Deferred Tax	31	12,709,744	1,693,617
		15,627,256	3,395,724
Net profit after Tax for the period		(21,135,213)	(18,219,722)
Other Comprehensive Income:			
Deferred Tax on Revaluation Reserve		2,016,094	2,154,723
Unrealized Gain/ (Loss) on Investment in Shares	6.02	(1,039,535)	647,873
		976,559	2,802,596
Total Comprehensive Income		(20,158,654)	(15,417,126)
Earning Per Share - Basic	32	(1.11)	(0.96)

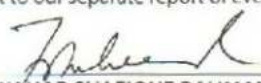
The annexed notes from 1 to 42 an integral part of these financial statements.


MANAGING DIRECTOR


DIRECTOR


COMPANY SECRETARY

Subject to our separate report of even date


KHAN WAHAB SHAFIQUE RAHMAN & CO.
/CHARTERED ACCOUNTANTS

Place: Chattogram
Date: 06 November 2019



হাক্কানী পাল্প এন্ড পেপার মিলস্ লিঃ
আয়-ব্যয় বিবরণী
৩০শে জুন, ২০১৯ইং তারিখে সমাপ্ত বৎসরের জন্য

	নোট	২০১৯ টাকা	২০১৮ টাকা
বিক্রয়	২৫	৪৮৪,০০৯,১৮৯	২৮২,৫৮৯,২৫৪
বাদ : বিক্রিত পণ্যের ব্যয়	২৬	৪১৭,৭৪৬,৪১৫	২৪৯,৩৭৮,৩০৩
মোট লাভ		৬৬,২৬২,৭৭৪	৩৩,২১০,৯৫১
বাদ: পরিচালন খরচাবলী			
প্রশাসনিক ব্যয়	২৭	১৮,৬৩৫,৩৯৫	১৩,০৭২,৩৯৪
অর্থ সংস্থানজনিত খরচ	২৮	৫০,০০০,৬৫২	৩৫,৬০১,০১১
বিক্রয় ও বন্টন খরচাবলী	২৯	৫,৩৭৭,৪৮৮	৪৫৬,৭১৮
		৭৪,০১৩,৫৩৫	৪৯,১৩০,১২৩
পরিচালন মুনাফা		(৭,৭৫০,৭৬১)	(১৫,৯১৯,১৭২)
যোগ : অন্যান্য আয়	৩০	২,২৪২,৮০৪	১,০৯৫,১৭৩
ডব্লিউ.পি.পি.এফ এর পূর্বে নীট লাভ		(৫,৫০৭,৯৫৭)	(১৪,৮২৩,৯৯৯)
বাদঃ শ্রমিকদের লাভের অংশীদারিত্ব তহবিলে প্রদেয়		-	-
কর পূর্ব নীট লাভ		(৫,৫০৭,৯৫৭)	(১৪,৮২৩,৯৯৯)
বাদঃ আয়কর সঞ্চিতি			
চলতি কর		২,৯১৭,৫১২	১,৭০২,১০৭
বিলম্বিত কর	৩১	১২,৭০৯,৭৪৪	১,৬৯৩,৬১৭
		১৫,৬২৭,২৫৬	৩,৩৯৫,৭২৪
কর বাদ নীট লাভ-মালিকানা স্বত্ব পরিবর্তন বিবরণীতে স্থানান্তরিত		(২১,১৩৫,২১৩)	(১৮,২১৯,৭২২)
অন্যান্য বিত্তীয় আয়/ক্ষতি			
পুনঃমূল্যায়িত মুনাফার বিলম্বিত কর		২,০১৬,০৯৪	২,১৫৪,৭২৩
শেয়ারে বিনিয়োগের উপর লাভ/(ক্ষতি)	৬.০২	(১,০৩৯,৫৩৫)	৬৪৭,৮৭৩
		৯৭৬,৫৫৯	২,৮০২,৫৯৬
মোট বিত্তীয় আয়		(২০,১৫৮,৬৫৪)	(১৫,৪১৭,১২৬)
শেয়ার প্রতি আয়	৩২	(১.১১)	(০.৯৬)


* সংযোজিত নোট সমূহ আর্থিক বিবরণীর একটি অবিচ্ছেদ্য অংশ


ব্যবস্থাপনা পরিচালক


পরিচালক


কোম্পানী সচিব

একই তারিখে স্বাক্ষরিত পৃথক নিরীক্ষা প্রতিবেদন সাপেক্ষে


খান শুহাব শফিক রহমান এন্ড কোং
চার্টার্ড একাউন্ট্যান্টস্

স্থান : চট্টগ্রাম
তারিখ : নভেম্বর ০৬, ২০১৯ ইং

HAKKANI PULP & PAPER MILLS LIMITED

Statement of Cash Flows


For the year ended 30 June, 2019

	Note(s)	2019 Taka	2018 Taka
A. Cash flows from Operating Activities:			
Cash Collection from Turnover & Others		503,198,889	250,351,702
Payment for Material and Expenses		(368,785,583)	(191,372,879)
Interest Paid		(50,000,652)	(35,601,011)
Income Tax Paid		(1,703,291)	(642,779)
Net Cash flows from Operating Activities	40	82,709,363	22,735,034
B. Cash flows from Investing Activities:			
Acquisition of Property, Plant & Equipment		(71,622,523)	(43,375,227)
Capital Work-In-Progress		-	(49,874,701)
Purchase of shares		(2,166,815)	(3,474,080)
Sale of shares		2,646,382	202,842
Net cash flows from Investing Activities		(71,142,956)	(96,521,166)
C. Cash flows from Financing Activities:			
Short Term Loan & Overdraft		(99,932,478)	47,968,298
Long Term Loan		86,396,568	27,986,376
Unsecured Loan Received		1,306,700	400,000
Liabilities for other finance		752,222	77,696
Dividend Paid		(5,700,000)	
Net Cash flows from Financing Activities		(16,276,988)	76,432,369
D. Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)		(4,710,580)	2,646,237
E. Opening Cash and Bank Balances		9,691,875	7,045,636
Closing Cash and Bank Balances (D+E)		4,981,294	9,691,875
F. Net Operating Cash Flows Per Share		4.35	1.20

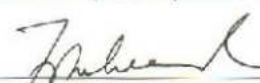
The annexed notes from 1 to 42 an integral part of these financial statements.


MANAGING DIRECTOR


DIRECTOR


COMPANY SECRETARY

Subject to our separate report of even date


KHAN WAHAB SHAFIQUE RAHMAN & CO.
CHARTERED ACCOUNTANTS

Place: Chattogram
Date: 06 November 2019



হাক্কানী পাথর এন্ড পেপার মিলস্ লিঃ

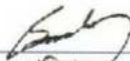
নগদ অর্থ প্রবাহ বিবরণী


৩০শে জুন, ২০১৯ইং তারিখে সমাপ্ত বৎসরের জন্য

	নেট	২০১৯ টাকা	২০১৮ টাকা
ক পরিচালন কার্যক্রম খাতে নগদ অর্থ প্রবাহঃ			
বিক্রয় ও অন্যান্য হতে নগদ প্রাপ্তি		৫০৩,১৯৮,৮৮৯	২৫০,৩৫১,৭০২
কাঁচামাল ক্রয় এবং অন্যান্য খরচের বিপরীতে নগদ প্রদান			(১৯১,৩৭২,৮৭৯)
সুদ প্রদান		(৫০,০০০,৬৫২)	(৩৫,৬০১,০১১)
আয়কর প্রদান		(১,৭০৩,২৯১)	(৬৪২,৭৭৯)
পরিচালন কার্য খাতে নেট নগদ অর্থ প্রবাহ	৪০	৮২,৭০৯,৩৬৩	২২,৭৩৫,০০৪
খ বিনিয়োগ কার্যক্রম খাতে নগদ অর্থ প্রবাহঃ			
সম্পত্তি, যন্ত্রপাতি ও সরঞ্জাম ক্রয়		(৭১,৬২২,৫২৩)	(৪৩,৩৭৫,২২৭)
প্রক্রিয়াধীন মূলধনী কার্য		-	(৪৯,৮৭৪,৭০১)
শেয়ার ক্রয় বাবদ নগদ প্রদান		(২,১৬৬,৮১৫)	(৩,৪৭৪,০৮০)
শেয়ার বিক্রয় বাবদ নগদ প্রাপ্তি		২,৬৪৬,৩৮২	২০২,৮৪২
বিনিয়োগ কার্য খাতে নেট নগদ অর্থ প্রবাহ		(৭১,১৪২,৯৫৬)	(৯৬,৫২১,১৬৬)
গ আর্থিক কার্যক্রম খাতে নগদ অর্থ প্রবাহঃ			
স্বল্পমেয়াদী ঋণ ও ব্যাংক জমাতিরিক্ত		(৯৯,৯৩২,৪৭৮)	৪৭,৯৬৮,২৯৮
দীর্ঘমেয়াদী ঋণ গ্রহণ		৮৬,৩৯৬,৫৬৮	২৭,৯৮৬,৩৭৬
জামানত বিহীন ঋণ পরিশোধ		১,৩০৬,৭০০	৪০০,০০০
অন্যান্য অর্থ সংস্থানজনিত ব্যয়		৭৫২,২২২	৭৭,৬৯৬
লভ্যাংশ প্রদান		(৫,৭০০,০০০)	-
আর্থিক কার্য খাতে নেট নগদ অর্থ প্রবাহ		(১৬,২৭৬,৯৮৮)	৭৬,৪৩২,৩৬৯
ঘ নেট নগদ অর্থ ও ব্যাংক জমা বৃদ্ধি/(হ্রাস)- (ক+খ+গ)		(৪,৭১০,৫৮০)	২,৬৪৬,২৩৭
ঙ বছরের প্রারম্ভিক নগদ অর্থ ও ব্যাংক জমা		৯,৬৯১,৮৭৫	৭,০৪৫,৬৩৬
বছরের সমাপ্তী নগদ অর্থ ও ব্যাংক জমা (ঘ+ঙ)		৪,৯৮১,২৯৪	৯,৬৯১,৮৭৫
চ শেয়ার প্রতি পরিচালন কার্যক্রম খাতে নগদ অর্থ প্রবাহ		৪.৩৫	১.২০


* সংযোজিত নোট সমূহ আর্থিক বিবরণীর একটি অবিচ্ছেদ্য অংশ


ব্যবস্থাপনা পরিচালক


পরিচালক


কোম্পানী সচিব

একই তারিখে স্বাক্ষরিত পৃথক নিরীক্ষা প্রতিবেদন সাপেক্ষে


খান ওহাব শফিক রহমান এন্ড কোং
চার্টার্ড একাউন্ট্যান্টস

স্থান : চট্টগ্রাম
তারিখ : নভেম্বর ০৬, ২০১৯ইং

HAKKANI PULP & PAPER MILLS LIMITED

Statement of Changes in Equity For the year ended 30 June, 2019

Particulars	Share Capital	Dividend Equalization Reserve	Revaluation Reserve	Fair Value Reserve	Retained Earnings	(Amount in Taka)
						Total
Balance as at 01 July, 2018	190,000,000	15,000,000	300,149,645	2,563,152	13,532,891	521,245,689
Adjustment of depreciation on carrying amount of revalued assets	-	-	(13,440,631)	-	13,440,631	-
Deferred Tax on Revaluation Surplus	-	-	2,016,094	-	-	2,016,094
Unrealized Gain/(Loss) on Investment in Shares	-	-	-	(1,039,535)	-	(1,039,535)
Dividend for the period 2017-2018	-	-	-	-	(5,700,000)	(5,700,000)
Net Profit after Tax for the year	-	-	-	-	(21,135,213)	(21,135,213)
Balance as on 30 June, 2019	190,000,000	15,000,000	288,725,108	1,523,617	138,309	495,387,034

For the year ended 30 June, 2018

Particulars	Share Capital	Dividend Equalization Reserve	Revaluation Reserve	Fair Value Reserve	Retained Earnings	(Amount in Taka)
						Total
Balance as at 01 July, 2017	190,000,000	15,000,000	312,359,742	1,915,279	17,387,793	536,662,814
Adjustment of depreciation on carrying amount of revalued assets	-	-	(14,364,820)	-	14,364,820	-
Deferred Tax on Revaluation Surplus	-	-	2,154,723	-	-	2,154,723
Unrealized Gain/(Loss) on Investment in Shares	-	-	-	647,873	-	647,873
Net Profit after Tax for the year	-	-	-	-	(18,219,722)	(18,219,722)
Balance as on 30 June, 2018	190,000,000	15,000,000	300,149,645	2,563,152	13,532,891	521,245,689


MANAGING DIRECTOR


DIRECTOR


COMPANY SECRETARY

The annexed notes from 1 to 42 an integral part of these financial statements.

Place: Chattogram

Date: 06 November 2019


KHAN WAHAB SHAFIQUE RAHMAN & CO.
CHARTERED ACCOUNTANTS



হাক্কানী পাঞ্জ এন্ড পেপার মিলস্ লিঃ
শেয়ারহোল্ডারদের মালিকানাধ্বত্বের পরিবর্তন বিবরণী

৩০শে জুন, ২০১৯ইং তারিখে সমাপ্ত বৎসরের জন্য

বিবরণ	শেয়ার মূলধন	লভ্যাংশ সমতাকরণ তহবিল	পুনর্মূল্যায়ন সঞ্চিতি	ন্যায্য মূল্য সঞ্চিতি	সংরক্ষিত মুনাফা তহবিল	মোট
১ জুলাই, ২০১৮ - এ স্থিতি	১৯০,০০০,০০০	১৫,০০০,০০০	৩০০,১৪৯,৬৪৫	২,৫৬৩,১৫২	১৩,৫৩২,৮৯১	৫২১,২৪৫,৬৮৯
পুনর্মূল্যায়িত সম্পত্তির অবচয় সমন্বয়	-	-	(১৩,৪৪০,৩৩১)	-	১৩,৪৪০,৬৩১	-
পুনর্মূল্যায়িত মুনাফার উপর বিলম্বিত কর সমন্বয়	-	-	২,০১৬,০৯৪	-	-	২,০১৬,০৯৪
শেয়ারে বিনিয়োগের উপর অনাদায়ী লাভ/(ক্ষতি)	-	-	-	(১,০৩৯,৫৩৫)	-	(১,০৩৯,৫৩৫)
লভ্যাংশ অর্জন (২০১৭-২০১৮)	-	-	-	-	(৫,৭০০,০০০)	(৫,৭০০,০০০)
কর পরবর্তী নীট মুনাফা	-	-	-	-	(২১,১৩৫,২১৩)	(২১,১৩৫,২১৩)
৩০ জুন, ২০১৯ - এ স্থিতি	১৯০,০০০,০০০	১৫,০০০,০০০	২৮৮,৭২৫,১০৮	১,৫২৩,৬১৭	১৩৮,৩০৯	৪৯৫,৩৮৭,০৩৪

৩০শে জুন, ২০১৭ইং তারিখে সমাপ্ত বৎসরের জন্য

বিবরণ	শেয়ার মূলধন	লভ্যাংশ সমতাকরণ তহবিল	পুনর্মূল্যায়ন সঞ্চিতি	ন্যায্য মূল্য সঞ্চিতি	সংরক্ষিত মুনাফা তহবিল	মোট
১ জুলাই, ২০১৭ - এ স্থিতি	১৯০,০০০,০০০	১৫,০০০,০০০	৩১২,৩৫২,৭৪২	১,৯১৫,২৭৯	১৭,৩৮৭,৭৯৩	৫৩৬,৬৬২,৮১৪
পুনর্মূল্যায়িত সম্পত্তির অবচয় সমন্বয়	-	-	(১৪,৩৬৪,৮২০)	-	১৪,৩৬৪,৮২০	-
পুনর্মূল্যায়িত মুনাফার উপর বিলম্বিত কর সমন্বয়	-	-	২,১৫৪,৭২৩	-	-	২,১৫৪,৭২৩
শেয়ারে বিনিয়োগের উপর অনাদায়ী লাভ/(ক্ষতি)	-	-	-	৬৪৭,৮৭৩	-	৬৪৭,৮৭৩
কর পরবর্তী নীট মুনাফা	-	-	-	-	(১৮,২১৯,৭২২)	(১৮,২১৯,৭২২)
৩০ জুন, ২০১৮ - এ স্থিতি	১৯০,০০০,০০০	১৫,০০০,০০০	৩০০,১৪৯,৬৪৫	২,৫৬৩,১৫২	১৩৮,৩০৯	৫২১,২৪৫,৬৮৯

* সংযোজিত নোট সমূহ আর্থিক বিবরণীর একটি অবিচ্ছেদ্য অংশ

কোম্পানী সচিব

পরিচালক

বান ওহাব শফিক রহমান এন্ড কোং
চার্টার্ড একাউন্ট্যান্টস

স্থান : চট্টগ্রাম
তারিখ : নভেম্বর ০৬, ২০১৯ ইং

HAKKANI PULP & PAPER MILLS LIMITED

Notes to the Financial Statements

For the year ended 30 June, 2019

1 LEGAL STATUS AND NATURE OF THE BUSINESS:

1.01 Status and Legal Form of the Company

Hakkani Pulp & Paper Mills Ltd. (hereinafter referred to as the "Company") has been incorporated in Bangladesh as a public company limited by shares under the Companies Act, 1994 vide Registration No. CHC-2462/1996 with the Registrar of Joint Stock Companies and Firms on December 28, 1996. The Company issued shares to the general public in 2001 and got listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

The registered office of the Company is situated at 2/10, D.T. Road, North Pahartali, Chattogram. The factory is located at Mouza: Halimkhar Char, P.S: Potiya, Dist: Chattogram on Chattogram - Cox's Bazar Highway.

1.02 Nature of Business:

The principal objects of the company is to manufacture different kinds of Pulp, Papers & Tissue.

2 BASIS OF PREPARATION, PRESENTATION AND DISCLOSURES OF FINANCIAL STATEMENTS

2.01 Statement of compliance:

These Financial Statements have been prepared on a going concern basis following accrual basis of accounting except for cash flows statement, in accordance with the International Accounting Standard (IAS) and International Financial Reporting Standard (IFRS) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh (ICAB).

2.02 Application of International Accounting Standard (IAS):

The following IAS are applicable for the Financial Statements for the year under review:

- IAS - 01 Presentation of Financial Statements
- IAS - 02 Inventories
- IAS - 07 Statement of Cash Flows
- IAS - 08 Accounting Policies, Changes In Accounting Estimates and Errors
- IAS - 10 Events after the Reporting year
- IAS - 12 Income Taxes, Deferred Taxes
- IAS - 16 Property, Plant and Equipment
- IAS - 19 Employee Benefits
- IAS - 23 Borrowing Costs
- IAS - 24 Related Party Disclosures
- IAS - 33 Earning per Share
- IAS - 36 Impairment Test
- IFRS- 07 Financial Instruments: Disclosure
- IFRS- 09 Financial Instruments
- IFRS-15 Revenue from Contract With Customers

2.03 Basis of Reporting :

The Financial Statements have been prepared and presented for external users by the company in accordance with



identified Financial reporting framework, presentation has been made in compliance with the requirements of IAS 1 - "Presentation of Financial Statements"

- a. A Statement of Financial Position as at 30 June, 2019.
- b. A Statement of Profit or Loss and other Comprehensive Income for the year ended 30 June, 2019.
- c. A Statement of Changes in Equity for the year ended 30 June, 2019.
- d. A Statement of Cash Flows for the year ended 30 June, 2019.
- e. Notes , comprising a summary of significant accounting policies and explanatory information.
- f. Comparative information prescribed by the Standard.

2.04 Other Regulatory Compliances:

The entities are also required to comply with the following major laws and regulation along with the Companies Act, 1994.

The Income Tax Ordinance, 1984

The Income Tax Rules, 1984

The Value Added Tax Act, 1991

The Value Added Tax Rules, 1991

The Customs Act, 1969

Bangladesh Labour Act, 2006 as amended in 2013

The Securities and Exchange Rules, 1987

The Corporate Governance Ordinance 2006, as amended in 2018.

2.05 Authorization for Issue :

These Financial Statement have been authorized for issue by the Board of Directors of the company on November 02, 2019.

2.06 Basis of Measurement :

The Financial Statement have been prepared on going concern basis under the historical cost convention except for revaluation of non-current assets.

2.07 Functional and presentation currency:

The Financial Statements are presented in Bangladesh Taka which is the company's functional currency. All financial information presented in BDT has been rounded off to the nearest Taka.

2.08 Use of Estimates and Judgments:

The preparation of the Financial Statements in conformity with IAS and IFRS 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, actual results may differ from these estimates. Estimates and underlying assumption are reviewed on an on going basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised in any future years affected.

In particular, information about significant areas of estimation, uncertainty and critical Judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statement's included in the following notes:

Note: 04 Property, Plant and Equipment

Note: 07 Inventories

Note: 08 Trade Receivables

Note : 09 Advances, Deposits & Prepayments

Note: 17 Deferred Tax Liability

Note : 21 Trade Payables

2.09 Reporting Year :

The financial year of the company covers one year from 01 July 2018 to 30 June 2019 and it is followed consistently.

3.00 SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies set out below have been applied consistently to all years presented in the Financial Statements.

3.01 Property, plant and equipment:

3.01.01 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 the assets. The cost of self constructed/ installed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to the working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located.

3.01.02 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 or loss and other comprehensive income as incurred.

3.01.03 Depreciation:

Depreciation is recognized in Statement of Profit or Loss and other Comprehensive Income on diminishing balance method over the estimated useful lives of Property , Plant and Equipment. Depreciation is charged on Property , Plant and Equipment from the usable date i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management and no depreciation is charged in the year of disposal.

No depreciation is charged on land and capital work-in-progress. Depreciation is charged on all other fixed assets on a diminishing balance method. Depreciation of an assets is charged by the rates depending on the nature and estimated useful life of assets are given below:

Assets	Rate
Building & Other Civil Construction	5%
Plant & Machinery	7%
Furniture & Fixtures	10%
Office Equipment	10%
Electric Installation	10%
Gas Line Installation	10%
Telephone Line Installation	10%
Water Line Installation	10%
Fire Extinguisher	20%
Office Decoration	10%
Vehicle	20%
Motor Vehicle	20%
Factory Equipment	20%

3.02 Capital Work In Progress :

The cost of capital work in progress comprises:



- 1) Purchase price includes import duties.
- 2) Any cost directly attributable to bringing the assets to be capable of operating in the manner intended by the Management.

The cost of capital working progress shall be recognized as property plant and equipment when it is probable that the economic benefits associated with its intended use will follow to the entity as per paragraph 7 of IAS 16 property plant and equipment.

3.03 Impairment of Assets:

An impairment test is carried out by the Management at the end of each reporting year to ascertain whether there is any indication that an assets is impaired if any such indication exists, the impairment losses for an individual assets is measured and recognized in the financial statements in accordance with IAS 36 Impairment of asset.

3.04 Investment in Shares:

This investment in shares is initially recognized and measured at transaction costs that are directly attributable to the acquisition of the said financial asset. The management considered investment in shares as available for sale financial assets to present its subsequent changes in fair value through other compressive income in accordance with paragraph 5.7.5 of IFRS 9.

The cumulative gain or loss that was recognized in fair value adjustment reserve will be recognized in profit or loss when this investment will be sold.

3.05 Inventories:

Inventories are measured at lower of cost and net realizable value. The cost of inventories includes expenditure incurred in acquiring these inventories and bringing them to their existing location and condition in accordance with IAS-2.

Category

Basis of Valuation

Finished Goods

Finished goods are valued at cost or NRV whichever is lower.

Raw materials

Raw materials are valued at weighted average method.

Work in Process

Work in process is valued at 100% cost of raw materials, 75% cost of labour and 50% cost of overhead.

Consumable stores

Based on weighted average method.

Packing materials

Based on weighted average method.

3.06 Advances, deposits and prepayments:

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment, inventory or expenses.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges.

3.07 Cash and cash equivalents:

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short term fixed deposits with banks.

3.08 Employee benefit schemes:

The company maintains Workers' Profit Participation Fund and Workers' Welfare Fund as per Labour Act, 2006 as amended in 2012.

3.09 Provisions:

Provisions are made against obligations arising from past events, for which company has obligations to pay in future and such probable expenditures of company are provided at Financial Position date.

3.10 Interest income and expenses:

Interest income has been recognized on accrual basis.

Interest expenses incurred during the period have been charged to statement of Profit or Loss and other comprehensive income.

3.11 Borrowing Cost:

The borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying asset is capitalized as a part of cost of that assets.

Other borrowing costs are recognized as an expenses in the year in which its incurred as per paragraph 8 of IAS 23 Borrowing Cost.

3.12 Contingencies:

Contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be measured reliably.

3.13 Income Tax Expenses :

Current Tax

Provision for income tax has been made as per provisions of income tax laws.

Deferred Tax

Deferred Tax liabilities are the amount of income taxes payable in future years in respect of taxable temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying value of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted on the balance sheet date. The impact on the account of changes in the deferred tax assets or liabilities has been recognized in the Statement of Profit or Loss and Other Comprehensive Income as per IAS-12.

3.14 Revenue:

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and rebates, if any. Revenue is recognized when significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods-IFRS-15

3.15 Earning per share (EPS):

Basic Earnings:

This represents Profit/ (Loss) for the year attributable to ordinary shareholders. As there is no preference dividend or extra ordinary items, the net profit/ (Loss) after tax for the period.

3.16 Comparative Information:

Comparative information has been disclosed in respect of all numeric information in the financial statement and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

Previous years figures have been rearranged, wherever considered necessary, to ensure comparability with current year.

3.17 Significant Deviations:

3.17.01 Significant deviation in EPS:

Due to following reasons, significant deviation in EPS has been arrived compared to previous year-

- a) Net Loss has increased due to fall in market price of the products.



- b) Cost of Sales has increased due to increase in cost of Raw Materials, Factory Overheads, Administrative Expenses, Financial Expenses and Selling Expenses.
- c) Starting the Commercial production of Tissue Unit.

3.17.02 Significant deviation in Net operating cash flows per share (NOCFPS).

Due to following reasons, significant deviation in Net Operating Cash Flows Per Shares (NOCFPS) has been incurred compared to previous year-

- a) Increase in cash collection from customers, Increase in advance, deposit & Prepayments and Increase in current portion of Long Term Loan significantly.

4.00 PROPERTY, PLANT & EQUIPMENT:

Balance as on 01 July (including revaluation)

2019 Taka	2018 Taka
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970,580,617	927,205,390
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Add: Addition during the year

290,637,715	43,375,227
-------------	------------

Less: Adjustment during the year

-	-
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Balance as on 30 June

1,261,218,332	970,580,617
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Less: Accumulated depreciation

378,723,562	341,465,159
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Written down value as on 30 June

882,494,770	629,115,457
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- (a) Details of GroupWise Property, Plant & Equipment with cost, addition and adjustment during the period, depreciation and written down value are shown at **Note-4.01 & 4.02.**

(Amount in Taka)

4.01 PROPERTY, PLANT & EQUIPMENT (PAPER UNIT):

Particulars	C			O			S			T			D E P R E C I A T I O N		
	Balance as on 01 July, 2018	Addition during the year	Disposal / Adjustment during the year	Balance as on 30 June, 2019	Rate of Dep.	Balance as on 01 July, 2018	Charged during the year	Balance as on 30 June, 2019	Written Down Value as on 30 June, 2019						
Land & Land Development	43,583,242	-	-	43,583,242	-	-	-	-	43,583,242						
Building & Other Construction	86,300,305	618,819	-	86,919,124	5%	30,090,205	2,822,905	32,913,110	54,006,014						
Plant & Machinery	322,899,539	565,000	-	323,464,539	7%	165,985,264	10,998,242	176,983,506	146,481,033						
Furniture & Fixture	1,028,319	173,400	-	1,201,719	10%	498,191	61,111	559,302	642,417						
Office Equipment	2,991,623	619,920	-	3,611,543	10%	1,449,690	187,014	1,636,704	1,974,839						
Electric Installation	19,386,083	156,484	-	19,542,572	10%	10,329,453	911,502	11,240,955	8,301,617						
Gas Line Installation	3,832,191	100,000	-	3,932,191	10%	2,645,112	124,516	2,769,628	1,162,563						
Telephone Line Installation	132,263	-	-	132,263	10%	87,390	4,487	91,878	40,385						
Water Line Installation	6,762,669	97,535	-	6,860,204	10%	3,430,887	338,825	3,769,712	3,090,492						
Fire Extinguisher	111,870	-	-	111,870	20%	82,487	5,877	88,363	23,507						
Office Decoration	295,300	1,617,787	-	1,913,087	10%	207,163	50,343	257,507	1,655,580						
Vehicle Car	3,011,672	-	-	3,011,672	20%	1,744,306	253,473	1,997,779	1,013,893						
Motor Vehicle	2,923,247	-	-	2,923,247	20%	970,721	390,505	1,361,226	1,562,021						
Factory Equipment	260,770	94,600	-	355,370	20%	-	57,888	57,888	297,482						
"A"	493,519,098	4,043,545	-	497,562,643		217,520,870	16,206,688	233,727,558	263,835,085						
At Revaluation															
Land & Land Development	139,028,020	-	-	139,028,020	-	-	-	-	139,028,020						
Building & Other Construction	110,663,849	-	-	110,663,849	5%	33,383,156	3,864,035	37,247,191	73,416,658						
Plant & Machinery	227,369,650	-	-	227,369,650	7%	90,561,134	9,576,596	100,137,730	127,231,920						
"B"	477,061,519	-	-	477,061,519		123,944,290	13,440,631	137,384,921	339,676,598						

4.02 PROPERTY, PLANT & EQUIPMENT (TISSUE UNIT):

(Amount in Taka)

Particulars	C O S T			Rate of Dep.	D E P R E C I A T I O N			Written Down Value as on 30 June, 2019
	Balance as on 01 July, 2018	Addition during the year	Disposal / Adjustment during the year		Balance as on 30 June, 2019	Balance as on 01 July, 2018	Charged during the year	
Building & Other Construction	-	67,775,536	-	67,775,536	5%	1,392,309	1,392,309	66,383,227
Plant & Machinery	-	218,714,824	-	218,714,824	7%	6,210,241	6,210,241	212,504,582
Motor Vehicle	-	103,810	-	103,810	20%	8,532	8,532	95,278
"C"	-	286,594,170	-	286,594,170	-	7,611,083	7,611,083	278,983,087
Grand total as on 30 June, 2019 (A+B+C)	970,580,617	290,637,715	-	1,261,218,332		37,258,402	378,723,562	882,494,770
As on 30 June 2018	927,205,390	43,375,227	-	970,580,617		312,939,405	28,525,755	629,115,458

Allocation of Depreciation:

Administrative Expenses
Factory Expenses

	2019 Taka	2018 Taka
	556,429	410,235
	36,701,973	28,115,519
TAKA =	37,258,402	28,525,754



	2019 Taka	2018 Taka
5.00 CAPITAL WORK-IN-PROGRESS:		
Capital Work-In-Progress Existing Unit (Note: 5.1)	14,218,124	14,091,269
Capital Work-In-Progress- Tissue Unit (Note: 5.2)	-	219,142,047
Balance as on 30 June	14,218,124	233,233,316

5.1 Capital Work-In-Progress- Existing Unit:

Particulars	Opening Balance	Addition during the year	Capitalized during the year	Closing Balance
Building & Other Construction	12,454,339	3,285	-	12,457,624
Plant & Machinery	670,250	123,570	-	793,820
Motor Vehicle	25,000	-	-	25,000
Electric Installation	941,680	-	-	941,680
Others	-	-	-	-
Net Cost of sample products produced	-	-	-	-
Total for Existing Unit	14,091,269	126,855	-	14,218,124

5.2 Capital Work-In-Progress- Tissue Unit:

Particulars	Opening Balance	Addition during the year	Capitalized during the year	Closing Balance
Building & Other Construction	52,131,533	5,797,811	57,929,344	-
Plant & Machinery	145,070,085	10,016,115	155,086,200	-
Motor Vehicle	5,550	98,260	103,810	-
Net Cost of Sample Product (Note: 5.3)	21,934,879	14,117,034	36,051,913	-
Total for Tissue Unit	219,142,047	30,029,220	249,171,267	-

5.3 Net Cost of Sample Product:

Cost of goods sold (Trial Production)	-	25,627,805
Less: Revenue from sale of sample products	-	3,692,926
Net Cost of sample products produced	-	(21,934,879)

5.4 The Capital work in progress of tissue unit has been capitalized on 1st January, 2019 as per decision of the Board of Directors.

5.5 Commercial operation of Tissue Unit has been started from 1st January 2019.

6.00 INVESTMENT IN SHARES:

6.01 Company wise investment position at market value are shown below:

Name of company	No. of Shares	Cost	Market Value as on 30 June, 2019	Unrealized gain/(loss)
Bank Asia Ltd.	8,253	81,593	147,729	66,136
Beximco Ltd.	43,925	1,550,974	992,705	(558,269)
Beximco Pharma Ltd.	7,999	356,040	667,917	311,877
Brac Bank Ltd.	10,729	158,404	714,551	556,147
DESCO Ltd.	15,308	647,711	698,045	50,334
Dhaka Bank Ltd.	38,761	332,955	519,397	186,442
Exim Bank Ltd.	59,497	1,269,789	675,291	(594,498)
Grameen Phone Ltd.	10,700	3,961,466	3,906,570	(54,896)
IBBL Mudaraba Bond	615	465,000	578,100	113,100
Islamic Finance and Invest. Ltd.	58,087	1,779,803	981,670	(798,133)
Islami Bank Bangladesh Ltd.	10,570	376,381	253,680	(122,701)



Name of company	No. of Shares	Cost	Market Value as on 30 June, 2018	Unrealized gain/(loss)
Jamuna Oil Ltd.	2,299	271,160	401,176	130,016
Lafarge Holcim Bangladesh Ltd.	13,000	805,409	517,400	(288,009)
Meghna Petroleum Ltd.	2,402	249,415	473,915	224,500
Mercantile Bank Ltd.	30,442	305,303	429,232	123,929
Mutual Trust Bank Ltd.	45,084	622,287	1,528,348	906,061
National Bank Ltd.	68,259	903,036	600,679	(302,357)
One Bank Ltd.	37,857	389,531	507,284	117,753
Premier Bank Ltd.	27,096	209,835	317,023	107,188
Prime Bank Ltd.	449	8,030	8,486	456
Rupali Bank Ltd.	34,785	1,724,218	1,314,873	(409,345)
Shahjalal Islami Bank Ltd.	49,500	394,716	1,267,200	872,484
Southeast Bank Ltd.	109,170	1,040,447	1,473,795	433,348
Square Pharma Ltd.	8,189	1,826,477	2,157,802	331,325
Standard Bank Ltd.	22,000	249,996	222,200	(27,796)
Titas Gas Ltd.	13,250	766,553	526,688	(239,865)
Trust Bank Ltd.	48,400	1,179,770	1,568,160	388,390
Total	776,626	21,926,299	23,449,916	1,523,617

6.02 **Gain/ (Loss) on Investment in Shares:**

Unrealized Gain/ (Loss) Closing	1,523,617	2,563,152
Unrealized Gain/ (Loss) Opening	2,563,152	1,915,279
Gain/ (Loss) on Investment in Shares during the year	(1,039,535)	647,873

2019	2018
Value (Taka)	Value (Taka)

7.00 **INVENTORIES:**

a) **Raw Materials**

Wastage Paper
Chemicals

36,569,608	25,603,758
4,214,444	1,982,929
40,784,052	27,586,687

b) **Finished Goods**

Bright Newsprint Paper
Medium Paper
Writing Printing Paper
Khata
Various Tissue Paper

38,908,676	18,061,559
5,213,015	2,619,501
4,786,985	634,850
1,191,947	-
13,444,710	11,648,780
63,545,333	32,964,689

c) **Work-In-Process**

d) **Consumable Store**

e) **Packing Material**

Total (a+b+c+d+e)

12,964,838	16,211,881
18,286,250	10,995,829
1,677,985	100,000
137,258,458	87,859,086

(a) Value of raw materials, consumables spares parts and packing materials was made at weighted average method.

(b) Work in process is valued at 100% cost of raw materials, 75% cost of labour and 50% cost of overhead.

- (c) Finished goods are valued at cost or NRV whichever is lower.
(d) Physical inventory was taken at the year end.
(e) Inventory consists of a huge number of items for which the quantity could not be disclosed.

8.00	TRADE RECEIVABLES:	2019 Taka	2018 Taka
	A. H Packaging & Accessories	3,090,472	4,090,472
	Al-Amin Book Depo	10,592	100,592
	Babul Store	30,248,596	47,084,238
	Bangladesh Marine Hoist & House	13,000	73,000
	Bismillah Enterprise	2,010,967	23,406,897
	Bismillah Enterprise-Lalkhan Bazar	50,726	-
	Dainik Azadi (Shapon chy)	611,601	1,774,891
	Elite Paper House	283,309	1,728,309
	Interna Plastic (Pvt.) Ltd.	800,000	2,413,260
	Modern Biponi	1,418,493	1,997,252
	Siam Paper House	65,920	140,920
	Sonargaon Paper House	434,031	634,031
	Munna Enterprise	2,159,481	6,947,925
	Resimax Industries Ltd.	1,574,230	1,916,730
	S.K Traders	11,133,352	20,416,627
	A B Trading	4,639,252	-
	ACI Logistics Ltd. (Showpno)	160,836	-
	Akter Store (Depo) Rajbari	31,614	-
	Alviraj-Tissue	89,925	-
	Amina Enterprise	43,735	-
	Amir & Brothers	899,767	-
	Arafat Vhat Ghor	22,928	-
	Arif Enterprise	337,254	-
	Ariosto Restaurant	29,632	-
	Barcode Restaurant Group	200,930	-
	Bismillah Departmental Store	23,189	-
	Bismillah Enterprise- Chowdhagram	55,906	-
	CFC Restaurant	23,994	-
	Chandpur Paper House	10,131,561	-
	Conpac Trading Ltd.	166,422	-
	Eanan Enterprise	55,371	-
	Ekota Enterprise-Teknaf	182,870	-
	Flat Steel Operating Unit	45,902	-
	Flavors Premium Sweets, Ctg	20,790	-
	FM Trading	670,329	-
	Foisal & Brothers	636,200	-
	G. N. Enterprise	51,008	-
	Garibe Newaj Traders (Sales)	118,289	-
	Glory Tapes & Labels Ltd.	879,245	-
	Habib Enterprise (Chokaria)	103,125	-
	Halishahar Mart	39,607	-



	2019 Taka	2018 Taka
Hamim Group-Dhaka Corporate	38,621	-
JBS Traders	495,455	-
Korotoa Paper Depot.	1,456,131	-
MI Trading	154,118	-
M/S Nur Enterprise	27,396	-
M/s Oishi Enterprise	343,850	-
M/S. Safiq & Brothers-Whay Kong	39,633	-
Mahbub & Brothers	1,638,576	-
Mahmud Enterprise-Noakali	28,791	-
Mamun Enterprise-Companiganj	26,653	-
Mizan Store (Tissue)	574,201	-
Modhumoti Traders	242,149	-
Mojim Traders	59,985	-
MR Traders (Khulna Depo)	112,919	-
Mustafa Paper House	2,225,846	-
Nuha Enterprise / Three Star	190,229	-
Orcid Enterprise	54,169	-
Padma Accessories Ltd.	87,847	-
Padma Media Center	743,727	-
Paperaj Traders	286,596	-
Parvin & Zalal Enterprise	55,930	-
Personal	537,595	-
Pran RFL	602,201	-
RFM Paper Mills Ltd.	499,691	-
RM Trade International	6,838,145	-
Roshidul Enterprise	77,193	-
S Rahaman Trading/Enterprise	120,695	-
S.K Enterprise	320,000	-
S.R.Paper House	128,155	-
S.S.G Paper Ltd.	185,169	-
Sadia Enterprise	140,876	-
Safe Corporation	80,000	-
Sagorika Printers	275,407	-
Saif Trade & Supplies	162,258	-
Sajib Enterprise	490,567	-
Sha Jobbariya Enterprise	46,081	-
Shahid Enterprise	96,911	-
Shanto Enterprise	195,903	-
Siddique Enterprise-Cox's	232,415	-
Sifa/ Shefa Packages	900,000	-
Soinik Traders	40,221	-
Sojib Enterprise	191,823	-
Tanha Enterprise	53,167	-
Tasbhi & Brothers	97,798	-
Unique Accessories	36,944	-
Walton Hi-Tech Industry Ltd.	129,369	-

	2019 Taka	2018 Taka
Watson Paper Mills Ltd.	134,010	-
Zidan Enterprise	90,627	-
A. N. J Paper Industries	-	384,600
Abdul Mojid & Sons	-	548,865
Aroma Packaging	-	195,000
Ashraf Traders	-	40,000
Astral Associates	-	800,000
Bokul Enterprise	-	614,976
Brota Packages Ltd.	-	178,760
Dainik Purbokone (Swoapon Chy)	-	923,696
Fahim Enterprise	-	688,666
Mizan Paper House	-	53,500
Nezam Paper House	-	536,791
P.H.P Float Glass Ind. Ltd.	-	648,266
Padma Accessories Ltd.	-	287,847
Paperaj Traders	-	64,075
Patenga Pack & Accessories Industry Ltd.	-	196,460
Progressive Enterprise	-	199,440
R R Package	-	677,620
Rahman Enterprise	-	46,295
Rana Enterprise	-	341,215
S. A Printing & Packaging	-	184,808
Safe Goods Package	-	199,960
Sayon Packaging Industry	-	169,560
Shah Amanat Paper Enterprise	-	474,164
Shefa Package	-	1,577,280
Sheto Enterprise	-	795,040
Shopon Chy Purbadesh	-	393,908
Signet Box Ltd.	-	812,232
Other Receivables	19,867,389	7,206,630
	115,017,902	131,964,797

(a) Trade Receivables are occurred in the ordinary course of business.

(b) Trade Receivables are unsecured but considered good by the management.

Ageing of Trade Receivables:

Below-30 Days	24,153,759	27,712,607
Within 31- 60 Days	35,655,550	40,909,087
Within 61 - 90 Days	23,003,580	26,392,959
Within 90 - 180 Days	20,703,222	23,753,664
Above 180 Days	11,501,790	13,196,480
	115,017,902	131,964,797

9.00 ADVANCES, DEPOSITS & PREPAYMENTS:

Advance Against Income Tax (Note: 9.1)	28,207,365	26,504,074
Advance Against Salary & Wages (Note: 9.2)	100,538	123,438
Advance Against Expenditure (Note: 9.3)	59,753,126	64,141,244
Advance Against L/C (Note: 9.4)	42,632,811	54,188,479
Deposits and Prepayments (Note: 9.5)	10,134,165	9,344,327
	140,828,005	154,301,561



	2019 Taka	2018 Taka
9.1 Advance Against Income Tax		
Advance Income Tax Paid	23,915,173	22,419,707
Advance Income Tax - Import	630,532	593,623
Advance Income Tax - Export	288,536	253,247
Advance Income Tax Deducted at Source	2,730,266	2,730,266
Advance Income Tax Deducted at Source (Dividend Income)	638,544	507,231
Advance Income Tax Deducted at Source (Bank Deposits)	4,315	-
	28,207,365	26,504,074
9.2 Advance Against Salary & Wages	100,538	123,438
9.3 Advance Against Expenditure		
Advance Against Purchase	116,370	254,100
Advance for Dhaka Office	259,700	259,700
Anima Development Limited	7,525,849	7,502,749
Advance for Machinery	49,975,460	44,842,480
Advance to B. L International	-	144,500
Shahjahan & Brothers	-	75,000
Advance against Travelling Expenses	-	2,682,897
VAT Current Account	103,951	107,141
Lanka Bangla Securities Ltd.	9,003	289,503
E Securities Limited	-	211
North West Securities Ltd.	853	-
City Brokerage Ltd.	18,341	-
Advances for spares parts and other materials	1,743,600	7,982,963
	59,753,126	64,141,244
9.4 Advance Against L/C	42,632,811	54,188,479
9.5 Deposits		
Security Deposit (PBS-1)	3,321,100	3,321,100
Security Deposit (BGSL) Boiler	2,601,439	1,811,601
Security Deposit (BGSL) Generator	1,441,672	1,441,672
Security Deposit (PDB)	25,200	25,200
Security Deposit (GEP Holdings Ltd)	8,000	8,000
Security Deposit (Grameen Phone)	20,000	20,000
Security Deposit (BTCL)	6,000	6,000
Security Deposit (CDBL)	300,000	300,000
Security Deposit- Bank Guarantee Against Gas Generator	257,040	257,040
Security Deposit- Bank Guarantee Against Boiler	1,043,250	1,043,250
Security Deposit Container Purpose	1,110,464	1,110,464
	10,134,165	9,344,327
10.00 CASH & CASH EQUIVALENTS:		
Cash In Hand		
At Head Office	854,029	641,351
At Dhaka Office	5,000	5,000
At Factory	35,000	35,000
	894,029	681,351

Cash at Banks

	2019 Taka	2018 Taka
Bangladesh Krishi Bank, Agrabad Branch, CD A/C-2903-0210014807	32,893	34,043
Social Islami Bank Ltd, Agrabad Branch-CC A/C - 0041330027978	113,339	455,281
First Security Islami Bank Ltd, Agrabad Branch. STD A/C - 010413100000463	56,794	56,389
Social Islami Bank Ltd, Agrabad Branch, STD Account-41300458	125,158	1,160,663
National Bank Ltd, Pahartali Branch- CD A/C-005533008427	90,559	-
AB Bank Ltd. PCR Branch, CD A/C-4127773938000	7,999	9,149
Prime Bank Ltd, Laldighi East Branch, CD A/C -14511090025949	262,172	60,268
Southeast Bank Ltd, Pahartali Branch, CD A/C-New # 005111100000671	18,769	19,689
City Bank Ltd, Agrabad Branch CD A/C No 1101497955001	207,980	59,395
Premier Bank Ltd, Agrabad Branch CD A/C No-010311100015243	16,610	56,706
Premier Bank Ltd, CEPZ Branch CD A/C No-016711100000103	148,648	83,701
NCC Bank Ltd. Panthapath Branch, CD A/C No- 0087-0210003867	48,400	50,125
Standard Bank Ltd, Sadarghat Branch CD A/C No-04933000571	6,235	7,845
Dhaka Bank Ltd, Jubilee Road Branch CD A/C No-181000000012482	6,320	8,045
Islami Bank (BD.) Ltd, Agrabad Branch CD A/C No-20501030100588315	579,591	275,716
Mercantile Bank Ltd, A.K Khan Branch CD A/C No-117511121143947	69	5,595,090
Union Bank Ltd, Laldighi Branch CD A/C No-06110100000054	83,349	4,822
Dhaka Bank Ltd, G.E.C (C.D.A) Branch CD A/C No-201009777	7,460	9,185
Standard Bank Ltd, Jubilee Road Branch CD A/C No-01233005212	92,460	379,581
United Commercial Bank Ltd, Pahartali Branch CD A/C No-0971101000000078	207,940	535
Modhumoti Bank Ltd, Agrabad Branch CD A/C No-110911100000164	2,720	-
Eastern Bank Ltd, Agrabad Branch CD A/C No-11071082755	170,208	-
Pubali Bank Ltd, Pahartali Branch CD A/C No- 825901027548	448,117	-
	2,733,790	8,326,228
Fixed Deposit with Mercantile Bank Ltd. FDR # 117541322176882	320,966	305,828
Fixed Deposit with Mercantile Bank Ltd. FDR # 117541322894432	400,608	378,468
Fixed Deposit with Mercantile Bank Ltd. FDR # 117541325279666	631,900	-
	4,981,294	9,691,875

All bank balances were duly reconciled with bank statements of respective bank account.

11.00 SHARE CAPITAL:

11.01 Authorized:

50,000,000 Ordinary shares of Tk. 10.00 each.

500,000,000 **500,000,000**

11.02 Issued, Subscribed and Paid-up:

85,00,000 Ordinary shares of Tk. 10.00 each fully paid up in cash.

85,000,000 85,000,000

1,05,00,000 Ordinary shares of Tk. 10.00 each fully paid up other than cash.

105,000,000 105,000,000

190,000,000 **190,000,000**



2019
Taka

2018
Taka

11.03 The break up of share holdings as on 30 June, 2019 is as follows:-

Description	No of shares 30 June, 2019	% of share holding 30 June, 2019	No of shares 30 June, 2018	% of share holding 30 June, 2018
Sponsors	10,399,330	54.73	10,549,330	55.52
Investment Corporation of Bangladesh	33,500	0.18	33,500	0.18
Bangladesh Development Bank Ltd.	1,580,800	8.32	1,580,800	8.32
Other Institution and General Public	6,986,370	36.77	6,836,370	35.98
Total	19,000,000	100.00	19,000,000	100.00

11.04 Number of shareholders & their share holdings in percentage are as follows:

Range of Holdings	No. of Shareholders		No. of Shares		Holding %	
	2019	2018	2019	2018	2019	2018
Less than 500 shares	1,391	835	231,795	105,053	1.22	0.55
501 to 5000 Shares	916	1,043	1,632,659	1,595,353	8.59	8.40
5001 to 10000 Shares	131	112	988,210	848,679	5.20	4.47
10001 to 20000 Shares	56	57	765,648	752,101	4.03	3.96
20001 to 30000 Shares	20	18	509,429	438,776	2.68	2.31
30001 to 40000 Shares	5	3	179,381	98,700	0.94	0.52
40001 to 50000 Shares	1	2	45,260	95,580	0.24	0.50
50001 to 100,000 Shares	6	9	395,052	585,110	2.08	3.08
100001 to 1,000,000 Shares	15	15	6,605,600	6,846,182	34.77	36.03
Over 1,000,000 Shares	6	7	7,646,966	7,634,466	40.25	40.18
Total	2,547	2,101	19,000,000	19,000,000	100.00	100.00

12.00 DIVIDEND EQUALIZATION RESERVE:

Dividend Equalization Reserve is made-up as follows:

Balance as on 01 July	15,000,000	15,000,000
Add: Transferred from Retained Earnings	-	-
Balance as on 30 June	15,000,000	15,000,000

Dividend equalization reserve was created in the earlier year(s) with the concurrence of Board of Directors. The objective of this reserve is to pay dividend to shareholders during bad time of company.

13.00 REVALUATION RESERVE:

Plant and Machinery has been made during the financial year 2010-2011 by M/S. G. K. Adjusters, a professional value and the surplus amount of these assets were transferred to Revaluation Reserve Account. Breakup of such surplus is as follows:

Land and land development	139,028,020	139,028,020
Factory Building & Other Civil Constructions	110,663,849	110,663,849
Plant & Machinery	227,369,650	227,369,650
	477,061,519	477,061,519
Less: Depreciation on Revalued Assets till 30.06.2019 (Note-4.01)	137,384,921	123,944,290
	339,676,598	353,117,229
Less : Adjustments for Deferred Tax	50,951,490	52,967,584
Balance as on 30 June	288,725,108	300,149,645

Revaluation Reserve relates to the revaluation of Property, Plant & Equipment.

	2019 Taka	2018 Taka
14.00	RETAINED EARNINGS:	
Balance as on 01 July	13,532,891	17,387,793
Less: Dividend for the period 2017-2018 as approved in the AGM	5,700,000	-
	7,832,891	17,387,793
Add: Net profit/(loss) after tax for the year	(21,135,213)	(18,219,722)
	(13,302,322)	(831,929)
Add: Revaluation Surplus Realized	13,440,631	14,364,820
Balance as on 30 June	138,309	13,532,891
15.00	UNSECURED LOAN:	
Mr. Mohammad Abdullah, Chairman	18,448,060	18,448,060
Mr. Md. Golam Mostafa, Managing Director	4,464,830	4,014,830
Mr. Md. Golam Kibria, Director	5,914,175	5,507,475
Mrs. Hosne Ara Begum, Director	3,800,000	3,800,000
Mr. Md. Golam Haider, Director	5,957,975	5,507,975
Mr. Md. Golam Morshed, Director	3,207,475	3,207,475
Mr. Md. Golam Rasul Muktadir, Director	3,207,475	3,207,475
	44,999,990	43,693,290
The above loans from Directors are interest free.		
16.00	LONG TERM LOAN:	
HPSM Commercial Loan	3,672,639	10,279,211
Loan Under BMRE of Existing Projects	59,792,660	55,252,634
Loan Under Tissue Projects	279,100,398	105,840,700
	342,565,697	171,372,545
16.01	LONG TERM LOAN- MATURITY ANALYSIS:	
Due within the period- Current Portion	95,428,584	10,632,000
Due after more than the period- Non-Current Portion	247,137,113	160,740,545
	342,565,697	171,372,545

16.02 **TERMS OF LONG TERM LOAN:**

Lenders:

The company entered into a secured long term loan agreement with Social Islami Bank Limited, Agrabad Branch, Chattogram.

Total Long Term Loan Facilities:

Total disbursement amount is Tk. 32,94,97,278 against sanction amount of total long term loan Tk.63,95,92,000

Rate of Interest:

Interest rate is 13% per annum subject to change as per decision of the management of the Bank and variable depending on the situation of money market. The company currently enjoying the loan @ 13% interest.

Disbursement:

The disbursement of Hire Purchase under Shirkatul Melk (HPSM) Commercial Loan was made on November 24, 2015 for Balancing, Modernization, Replacement and Expansion (BMRE) of existing unit and Tissue Unit on January 01, 2017 and May 17, 2017 respectively.

Repayments:

This secured long term loan is repayable in 84 (eighty four) months.

2019
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Taka**Securities:**

- Hypothecation of machineries and stock.
- Total 642.30 decimal land has been placed as prime securities against the loan.
- Creation of charge with RJSC.
- Personal Guarantee of Directors

Purpose:

The loan has been taken for business expansion of existing project and establishment of new project (Tissue Project).

17.00 DEFERRED TAX LIABILITY:

Balance as on 01 July	36,893,429	35,199,812
Deferred Tax (Income)/ Expenses for the period -(Note-31)	12,709,744	1,693,617
	49,603,173	36,893,429
Add: Deferred Tax for Revaluation Surplus	50,951,490	52,967,584
	100,554,663	89,861,013

This represents provision made for deferred income tax to pay future income tax liability for temporary differences of Property, plant and equipment value. Calculation of Deferred Tax Liability as on 30.06.2019 has been shown at Note-17.01.

17 Calculation of Deferred Tax Liability:

(a) Carrying Amount of Property, Plant and Equipment (less revaluation and land value) as on 30 June	499,234,930	232,414,986
(b) Tax Based Property, Plant and Equipment	300,822,240	84,841,271
(c) Net Taxable Temporary Differences (a-b)	198,412,690	147,573,715
(d) Deferred Tax liability at effective Tax Rate	49,603,173	36,893,429
(e) Deferred Tax expenses on Net Taxable Temporary differences	12,709,744	1,693,917

18.00 SHORT TERM LOAN AND OVERDRAFT:

Social Islami Bank Ltd, Agrabad Branch-CC A/C: 0041330027978	148,775,920	139,321,883
UPAS Loan from Social Islami Bank Ltd.	7,711,090	7,711,090
Mercantile Bank Ltd. A.K Khan Branch-Cash Credit (CC) Hypo	40,940,480	38,920,038
Biam Wes Bills, MBE & LATR Loan from Social Islami Bank Ltd.	-	125,954,646
National Bank Ltd., Pahartali Branch- CD A/C-005533008427	-	14,488
UPAS Loan from Mercantile Bank Ltd.	14,957,800	-
LTR, Sight LC Loan From Mercantile Bank Ltd.	10,299,682	-
Other Short Term Loan	23,453,675	34,148,980
	246,138,646	346,071,124

- Bai-Muazzal (Commercial Trading)-CC Loan was sanctioned by the Social Islami Bank Limited, Agrabad Branch on the date of 5th May, 2015. It is renewable.
- Cash Credit (Hypo) was sanctioned by the Mercantile Bank Limited, A.K Khan Moor Branch on the date of 28th May 2017.
- Limit of Bai-Muazzal (Commercial Trading)-CC A/C: 0041330027978 Loan was Tk. 13 (Thirteen) crore.
- Limit of Cash Credit (CC) Hypo A/C:117577521729167 was Tk. 04 (Four) crore.
- SIBL Loan bears interest @ 13% and Mercantile Bank Ltd. Loan bears interest @ 12.5% p.a. respectively.
- Land, Building and Machinery has been placed as prime securities against the Loan.
- Personal Guarantee of Directors.

	2019 Taka	2018 Taka
19.00 ACCRUED EXPENSES:		
Agency commission on Sale	-	1,250,691
Audit Fee	172,500	115,000
Directors Remuneration	50,000	50,000
Electricity Bill-(Factory)	1,669,726	1,439,503
Electricity Bill-(H/O)	2,819	2,819
Electricity Bill-(Dhaka Office)	16,301	12,593
Electricity Bill-(Tissue Unit)	1,322,751	644,632
Gas Bill Factory	9,619,278	7,935,673
Gas Bill Factory Canteen	10,474	4,698
Gas Bill (H/O)	588	588
Food Allowance	102,808	21,480
Mobile Bill	31,420	21,382
Office Rent	25,000	15,000
Overtime	1,715,537	952,350
Salary & Allowances (D/O)	62,500	16,500
Salaries, Wages and Allowances (Food)	370,105	202,784
Staff Salary & Allowances	737,278	487,330
Telephone Bill	2,617	2,617
Wages & Allowances	2,571,322	1,380,137
Staff Salary (Sales & Marketing)	1,371,891	-
	19,854,915	14,555,777
20.00 WORKERS PROFIT PARTICIPATION & WELFARE FUND:		
Balance as on 01 July 2018	589,829	589,829
Add: Provision made during the period	-	-
	589,829	589,829
Less: Payment made during the period	-	-
	589,829	589,829
Balance as in 30 June 2019	589,829	589,829
* The balance is carried forward of the Welfare Fund.		
21.00 TRADE PAYABLES:		
Abul Khair Steel Melting Ltd.	-	1,519,802
Aramit Cement Ltd.	176,660	254,475
Azad Engineering Workshop	67,800	304,800
Bismillah Electric and Cables	547,068	2,988,588
Bismillah Traders Ashique	137,347	145,347
Cartoon Nirman Ltd.	547,954	52,250
City Lub Oil Industries Ltd.	-	131,757
Garibe Newaz Traders	1,115,000	650,000
Gentech Energy	494,986	1,078,086
Instrumentation Co-operative	40,000	40,000
M/S. Floor Tech	-	2,240
International Bearing	247,595	523,385
Islam & Brothers	94,034	81,915
Khaja Garibe Newaj Five Star Enterprise	25,441	1,514
M/s. Dohar Chemicals	1,619,980	768,205
Mamun Hardware Store	115,643	122,004



	2019 Taka	2018 Taka
Mohsin Enterprise	1,730,420	5,405,420
Noor Hardware Mart	72,985	59,000
Organic Bangladesh Corporation	153,000	40,000
Raj Bearing	143,310	188,340
S.R Packaging	912,205	231,320
Sahaba Corporation	693,730	113,036
Sakib Enterprise	238,471	239,798
Say Automation & Engineering	90,000	240,000
Hakkani Paper & Board Mills (Pvt) Ltd.	78,430	-
Hossain Box Industries	156,720	-
Indowater Solution	54,810	-
Ali Rubber Industries	57,500	-
Arif Traders	3,969,386	-
Arman & Brothers	80,000	-
Baizid Newsprint Mills Ltd. / Chittagong Packages Ltd.	451,135	-
Boiler Techno Crafts Engineering	87,000	-
Khaja Polythene Mart	24,952	-
Emo Enterprise	33,280	-
Ispahani Marshall Ltd.	113,770	-
RFL Plastic Ltd.	193,100	-
Shah Amanat Enterprise (Chemical)	184,815	-
Shah Godi Enterprise	47,896	-
Sheikh Ahmed & Mijan	107,600	-
Sheto Enterprise	11,394,370	-
Sion Enterprise (Chemical)	31,150	-
Sohel Engineering Workshop	50,000	-
Taslima Enterprise	237,820	-
Unimax Chemicals	505,000	-
United Trading Agency	143,591	-
A B Trading	-	2,236,905
A.M Poly Packaging	-	6,462
Al Raji Chemical	-	205,245
Al-Madina Paper House	-	4,860,140
Arif Enterprise	-	109,381
ASM Logistics	-	25,000
Atlantic Traders C & F	-	395,745
Avoy Enterprise	-	2,772,855
Bango Paper House	-	1,044,890
Chandpur Paper House	-	2,063,112
Broad Band Telecom Services Ltd.	-	12,500
BSM Led	-	4,700
Digital Touch	-	13,600
FM Trading	-	387,199
GEP Holdings Ltd.	-	9,435
Glory Tapes & Labels Ltd.	-	728,453
I.H Trading	-	30,670
JBS Traders	-	205,295
K F International	-	73,373

	2019 Taka	2018 Taka
M.T Engineering Works	-	84,142
M/S Soleman Store	-	537,750
Mahbub & Brothers	-	1,337,388
Modern Manufacturing Complex	-	46,475
Monorom Trading	-	10,099,294
Mozumder Enterprise	-	13,900
Mr. Nabi Feroj Shah	-	4,165
Musa Sowdagor	-	694,500
Nano Computer	-	3,600
Paper Processing & Packaging Ltd.	-	1,361,152
Power Automation & Engineering	-	139,100
Rainbow Tissue	-	752,140
Repac Power Generation	-	250,000
RFM Paper Mills Ltd.	-	837,791
RMS Store	-	164,304
S Rahaman Trading	-	575,785
S S G Paper Ltd.	-	539,509
S.R Paper House	-	1,102,422
Sagorika Printers	-	15,568,658
Shah Alam Engineering Works	-	216,807
Sojib Enterprise	-	854,165
Other Payables	22,047,047	3,923,836
	49,313,000	69,473,125
22.00 CURRENT TAX LIABILITIES:		
Balance as on 01 July 2018	6,995,420	5,293,314
Provided during the period:		
Against current year	2,917,512	1,702,107
Against previous years	-	-
	2,917,512	1,702,107
	9,912,932	6,995,420
Adjusted with advance income tax paid	-	-
Balance as on 30 June 2019	9,912,932	6,995,420
23.00 LIABILITIES FOR OTHER FINANCE:		
I.T. Deducted at Source	430,745	93,679
VAT Deducted at Source	101,286	44,400
North West Securities Ltd.	-	2,536
Unclaimed Dividend	2,899,731	2,538,926
	3,431,762	2,679,540
24.00 DIRECTORS CURRENT ACCOUNT:		
Mr. Md. Golam Morshed	2,750,000	2,300,000
Mr. Md. Golam Rasul Muktadir	2,750,000	2,300,000
	5,500,000	4,600,000



	2019 Taka	2018 Taka
25.00 REVENUE:		
a) Foreign Sales:		
News Print Paper - Export	12,506,217	32,956,361
b) Local Sales:		
Bright News Print Paper	277,984,362	248,346,522
Medium Paper	3,246,821	7,045,464
Writing Printing Paper	112,104,355	-
M.G.Newsprint	40,232,476	-
Clinical Bed Sheet Tissue	29,492	-
Facial Tissue	3,020,378	-
Kitchen Towel Tissue	540,246	-
Napkin Tissue	31,735,720	-
Pocket Tissue	3,046,474	-
Toilet Tissue	10,395,839	-
Gross Revenue	494,842,380	288,348,347
Less: Value Added Tax (VAT)	10,833,190	5,759,093
Net Revenue	484,009,189	282,589,254

* Net Revenue includes the Revenue of 6 months of Tissue Units.

26.00 COST OF SALES:		
Opening Stock of Raw Materials	27,586,687	18,177,317
Add: Purchase during the year	287,195,977	122,349,558
	314,782,664	140,526,875
Less: Closing Stock of Raw Materials	40,784,052	25,043,826
Raw Materials Consumed	273,998,612	115,483,049
Add: Factory overhead:		
Salaries, Wages and Allowances	30,333,773	18,813,553
Overtime -Factory Worker	3,635,195	3,661,658
Food Allowance- Factory Staff	380,786	-
Labour Charge	1,830,138	2,622,826
Carriage Inward	711,056	724,830
Gas Bill (Boiler & Gas Generator)	30,744,803	29,834,839
Electric Bill	29,215,214	15,560,626
Consumable Spare & Store	5,505,751	3,332,819
Factory Maintenance	8,555,820	10,434,583
Loading Unloading Charge	11,889,113	5,071,726
Paper/Tissue/Khata Cutting Exp.	3,617,369	783,451
Fuel (Generator)	839,530	1,064,960
Fuel (Machine)	347,380	800,958
Fuel (Vehicle)	474,227	260,952
Medical & Medicine	65,007	31,476
Gas Generator Upkeep	1,056,570	3,164,309
Annual Maintenance (Gas Generator)	-	71,876
Boiler Upkeep	517,200	302,200
Insurance Premium (Factory)	1,790,001	1,299,719
Laboratory Expenses	36,260	48,518

	2019 Taka	2018 Taka
Canteen Expenses-Factory	283,021	58,342
Gas Generator Overhauling Exp	-	1,373,004
Gas Bill (Factory Canteen)	55,521	62,612
Export Related Expenses	2,495,697	601,288
Depreciation	36,701,973	28,115,519
	445,080,016	243,579,693
Add: Opening Work-in-Process	16,211,881	15,629,855
	461,291,897	259,209,548
Less: Closing Work-in-Process	12,964,838	13,455,861
Cost of Production	448,327,059	245,753,687
Add: Opening Stock of Finished Goods	32,964,689	24,940,526
	481,291,748	270,694,213
Less: Closing Stock of Finished Goods	63,545,333	21,315,909
Cost of Sales	417,746,415	249,378,303

27.00 ADMINISTRATIVE EXPENSES:

Staff Salary & Allowances & Bonus	7,490,253	5,960,634
Office Rent	264,000	216,000
Telephone Bill	346,743	268,686
Entertainment	1,028,622	433,939
Staff Tea, Tiffin	33,528	93,999
Travelling Expenses	1,175,167	625,469
Dhaka Office Expenses	950	29,266
Canteen Expenses	71,060	33,366
Postage & Courier	136,073	150,028
Forms, Stamp & Legal Documents	5,540	3,660
Fees, Renewal & Subscription	761,514	199,042
Printing & Stationery	147,571	98,065
Gas Bill H/O	11,670	7,038
Managing Director Remuneration	620,400	620,400
Board Meeting Attendance Fees	742,000	547,500
Audit Committee Meeting Attendance Fees	180,000	155,000
NRC Meeting Attendance Fees	55,000	-
Board Meeting Expenses	61,920	43,411
B.O Maintenance Fees	2,228	1,300
Office Maintenance	570,671	545,969
Telephone, Fax, E-mail	30,143	11,602
Annual Subscription- CDBL	-	56,000
Intranet Bill (BBTSL)	56,300	84,000
Internet Bill (BBTSL)	70,000	66,000
Audit Fee	172,500	115,000
Conveyance	1,159,340	500,917
Miscellaneous Expenses	17,680	2,000
Legal & Professional Fee	208,250	315,027
AGM Expenses	200,140	234,001
Annual Fee of Stock Exchange	190,000	190,000
Electric Bill- Head Office	250,125	229,492
Electric Bill- Dhaka Office	16,207	36,949
Fuel (Vehicle)	810,202	398,456
Vehicle Upkeep	531,721	304,956
Insurance Premium	49,167	59,323



	2019 Taka	2018 Taka
Water Bill- Dhaka Office	10,137	11,584
Website Expenses	12,400	14,080
Share Purpose Expenses	25,500	-
Rent, Rates, Taxes	80,820	-
Commission on Export Sales	421,724	-
Computer Accessories	61,700	-
Depreciation	556,429	410,235
	18,635,395	13,072,394

- (a) No remuneration was paid to any director except Managing Director.
- (b) No amount was spent by the company for compensating any member of the Board of Directors except as stated above.
- (c) Audit fees include VAT for the audit of the financial statements of the company for the year 2018-2019.

27.01 PAYMENTS / PERQUISITES TO DIRECTORS AND OFFICERS:

The aggregate amount paid / provided during the year in respect of "Directors" and "Officers" of the company as defined in the Bangladesh Securities and Exchange Rules 1987 are disclosed below:

Managing Director Remuneration	620,400
Managerial Remuneration	9,063,800
Managerial Benefits:	
Bonus	2,265,950
House Rent	4,531,900
Medical Allowance	2,719,140
Conveyance	1,812,760
	Taka 21,013,950

28.00 FINANCIAL EXPENSES:

Bank Charges	456,714	549,393
Interest Expenses on Cash Credit	3,660,990	13,391,900
Interest on Short Term Loan	20,536,167	15,620,740
Interest on Long Term Loan	24,986,944	5,873,803
Loan Processing Fee	359,836	165,175
	50,000,652	35,601,011

29.00 SELLING & DISTRIBUTION EXPENSES:

Sales Promotion Expenses	51,570	-
Staff Salary (Sales & Marketing)	4,902,755	-
Cash Incentive-Tissue	18,971	-
Advertisement	404,192	456,718
	5,377,488	456,718

30.00 NON-OPERATING INCOME:

Dividend Income	656,561	977,758
Profit on Sale of Shares	1,346,844	15,974
Interest Income	43,149	22,769
Miscellaneous Income	196,250	78,673
	2,242,804	1,095,173

	2019 Taka	2018 Taka
31.00 DEFERRED TAX EXPENSES:		
(a) Deferred Tax Liability on 30 June (Closing)	49,603,173	36,893,429
(b) Deferred Tax Liability on 01 July (Opening)	36,893,429	35,199,812
Deferred Tax Expenses for the year (a-b)	12,709,744	1,693,617
32.00 EARNING PER SHARE:		
Calculation is shown below:		
<u>Net Profit after tax</u>	(21,135,213)	(18,219,722)
Number of shares outstanding	19,000,000	19,000,000
EPS	(1.11)	(0.96)
33.00 NET ASSET VALUE PER SHARE WITH REVALUATION:		
Calculation is shown below:		
<u>Net Asset with Revaluation</u>	495,387,034	521,245,690
Number of shares outstanding	19,000,000	19,000,000
Net asset value per share	26.07	27.43
34.00 NET ASSET VALUE PER SHARE WITHOUT REVALUATION:		
Calculation is shown below:		
<u>Net Asset without revaluation</u>	206,661,926	221,096,045
Number of shares outstanding	19,000,000	19,000,000
Net asset value per share	10.88	11.64
35.00 Number of Employees:		
The total employees of the company as on June 30, 2019 stood at 348 nos comprising Head office staff 56 nos, Factory office staff 14 nos, Security 03 nos, Driver 2 nos, Permanent worker 67 nos and Temporary worker 206 nos.		
Salary Range :		
Number of employees whose monthly salary was below Tk. 3,000	Nil	Nil
Number of employees whose monthly salary was above Tk. 3,000	348	259
36.00 RISK MANAGERMENTS		
International Financial Reporting Standard IFRS-7 Financial Instruments: Disclosures - requires of disclosure of Information relating to both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information - the Company's policies for controlling risk and exposures.		
The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risk faced by the company to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities.		
a) Credit Risk		
b) Liquidity Risk		
c) Market Risk		

**2019
Taka****2018
Taka****36.01 a) Credit Risk:**

Credit risk is the risk of a financial loss to the company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivable from Trade Receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In monitoring credit risk, Trade Receivables are grouped according to their risk profiles, i.e. their legal status, financial condition ageing etc. Trade receivable are related to sale of Writing Printing, News Print Paper and Tissue.

Maximum exposure to credit risk of the company at reporting date are as follows:

a. Exposure of Credit risk:

Trade receivables	115,017,902	131,964,797
Advance, Deposit and Prepayments excluding Deposit & Prepayments.	59,753,126	64,141,244
Bank Balances	3,054,756	8,632,056
	177,825,784	204,738,097

b. Ageing of Trade Receivables are as follows:

Below-30 Days	24,153,759	27,712,607
Within 31-60 Days	35,655,550	40,909,087
Within 61-90 Days	23,003,580	26,392,959
Within 90 - 180 Days	20,703,222	23,753,664
Above 180 Days	11,501,790	13,196,480
	115,017,902	131,964,797

36.02 b) Liquidity Risk

Liquidity risk is the risk that company will not be able to meet its financial obligations as they fall due. The company has sufficient liquidity (cash and cash equivalents) to cover the liquidity risk also the company maintains sufficient resources and arrangement of credit lines with the various banks for managing its liquidity risk.

36.03 c) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and other price risks. The objective of the market risk management is to manage and control market risk exposure within acceptable parameter.

i) Currency Risk

The company is not exposed to foreign currency risk.

ii) Interest Rate Risk:

Interest Rate Risk is the risk that arises from the changes in interest rates on borrowings. The company's Local Loans are not significantly affected by fluctuations in interest rates. The company has not entered in to any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

37.00 CAPACITY UTILIZATION:

Particulars	2019	2018
Installed Capacity (in M.T) p.a	11,250	7,500
Actual Production (in M.T) p.a	4,872	4,419
% of Capacity Utilization p.a	43.31%	58.92%

Installed capacity could not be utilized due to following reason(s):

- (i) Commercial Production of Tissue unit has been started from 1st January 2019.
- (ii) Shut down of boiler as well as generator for annual maintenance
- (iii) Shut down of generator for maintenance of turbo charger
- (iv) Schedule maintenance of running plant etc.

38.00 RELATED PARTY TRANSACTION:

38.01

Name of the Parties	Relationship	Nature of Transactions	Balance as on July 1, 2018	Transaction value during the year	Outstanding as on 30 June, 2019
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UNSECURED LOAN:

Mr. Mohammad Abdullah	Chairman	Loan Received	18,448,060	-	18,448,060
Mr. Md. Golam Mostofa	Managing Director	Loan Received	4,014,830	(450,000)	4,464,830
Mr. Md. Golam Kibria	Deputy Managing Director	Loan Received	5,507,475	(406,700)	5,914,175
Mrs. Hosne Ara Begum	Director	Loan Received	3,800,000	-	3,800,000
Mr. Md. Golam Haider	Director	Loan Received	5,507,975	(450,000)	5,957,975
Mr. Md. Golam Morshed	Director	Loan Received	3,207,475	(450,000)	3,657,475
Mr. Md. Golam Rasul Muktadir	Director	Loan Received	3,207,475	(450,000)	3,657,475

DIRECTORS CURRENT ACCOUNT:

Mr. Md. Golam Morshed	Director	Short term Loan	2,300,000	(450,000)	2,750,000
Mr. Md. Golam Rasul Muktadir	Director	Short term Loan	2,300,000	(450,000)	2,750,000

39.00 CONTRIBUTION TO WORKERS PROFIT PARTICIPATION FUND:

This represents 5% (five percent) of net profit before tax after charging the contribution as per provision of the Labour Act, 2006 as amended in 2013 and is payable to workers as defined in the said Act. Workers profit participation fund has been calculated before charging of depreciation on revalued amount of non current assets.

No provision for workers profit participation fund has been made in the Financial Statements, since the Company made loss during the year.

40.00 CASH FLOWS FROM OPERATING ACTIVITIES UNDER INDIRECT METHOD:

	2019 Taka	2018 Taka
Profit after Provision for Income Tax	(21,135,213)	(18,219,722)
Add: Non Cash Charges		
Depreciation	37,258,402	28,525,755
Provision for Deferred Tax Expenses	12,709,744	1,693,617
A	28,832,933	11,999,649
Changes in Working Capital		
Increase/(Decrease) in Stock	(49,399,372)	(18,015,591)
Increase/(Decrease) in Trade Receivables	16,946,895	(33,332,793)
Increase/(Decrease) in Advance, Deposits & Prepayments	13,473,557	(4,170,641)
Increase/(Decrease) in Accrued Expenses	5,299,138	9,278,686
Increase/(Decrease) in Current portion of Long Term Loan	84,796,584	-
Increase/(Decrease) in Trade Payables	(20,157,884)	55,273,587
Increase/(Decrease) in Current Tax Liabilities	2,917,512	1,702,107
B	53,876,431	10,735,385
Net cash inflows/(out flows) from operating activities (A+B)	82,709,363	22,735,034



41.00 OTHER RELEVANT INFORMATION:

- 41.01 During the year 8 (Eight) Board Meetings were held.
- 41.02 During the year 4 (Four) Audit Committee Meetings were held.
- 41.03 During the year 1 (One) Nomination and Remuneration Committee (NRC) Meetings was held.
- 41.04 The audit fee of Tk. 172,500 along with imposed VAT has been provided in the accounts as per decision taken in the 22nd Annual General Meeting of the Company held on 27 December 2018
- 41.05 There was no sum for contingent liabilities on 30 June 2019.
- 41.06 There was no claim against the company not acknowledged as debt at the reporting date.
- 41.07 No amount of money was spent by the company for compensation to member of the board for special service rendered.

42.00 EVENTS AFTER REPORTING PERIOD:

- 42.01 The Board of Directors in its meeting held on November 02, 2019 approved the Audited Financial Statements and recommended cash dividend @ 2% (Two Percent) only on general shareholders for the year 2018-2019 which is subject to approval of the shareholders in the next AGM. Thus total involvement comes to taka 17,20,134 (Seventeen lac twenty thousand one hundred thirty four only) which is subject to approval of the shareholders in the next AGM.
- 42.02 Except above, no other significant event had occurred till date of signing the Financial Statements.



Glimpse of 22nd Annual General Meeting 2018



Glimpse of 22nd
Annual General Meeting 2018





HAKKANI PULP & PAPER MILLS LTD.

2/10 D. T. Road, North Pahartoli, Chattogram.

PROXY FORM

I/We _____ of _____ being a member of **Hakkani Pulp & Paper Mills Ltd.** hereby appoint Mr./Mrs. _____ of _____ as my proxy to attend and vote for me/us on my/our behalf at the 223rd Annual General Meeting of the Company to be held on Thursday the 26th December 2019 at 11.00 am at the Green City Convention Hall, Noya Bazar Moor, Bishawo Road, Halishar, Chattogram and at any adjournment thereof.

As witness my/our hand _____ this day of _____ 2018 signed by the said in presence of _____

Revenue Stamp

(Signature of the Proxy)

Signature of the Shareholder(s)

Register Folio No. _____

Dated _____

Signature of Witness

Note :

A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote in his/her stead. The proxy form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time appointed for the meeting.

Signature Verified

Authorised Signatory

HAKKANI PULP & PAPER MILLS LTD.

SHAREHOLDER'S ATTENDANCE SLIP

I/We hereby record my attendance at the 23rd Annual General Meeting of the Company to be held on Thursday the 26th December 2019 at 11.00 am at the Green City Convention Hall, Noya Bazar Moor, Bishawo Road, Halishar, Chattogram.

Name of Member(s) _____ Register Folio No. _____

_____ holding of _____ Ordinary Shares of **Hakkani Pulp & Paper Mills Limited.**

Signature of the Shareholder(s)

N.B.

1. Please note that AGM can only be attended by the honourable shareholder or properly constituted proxy. Therefore, any friend or children accompanying with honourable shareholder or proxy cannot be allowed into the meeting.
2. Please present this slip at the reception Desk.

হাক্কানী

টিস্যু



হাক্কানীর পণ্য .. সবার জন্য ..

জীবনের প্রতিটি মুহূর্তে সতেজ
থাকতে সবাই চায়।
প্রয়োজন জীবনের
প্রতিটি মুহূর্তে পরিচ্ছন্নতা,
তাইতো ঘরে বাইরে সবখানে
হাক্কানী টিস্যু সর্বক্ষণ সবার সঙ্গে।

কারণ বিশ্ব সেরা ইউরোপিয়ান প্রযুক্তিতে
সর্বোৎকৃষ্ট কাঁচামাল দিয়ে সম্পূর্ণ
অটোমেশিনে তৈরি হয়

হাক্কানী টিস্যু

হাক্কানী গ্রুপের একটি পণ্য

ডিলার নিয়োগ চলছে

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