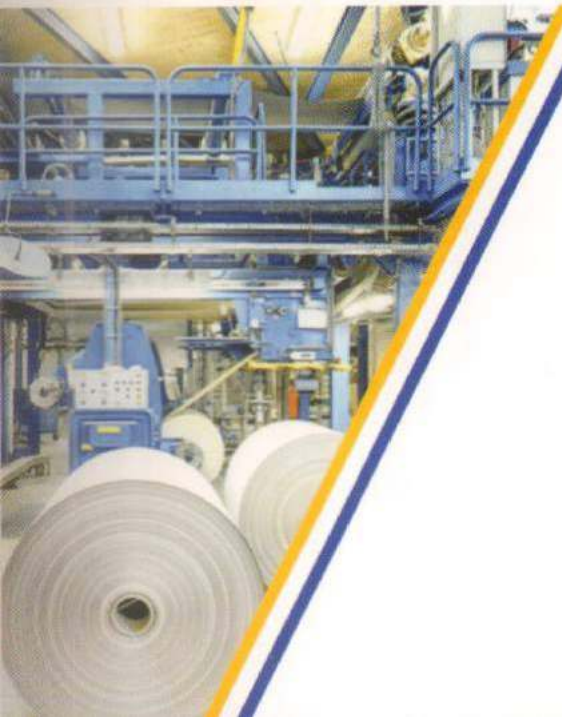
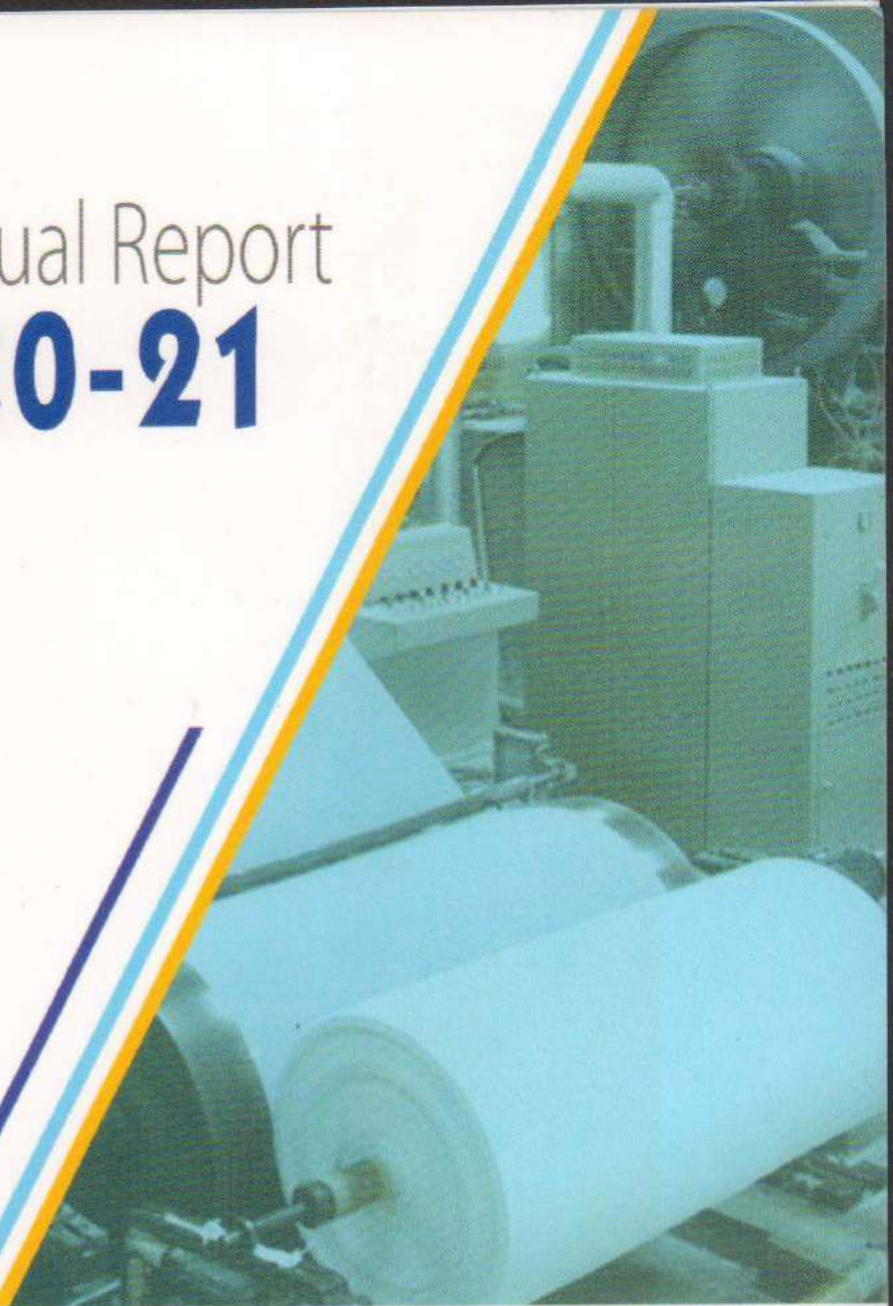


Annual Report **20-21**



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



MOHAMMED ABDULLAH
THE FOUNDER
1947 - 2021



WE MOURN, NATION MOURNS DEEPLY

CONDOLENCE MEETING OF THE BOARD OF DIRECTORS

To pay condolence and tribute to the departed soul of the beloved and honorable
Chairman of the Company

Late Mr. Mohammed Abdullah

At the outset, Mr. Golam Kibria, with heavy heart and choked voice, informed to the Board of Directors of the saddest and shocking news of the sudden demise of the Founder Chairman Mr. Mohammed Abdullah on 30th April, 2021 at the Imperial Hospital at Chattogram leaving his family members, colleagues, employees of the Hakkani Group, Business Community, Corporate Houses, in a state of shock and mourning. His demise was deeply felt and continued to be mourned throughout the post-funeral days. The bereaved family of the late Chairman acknowledge with deep gratitude the heartfelt condolence offered by the people of all strata of the Country.

As proposed by Dr. Saleh Jahur, Independent Director, Mr. Musa recited from the Holy Quran for the departed soul of the beloved and honorable founder Chairman of the Company late Mr. Mohammed Abdullah.

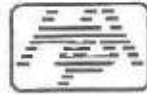
Thereafter, Mr. Md. Golam Kibria, Managing Director of the Company apprised the Board of the colorful, honest, devoted and righteousness of his industrious life that brought him to the peak that only a few can ascend to. He observed that his life-story will act as a philosophy and guide to those who would aspire to rise to high peaks of life in any sphere of activities. He specially mentioned late Chairman's deep concern for accountability to the shareholders, national exchequer, employees of the Company and CSR to the society at large. He said all these aspects made the late Chairman a shining example to those who would love to serve the people and the nation.

On the proposal by Dr. Saleh Jahur, Independent Director of the Board passed the following resolutions:

The Board of Directors, being shocked and grieved at the sudden demise of the Founder Chairman Mr. Mohammed Abdullah, deeply mourn and condole his death with heavy heart and pray for the salvation of his departed soul with rest in peace.

The Directorship as well as the Chairmanship of late Mr. Mohammed Abdullah be and is hereby declared vacant till 1st May 2021 and necessary returns be filed with appropriate authorities as per prevailing law.





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

Annual Report
2020-2021

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TRANSMITTAL LETTER

Date: 15th November, 2021

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, 2021

Dear Sir(s),

We are pleased to enclose a copy of the Annual Report containing Directors' Report, Auditors' Report alongwith Audited Financial Statements including Statement of Financial Position as at June 30, 2021, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended June 30, 2021 along with notes thereon for your record and necessary measures.

With best regards,



Mohammad Musa
Company Secretary

NOTICE OF THE 25th ANNUAL GENERAL MEETING

This is hereby Noticed that the **25th ANNUAL GENERAL MEETING** of the shareholders of **Hakkani Pulp & Paper Mills Limited** will be held on Monday, the 27th December 2021 at 11.00 a.m at virtually by using Digital Platform as per BSEC order SEC/SRM/04/231/25 July 08, 2020 through the Link <https://tinyurl.com/hakkaniagm2021> 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 2021 together with the Reports of the Auditors' and the Directors' thereon.
- Agenda-2 : To declare and approve dividend for the year ended 30th June 2021 as recommended by the Board of Directors.
- Agenda-3 : To elect Directors in terms of Articles 82 of Association of the Company.
- Agenda-4 : To approve the appointment of new Managing Director of the Company.
- Agenda-5 : To appoint of Auditors for the year ended 30th June 2022 and fix their remuneration.
- Agenda-6 : To appoint of Compliance Auditor for the year ended 30th June 2022 and fix their remuneration.
- Agenda-7 : To consider and approve of the Related Party Transactions (as disclosed in the Note 42 of the Audited Financial Statements) pursuant to the BSEC Notification No. BSEC/CMRRCD/2009-193/Admin/103 dated 5th February 2020.
- Agenda-8 : 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 13, 2021

Notes:

- (1) December 05, 2021 is scheduled as Record Date for the 25th Annual General Meeting of the company. Shareholders whose name will appear on the Register of Members/CDS record on the Record Date will be eligible to attend the meeting and entitled for dividend.
- (2) The shareholders will join the Virtual AGM of Hakkani Pulp and Paper Mills Limited through the link prior to 24 hours of the meeting. BO ID will be as the user ID and number of shareholding on the record date will be as password. The shareholders will be able to registration, comments and vote before commencement of the AGM and during the AGM. If any technical problems arise to join the virtual meeting requested to call at the mobile number +88-01714-087510. Written queries, if any, should reach at the share department of the company at least 24 hours before the meeting for the sake of convenience of appropriate explanation.
- (3) A member will be entitled to attend and vote at the 25th Annual General Meeting can appoint a proxy to attend the meeting and vote on his/her behalf. The proxy form duly stamped with revenue stamp of Taka 10.00 must be send at the share department of the company at Hakkani Pulp and Paper Mills Limited, 2/10, D. T. Road, North Pahartali, Chattogram or through e-mail: companysecretary@hakkanigroup.com or compliancehppml@gmail.com not later than 48 hours before the appointed time of the meeting.
- (4) As per notification of BSEC, the soft copy of Annual Report will be sent to the shareholders' e-mail address available in their BO Accounts maintained by the Depository Participant (DP). The soft copy of Annual Report FY 2020-21 and Proxy Form will also be available in the company's website at www.hakkanigroup.com. The shareholders may also collect the printed copy of Annual Report FY 2020-21 from the share department of the company.
- (5) Shareholders bearing BO ID are requested to update the particulars of Bank A/C, e-mail address, change of address and 12 digit Tax payers' identification number (e-Tin) through their depository participant (DP) before **December 05, 2021**. If the shareholders failed to upload their e-Tin before **December 05, 2021** income tax at source will be deducted from payable dividend @15% instead of @10% as per amendment Income Tax Ordinance, 1984 under section 54. The Shareholders who are maintaining folio no. are also requested to submit their e-Tin before **December 05, 2021** to the Share Department of Hakkani Pulp and Paper Mills Limited, 2/10, D. T. Road, North Pahartali, Chattogram.
- (6) Depository Participants/Stock Brokers are requested to send the list of margin account holders based on record date i.e. 05/12/2021, if any, within the December 15, 2021 to the company through hard copy or e-mail at companysecretary@hakkanigroup.com or compliancehppml@gmail.com, otherwise, the dividend will be paid to the shareholders whose names appeared in the Member/Depository Register on the "Record Date".
- (7) Election of Directors will be held in terms of Articles of Association of the Company and relevant Rules/Circulars in force.
- (8) BSEC directives will be applicable in all respect.

২৫তম বার্ষিক সাধারণ সভার নোটিশ

এই মর্মে হাক্কানী পাল্প এন্ড পেপার মিলস লিমিটেড এর সম্মানিত শেয়ারহোল্ডারদের অবহিত করা হচ্ছে যে, কোম্পানির ২৫তম বার্ষিক সাধারণ সভা আগামী ২৭ ডিসেম্বর, ২০২১ রোজ সোমবার সকাল ১১.০০ ঘটিকায় ডিজিটাল প্ল্যাটফর্ম <https://tinyurl.com/hakkaniagm2021> এই লিংকের মাধ্যমে অনুষ্ঠিত হবে। উক্ত সভার আলোচ্য বিষয় নিম্নরূপঃ

- আলোচ্যবিষয়-০১ : কোম্পানির ৩০ জুন, ২০২১ তারিখে সমাপ্ত বৎসরের নিরীক্ষিত আর্থিক বিবরণী, নিরীক্ষা প্রতিবেদন এবং পরিচালকমন্ডলীর প্রতিবেদন গ্রহণ, বিবেচনা ও অনুমোদন।
- আলোচ্যবিষয়-০২ : ৩০ জুন, ২০২১ তারিখে সমাপ্ত বৎসরের জন্য পরিচালক পর্যদের সভায় সুপারিশকৃত লভ্যাংশ ঘোষণা।
- আলোচ্যবিষয়-০৩ : কোম্পানির সংঘবিধির ধারা ৮২ অনুযায়ী পরিচালক নির্বাচন।
- আলোচ্যবিষয়-০৪ : কোম্পানির নতুন ব্যবস্থাপনা পরিচালকের নিয়োগ অনুমোদন।
- আলোচ্যবিষয়-০৫ : ২০২১-২০২২ সমাপ্ত বৎসরের জন্য নিরীক্ষক নিয়োগ এবং তাদের পারিশ্রমিক নির্ধারণ।
- আলোচ্যবিষয়-০৬ : ২০২১-২০২২ অর্থ বৎসরের জন্য কমপ্রাইস অডিটর নিয়োগ এবং তাদের পারিশ্রমিক নির্ধারণ।
- আলোচ্যবিষয়-০৭ : কোম্পানির সাথে স্বার্থ সংশ্লিষ্ট পক্ষদ্বয়ের লেনদেন সমূহ (Related Party Transactions) বিবেচনা ও অনুমোদন।
(BSEC Notification No- BSEC/CMRRCD/2009-193/Admin/103 dated 05/02/2020 এর আলোকে নিরীক্ষিত হিসাব বিবরণীর ৪২ নং নোটে প্রদর্শিত আছে)।
- আলোচ্যবিষয়-০৮ : সভাপতির অনুমতি সাপেক্ষে কোম্পানির অন্য কোন বিষয় আলোচনা।

পরিচালকমন্ডলীর আদেশক্রমে,

তারিখ : চতুর্থ
নভেম্বর ১৩, ২০২১


(মোহাম্মদ মুসা)
কোম্পানী সচিব

টীকা :

- (১) রেকর্ড ডেট / শেয়ার হস্তান্তর বই বন্ধের তারিখ ০৫ ডিসেম্বর, ২০২১।
- (২) সম্মানিত শেয়ারহোল্ডারগণ বার্ষিক সাধারণ সভায় অংশগ্রহণ করার জন্য <https://tinyurl.com/hakkaniagm2021> এই লিংকে প্রবেশ করতে হবে এবং ইউজার আইডি, বিও হিসাব নম্বর এবং পাসওয়ার্ড হিসাবে রেকর্ড ডেট এ ধারণকৃত শেয়ারের পরিমাণ প্রদান করতে হবে। শেয়ারহোল্ডারগণ তাদের প্রশ্ন ও মতামত সভা শুরু ২৪ ঘন্টা পূর্বে ইলেকট্রনিক পদ্ধতি ব্যবহারের মাধ্যমে প্রদান করতে হবে। ভার্চুয়াল সভায় অংশগ্রহণের জন্য প্রযুক্তিগত কোন সমস্যার সৃষ্টি হলে +৮৮-০১৭১৪-০৮৭৫১০ নম্বরে যোগাযোগ করার জন্য অনুরোধ রইল।
- (৩) বার্ষিক সাধারণ সভায় উপস্থিত থাকার এবং ভোটাধিকার প্রয়োগে যোগ্য শেয়ারহোল্ডার নিয়ম অনুযায়ী রাজস্ব স্ট্যাম্প প্রক্সি ফরমে সংযোজন পূর্বক মিটিং শুরু হওয়ার কমপক্ষে ৪৮ ঘন্টা পূর্বে প্রক্সি নিযুক্ত করতে পারবেন।
- (৪) বার্ষিক প্রতিবেদন-২০২১ শেয়ারহোল্ডারগণের ই-মেইল ঠিকানায় প্রেরণ করা হবে। এছাড়া বার্ষিক প্রতিবেদন-২০২১ কোম্পানির www.hakkanigroup.com ওয়েবসাইটে পাওয়া যাবে এবং শেয়ার বিভাগ থেকে সংগ্রহ করা যাবে।
- (৫) মার্চেন্ট ব্যাংক এবং ডিপোজিটরি পার্টিসিপেন্টদের অবগতির জন্য জানানো যাচ্ছে যে, ধারা হাক্কানী পাল্প এন্ড পেপার মিলস লিমিটেড এর শেয়ার মার্জিন লোন অধিভুক্ত তাদের বিবরণী আগামী ১৫ ডিসেম্বর, ২০২১ তারিখের মধ্যে কোম্পানি সচিব বরাবর পৌঁছানোর জন্য অনুরোধ করা হল।
- (৬) সম্মানিত শেয়ারহোল্ডারদের তাদের ঠিকানা, যদি দরকার হয়, হালনাগাদ করার জন্য অনুরোধ করা হল।
- (৭) পরিচালক নির্বাচনের ক্ষেত্রে কোম্পানির সংঘবিধিতে সন্নিবেশিত নীতি অনুসরণ করা হবে।
- (৮) সকল ক্ষেত্রে বিএসইসি এর নির্দেশনা প্রযোজ্য হবে।



Company *Profile*

MD. GOLAM KIBRIA

Company Profile

Hakkani Pulp & Paper Mills Ltd. is one of the pioneer, leading paper manufacturer 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 being 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 Company commenced commercial production at the end of 2003.

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

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 of production of papers as well as tissue and marketing throughout the country with established agents, dealer, depot 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 customers are 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 is not harmful for environment which saves the global environment.

Considering the local as well as foreign demand, the Company is running its production of various quality Tissue papers and news print paper, writing paper and media paper from the tissue project as well as paper unit.

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 is 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.





HOSNE ARA BEGUM

Chairman (From 4th May, 2021)

Mrs. Hosne Ara Begum was born in Chattogram, Bangladesh in 1952. She is the wife of Late Mr. Md. Abdullah, former Chairman of the company. Mrs. Hosne Ara Begum elected as Chairman of the company in its 147th board meeting held on 04 May 2021. She was the Sponsor Director of Hakkani Pulp & Paper Mills Limited and one of the important fellows in planning policy maker and executer. She is actively involving with this group business since 33 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 MOSTOFA

Managing Director (Up to 30th Jan., 2021)

Mr. Mohammad Golam Mostofa was born in a famous Muslim family of Chattogram, Bangladesh in 1977. He is the 1st son of Late Mr. Md. Abdullah. He completed his Masters in Management from the Government College of Commerce, Chittagong. 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 appointed as Managing Director of the company since the incorporation of Hakkani Pulp & Paper Mills limited. He served as Managing Director of the company up to 30th January 2021.

Mr. Mostofa looked after overall production of industrial concerns of Hakkani Group from the very beginning. He had been leading Business in different arena with his pragmatic and dynamic efforts. He had gathered immense experienced in paper manufacturing business, Trading business, packing industry, international trade, logistic management, fuel station etc. He had been playing major role in planning, executing and controlling operating, financing and investing activities of Hakkani pulp & paper mills limited most productively. Mr. Mostofa resigned from the Position of Managing Director on 30th January 2021.



MD. GOLAM KIBRIA

Managing Director (From 30th Jan., 2021)

Mr. Mohammad Golam Kibria was born in a famous Muslim family of Chattogram, Bangladesh in 1980. He is the 2nd son of Late Mr. Md. Abdullah. He joined the family business after completion of his graduation. He has been working as Deputy Managing Director of Hakkani Pulp & Paper Mills Limited since incorporation. Mr. Kibria was appointed as Managing Director of the company in its 146th Board of Directors Meeting held on 30 January 2021.

Mr. Kibria 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 was also a member of Audit committee of Hakkani Pulp & Paper Mills Limited.

Directors
Profile

11



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 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. The Board of Directors of the Company has appointed him as an independent director of the Company in 2017 for the first time. After completion of his 1st time tenure as an independent Director, The Board of Director has further appointed him as an Independent Director on 14th November 2020. He is also the Chairman of Audit Committee and member of Nomination and Remuneration Committee (NRC) 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, Chattogram 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, Changaon, 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. He is also the chairperson of Nomination and Remuneration Committee. 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.



MD. GOLAM HAIDER

Vice Chairman (From 4th May, 2021)

Mr. Mohammad Golam Haider was born in a famous Muslim family of Chattogram, Bangladesh in 1984. He is the 3rd son of Late 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 an up-to-date view.

Mr. Haider has been elected as vice chairman of the company in its 147th board meeting held on 04 May 2021. He is also the member of Audit Committee.



MD. GOLAM MORSHED

Deputy Managing Director (From 30th Jan, 2021)

Mr. Mohammad Golam Morshed was born in a famous Muslim family of Chattogram, Bangladesh in 1985. He is the 4th son of Late 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. 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.

Mr. Morshed appointed as Deputy Managing Director of the company in its 146th board meeting held on 30 January 2021. He is also the member of audit committee and NRC Committee.



MD. GOLAM RASUL UKTADIR

Director

Mr. Mohammad Golam Rasul Muktadir was born in a famous Muslim family of Chattogram, Bangladesh in 1991. He is the 5th son of Late 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. He is the member of Nomination and Remuneration (NRC) Committee.

Directors
Profile



CORPORATE MANAGEMENT

Board of Directors:

Sl. No.	Name of the Directors	Position
01.	Mr. Md. Abdullah	Chairman (Up to 30th April, 2021)
02.	Mrs. Hosne Ara Begum	Chairman (From 4th May, 2021)
03.	Mr. Md. Golam Mostofa	Managing Director (Up to 30th January, 2021)
04.	Mr. Md. Golam Kibria	Managing Director (From 30th January, 2021)
05.	Dr. Mohammad Saleh Jahur	Independent Director
06.	Mr. S.M Nasrul Quadir	Independent Director
07.	Mr. Md. Golam Haider	Vice Chairman (From 4th May, 2021)
08.	Mr. Md. Golam Morshed	Deputy Managing Director (From 30th January, 2021)
09.	Mr. Md. Golam Rasul Muktadir	Director

Audit Committee:

Sl. No.	Name of the Member	Status in the Company	Status in the Committee
01.	Dr. Mohammad Saleh Jahur	Independent Director	Chairperson
03.	Mr. Md. Golam Morshed	Director	Member
04.	Mr. Md. Golam Haider	Director	Member
04.	Mr. Mohammad Musa	Company Secretary	Secretary

Nomination and Remuneration Committee (NRC):

Sl. No.	Name of the Member	Status in the Company	Status in the Committee
01.	Mr. S.M Nasrul Quadir	Independent Director	Chairperson
02.	Dr. Mohammad Saleh Jahur	Independent Director	Member
03.	Mr. Md. Golam Morshed	Director	Member
04.	Mr. Md. Golam Rasul Muktadir	Director	Member
06.	Mr. Mohammad Musa	Company Secretary	Secretary

Company Secretary:

Mr. Mohammad Musa

OTHER PARTICULARS
Bank and other financial institution

Sl. No.	Name of the Bank	Sl. No.	Name of the Bank
01.	Social Islami Bank Ltd.	09.	Standard Bank Ltd.
02.	First Security Islami Bank Ltd.	10.	Dhaka Bank Ltd.
03.	National Bank Ltd.	11.	Islami Bank Bangladesh Ltd.
04.	Prime Bank Ltd.	12.	United Commercial Bank Ltd.
05.	Premier Bank Ltd.	13.	Eastern Bank Limited
06.	Southeast Bank Ltd.	14.	Pubali Bank Limited
07.	Bangladesh Krishi Bank Ltd.	15.	Dutch Bangla Bank Limited
08.	Mercantile Bank Ltd.		

AUDITORS

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Chattogram, Bangladesh



পরিচালনা পর্ষদের প্রতিবেদন

৩০ জুন, ২০২১ সমাপ্ত বৎসরের জন্য

বিসমিল্লাহির রাহমানির রাহিম

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

আসসালামু আলাইকুম

হাক্কানী পাল্ল এন্ড পেপার মিলস্ লিঃ এর ২৫তম বার্ষিক সাধারণ সভায় কোম্পানির পরিচালক পর্ষদ ও আমার পক্ষ থেকে উপস্থিত সকলকে স্বাগত জানাচ্ছি। সভার শুরুতেই আমি বোর্ডের পরিচালকবৃন্দ, কোম্পানির সম্মানিত শেয়ারহোল্ডার এবং সংশ্লিষ্ট সকলকে আপনাদের একান্ত সহযোগীতা, প্রচেষ্টা এবং অনুপ্রেরনার জন্য জানাই আন্তরিক অভিনন্দন।

কোম্পানি আইন ১৯৯৪, সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন রুলস্ ১৯৮৭, আন্তর্জাতিক হিসাব মান (আইএএস) এবং আন্তর্জাতিক আর্থিক প্রতিবেদন মান (আইএফআরএস) অনুসারে প্রস্তুতকৃত কোম্পানির ৩০শে জুন ২০২১ তারিখে সমাপ্ত আর্থিক বৎসরের নিরীক্ষিত আর্থিক বিবরণী, নিরীক্ষকের প্রতিবেদন এবং পরিচালকদের প্রতিবেদন আপনাদের সদয় বিবেচনা ও অনুমোদনের জন্য উপস্থাপন করছি।

১। আন্তর্জাতিক অর্থনৈতিক প্রেক্ষাপট :

বর্তমান বিশ্বঅর্থনীতি অতীতের যে কোন সময়ের তুলনায় মারাত্মক চ্যালেঞ্জ মোকাবেলা করছে। বিশ্বব্যাংকের Global Economic Prospects শীর্ষক রিপোর্ট অনুযায়ী চলতি বৎসরে আন্তর্জাতিক প্রবৃদ্ধির হার করোনামহামারীর কারণে অনেকটা স্থিমিত হয়ে আসে। দক্ষিণ এশিয়ার ভারত, বাংলাদেশ, পাকিস্তানসহ ইত্যাদি দেশে করোনামহামারীর কারণে প্রবৃদ্ধির হার মারাত্মকভাবে ব্যাহত হয়। ২০২১ সালের মার্চ মাস থেকে বিশ্বের বিভিন্নদেশে করোনামহামারীর দ্বিতীয় ঢেউ শুরু হলে আন্তর্জাতিক পরিমন্ডলে এর বিরূপ প্রভাব পরিলক্ষিত হয়। কিন্তু ২০২১ সালের আগস্ট পরবর্তী সময়ে করোনামহামারীর প্রকোপ কিছুটা পুনরুদ্ধার করতে সক্ষম হয়। উন্নয়নশীল দেশ গুলোতে কোভিড-১৯ এর দ্বিতীয় ঢেউয়ের কারণে বিনিয়োগ প্রবৃদ্ধি বাধাগ্রস্ত হয়ে বিনিয়োগ প্রবৃদ্ধির হার মারাত্মকভাবে কমে যায়। ২০২১ সালের প্রথম দিকে কোভিড-১৯ এর দ্বিতীয় ঢেউয়ের কারণে উন্নত, উন্নয়নশীল এবং অনুন্নত দেশ গুলোতে সামগ্রিকভাবে লক ডাউনের আওতাভুক্ত হয়ে গেলে উৎপাদন এবং বিনিয়োগ মারাত্মকভাবে বাধাগ্রস্ত হয়। ফলে বিশ্বব্যাপি লোকজন কর্মহীন হয়ে পড়ে এবং বেকারত্বের মাত্রা চরমভাবে বৃদ্ধি পায়। ফলে বিশ্বের প্রধান অর্থনীতিগুলো প্রত্যাশার তুলনায় স্লথগতি এবং উন্নয়নশীল দেশগুলোতে নতুন আর্থিক চাপ সৃষ্টি হওয়ার কারণে আন্তর্জাতিক অর্থনীতিতে ঝুঁকির মাত্রা বেড়ে যায়। আইএমএফ এর রিপোর্ট অনুযায়ী স্বাস্থ্যগত ঝুঁকির কারণে আন্তর্জাতিক অর্থনীতি গুরুতর প্রভাবিত হয়। ফলে বিশ্ব অর্থনীতি প্রায় ৩ শতাংশ সংকুচিত হয়।

মূলত ২০২০ সালের প্রথম দিক থেকে আন্তর্জাতিক অর্থনীতির কার্যক্রমে স্থবিরতা পরিলক্ষিত হয়। যদিও ২০১৯ ও ২০২০ সালের প্রথম দিকে এই পরিস্থিতি ছিল সম্পূর্ণ বিপরীত। ক্রমবর্ধমান বাণিজ্য উত্তেজনার নেতিবাচক প্রভাব ব্যবসায়িক আস্থাকে বিনষ্ট করেছে ফলে আর্থিক বাজার পরিস্থিতি খারাপ হয়ে যায়। ২০১৯ এবং ২০২০ সালে আন্তর্জাতিক অর্থনীতিতে ধীরগতি পরিলক্ষিত হওয়ায়, বিনিয়োগে মন্দাভাব এবং কোভিড-১৯ এর প্রথম এবং দ্বিতীয় ঢেউয়ের প্রভাবের কারণে ২০২১ সালে বিশ্ব অর্থনৈতিক প্রবৃদ্ধি ৬.০০ শতাংশ প্রাক্কলন করা হয়েছিল।

২। বাংলাদেশের অর্থনৈতিক প্রেক্ষাপট এবং ২০২০-২০২১ অর্থ বৎসরের সামগ্রিক কার্যক্রম পর্যালোচনা :

বাংলাদেশ বিশ্বের অন্যতম সর্বাধিক জনবহুল দেশ। কোভিড -১৯ এর প্রাদুর্ভাবের কারণে বাংলাদেশ এক বিশাল চ্যালেঞ্জের সম্মুখীন হয়েছে। করোনামহামারীর প্রকোপ এর ফলে বাংলাদেশ ইতিমধ্যে স্বাস্থ্য, অর্থনীতি, সামাজিক, ধর্মীয় ও রাজনৈতিক ক্ষেত্রে সংকটের মুখোমুখি হয়েছে। বস্তুত কোভিড-১৯ দেশের অর্থনীতিতে গভীর প্রভাব ফেলেছে। বাংলাদেশের অর্থনীতির উপর কোভিড-১৯ এর প্রভাব তিনটি প্রাথমিক ক্ষেত্রে পরিলক্ষিত হয় : প্রথমত ২৬ মার্চ ২০২০ সালে বাংলাদেশ প্রথম লকডাউন ঘোষণা করে যা পরবর্তীতে প্রত্যাহার করা হয়। ২০২১ সালের ৫ এপ্রিল থেকে দেশে দ্বিতীয় বারের মত লকডাউন শুরু হয়। লকডাউনের কারণে দেশের শীর্ষ স্থানীয় উৎপাদন ও বাণিজ্য হ্রাস পেয়েছে; দ্বিতীয়ত, তৈরী পোষাক খাতে (আরএমজি) রপ্তানি হ্রাস পেয়েছে এবং তৃতীয়ত, বিদেশে বসবাসরত বাংলাদেশীদের পাঠানো রেমিট্যান্স হ্রাস পেয়েছে (আইএমএফ-২০২০)।

মহামারী প্রাদুর্ভাবের আগে বাংলাদেশের মোটামুটি একটি স্থিতিশীল অর্থনৈতিক অবস্থা ছিল, যা দারিদ্র ও সামাজিক বৈষম্য হ্রাস করতে সাহায্য করেছে। ২০১৯ সালে যেখানে জিডিপি প্রবৃদ্ধি ছিল ৮.২ শতাংশ, ২০২০ সালে এসে তা কমে দাঁড়ায় ৩.৮ শতাংশ এবং ২০২১ সালে প্রায় ৪.৪০ শতাংশে দাঁড়ায়। অনুমান করা যেতে পারে যে, জিডিপি প্রবৃদ্ধি ২০২২ সালের ৭.৯ শতাংশের বেশি হবে না (NORDEA TRADE -2021)। বাংলাদেশের শীর্ষ স্থানীয় উন্নয়ন প্রকল্প গুলো (যেমন: পদ্মা সেতু, পদ্মা রেল লিংক, কর্ণফুলী রোড টানেল এবং বৃহত্তর ঢাকা টেকসই আরবান ট্রান্সপোর্ট প্রকল্প) চীন থেকে স্বল্পমোয়াদী আর্থিক ও প্রযুক্তিগত সহায়তা লাভ করে থাকে। এই সব প্রকল্পের অনেকটায় মহামারীজনিত কারণে বাধাগ্রস্ত হয়েছিল।

বাংলাদেশে তিনটি প্রধান অর্থনৈতিক ক্ষেত্র, কৃষি, শিল্প ও সেবা খাত, যা দেশের জিডিপিতে যথাক্রমে ১৮ শতাংশ, ২৯ শতাংশ এবং ৫৩ শতাংশ অবদান রাখে, করোনা মহামারীতে বিরূপভাবে প্রভাবিত হয়েছে। এশীয় উন্নয়ন ব্যাংক (২০২০) এর তথ্য অনুযায়ী, বাংলাদেশ তার জিডিপি থেকে প্রায় ৩ বিলিয়ন ডলার হারানোর এবং করোনার কারণে প্রায় ৯ মিলিয়ন মানুষ চাকুরী হারানোর আশংকা করা হয় (Begum et al. 2020)। এই সব ক্ষতি পুষিয়ে উঠার জন্য সরকার বিভিন্ন খাতে বরাদ্দ বাড়িয়েছে এবং কর্ম পরিকল্পনা গ্রহণ করেছে। এ ছাড়া মহামারির প্রভাব মোকাবেলায় সরকার যে, কর্মপরিকল্পনা ঘোষণা করেছেন তার মধ্যে কর্মসংস্থান সৃষ্টি, মুদ্রা সরবরাহ বাড়ানো, বৈদেশিক কর্ম সংস্থান থেকে আয় বাড়ানো এবং আত্মকর্ম সংস্থানের জন্য ঋণ দেওয়ার প্রস্তাব।

আন্তর্জাতিক মুদ্রা তহবিল (আইএমএফ) জিডিপি ব্যাংকিং অনুযায়ী, বর্তমানে বাংলাদেশ বিশ্বের অন্যতম প্রবৃদ্ধির অর্থনীতি। বাংলাদেশ জাতীয় ও আন্তর্জাতিক পর্যায়ের বিভিন্ন চ্যালেঞ্জ এবং প্রতিবন্ধকতা উপেক্ষা করে অর্থনৈতিক উন্নয়ন এবং উচ্চ প্রবৃদ্ধি অর্জন করতে সক্ষম হয়েছে। আভ্যন্তরীণ ও বৈদেশিক বিনিয়োগ বাড়তে বিনিয়োগ পরিবেশের সামগ্রিক উন্নয়নে বাংলাদেশ সরকার কাজ করে যাচ্ছে। অনুকূল আবহাওয়া, সহায়ক মুদ্রানীতি এবং বিনিয়োগ বান্ধব পরিবেশের ফলে ২০২০-২০২১ অর্থ বৎসরে মুদ্রাস্ফীতির পরিমাণ ৫.৬৫ শতাংশে দাঁড়িয়েছে। বিগত অর্থ বৎসরে মুদ্রাস্ফীতির পরিমাণ ছিল প্রায় গড়ে ৫.৬৫ শতাংশ। মুদ্রা স্ফীতি, সুদের হার এর মত সূচক সমূহ আভ্যন্তরীণ বিনিয়োগের জন্য এখন অনুকূল পর্যায়ে আছে।

শিল্পের উন্নয়নের জন্য জাতীয় শিল্পনীতি ২০১৯ অনুযায়ী বাংলাদেশ সরকার কাজ করে যাচ্ছে। গত এক দশকে বাংলাদেশ দারিদ্র্য দূরীকরণের ক্ষেত্রে অভূতপূর্ব উন্নতি লাভ করেছে। 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। বর্তমানে এসডিজির লক্ষ্যমাত্রা অর্জনের দিকে মনোযোগ দেয়া হচ্ছে। একই সঙ্গে ২০৩০ সালের মধ্যে দারিদ্র্যতা 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 :

২০২০-২০২১ অর্থ বৎসরেও বাংলাদেশের কাগজ শিল্প মারাত্মক প্রতিবন্ধকতার সম্মুখীন হয় যা আলোচ্য বৎসরে এই শিল্পের প্রবৃদ্ধির ক্ষেত্রে বড় অন্তরায় হিসেবে কাজ করেছে। মূলত ২০১৯-২০২০ অর্থ বৎসরের আংশিক এবং ২০২০-২০২১ অর্থ বৎসরে বাংলাদেশের কাগজ শিল্প করোনা সংকটে তীব্রভাবে ক্ষতিগ্রস্ত হয়েছে। কোভিড-১৯ এর কারণে আলোচ্য অর্থ বৎসরে প্রায় সারা বৎসরব্যাপি ক্রয়, বিক্রয়, উৎপাদন, বিপন্ন মারাত্মকভাবে প্রভাবিত হয়। বৎসরের মাঝামাঝি সময় আন্তর্জাতিক বাজারে এই শিল্পের প্রধান কাঁচামাল যেমন সফটউড পাল্প এবং হার্ডউড পাল্প, বিভিন্ন গ্রেডের রিসাইকেল্ড / রিকভার্ড পেপার এবং পেপার বোর্ড এর দাম মারাত্মকভাবে বৃদ্ধি পায় সাথে সাথে দেশীয় বাজারেও এর প্রভাবে বিভিন্ন গ্রেডের রিসাইকেল্ড / রিকভার্ড পেপার এর দাম বৃদ্ধি পেয়েছিল।

কাগজ শিল্প সংশ্লিষ্টদের মতে, কোভিড-১৯ এর ধাক্কায় দেশের স্বয়ংসম্পূর্ণ কাগজ শিল্প সংকটে পড়েছে, যাতে এই শিল্প খাতের পণ্য বিক্রি কমেছে প্রায় ৯১ শতাংশ। বাংলাদেশ পেপার মিলস এসোসিয়েশনের (বিপিএমএ) হিসাব মতে, করোনা ভাইরাস সনাক্তের পর থেকে এ পর্যন্ত কাগজ শিল্পে ক্ষতি প্রায় নয় হাজার কোটি টাকা। এই খাতে উদ্যোক্তাদের বিনিয়োগ প্রায় পঁচাত্তর হাজার কোটি টাকা। উৎপাদন বন্ধ, অবিক্রিত পণ্যের মজুদ বৃদ্ধি, পরিচালন ব্যয় ও ব্যাংক ঋণ পরিশোধ নিয়ে শঙ্কায় পড়েছেন উদ্যোক্তারা।

দেশের কাগজ মিল সমূহ অফসেট, নিউজপ্রিন্ট, লেখা ও ছাপার কাগজ, প্যাকেজিং পেপার, ডুপলেক্স বোর্ড, মিডিয়া পেপার, লাইনার, স্টিকার পেপার, সিকিউরিটি পেপার ও বিভিন্ন গ্রেডের টিস্যু পেপার উৎপাদন করে। তবে উৎপাদিত পণ্যের ৭০-৭৫ শতাংশই লেখা এবং ছাপার কাগজ যা শিক্ষার অন্যতম উপকরণ। মহামারীতে শিক্ষা প্রতিষ্ঠান বন্ধ থাকায় এই পণ্য বিক্রিতে পস নেমেছে। বিগত প্রায় দেড় বৎসরেরও বেশী সময় ধরে স্কুল, কলেজ, বিশ্ববিদ্যালয় তথা সকল প্রকার শিক্ষা প্রতিষ্ঠান বন্ধ থাকায় যেমন বিভিন্ন সাময়িক পরীক্ষা ও অন্যান্য পরীক্ষা সমূহ নেওয়া সম্ভব হয়নি, তেমনি অনুষ্ঠিত হয়নি বিভিন্ন পাবলিক ও ভর্তি পরীক্ষা সমূহ। পরীক্ষায় ব্যবহৃত খাতা সমূহ পরবর্তীতে অত্র কাগজ শিল্পের কাঁচামাল হিসাবে ব্যবহৃত হয়। কিন্তু শিক্ষা প্রতিষ্ঠান সমূহ বন্ধ থাকায় কাগজ শিল্পের কাঁচামালের ঘাটতি সৃষ্টি হয়। ফলশ্রুতিতে কাঁচামালের চাহিদার বিপরীতে যোগান কম থাকায় কাঁচামালের মূল্য অস্বাভাবিকভাবে বৃদ্ধি পায়। পাশাপাশি বিভিন্ন প্যাকিং মেটেরিয়াল যেমন, মিডিয়াম পেপার, বক্স বোর্ড, গাম টেপ, লাইনার পেপার এবং উৎপাদনে ব্যবহৃত কেমিক্যালের দামও অস্বাভাবিক হারে বৃদ্ধি পেয়েছে।

অন্যদিকে কোভিড-১৯ এর কারণে স্কুল, কলেজ ও মাদ্রাসা সহ যাবতীয় শিক্ষা প্রতিষ্ঠান লকডাউনের আওতায় বন্ধ হয়ে যায়। ফলে বিভিন্ন ধরনের খাতা, গাইড বই, নোট বই সহ যাবতীয় মুদ্রণ শিল্পে ব্যবহৃত কাগজের চাহিদা মারাত্মকভাবে হ্রাস পায়। যার ফলে কাগজের উৎপাদনের সহিত সংশ্লিষ্ট শিল্প প্রতিষ্ঠানও মারাত্মক সংকটের মধ্যে পতিত হয়। অন্য দিকে বিভিন্ন সরকারী ও বেসরকারী অফিস সমূহ অনলাইন ভিত্তিক ডিজিটাল পদ্ধতিতে দাপ্তরিক কাজ কর্ম সম্পাদনের দিকে ঝুঁকে পড়ায় কাগজ এর ব্যবহার কমে যায়। অনুরূপভাবে লোকজন প্রিন্ট মিডিয়া এর পরিবর্তে বিভিন্ন সোস্যাল মিডিয়া এবং অন লাইন পোর্টাল এর দিকে ঝুঁকে পড়ায় কাগজ এর চাহিদা দিন দিন হ্রাস পাচ্ছে। তাছাড়া একদিকে পেপার এবং পেপারজাত দ্রব্যের চাহিদা এবং বিক্রয় মূল্য হ্রাস পাওয়ার এবং অন্যদিকে বিক্রিত দ্রব্যের ব্যয় বৃদ্ধি পাওয়ায় বিক্রিত দ্রব্যের ব্যয় এবং বিক্রয় মূল্যের মধ্যে সামঞ্জস্য রক্ষা করা সম্ভব হয়না যা এই শিল্পের লাভজনকতা বৃদ্ধির ক্ষেত্রে বড় বাঁধা হিসাবে কাজ করে। ইতোমধ্যে এই শিল্পের প্রচুর প্রতিযোগী বাজারে প্রবেশ করার ফলে চাহিদা অপেক্ষা সরবরাহ মারাত্মক হারে বৃদ্ধি পেয়েছে। প্রতিযোগিতামূলক 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। বাংলাদেশের টিস্যু এবং কাগজ শিল্পের সার্বিক অবস্থা :

কাগজ এবং সমজাতীয় পণ্য

বর্তমানে কাগজ এবং টিস্যু শিল্প বিশ্বের বৃহত্তম শিল্প হিসাবে পরিগণিত হয়েছে। বর্তমান বিশ্বে উত্তর আমেরিকা, উত্তর ইউরোপিয়ান দেশ সমূহ এবং পূর্ব এশিয়ার কাগজ শিল্প, ল্যাটিন আমেরিকা এবং অস্ট্রেলিয়া কাগজ শিল্পে গুরুত্বপূর্ণ অবদান রেখে চলেছে। তবে আগামী কয়েক বৎসরের মধ্যে ভারত এবং চায়না বিশ্বের কাগজ শিল্পে গুরুত্বপূর্ণ অবদান রাখবে বলে প্রত্যাশা করা যায়। অন্যদিকে বাংলাদেশেও যে ভাবে কাগজের চাহিদা ও উৎপাদন উত্তরোত্তর বৃদ্ধি পাচ্ছে সে ধারাবাহিকতায় দেশে এবং বিদেশে বাংলাদেশের কাগজ শিল্পে গুরুত্বপূর্ণ অবদান রাখবে বলে আশা করা যায়। মাত্র কয়েক বৎসর আগে বিদেশ থেকে আমদানীকৃত কাগজের মাধ্যমে দেশীয় চাহিদা পূরণ করা হত, কিন্তু বর্তমানে দেশীয় উৎপাদন কারীর গুরুত্বপূর্ণ অবদানের মাধ্যমে দেশের প্রয়োজনীয় কাগজের চাহিদা মিটানো সম্ভব হচ্ছে। বর্তমানে বাংলাদেশে প্রায় ১০০টির মত কাগজ এবং সমজাতীয় পণ্য উৎপাদনকারী প্রতিষ্ঠান রয়েছে, যা পাঁচ বৎসর আগে ছিল মাত্র ৫০টি। আরো প্রায় ১৫-২০টি প্রতিষ্ঠান অদূর ভবিষ্যতে উৎপাদন পর্যায়ে যুক্ত হতে যাচ্ছে।

টিস্যু এবং সমজাতীয় পণ্য

বাংলাদেশে টিস্যু মার্কেট গত এক দশকের মধ্যে প্রায় দ্বিগুণ হয়েছে। নগরায়ন, মাথাপিছু আয় বৃদ্ধি, জীবন যাত্রার মান উন্নয়ন এবং কর্পোরেট কালচারের বিবর্তনের ফলে টিস্যু পণ্যের ব্যবহার বিগত দশকের তুলনায় দ্বিগুণের চেয়ে বেশি বৃদ্ধি পেয়েছে। এছাড়াও বাংলাদেশ বর্তমানে আভ্যন্তরীণ চাহিদা মিটিয়ে বহিঃ বিশ্বেও রপ্তানি করছে। বর্তমানে অনেক স্বনামধন্য শিল্প পরিবার টিস্যু এবং টিস্যুজাতীয় পণ্যে বিনিয়োগে আগ্রহী হয়েছেন। এর ফলে ভবিষ্যতে যেমন দেশে প্রচুর কর্ম সংস্থান সৃষ্টি হবে তেমনি আয় হবে প্রচুর বৈদেশীক মুদ্রা।

চাহিদা ও সরবরাহের ব্যবধান।

পৃথিবীর অন্যতম জনবহুল দেশ যেমন চীন ইতোমধ্যে পেপার, টিস্যু এবং সমজাতীয় পণ্য পরিবেশগত সমস্যার কারণে উৎপাদন অনেকাংশেই বন্ধ করে দিয়েছে। এছাড়াও পৃথিবীর অনেক উন্নত দেশে ইতোমধ্যেই পেপার, টিস্যু এবং সমজাতীয় পণ্য উৎপাদন থেকে সরে আসছে। এমতাবস্থায় দেশে এবং বহিঃবিশ্বে পেপার, টিস্যু এবং সমজাতীয় পণ্যের একটি বড় বাজার তৈরী হতে যাচ্ছে। অনুমান করা যাচ্ছে যে, দেশে পেপার এবং টিস্যু পণ্যের চাহিদা বৎসরে প্রায় ১০ লাখ টন ছাড়িয়ে যাবে। টিস্যু এবং পেপার পণ্যের চাহিদা ক্রমাগত বৃদ্ধি পাওয়ার কারণে সরবরাহের সাথে একটি বড় ব্যবধান সৃষ্টি হবে।

৫। টিস্যু পণ্য উৎপাদন প্রকল্পের পর্যালোচনা :

২০১৯ সালের জানুয়ারী মাসে আনুষ্ঠানিকভাবে উক্ত প্রকল্পের বাণিজ্যিক উৎপাদন কার্যক্রম আরম্ভ করা হয়। উক্ত প্রকল্পকে উৎপাদন উপযোগী করার লক্ষ্যে কোম্পানির আভ্যন্তরীণ এবং বাহ্যিক উৎস থেকে বিপুল পরিমাণ অর্থ ব্যয় করতে হয়েছে। নির্দিষ্ট সময়ে প্রকল্প সংস্থাপনের কাজ সম্পন্ন করে উৎপাদন শুরু করার জন্য আর্থিক প্রতিষ্ঠান অর্থ সংস্থান করা সম্ভব হয়নি। 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 করা প্রয়োজন। পর্যাপ্ত অর্থায়নের অভাবে এই মুহূর্তে কোম্পানির পক্ষে নতুন যন্ত্রপাতিতে বিনিয়োগ করা সম্ভব হচ্ছে না। উক্ত প্রকল্পের উৎপাদন কার্যক্রম সুচারুরূপে পরিচালনার লক্ষ্যে চলতি মূলধনের জন্য অর্থ সংস্থান করা জরুরী।

এছাড়াও টিস্যুর মূল মেশিন থেকে উৎপাদিত পণ্যকে বিভিন্ন সাইজে, গ্রেডে এবং মানে রূপান্তরিত করার জন্য প্রয়োজনীয় কনভার্টিং মেশিনের সংকট থাকায় পূর্ণ উৎপাদন কার্যক্রম পরিচালনা করা সম্ভব হচ্ছে না। ফলে মূল মেশিনের পূর্ণ উৎপাদন ক্ষমতা ব্যবহার করতে হলে আরো নতুন কিছু কনভার্টিং মেশিন সংস্থাপন করা প্রয়োজন।

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 কোম্পানির আর্থিক ব্যয় এবং অন্যান্য উপরি ব্যয় মারাত্মকভাবে বৃদ্ধি পায়। তাছাড়া উক্ত পণ্যের প্রধান কাঁচামাল, কেমিক্যাল এবং অন্যান্য উপবিষয়ের 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 প্রচণ্ড বিদ্যুৎ- বিদ্রাটের কারণেও উক্ত প্রকল্পের নিরবিচ্ছিন্ন উৎপাদন নিশ্চিত করা সম্ভব হচ্ছে না। ফলে বিক্রয় এবং বিক্রিত দ্রব্যের ব্যয়ের মধ্যে ঘাটতি সৃষ্টি হয়।

৬। বিক্রয় কার্যক্রম ও পণ্যভিত্তিক ফলাফল :

২০২০-২০২১ অর্থ বৎসরে করোনা মহামারীর কারণে উৎপাদন, ক্রয়, বিক্রয় এবং বিপণন ব্যবস্থা ছিল সর্বোচ্চ চ্যালেঞ্জের সম্মুখীন। দেশ ব্যাপি লকডাউনের কারণে দেশ জুড়ে বিভিন্ন ডিলার পয়েন্ট, ডিপু পয়েন্ট, বিভিন্ন কর্পোরেট প্রতিষ্ঠান, রেইটরেন্ট, হোটেল, সামাজিক অনুষ্ঠান সমূহ বন্ধ থাকার কারণে টিস্যু এবং কাগজের চাহিদা মারাত্মকভাবে কমে যায়। তবে আশার বিষয় এই যে দেশে করোনা মহামারীর প্রাদুর্ভাব কমে গেলে এবং স্কুল, কলেজ,

মদ্রাসা, সামাজিক অনুষ্ঠান এবং রীতি নীতি ইত্যাদি স্বাভাবিক হলে টিস্যু এবং কাগজের বাজার ভাল হবে এবং বিভিন্ন প্রতিবন্ধকতা দূর করে বিক্রয় তথা প্রতিষ্ঠানের মুনাফা বৃদ্ধি পাবে। অত্র প্রতিষ্ঠান ২টি প্রোডাক্ট লাইন থেকে বিভিন্ন গ্রেডের এবং বিভিন্ন পরিমাপের পণ্য উৎপাদন করে থাকে,

নিম্নে পণ্যভিত্তিক বিক্রয় রাজস্ব উল্লেখ করা হলঃ

টেবিল-১ : পণ্যভিত্তিক বিক্রয় কার্যক্রমের তথ্য

বিবরণ	২০২০-২০২১	২০১৯-২০২০	২০১৮-২০১৯	২০১৭-২০১৮	২০১৬-২০১৭
রাইটিং প্রিন্টিং বিক্রয়	-	-	১১,২১,০৪,৩৫৫	-	২২,৮৯,৯৪,৪৩৮
ব্রাইট নিউজপ্রিন্ট বিক্রয়	১৭,০৯,৮৬,৮০০	৩০,৫৫,১৯,২৬৬	২৭,৭৯,৮৪,৩৬২	২৪,৩০,৩৫,৭৫৮	৯,৮৫,০৬,২৮৭
মিডিয়াম পেপার বিক্রয়	১,৪৬,৭৬,৮০৩	১৩,৯৪,০৯৯	৩২,৪৬,৮২১	৬৫,৯৭,১৩৫	১,১৩,৬১,০৪৫
বৈদেশিক বাজারে বিক্রয়	-	-	১,২৫,০৬,২১৭	৩,২৯,৫৬,৩৬১	২২,৭৬,৪০৩
এমজি নিউজপ্রিন্ট পেপার	৭,৯৭,০০,৯৫৬	৭,১২,৬০,৮৭৯	৪,০২,৩২,৪৭৬	-	-
বিভিন্ন গ্রেডের টিস্যু	১৩,৪১,২৬,১৫৭	১০,৪৯,২৬,১২৪	৪,৮৭,৬৮,১৪৯	-	-
খাতা	৮,৪২,৮৬০	-	-	-	-
মোট বিক্রয়	৪০,০৩,৩৩,৫৭৬	৪৮,৩১,০০,৩৬৮	৪৯,৪৮,৪২,৩৮০	২৮,২৫,৮৯,২৫৪	৩৪,১১,৩৮,১৭৩

৭। ঝুঁকি সমূহ :

কোম্পানির সাথে সংশ্লিষ্ট ঝুঁকি সমূহ নিম্নে তুলে ধরা হল :

(i) সামগ্রিক অর্থনৈতিক কর্মকান্ড :

সামগ্রিক অর্থনৈতিক কর্মকান্ড কোম্পানির 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 :

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

(iii) মুদ্রার বিনিময় হারের পরিবর্তন :

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

(iv) অন্যান্য আর্থিক ঝুঁকি :

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 ৪০.০০ এ এই ব্যাপারে বিস্তারিত উল্লেখ রয়েছে।

(v) ঝুঁকি বিষয়ে ব্যবস্থাপনা কর্তৃপক্ষের মূল্যায়ন :

যদি ও বেশির ভাগ ঝুঁকি কোম্পানি বিশেষের আয়ত্বের বাইরে, এইরূপ প্রত্যেক ঝুঁকির বিষয়ে হাক্কানী পাল্প এন্ড পেপার মিলস্‌ লিঃ সর্বদা সতর্ক দৃষ্টি রাখে এবং পণ্যের বাজার বহুমুখীকরণ, দক্ষভাবে কাঁচামাল সংগ্রহ, সর্বাধুনিক প্রযুক্তি ব্যবহার এবং গবেষণা কার্যক্রমে বিনিয়োগের মাধ্যমে এই সকল ঝুঁকির মোকাবেলা ও কোম্পানির প্রতিযোগিতামূলক অবস্থান অর্জন করে। পরিবেশ বিধিমালায় একনিষ্ঠ অনুসারী হিসেবে হাক্কানী পাল্প এন্ড পেপার মিলস্‌ 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। আগুন, বন্যা, ভূমিকম্প ইত্যাদির সাথে মোকাবেলা 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।



৮। বিক্রীত পণ্যের ব্যয়, মোট মুনাফা ও নীট মুনাফার উপর সংক্ষিপ্ত প্রতিবেদন :

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

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

বিবরণ	২০২০-২০২১		২০১৯-২০২০		২০১৮-২০১৯	
	টাকা	শতকরা হার	টাকা	শতকরা হার	টাকা	শতকরা হার
বিক্রয়	৩৮,৯৯,৬৮,১৯৫	-	৪৭,৩০,৮৪,৯১৫	-	৪৮,৪০,০৯,১৮৯	-
বিক্রীত পণ্যের ব্যয়	৩৩,০৩,৫২,৮৫০	৮৪.৭১	৩৯,৫৭,৩২,৫৮৪	৮৩.৬৪	৪১,৭৭,৪৬,৪১৫	৮৬.৩০
মোট মুনাফা	৫,৯৬,১৫,৩৪৬	১৫.২৯	৭,৭৩,৫২,৩৩১	১৬.৩৪	৬,৬২,৬২,৭৭৪	১৩.৭৯
নীট মুনাফা	(২,৪৩,০৬,৯২৪)	(৬.২৩)	১৪,২০,২৬৬	০.৩০০	(২,১১,৩৫,২১৩)	(৪.৩৬)

৯। উৎপাদন :

সঠিক ও বাস্তবভিত্তিক পরিকল্পনা প্রণয়ন, দিক নির্দেশনা, তদারকি, সঠিক ব্যবস্থাপনা ও নিয়ন্ত্রণের মাধ্যমে উৎপাদন প্রক্রিয়ায় বিদ্যুৎ সরবরাহ সমস্যা বিরাজমান থাকা সত্ত্বেও 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 মৌক্তিক স্তরে রাখার দিকে কোম্পানির ব্যবস্থাপনা কর্তৃপক্ষ সর্বদা সচেতন রয়েছে এবং ভবিষ্যতেও এর ধারাবাহিকতা বজায় থাকবে। উৎপাদনের সর্বস্তরে দক্ষতা বৃদ্ধির মাধ্যমে কাম্বিত মুনাফা অর্জন আমাদের একান্ত লক্ষ্য।

১০। উৎপাদন পর্যালোচনা :

টেবিল-৩ : উৎপাদন

বিবরণ	২০২০-২০২১	২০১৯-২০২০	২০১৮-২০১৯	২০১৭-২০১৮
উৎপাদন ক্ষমতা (মেট্রিক টন)	১৩,৫০০	১৩,৫০০	১১,২৫০	৭,৫০০
প্রকৃত উৎপাদন (মেট্রিক টন)	৩,৯১৮	৫,১৭৫	৪,৮৭২	৪,৪১৯
উৎপাদন ক্ষমতার ব্যবহার (%)	২৯.০৩%	৩৮.৩৩%	৪৩.৩১	৫৮.৯২
বিক্রয় (মেট্রিক টন)	৪,১৪৩.৯৪	৪,৭০২.৩১	৪,০৩০.৭৬	৪,৭৭৯

বিভিন্ন প্রতিকূল পরিস্থিতি যেমন, করোনা মহামারী, বিদ্যুৎ বিআই, গ্যাস সরবরাহে অপ্রতুলতা, ঘন ঘন মেশিনারী ব্রেকডাউন হওয়ায় চলতি বৎসরের উৎপাদন বিগত বৎসরের তুলনায় হ্রাস পেয়েছে। তবে আশা করি করোনা মহামারী স্বাভাবিক পর্যায়ে আসলে, সার্বিক পরিস্থিতি অনুকূল হলে এবং সংযোজিত মেশিনারীকে সঠিকভাবে ব্যবহারের মাধ্যমে আগামী বৎসর উৎপাদনশীলতা বৃদ্ধি করা সম্ভব হবে। উৎপাদন সংক্রান্ত বিস্তারিত আলোচনা হিসাব বিবরণীর নোট নম্বর ৪১ এ সংযুক্ত করা হয়েছে।

১১। অস্বাভাবিক মুনাফা / ক্ষতি :

২০২০-২০২১ অর্থ বছরে কোম্পানির কোনরূপ অস্বাভাবিক মুনাফা / ক্ষতি (Extra ordinary gain or loss) ছিল না।

১২। সংশ্লিষ্ট অন্যান্য কোম্পানির সাথে আর্থিক লেনদেন :

সংযুক্ত অন্যান্য প্রতিষ্ঠান এবং সংশ্লিষ্ট পক্ষের লেনদেনের বিস্তারিত বিবরণ হিসাব বিবরণীর নোট ৪২.০০ এ বিস্তারিত আলোচনা রয়েছে।

১৩। ত্রৈমাসিক ও বার্ষিক ফলাফলের উল্লেখযোগ্য ব্যবধান :

কোম্পানীর ত্রৈমাসিক ও বার্ষিক ফলাফলের মধ্যে কিছু ব্যবধান পরিলক্ষিত হয়েছে। করোনা মহামারীর কারণে বাজারের সার্বিক পরিস্থিতি অস্বাভাবিক হওয়ায় মূলত এই ব্যবধানের সৃষ্টি হয়েছে। ত্রৈমাসিক ও বার্ষিক ফলাফলের উল্লেখযোগ্য ব্যবধান সমূহ হিসাব বিবরণীতে প্রদর্শিত হয়েছে। ত্রৈমাসিক ও বার্ষিক ফলাফলের উল্লেখযোগ্য ব্যবধান সমূহ নিম্নে তুলে ধরা হল :

১৩(ক)। বার্ষিক আর্থিক ফলাফল পর্যালোচনাঃ

২০২০-২০২১ অর্থ বৎসরের বিক্রয়, ব্যয় ও অর্জিত মুনাফার চিত্র নিম্নে প্রদর্শিত হল :

টেবিল-৪ : আর্থিক ফলাফল

বিবরণ	২০২০ - ২০২১ (টাকায়)	২০১৯ - ২০২০ (টাকায়)	২০১৮ - ২০১৯ (টাকায়)
মোট বিক্রয়	৩৮,৯৯,৬৮,১৯৫	৪৭,৩০,৮৪,৯১৫	৪৮,৪০,০৯,১৮৯
মোট ব্যয়	৪১,৭৭,৮০,৫৩৭	৪৭,০৬,২৭,২৪৭	৪৯,১৭,৫৯,৯৫০
পরিচালন মুনাফা / (ক্ষতি)	৩,২০,০৪,৩৪৬	৫,৪৫,২৭,৭৩৮	(৭৭,৫০,৭৬১)
অন্যান্য আয়	৪৭,৭৮,৩২৫	৮৯,৮৩,৪৬৯	২২,৪২,৮০৪
নীট মুনাফা / (ক্ষতি)	(২,৪৩,০৬,৯২৪)	১৪,২০,২৬৬	(২,১১,৩৫,২১৩)

১৩(খ)। ত্রৈমাসিক আর্থিক ফলাফল পর্যালোচনা :

২০২০-২০২১ অর্থ বৎসরের ত্রৈমাসিক আর্থিক বিবরণীর বিক্রয়, ব্যয় ও অর্জিত মুনাফার চিত্র নিম্নে প্রদর্শিত হল :

টেবিল-৫ : আর্থিক ফলাফল

বিবরণ	২০২০-২০২১ (টাকায়)			২০২০-২০২১ (টাকায়)
	জুলাই ২০২০ - সেপ্টেম্বর ২০২০	অক্টোবর ২০২০ - ডিসেম্বর ২০২০	জানুয়ারি ২০২১ - মার্চ ২০২১	জুলাই ২০২০ - জুন ২০২১
মোট বিক্রয়	১২,৬২,৯১,৮৭১	১১,২৮,৫৭,৪৬৪	৮,৬০,৩১,৮০০	৩৮,৯৯,৬৮,১৯৫
মোট ব্যয়	১৩,০৭,৭৯,১৭৩	১১,৮৯,৪১,১৮৫	৯,২৭,১৫,৭১৪	৪১,৭৭,৮০,৫৩৭
পরিচালন মুনাফা / (ক্ষতি)	(৪৪,৮৭,৩০১)	(৬০,৮৩,৭২০)	(৬৬,৮৩,৯১৩)	৩,২০,০৪,৩৪৬
অন্যান্য আয়	৮,৫৩,৬৫০	১২,১৪,৮৮২	২১,৭১,৩০২	৪৭,৭৮,৩২৫
নীট মুনাফা / (ক্ষতি)	৪,১৫,৬৬৯	(৮৬,৯৭,৭১৭)	(৮২,২৩,৫১৭)	(২,৪৩,০৬,৯২৪)

২০১৯-২০২০ অর্থ বৎসরের ত্রৈমাসিক আর্থিক বিবরণীর বিক্রয়, ব্যয় ও অর্জিত মুনাফার চিত্র নিম্নে প্রদর্শিত হল :

টেবিল-৬ : আর্থিক ফলাফল

বিবরণ	২০১৯-২০২০ (টাকায়)			২০১৯-২০২০ (টাকায়)
	জুলাই ২০২০ - সেপ্টেম্বর ২০২০	অক্টোবর ২০২০ - ডিসেম্বর ২০২০	জানুয়ারি ২০২১ - মার্চ ২০২১	জুলাই ২০২০ - জুন ২০২১
মোট বিক্রয়	১৪,৫৪,৮৩,৯২৯	১৩,৬৮,৭২,৯৯৯	১৪,৪৯,২৮,৯৪১	৪৭,৩০,৮৪,৯১৫
মোট ব্যয়	১৪,৭৫,৯৬,৪৫০	১৩,৯৩,০৫,৫৬৬	১৫,০৭,১৮,৪৬৬	৪৭,০৬,২৭,২৪৭
পরিচালন মুনাফা / (ক্ষতি)	(২১,১২,৫২১)	(২৪,৩২,৫৬৭)	(৫৭,৮৯,৫২৫)	৫,৪৫,২৭,৭৩৮
অন্যান্য আয়	৪,৩৭,৫২৭	২,৭৮,৩৭০	১৯,০৬,৯৬১	৮৯,৮৩,৪৬৯
নীট মুনাফা / (ক্ষতি)	(১৬,৭৪,৯৯৪)	(২১,৫৪,১৯৭)	(৩৮,৮২,৫৬৪)	১৪,২০,২৬৬



২০২০-২০২১ অর্থ বৎসর এবং ২০১৯-২০২০ অর্থ বৎসরের বার্ষিক এবং ত্রৈমাসিক আর্থিক ফলাফলের মধ্যে উল্লেখযোগ্য ব্যবধানের মূল কারণ সমূহ নিম্নরূপ :

- (i) রিপোর্টিং পিরিয়ডে বিক্রয়ের মোট পরিমাণ এবং একক প্রতি বিক্রয় মূল্যের ব্যবধান।
- (ii) রিপোর্টিং পিরিয়ডে বিক্রিত দ্রব্যের ব্যয়ের ব্যবধান।
- (iii) রিপোর্টিং পিরিয়ডে আর্থিক ব্যয়ের ব্যবধান।
- (iv) রিপোর্টিং পিরিয়ডে কোভিড -১৯ এর প্রভাব।

১৪। পরিচালক পর্ষদের সদস্যদের ভাতা / সম্মানী :

কোম্পানির ব্যবস্থাপনা পরিচালক ব্যতিত পরিচালক পর্ষদের অন্যকোন সদস্যকে কোন ধরনের মাসিক সম্মানী, ভাতা এবং অন্যান্য সুবিধাদি কোম্পানি হতে প্রদান করা হয় না যা হিসাব বিবরণীর নোট নং-২৯.১ এ বর্ণিত রয়েছে। আর্থিক বৎসরে ব্যবস্থাপনা পরিচালককে মোট প্রদত্ত সম্মানী নিচে উল্লেখ করা হল :

টেবিল -৭ : পরিচালক পর্ষদের সদস্যদের ভাতা / সম্মানী :

ক্রমিক নং	পরিচালকের নাম	পদবী	টাকা
০১	জনাব মোঃ আব্দুল্লাহ	চেয়ারম্যান (৩০/০৪/২০২১ তারিখ পর্যন্ত)	----
০২	জনাবা হোসনে আরা বেগম	চেয়ারম্যান (০৪/০৫/২০২১ তারিখ থেকে)	----
০৩	জনাব মোঃ গোলাম হায়দার	ভাইস চেয়ারম্যান (০৪/০৫/২০২১ তারিখ থেকে)	----
০৪	জনাব মোঃ গোলাম মোস্তফা	ব্যবস্থাপনা পরিচালক (৩০/০১/২০২১ তারিখ পর্যন্ত)	----
০৫	জনাব মোঃ গোলাম কিবরিয়া	ব্যবস্থাপনা পরিচালক (৩০/০১/২০২১ তারিখ থেকে)	২,৫৮,৫০০
০৬	জনাব মোঃ গোলাম মোরশেদ	উপ-ব্যবস্থাপনা পরিচালক (৩০/০১/২০২১ তারিখ থেকে)	----
০৭	ড. মোহাম্মদ সালেহ জহুর	স্বতন্ত্র পরিচালক	----
০৮	জনাব এস. এম. নছরুল কাদির	স্বতন্ত্র পরিচালক	----
০৯	জনাব মোঃ গোলাম রসুল মুক্তাদির	পরিচালক	----

১৫। পরিচালক পর্ষদের সভার উপস্থিতি:

আলোচ্য বৎসরে পরিচালনা পর্ষদের মোট ৫টি সভা অনুষ্ঠিত হয়। উক্ত সভায় পর্ষদের সদস্যদের স্ব - স্ব উপস্থিতি নিম্নে উল্লেখ করা হল :

টেবিল-৮ : পরিচালক পর্ষদের সভার উপস্থিতি :

ক্রমিক নং	পরিচালকের নাম	পদবী	অনুষ্ঠিত মোট সভার সংখ্যা	উপস্থিতি সংখ্যা
০১	জনাব মোঃ আব্দুল্লাহ	চেয়ারম্যান (৩০/০৪/২০২১ তারিখ পর্যন্ত)	০৫	০৪
০২	জনাব মোঃ গোলাম মোস্তফা	ব্যবস্থাপনা পরিচালক (৩০/০১/২০২১ তারিখ পর্যন্ত)	০৫	০১
০৩	জনাব এস. এম. নছরুল কাদির	স্বতন্ত্র পরিচালক	০৫	০৫
০৪	জনাব মোঃ গোলাম রসুল মুক্তাদির	পরিচালক	০৫	০৫
০৫	জনাব মোঃ গোলাম কিবরিয়া	ব্যবস্থাপনা পরিচালক (৩০/০১/২০২১ তারিখ থেকে)	০৫	০৫
০৬	জনাবা হোসনে আরা বেগম	চেয়ারম্যান (০৪/০৫/২০২১ তারিখ থেকে)	০৫	০৫
০৭	জনাব মোঃ গোলাম হায়দার	ভাইস চেয়ারম্যান (০৪/০৫/২০২১ তারিখ থেকে)	০৫	০৫
০৮	জনাব মোঃ গোলাম মোরশেদ	উপ-ব্যবস্থাপনা পরিচালক (৩০/০১/২০২১ তারিখ থেকে)	০৫	০৫
০৯	ড. মোহাম্মদ সালেহ জহুর	স্বতন্ত্র পরিচালক	০৫	০৫

১৬। শেয়ারহোল্ডিং প্যাটার্ন :

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

১৭। লভ্যাংশ ঘোষণা :

আপনারা অবগত আছেন যে, কোভিড-১৯ এর দ্বিতীয় ঢেউয়ের কারণে আলোচ্য অর্থ বৎসরের সারা বৎসরব্যাপি দেশ বিদেশে কঠোর লকডাউন বিরাজমান থাকায় সামগ্রিক কাগজ শিল্পের উৎপাদন এবং বাজারজাতকরণ বাধাগ্রস্ত হয়। তাছাড়া আলোচ্য অর্থ বৎসরে সারা বৎসরব্যাপি স্কুল, কলেজ, মাদ্রাসা, বিভিন্ন প্রিন্টিং মিডিয়া, বিভিন্ন ডিলার পয়েন্ট, ডিপো পয়েন্ট, বিভিন্ন কর্পোরেট প্রতিষ্ঠান, রেস্টুরেন্ট, হোটেল, সামাজিক অনুষ্ঠান সমূহ বন্ধ থাকার কারণে টিস্যু এবং কাগজের বাজার হ্রাসকির সম্মুখীন হয়। তাছাড়া বাজারে পণ্যের চাহিদা হ্রাস পায় পাশাপাশি একক প্রতি বিক্রয় মূল্য হ্রাস পায়। অন্যদিকে টিস্যু ইউনিটের চলতি মূলধনের স্বল্পতা থাকায় অত্র প্রতিষ্ঠানে নগদ তহবিলের সংকট বিরাজমান থাকা সত্ত্বেও শুধুমাত্র শেয়ারহোল্ডারদের স্বার্থ বিবেচনা করে পরিচালকমণ্ডলী ৩০শে জুন ২০২১ সমাপ্ত বৎসরের জন্য স্পঞ্জর শেয়ার ব্যতিত পাবলিক শেয়ারের উপর ১ শতাংশ নগদ লভ্যাংশ সুপারিশ করেছে যা ২৫তম বার্ষিক সাধারণ সভায় অনুমোদনের জন্য উপস্থাপন করা হবে।

১৮। পরিচালনা পর্ষদ :

কোম্পানীর পরিচালনা পর্ষদ বর্তমানে সর্বমোট ৮ জন সদস্য সমন্বয়ে গঠিত, যার মধ্যে ২ জন স্বতন্ত্র পরিচালক রয়েছেন। অপর ৬ জন এর মধ্যে ১ জন পর্ষদের সভাপতি, ১ জন সহ সভাপতি, ১ জন ব্যবস্থাপনা পরিচালক, ১ জন উপ-ব্যবস্থাপনা পরিচালক, ২ জন সাধারণ পরিচালক রয়েছেন। পরিচালকদের পরিচয় প্রতিবেদনের "Directors Profile" শিরোনামে উল্লেখ করা হয়েছে।

১৯। অডিট কমিটি :

পরিচালনা পর্ষদের মনোনীত ৪ জন সদস্যের সমন্বয়ে অডিট কমিটি গঠিত এবং এর মধ্যে ১ জন স্বতন্ত্র পরিচালক এবং ৩ জন অ-নির্বাহী পরিচালক রয়েছেন। নিরীক্ষা কমিটি যা বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের কর্পোরেট গভর্নেন্স কোর্ড অনুযায়ী নির্ধারিত নির্দেশনা মোতাবেক পরিচালিত হয়। অডিট কমিটির উদ্দেশ্য হল আভ্যন্তরীণ আর্থিক নিয়ন্ত্রণ ব্যবস্থার উন্নয়ন, মজবুত এবং কোম্পানির ত্রৈমাসিক, ষান্মাসিক এবং বার্ষিক আর্থিক প্রতিবেদন সমূহ পর্যালোচনা ও সুপারিশ প্রদান করা। কমিটির সভায় সদস্যদের স্ব - স্ব উপস্থিতি নিম্নে উল্লেখ করা হলঃ

টেবিল-৯ : অডিট কমিটি সভার উপস্থিতি :

ক্রমিক নং	পরিচালকের নাম	পদবী	অনুষ্ঠিত মোট সভার সংখ্যা	উপস্থিতি সংখ্যা
০১	ড. মোহাম্মদ সালেহ জহুর	সভাপতি	০৫	০৫
০২	জনাব মোঃ গোলাম কিবরিয়া	সদস্য	০৫	০৪
০৩	জনাব মোঃ গোলাম মোরশেদ	সদস্য	০৫	০৫
০৪	জনাব মোঃ গোলাম হায়দার	সদস্য (৩০/০৪/২১ তারিখ থেকে)	০৫	০১



২০। মনোনয়ন ও বেতন কমিটি : বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক ইস্যুকৃত কর্পোরেট গভর্নেন্স কোর্ড নং-BSEC/CMRRCD/2006-158/207/Admin/80 তারিখ ০৩ জুন ২০১৮ অনুযায়ী ০২/১১/২০১৯ তারিখে অনুষ্ঠিত বোর্ড সভায় ৪জন সদস্য সমন্বয়ে মনোনয়ন ও বেতন কমিটি গঠন করা হয়। ৩০/০১/২০২১ তারিখে অনুষ্ঠিত বোর্ড সভার সিদ্ধান্ত অনুসারে উক্ত মনোনয়ন ও বেতন কমিটি ৪ জন সদস্যের সমন্বয়ে পুনঃগঠন করা হয়।

বিগত ৩০/০৫/২০২১ তারিখ রোজ রবিবার বিকাল ৪.০০ ঘটিকায় কোম্পানির রেজিস্টার্ড কার্যালয়ে কমিটির দ্বিতীয় সভা অনুষ্ঠিত হয়। কমিটি সভায় কোম্পানির 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 হল :

টেবিল-১০ : মনোনয়ন ও বেতন কমিটি সভার উপস্থিতি

ক্রমিক নং	পরিচালকের নাম	পদবী	অনুষ্ঠিত মোট সভার সংখ্যা	উপস্থিতি সংখ্যা
০১	জনাব.এস. এম. নছরুল কদির	সভাপতি	০১	০১
০২	ড. মোহাম্মদ সালাহ জহুর	সদস্য	০১	০১
০৩	জনাব মোঃ গোলাম মোরশেদ	সদস্য	০১	০১
০৪	জনাব মোঃ গোলাম রসুল মুক্তাদির	সদস্য	০১	০১

২১। পরিচালকবৃন্দের নিয়োগ ও পুনঃ নিয়োগ :

কোম্পানীর আর্টিকেলস্ অব এসোসিয়েশন এর ৮-২ ধারা অনুযায়ী পরিচালক জনাবা হোসনে আরা বেগম, জনাব মোঃ গোলাম মোরশেদ এবং জনাব মোঃ গোলাম রসুল মুক্তাদির পরিচালনা পর্ষদ থেকে অবসর গ্রহণ করবেন এবং তাঁরা যোগ্য বিধায় পুনঃ নির্বাচনের আবেদন জানিয়েছেন তাদের নিয়োগ অনুমোদনের জন্য ২৫তম বার্ষিক সাধারণ সভায় উপস্থাপন করা হবে।

২২। নিরীক্ষক :

২৫তম বার্ষিক সাধারণ সভায় কোম্পানির বর্তমান বিধিবদ্ধ নিরীক্ষক মেসার্স শফিক বসাক এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস তাদের দায়িত্ব ও কর্তব্য সম্পন্ন করার পর অবসর গ্রহণ করবে। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নির্দেশ নং BSEC/SMRRCD/2009-193/104/Admin dated July 27, 2011 এবং কোম্পানী আইন অনুযায়ী মেসার্স শফিক বসাক এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস ২০২১-২০২২ অর্থ বৎসরের জন্য নিরীক্ষা কার্য সম্পাদনের যোগ্য হওয়ায় তারা পুনরায় নিয়োগ প্রাপ্ত হওয়ার ইচ্ছা প্রকাশ করেছেন। পরিচালক পর্ষদের সভায় তাদের পুনঃনিয়োগের জন্য সুপারিশ করা হয়েছে যা কোম্পানির ২৫তম বার্ষিক সাধারণ সভায় অনুমোদনের জন্য উপস্থাপন করা হবে।

২৩। কর্পোরেট সুশাসন :

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক নির্দেশিত কর্পোরেট সুশাসনের শর্তগুলো কোম্পানি যথাযথভাবে পরিপালন করেছে। 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।

২৪। সরকারী কোষাগারে অর্থ জমাদান :

কোম্পানী সর্বদা সরকারী আইনকানুন, নিয়মনীতি সমূহ যথাযথভাবে অনুসরণ করেছে। জাতীয় কোষাগারে অর্থ প্রদানের ক্ষেত্রে কোম্পানি সচেতন ও যত্নবান। ২০২০-২০২১ অর্থ বছরে সরকারী কোষাগারে আর্থিক অবদানের পরিসংখ্যান নিম্নে দেয়া হলো :

টেবিল-১১ : সরকারী কোষাগারে অনুদান

বিবরণ	২০২০-২০২১ (টাকায়)	২০১৯-২০২০ (টাকায়)	২০১৮-২০১৯ (টাকায়)	২০১৭-২০১৮ (টাকায়)	২০১৬-২০১৭ (টাকায়)
কর্পোরেট আয়কর বাবদ প্রদান	৪,৯২,৮৩৪	২৪,১২,০৯৩	১৭,০৩,২৯১	৪,৫৬,২১১	১,২১,৮২,৩৫০
আমদানী শুল্ক ও মুসক পরিশোধ	৩,৬৫,৩৮৫	১,০০,১৫,৪৫৩	১,০৮,৩৩,১৯০	৬২,০০,০০০	১,৬৪,৭৫,০০০
লভ্যাংশের বিপরীতে কর কর্তন বাবদ	২,৭২,৭৯৫	২,৬৬,৪৫৮	৩,৪৪,০২৭	১,৯৫,৫০৪	৬,৪১,১৮৮
উৎস কর ও মুসক পরিশোধ	১২,৪৪,২০৭	৭,৪৯,৫৮১	১৫,২৬,৩৯২	১১,৩৯,৮৫৬	১৪,২০,২৭৩
মোট	১,২৩,৭৫,২২১	১,৩৪,৪৩,৮৮৫	১,৪৪,০৬,৯০০	৭৯,৯১,৫৭১	৩,০৭,১৮,৮১১

২৫। সংখ্যালঘু শেয়ারহোল্ডারদের স্বার্থ রক্ষা :

অত্র কোম্পানির পরিচালনা পর্ষদ সংখ্যালঘু শেয়ারহোল্ডারদের স্বার্থ রক্ষার্থে সব সময় কাজ করে যাচ্ছে। সংখ্যালঘু বিশেষ করে ক্ষুদ্র শেয়ারহোল্ডারদের স্বার্থ বিবেচনা করে অত্র কোম্পানি স্টক এক্সচেঞ্জের তালিকা ভুক্তির পর থেকে প্রতি বৎসর লভ্যাংশ প্রদান করে আসছে। সংখ্যালঘু শেয়ারহোল্ডারদের বৃহত্তর স্বার্থ বিবেচনা করে কোম্পানির গুরুত্বপূর্ণ সিদ্ধান্ত সমূহ পরিচালনা পর্ষদ কর্তৃক প্রতি বৎসর অনুষ্ঠিত বার্ষিক সাধারণ সভায় উত্থাপন করা হয় এবং শেয়ারহোল্ডার কর্তৃক তা অনুমোদন করা হয়। প্রত্যেক শেয়ারহোল্ডার প্রতি বৎসর অনুষ্ঠিত বার্ষিক সাধারণ সভায় তাদের ভোটাধিকার প্রয়োগ, লভ্যাংশ প্রাপ্যতা, বিভিন্ন ধরনের তথ্য সংগ্রহের অধিকার রাখে। সংখ্যালঘু শেয়ারহোল্ডারদের স্বার্থ রক্ষার্থে প্রতিষ্ঠান ত্রৈমাসিক, অর্ধ বার্ষিক এবং বার্ষিক আর্থিক বিবরণী একটি দৈনিক বাংলা ও একটি দৈনিক ইংরেজী পত্রিকায় এবং একটি অনলাইন পোর্টালে প্রকাশ করে থাকে। এছাড়াও কোম্পানির শেয়ারহোল্ডারদের তথ্য নিশ্চিত করার লক্ষ্যে গুরুত্বপূর্ণ সিদ্ধান্ত সমূহ পরিচালনা পর্ষদ কর্তৃক অনুমোদিত হওয়ার পর তা স্টক এক্সচেঞ্জের ওয়েব সাইটে ডিসিমিনেইট করা হয়। সংখ্যালঘু শেয়ারহোল্ডারদের স্বার্থ বিবেচনায় স্টক এক্সচেঞ্জ কর্তৃক আরোপকৃত লিস্টিং রেগুলেশন, বিভিন্ন সিকিউরিটিজ আইন, কোম্পানি আইন এবং বিভিন্ন নির্দেশনা সমূহ পালনে কোম্পানি বদ্ধ পরিকর।

২৬। মানবসম্পদ উন্নয়ন :

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 বিন্যাস করার ব্যবস্থা নিয়মিত ভাবে পরিচালিত হচ্ছে। উপরন্তু প্রণোদনার জন্য বিশেষ প্রণোদনা কার্যক্রম ব্যবস্থা 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 কোম্পানির 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 প্রস্তুতের যাবতীয় কার্যক্রম ও চলমান রাখা হয়েছে।

২৭। পরিবেশ ও নিরাপত্তা :

কোম্পানীর কারখানার চতুর্দিকে পর্যাপ্ত সুপরিষ্কৃত বৃক্ষরোপনের মাধ্যমে সবুজ বেষ্টিত তৈরী করা হয়েছে এবং বর্জ্য নিঃসরণের যথাযথ ব্যবস্থাও 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 প্রাক্ প্রস্তুতি গ্রহণ, তদারকি ও উন্নয়ন কার্যক্রম ধারাবাহিকভাবে পরিচালিত হচ্ছে। বিগত বৎসরের ন্যায় ২০২০-২০২১ অর্থ বৎসরে ও সম্ভাব্য ঝুঁকি বিবেচনায় কোম্পানির কাঁচামাল গোড়াউন, গ্যাস জেনারেটরের বীমা করা হয়েছে এবং যথারীতি এসিড, অগ্নিনির্বাপক ব্যবস্থা সংক্রান্ত পরিদর্শন ও তদন্ত প্রতিবেদন গ্রহণপূর্বক 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 পুনঃ পুনঃ ব্যবহার পূর্বক ড্রেইনেজ সিস্টেমের মাধ্যমে নিষ্কাশন করা হয় যাতে পরিবেশ কোন ভাবে দূষিত না হয় কিংবা প্রাকৃতিক পরিবেশে কোন নেতিবাচক প্রভাব না পড়ে। কোম্পানির কারখানার অভ্যন্তরে স্থাপিত সকল বিপদজনক স্থাপনা সমূহ ও কেমিক্যাল মজুদাগারে যথোপযুক্ত উপায়ে সংরক্ষণ ও সর্তকতা অবলম্বন করা হয়। কোম্পানির 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 যথারীতি অনুসরণ করা হচ্ছে এবং সকল সরকারী নির্দেশনা যথারীতি অনুসরণ করা হচ্ছে। সম্পদের সুরক্ষা ও নিরাপত্তার জন্য সঠিক সংখ্যক প্রহরীর মাধ্যমে নিরাপত্তা বেস্টনী রাখা হয়েছে।

২৮। আর্থিক বিবরণীর ব্যাপারে পরিচালকমন্ডলীর দায়িত্বঃ

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

- ক) কোম্পানির ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক প্রস্তুতকৃত আর্থিক বিবরণীতে এর কর্মকাণ্ড, কার্যক্রমের ফলাফল, নগদ প্রবাহ ও ইকুইটির পরিবর্তন সম্পর্কে যথার্থ চিত্র উপস্থাপিত হয়েছে;
- খ) কোম্পানির 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 কোম্পানির সামর্থ্যের ব্যাপারে তেমন কোন দ্বিধা নেই;
- (ছ) কোম্পানির কার্যক্রমের ফলাফলের ক্ষেত্রে বিগত বছরের তুলনায় উল্লেখযোগ্য যেসব ব্যত্যয় রয়েছে সেগুলো বর্ণনা করা হয়েছে এবং তার কারণ ব্যাখ্যা করা হয়েছে; এবং
- (জ) কার্যক্রম ও আর্থিক বিষয়ে পাঁচ বৎসরের উপাত্ত সংযোজন করা হয়েছে।

২৯। স্বীকৃতি :

সম্মানিত শেয়ারহোল্ডারবৃন্দ, আর্থিক প্রতিষ্ঠান, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, চট্টগ্রাম স্টক একচেঞ্জ লিঃ, ঢাকা স্টক একচেঞ্জ 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। ২০২০-২০২১ অর্থ বৎসরে কোম্পানির সার্বিক কার্যক্রমে অংশগ্রহণ 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 আশা করছি। মহান আল্লাহ আমাদের সহায় হউন।

পরিচালকমণ্ডলীর পক্ষে,

শ্রীমান আরা বেগম

হোসনে আরা বেগম

চেয়ারম্যান

চট্টগ্রাম

তারিখ : ১৩ নভেম্বর, ২০২১

HAKKANI PULP AND PAPER MILLS LIMITED
Declaration by CEO and CFO

Date: 13th November 2021

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 2021

Dear Sir(s),

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 2021 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:

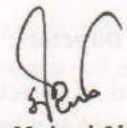
- (i) We have reviewed the financial statements for the Year ended on 30th June 2021 and that to the best of our knowledge and belief:



- (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year 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 Kibria
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 eight 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 five 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 an Audit Committee. The Audit Committee consists of four Directors of the Company including one independent director who 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 five meeting during the year.

Moreover, In compliance with the order of Bangladesh Securities and Exchange Commission, the Board of Directors formed a Nomination and Remuneration Committee. The Nomination and Remuneration Committee consists of four Directors of the Company including one independent director who is the Chairman of the Committee.

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.

A member of

mgeworldwide

KHAN WAHAB SHAFIQUE RAHMAN & CO.

CHARTERED ACCOUNTANTS

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Fax : +88-02-9551821
E-mail : kwsr@dhaka.net
Web : www.kwsrbd.com



Chattogram Branch Office :

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Agrabad C/A, Double Mooring,
Chattogram, Bangladesh
Tel : +88-031-2520056
E-mail : kwsrctg@gmail.com
Web : www.kwsrbd.com

Report to the Shareholders of Hakkani Pulp & Paper Mills Limited on Compliance on the Corporate Governance Code

We have examined the compliance status of the Corporate Governance Code by Hakkani Pulp & Paper Mills Limited for the year ended on June 30, 2021. This code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 of the Bangladesh Security Exchange Commission.

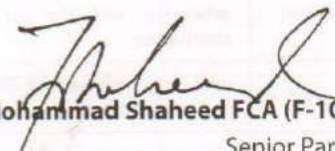
Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management by ensuring compliance to the conditions of the Corporate Governance Code.

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

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

- (a) 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 those mentioned in the statement of compliance status.
- (b) The company has complied with provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this code.
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994 the securities laws and other relevant laws and
- (d) The governance of the company is satisfactory.

Dated: 22nd November, 2021
Chattogram


Mohammad Shaheed FCA (F-1016)
Senior Partner

Khan Wahab Shafique Rahman & Co.
Chartered Accountants



In Practice since 1968

CORPORATE GOVERNANCE COMPLIANCE STATUS REPORT

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

Condition No.	Title	Compliance Status (Put \checkmark 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).	\checkmark		The Board is consisted of 8 (Eight) members.
1(2)	Independent Directors All companies shall have effective represen comply with the following: -			
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);	\checkmark		There are 2 (two) Independent Directors in the Board.
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;	\checkmark		The Independent Directors have no shares of the Company.
1(2)(b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should 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;	\checkmark		
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	\checkmark		
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;			Not applicable
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	\checkmark		
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;	\checkmark		
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;	\checkmark		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
1(2)(b)(viii)	who is not an 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 (NBFII);	✓		
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	✓		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		
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 condition No. 18 of Companies Act, 1994.	✓		
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;	✓		
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	-	-	Not Applicable
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	-	-	Not Applicable
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 th 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	✓		Both independent directors are the Professor of Finance Department of University of Chittagong.

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
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;	-	-	Not Applicable
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-	-	Not Applicable
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 of the Company shall be filled by different individuals;	√		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in a minute.	√		In absence of the Chairman of the Board Mr. Md. Abdullah, the Independent Director Mr. Dr. Saleh Jahur presided the meeting held on 04.05.2021
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 incidence occurred.
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;	√		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
1(5)(vii)	A statement of utilization of proceeds raised through public issues, right issues and/or any other instruments;	-	-	Not Applicable
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Right Share Offer, Direct Listing, etc.;	-	-	Not Applicable
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored.	✓		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, If the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized.	✓		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	-	-	Not applicable as the company has declared 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;	✓		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	-	-	Not applicable as any of the shareholder are not holding more than 10% shares.
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 each 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 jurisdiction 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	√		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
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)	recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading, relationship with environment, employees, customers and suppliers; and independency.	✓		The code of conduct has been posted on the website of the company.
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;			Not Applicable
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;			Not Applicable
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;			Not Applicable
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;			Not Applicable
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			Not Applicable
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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
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:			
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
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 sub-committee of the Board;	✓		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		The duties are clearly written in the TOR of the Audit Committee.
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.	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5(2)(d)	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;	✓		
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5(3)	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.	-	-	Not Applicable as no such events has been occurred.
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.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
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;	✓		
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: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.			Not Applicable as no such offering has been made available during the period.
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
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;			Not Applicable
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;			Not Applicable
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			Not Applicable
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			Not Applicable
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.			Not Applicable
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.	✓		
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;	✓		
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).	✓		The NRC policy is clearly written in the TOR of the NRC Committee.
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including All members of the Committee shall be non-executive directors;	✓		
6(2)(b)	an independent director;	✓		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
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 elect 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			No such events has been occurred during the period.
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;	✓		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
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;	✓		
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7.	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;	✓		
7(1)(ii)	financial information systems design and implementation;	✓		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	broker-dealer services;	✓		
7(1)(v)	actuarial services;	✓		
7(1)(vi)	internal audit services or special audit services;	✓		
7(1)(vii)	any service that the Audit Committee determines;	✓		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
7(1)(ix)	any other service that creates conflict of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company.	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8.	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.	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		



MANAGEMENT DISCUSSION AND ANALYSIS ON COMPANY'S POSITION AND OPERATION

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 Company has obtained a good position on the basis of its market leading capacities, automated manufacturing process, optimized cost structures, distribution channel, market mechanism and good relationship with customers. The overall Company's position has been reflected in the Financial Statements which has prepared following all International Financial Reporting Standards and International Accounting Standards. The company's position and future planning, methods of financial statement preparation have been summarized below:

Accounting Policies and Estimation for Preparation of Financial Statements:

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations in Bangladesh as per requirements under the Financial Reporting Act 2015. Cash flows from operating activities are prepared under direct method as prescribed by the Securities and Exchange Rules 1987. On 14 December 2017, the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted International Financial Reporting Standards issued by the International Accounting Standards Board as IFRSs. Detail of significant accounting policies and Estimates are disclosed in "Note no. 2 and 3 of the Financial Statements of 2020 -2021.

The Financial Reporting Act, 2015 (FRA) was enacted in 2015. The Financial Reporting Council (FRC) under FRA has been formed in 2017. As per the provision of FRA (section-69), the Financial Statement have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the Companies act the title and format of these financial statements follow the requirements of IFRSs which are to some different from requirement of the Companies Act 1994. However, such differences are not material and view of management, IFRS format gives a better presentation to the Shareholders.

Moreover, these Financial Statements have been prepared on a going concern basis following accrual basis of accounting except for statement of cash flows 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).

Changes in that accounting Policies and Estimates:

The specific accounting policies selected and applied by the company management for significant transactions and events that have material effect within the framework of IAS 1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years, except otherwise stated.

Comparative analysis on financial performance of the Company

Amount in BDT

Particulars	2020-2021 BDT	2019-2020 BDT	2018-2019 BDT	2017-2018 BDT	2016-2017 BDT	2016-2015 BDT
Sales	389,968,195	473,084,915	484,009,189	282,589,254	341,138,173	272,975,199
Cost of Goods Sold	330,352,850	395,732,584	417,746,415	249,378,303	315,724,117	254,987,998
Gross Profit	59,615,346	77,352,331	66,262,774	33,210,951	25,414,055	17,987,201
Administrative Expenses	15,299,525	15,084,474	18,635,395	13,072,394	12,213,473	11,848,565
Selling Expenses	12,311,475	7,740,119	5,377,488	456,718	383,990	1,840,791
Financial Expenses	59,816,687	52,070,070	50,000,652	35,601,011	31,507,222	18,674,433
Net Profit after Tax	(2,43,06,924)	1,420,266	(21,135,212)	(18,219,722)	(18,101,520)	(13,746,851)
Earnings Per Share	(1.28)	0.07	(1.11)	(0.96)	(0.95)	(0.72)

Comparative analysis on financial position of the Company

Particulars	2020-2021 BDT	2019-2020 BDT	2018-2019 BDT	2017-2018 BDT	2016-2017 BDT	2016-2015 BDT
Paid Up Capital	190,000,000	190,000,000	190,000,000	190,000,000	190,000,000	190,000,000
Shareholders' Equity	474,282,767	490,646,274	495,387,034	521,245,689	536,662,814	551,434,935
Current Liabilities	467,248,409	419,212,821	430,169,669	455,596,815	341,296,443	341,943,875
Non-Current Liabilities	527,266,628	479,942,323	392,691,765	294,294,849	266,369,579	125,592,052
Net Assets Value Per Share (with revaluation)	24.96	25.82	26.07	27.43	28.25	29.02
Net Assets Value Per Share (without revaluation)	10.86	11.19	10.88	11.64	11.81	11.90

Comparative analysis on Cash Flow of the Company

Particulars	2020-2021 BDT	2019-2020 BDT	2018-2019 BDT	2017-2018 BDT	2016-2017 BDT	2016-2015 BDT
Cash Generated from the operating activities	373,331,619	448,341,735	503,198,889	250,351,702	280,166,559	288,632,948
Interest Paid	59,816,687	52,070,070	50,000,652	35,601,011	31,507,222	18,674,433
Income Tax Paid	492,834	2,412,093	1,703,291	642,779	12,323,918	9,232,675
Net Cash Flows from Operating activities	3,906,066	(14,185,168)	82,709,363	22,735,034	(65,080,388)	(50,300,047)
Net Cash Flows from Investing activities	(10,010,991)	(27,031,551)	(71,142,956)	(96,521,166)	(89,277,011)	(97,934,040)
Net Cash Flows from Financing activities	15,800,615	47,819,566	(16,276,988)	76,432,369	145,629,253	158,623,717
Net Increase/(Decrease in cash and cash equivalent)	9,695,690	6,602,845	(4,710,581)	2,646,237	(8,728,145)	10,389,630



Comparative Financial Performance of Hakkani Pulp and Paper Mills Limited with the peer Industry:

There are some Paper and Tissue paper product manufacturing company in the Bangladesh. Such as Bashundhara Paper Mills Limited, Sonali Paper and Board Mills Limited, Bangladesh Monospool Paper Manufacturing Co. Ltd and Paper Processing Packaging Limited etc. Annual production capacity, annual sales volume and other infrastructural facilities, fame and goodwill varies company to company. Therefore, the comparative analysis of peer industries is not always effective. However, a comparative analysis of peer industries has been shown below:

Financial Performance of Peer Industries:

HAKKANI PULP AND PAPER MILLS LIMITED

Operational Result	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Revenue	389,968,195	473,084,915	484,009,189	282,589,254	341,138,173
Gross Profit	59,615,346	77,352,331	66,262,774	33,210,951	25,414,055
Profit after Tax	(24,306,924)	1,420,266	(21,135,212)	(18,219,722)	(18,101,520)
EPS (Tk.)	(1.28)	0.07	(1.11)	(0.96)	(0.95)
NAV (with Revaluation)	24.96	25.82	26.07	27.43	28.25
NAV (without Revaluation)	10.86	11.19	10.88	11.64	11.81

SONALI PAPER & BOARD MILLS LIMITED

Operational Result	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Revenue	1,506,938,631	1,495,584,554	1,976,480,866	1,628,212,865	1,479,135,733
Gross Profit	184,630,200	236,808,141	304,034,303	246,982,451	224,167,110
Profit after Tax	89,465,514	26,732,381	63,429,447	30,786,789	28,566,254
EPS (Tk.)	4.89	1.61	4.19	2.04	1.89
NAV	284.33	307.88	336.90	332.71	330.68

Risk and Mitigation:

Financial Risk:

The Company has been enjoying working capital loan as well as long term loan from bank, which occupied the significant portion of the total liability. This type of dependency creates financial cost burden that grabs a significant portion of the mark up. The company is faced substantiate losses in latest financial year due high financial cost burden.

Cost Inefficiency Risk:

Since HPPML fully depends on overseas suppliers for raw materials, it has to bear higher procurement cost due to price volatility in the international market. HPPML has been experiencing higher cost involvement in latest financial year in producing the said products. The company is faced losses in latest financial year.

Operational Risk:

Being a manager of highly flammable product and wastage paper, Paper manufacturing operation is significantly exposed to operational risk. The company has taken substantial precautionary measures against incidental

occurrence having insurance coverage with Karnafully Insurance Company Limited with „A+“ claim paying ability rating. Despite the fact, flammability of the product may bring such an operational loss which may not recover through insurance coverage or other proactive measures. The company's operation has been affected in the recent past due to power outages, shortage of gas supply, frequent machinery breakdown. The company has taken measures against those issues which would reduce the operational risk to a great extent.

Raw Material Supply Risk:

HPPML is mostly dependent on overseas supply of quality Recycled paper. Import based supplies are likely to be affected by any uncontrollable event or country risk to transact the product. The industry experiences substantial ups and down in the sources of raw materials which ultimately affected the company's profitability. However, having limited alternative arrangement – the company may face trouble in managing the substitute sources by a short notice.

Competition Risk:

Big numbers of corporate houses, Government organization in the Bangladesh are competing in the same industry which has made the market very competitive. The growth of paper industry is dependent on growth of whole economy. Existing producers are mostly capable of meeting this demand having easy entry barrier for new penetration; consequently market may suffer from excess supply of the product.

Under the above backdrop, HPPML needs firm concentration on ensuring quality in addition to extensive advertising, promotion and distribution effort to ensure profitable sustainability in the market.

Fire Risk:

It is a great threat for manufacturing rigid plastic products. HPPML has large warehouses for raw materials and finished goods. For proper protection, the warehouses are to be equipped with the firefighting equipment and other related arrangement. HPPML maintains contract with Karnafully Insurance Company Limited (100%) to mitigate this risk.

Future Planning:

Hakkani Pulp and Paper Mills Ltd. is planning to utilize @100% capacity of the production of Tissue unit as well as paper unit. The company wants to produce and supply quality products for becoming one of the leading paper and tissue products manufacturers in Bangladesh. Adopting advance and efficient technology in the production, the company wants to achieve the sustainable growth for providing long term benefit to the shareholders and other related party of the company. The company has a plan to provide quality products, ensure satisfaction of the customers, cautiousness regarding environmental issue, and ensure advance technology.


Mohammad Golam Kibria
Managing Director

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

Particulars	Parameter	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
Operation and Market:							
Production Capacity	MT	13,500.000	13,500.00	11,250.00	7,500	6,000.00	6,000.00
Actual Production	MT	3,918.000	5,175.00	4,872.00	4,419.20	3,586.31	5,171.63
Sales Quantity	MT	3,881.464	4,702.31	4,030.76	4,778.89	4,965.19	3,743.28
Financial Results:							
Turnover	TK	38,99,68,195	47,30,84,915	48,40,09,189	28,25,89,254	34,11,38,173	27,29,75,199
Gross Profit	TK	5,96,15,345	7,73,52,331	6,52,62,774	3,32,10,951	2,54,14,055	1,79,87,201
	%	15.29%	16.35%	13.69%	11.75%	7.45%	6.59%
Operating Profit	TK	3,20,04,346	5,45,27,738	(77,50,761)	(1,59,19,172)	(1,86,90,630)	(1,43,76,588)
	%	8.21%	11.53%	(1.60%)	(5.63%)	(5.48%)	(5.27%)
Net Profit before Tax	TK	(2,30,34,016)	1,07,35,119	(55,07,957)	(1,48,23,999)	(1,58,95,771)	(1,15,92,358)
	%	(5.91%)	2.27%	(1.14%)	(5.25%)	(4.66%)	(4.25%)
Net Profit after Tax	TK	(2,43,06,924)	14,20,266	(2,11,35,213)	(18,2,19,722)	(1,81,01,520)	(1,37,46,851)
	%	(6.23%)	0.30%	(4.37%)	(6.45%)	(5.31%)	(5.04%)
Earnings Per Share (EPS)	TK	(1.28)	0.07	(1.11)	(0.96)	(0.95)	(0.72)
Dividend (Cash)	%	1% cash dividend on other than Sponsors	2% cash dividend on other than Sponsors	2% cash dividend on other than Sponsors	3% cash dividend on all shares	No Dividend	5% cash dividend on other than Sponsors
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	19,00,00,000
Current Ratio		1.37:1	1.25:1	0.97:1	0.84:1	0.95:1	0.77:1
Non-Current Assets with Revaluation	TK	81,35,45,328	84,73,19,717	88,24,94,770	62,91,15,458	61,42,65,985	63,16,51,793
Current Assets	TK	64,01,10,861	52,82,63,576	42,15,35,574	38,38,17,319	32,56,52,056	26,44,56,451
Current Liability	TK	46,72,48,409	41,92,12,821	43,01,69,669	45,55,96,815	34,12,96,443	34,19,43,875
Net Current Assets	TK	17,28,62,452	10,90,50,755	(86,34,095)	(7,17,79,496)	(1,56,44,387)	(7,74,87,424)
Net Assets Value with Revaluation	TK	47,42,82,768	49,06,46,274	49,53,87,034.2	52,12,45,690	53,66,62,814	55,14,34,934
Net Assets Value without Revaluation	TK	20,62,52,742	21,26,11,673	20,66,61,925.7	22,10,96,045	22,43,03,072	22,60,24,320
Net Assets Value Per Share with Revaluation	TK	24.96	25.82	26.07	27.43	28.25	29.02
Net Assets Value Per Share without Revaluation	TK	10.86	11.19	10.88	11.64	11.81	11.90
Net Operating Cash Flow Per Share	TK	0.21	(0.75)	4.35	1.20	(3.43)	(2.65)

HAKKANI PULP AND PAPER MILLS LIMITED
THE PATTERN OF SHAREHOLDING AS ON 30 JUNE, 2021

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
Mrs. Hosne Ara Begum	Chairman	5,50,000	2.89%	-
Mr. Md. Golam Haider	Vice Chairman	15,66,666	8.25%	-
Mr. Md. Golam Kibria	Managing Director	12,45,000	6.55%	-
Mr. Md. Golam Morshed	Deputy Managing Director	15,66,666	8.25%	-
Mr. Md. Golam Rasul Muktadir	Director	15,66,666	8.25%	-

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

Name	Position in the company	Number of Share Holding	Percentage of Share	Remarks
Mr. Md. Golam Kibria	Chief Executive Officer	12,45,000	6.55%	Managing Director
Mr. Mohammad Musa	Company Secretary & Manager	Nil	Nil	-
Mr. Md. 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	-
Mohammad Amirul Islam	Deputy General Manager (Production and Quality)	Nil	Nil	-
Md Nazrul Islam Khan	National Sales Manager	Nil	Nil	-
Bipul Podder	Manager (Corporate Sales)	Nil	Nil	-
Mr. Mohammad Younus Mia	Assistant General Manager	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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Report of the Audit Committee

For the year ended 30th June, 2021

Constitution of the Audit Committee:

The audit committee of Hakkani Pulp and Paper Mills Limited was reconstituted by the Board of Directors in its meeting held on 30th January 2021 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 Haider	Director	Member
Mr. Md. Golam Morshed	Director	Member

Company Secretary acts as the Member Secretary to the Committee.

Meeting of the Audit Committee:

The audit committee held 5 (five) meetings during the year 2020-2021 on the following dates:

Number of Meetings	Date of Meetings
1st Meeting	20th July, 2020
2nd Meeting	13th November 2020
3rd Meeting	29th November 2020
4th Meeting	29th January 2021
5th Meeting	3rd May 2021

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 and compliance auditor.
- 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 13, 2021

NOMINATION & REMUNERATION COMMITTEE (NRC) REPORT FOR THE YEAR ENDED 30 JUNE 2021

The Nomination and Remuneration Committee (NRC) of **HAKKANI PULP AND PAPER MILLS LIMITED** was reconstituted by the Board of Directors in its meeting held on 30th January 2021 with the following Directors:

Name of Members	Status in the Company	Status in the Committee
Mr. S. M. Nasrul Quadir	Independent Director	Chairperson
Dr. Mohammad Saleh Jahur	Independent Director	Member
Mr. Md. Golam Morshed	Director	Member
Mr. Golam Rasul Muktadir	Director	Member

Company Secretary acts as the member of secretary to the Committee. The Nomination and Remuneration Committee (NRC) had its last meeting on 30th May 2021

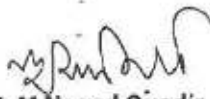
Role of the Nomination and Remuneration Committee (NRC):

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

- Committee had one (1) meeting during the year. Committee considered a "Term of Reference-TOR" for the Board which is being reviewed by the Members.
- The committee reviewed and recommended the Code of Conduct for the Chairperson, Managing Director and other Board Members. with Roles and Responsibilities of employees of the company;
- The committee reviewed and recommended the roles and Responsibilities of Chairman, Managing Director, Company Secretary, Chief Financial Officer, Head of Internal Audit of the company;
- The committee reviewed and recommended the Criteria for evaluation of performance of Independent Director and other Board Members of the company;
- The committee reviewed and recommended on organizational structure with Roles and Responsibilities of employees of the company;



S. M Nasrul Quadir
Chairperson
NRC of the Board

Dated: November 13, 2021

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2021/191

Date of issue : March 31, 2021



Renewed Certificate

This is to certify that

HAKKANI PULF & 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.*

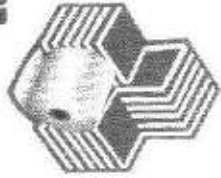
This certificate remains current until 31st December 2021.




Secretary-General



Membership No. **GJM-21**




BANGLADESH
PAPER MILLS ASSOCIATION

MEMBERSHIP CERTIFICATE

Reg No.: C-511(24)/2002

This is to Certify that M/S. *Hakkani Pulp & Paper Mills Ltd.*
is *General* Member of this Association.

The Membership shall remain valid up to December 31, **2021** given under
the common seal of the Association this *23rd* day of *November* 20*21*.


Secretary General

Ovais Akbar Banna
President



শফিক বসাক এন্ড কোং
SHAFIQ BASAK & CO.
CHARTERED ACCOUNTANTS

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Sarpad Kumar Basak, FCA
Sarwar Mahmood, FCA
Sheikh Zahidul Islam, MBA, FCA

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shafiq@shafiqbasak.com

Independent Auditor's Report
Hakkani Pulp & Paper Mills Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Hakkani Pulp & Paper Mills Limited** which comprise the Statement of Financial Position as at 30 June 2021, Statements 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.

In our opinion, the accompanying financial statements present fairly, in all material respects of the statement of financial position of **Hakkani Pulp & Paper Mills Limited** as at 30 June 2021, and of 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) together with the ethical requirements that are relevant to our audit of the financial statements in jurisdictions, and we have fulfilled our other ethical responsibilities in accordance these requirements and with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Without qualifying our opinion, we draw attention to the following issues:

Matter of Emphasis

01. Significant Increase in Net Operating Cash Flow per Share (NOCFPS):

Disclosed in note 38 of the notes to the financial statements, Net Operating Cash Flow per Share (NOCFPS) has increased significantly and stood at **Tk. 0.21** for the year ended on **30 June, 2021**, whereas it was **Tk. (0.75)** for the year ended on 30 June, 2020. This is due to rearranged of financial Expenses from "Cash Flows from Operating Activities" to Cash Flows from Financial Activities" disclosed in note 3.25 & 4.06.

02. Significant Decrease in Earnings per Share (EPS):

Disclosed in note 35 of the notes to the financial statements, Earnings per Share (EPS) has stood at **Tk. (1.28)** for the year ended on **30 June, 2021** whereas it was **Tk. 0.07** for the year ended on 30 June, 2020 due to decrease in sales.

Key Audit Matters

Key Audit matters are those matters that, in our professional judgment, were of most significance in our audit of



INDEPENDENT MEMBER OF
ABACUS
WORLDWIDE

DHAKA OFFICE-(2): House - 42 (1st Floor), Road - 01, Block - A, Niketan, Gulshan - 01, Dhaka
Phone : 88-02-99859602-3, 01819-285196, 01732-872641, E-mail : mahmoodshd@gmail.com



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.

While the overall effect on the company's business in the post year relating to the COVID-19 global pandemic still evolving at this point. The company is regularly monitoring the potential future impact on the company's operations.

We have fulfilled the responsibilities described in the Auditors' Responsibilities of the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risk of material misstatements of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Sl.	Description of key audit matters	Our Response to the key audit matters
1	<p>Impairment of property, plant and equipment</p> <p>Property, plant and equipment (PPE) represents about 55.38% of total assets of the Company which is thus a material item to the financial statements. PPE includes plant and machinery being of total PPE which are sophisticated in nature and most of them are custom made assets. Being different in nature, there is a risk whether market value of those assets could materially fall because of non-marketability and arise risk of impairment.</p> <p>Management's review regarding determination of impairment involves forecasting and discounting future cash flows and estimation of recoverable amounts which are inherently uncertain. This is one of the key judgmental areas that our audit has concentrated on.</p>	<ul style="list-style-type: none"> • Reviewed the management's assessment of impairment taking consideration of the future economic benefits of the assets. • Reviewed the internal control system implemented by management for safeguarding of those assets. • Tested the operating effectiveness of key controls over assets, including observing the process of management's year-end physical count. • Tested on sample basis the physical condition of the assets whether the assets become idle, obsolesces, damage and there is a plant to discontinue or restructure the operation to which the assets belongs. <p>Please refer to note 5.00 to the financial statements.</p>
2	<p>Trade Receivable</p> <p>Trade receivable BDT 170,159,452 being about 11.58% of the total assets of the Company is a material item to the financial statements.</p> <p>There is a significant risk regarding recoverability of the amounts and misstatement of the items. As such, management is required to make judgments in determining whether accounts receivable are being appropriately valued and also need to make provision for aged accounts receivable, if required.</p>	<ul style="list-style-type: none"> • Tested the operating effectiveness of key controls over accounts receivable. • Being a part of auditor's responsibility as regarding external confirmation as per ISA 505, we requested for external confirmation. • Tested on a sample basis the value disclosed according to the reply obtained. • Assessed whether appropriate provisions have been recognized for aged accounts receivable, if required and evaluating management's basis for determining the recoverability. <p>Please refer to note 9.00 to the financial statements.</p>



Sl.	Description of key audit matters	Our Response to the key audit matters
3	<p>Revenue Recognition</p> <p>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;</p> <p>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.</p>	<ul style="list-style-type: none">• 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 chargeback's;• 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.
4	<p>Impact of COVID-19 on Business:</p> <p>On 11 March 2020, World Health Organization (WHO) declared a global pandemic due to corona Virus related respiratory disease commonly called as COVID-19. It has a big impact on imports, other procurement, production, export, and other activities of the Global business and majority of Company of our country was compelled to reduce their business during the period. To contain the spread of this disease, along with many other countries of the world, Government of Bangladesh has also taken a number of measures such as declaration of general holiday, enforcement of lock down, social distancing etc. As a result of these measures all business and economic activities are adversely affected which would also impact the company as well. Although the business operation and profitability of the company are impacted due to COVID-19, but as the situation is constantly changing and there is no certainty at present as to how long the situation will prevail, the potential impact of COVID-19 related matters on the company's operation and financial results cannot be reasonably assessed.</p> <p>The company has given disclosures in Note No. 4.02 related to the impact of the Covid-19 Pandemic.</p>	<ul style="list-style-type: none">• Regarding COVID-19 pandemic effect on the business activities of Hakkani Pulp & Paper Mills Limited, we have discussed with the management of Hakkani Pulp & Paper Mills Limited on the potential impact of pandemic on the company.• We also compared the previous year Financial Statements figures with the current year to find out the impact of COVID-19 Pandemic on the Business.

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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management 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.

Report on other Legal and Regulatory Requirements

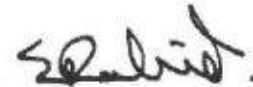
In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations, we also report the following:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts as required by law have been kept by 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.

Place: Chattogram

Dated: November 13, 2021

Signed for and on behalf of
SHAFIQ BASAK & CO.



Sheikh Zahidul Islam FCA, MBA
Partner

DVC No.: 2111141394AS464376


HAKKANI PULP & PAPER MILLS LIMITED
Statement of Financial Position
As at 30 June, 2021

	Note(s)	2021 Taka	2020 Taka
ASSETS			
Non Current Assets :			
Property, Plant and Equipment	05	81,35,45,328	84,73,19,717
Capital Work-In-Progress	06	1,51,41,616	1,42,18,124
Current Assets:			
Investment in Shares	07	1,98,27,757	1,55,60,190
Inventories	08	21,51,86,758	19,23,20,943
Trade Receivables	09	17,01,59,452	14,87,44,551
Advances, Deposits & Prepayments	10	21,36,57,065	16,00,53,753
Cash & Cash Equivalents	11	2,12,79,829	1,15,84,139
TOTAL ASSETS		1,46,87,97,805	1,38,98,01,417
SHARE HOLDERS EQUITY & LIABILITIES			
Shareholders Equity:			
Share Capital	12	19,00,00,000	19,00,00,000
Dividend Equalization Reserve	13	1,32,79,866	1,32,79,866
Revaluation Reserve	14	26,80,30,025	27,80,34,601
Fair Value Reserve	7.02	32,14,203	(48,03,835)
Retained Earnings	15	(2,41,327)	1,41,35,642
Non Current Liabilities:			
Unsecured Loan	16	4,59,99,990	4,49,99,990
Long Term Loan-non-current portions	17	37,86,80,044	32,98,51,787
Deferred Tax Liability	18	10,25,86,595	10,50,90,546
Current Liabilities:			
Short Term Loan & Overdraft	19	21,84,87,266	25,88,59,442
Accrued Expenses	20	2,54,50,373	2,60,63,472
Workers Profit Participation and Welfare Fund	21	11,26,585	11,26,585
Long Term Loan-current Portion	17.01	7,90,33,739	5,49,75,298
Trade Payables	22	4,53,52,473	5,04,87,090
Current Tax Liabilities	23	1,51,73,822	1,28,05,342
Liabilities for Other Finance	24	3,06,00,000	4,78,063
Unclaimed Dividend	25	29,74,152	29,17,528
Directors Current Account	26	4,90,50,000	1,15,00,000
TOTAL EQUITY & LIABILITIES		1,46,87,97,805	1,38,98,01,417
Net Asset Value Per Share(with revaluation)	36	24.96	25.82
Net Asset Value Per Share(without revaluation)	37	10.86	11.19

The accounting policies and annexed notes form an integral part of the financial statements.

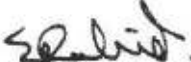

MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR


COMPANY SECRETARY

Signed as per our annexed report of even date.

Signed for and on behalf of
SHAFIQ BASAK & CO.


Sheikh Zahidul Islam FCA, MBA
Partner

DVC No.: 2111141394A5464376

Place: Chattogram
Date: November 13, 2021



হাক্কানী পাথর এন্ড পেপার মিলস লিঃ

আর্থিক অবস্থার বিবরণী
৩০শে জুন, ২০২১ইং তারিখে

সম্পত্তি	নেট	২০২১ টাকা	২০২০ টাকা
দীর্ঘমেয়াদী সম্পত্তি :			
স্থায়ী সম্পত্তি	০৫	৮১,৩৫,৪৫,৩২৮	৮৪,৭৩,১৯,৭১৭
প্রক্রিয়াধীন মূলধনী কার্য	০৬	১,৫১,৪১,৬১৬	১,৪২,১৮,১২৪
চলতি সম্পত্তি :			
শেয়ারে বিনিয়োগ	০৭	৬৪,০১,১০,৮৬১	৫২,৮২,৬৩,৫৭৭
মজুদ মালামাল	০৮	১,৯৮,২৭,৭৫৭	১,৫৫,৬০,১৯০
বিবিধ সেনাদার	০৯	২১,৫১,৮৬,৭৫৮	১৯,২৩,২০,৮৪৩
অগ্রিম, জমা ও আপাম পরিশোধ	১০	১৭,০১,৫৯,৪৫২	১৪,৮৭,৪৪,৫৫১
নগদ এবং নগদ সমতুল্য	১১	২১,৩৬,৫৭,০৬৫	১৬,০০,৫৩,৭৫৩
মোট সম্পত্তি		১,৪৬,৮৭,৯৭,৮০৫	১,৩৮,৯৮,০১,৪১৭
শেয়ারহোল্ডারদের মালিকানাধীন ও দায়			
শেয়ারহোল্ডারদের মালিকানাধীন :			
শেয়ার মূলধন	১২	৪৭,৪২,৮২,৭৬৭	৪৯,০৬,৪৬,২৭৪
লভ্যাংশ সমতাকরণ তহবিল	১৩	১৯,০০,০০,০০০	১৯,০০,০০,০০০
পুনঃ মূল্যায়ন সঞ্চিত তহবিল	১৪	১,৩২,৭৯,৮৬৬	১,৩২,৭৯,৮৬৬
শেয়ারে বিনিয়োগের উপর মাঝামাঝি মূল্য সঞ্চিত	১৫	২৬,৮০,৩০,০২৫	২৭,৮০,৩৪,৬০১
সংরক্ষিত মুনাফা তহবিল	১৬	৩২,১৪,২০৩	(৪৮,০৩,৮৩৫)
সংরক্ষিত মুনাফা তহবিল	১৭	(২,৪১,৩২৭)	১,৪১,৩৫,৬৪২
দীর্ঘমেয়াদী দায় :			
জামানত বিহীন ঋণ	১৮	৫২,৭২,৬৬,৬২৮	৪৭,৯৯,৪২,৩২৩
দীর্ঘমেয়াদী ঋণ	১৯	৪,৫৯,৯৯,৯৯০	৪,৫৯,৯৯,৯৯০
বিদায়িত করা দায়	২০	৩৭,৮৬,৮০,০৪৪	৩২,৯৮,৫১,৭৮৭
চলতি দায় :			
শেয়ারহোল্ডারদের ঋণ ও জমাতিরিক্ত	২১	১০,২৫,৮৬,৫৯৫	১০,৫০,৯০,৫৪৬
বকেলা স্বত্বাধারী	২২	৪৬,৭২,৪৮,৪০৯	৪১,৯২,১২,৮২১
বকেলা স্বত্বাধারী	২৩	২১,৮৪,৮৭,২৬৬	২৫,৮৮,৫৯,৪৪২
শ্রমিকদের লাভের অংশীদারিত্ব ও কল্যাণ তহবিল	২৪	২,৫৪,৫০,৩৭৩	২,৬০,৬৩,৪৭২
দীর্ঘমেয়াদী ঋণের চলতি দায়	২৫	১১,২৬,৫৮৫	১১,২৬,৫৮৫
বিবিধ পাওনাদার	২৬	৭,৯০,৩৩,৭৩৯	৫,৪৯,৭৫,২৯৮
চলতি করা দায়	২৭	৪,৫৩,৫২,৪৭৩	৫,০৪,৮৭,০৯০
অন্যান্য অর্থ সংস্থানজনিত দায়	২৮	১,৫১,৭৩,৮২২	১,২৮,০৫,৩৪২
অবশিষ্ট লভ্যাংশ	২৯	৩,০৬,০০,০০০	৪,৭৮,০৬৩
পরিচালকদের চলতি হিসাব	৩০	২৯,৭৪,১৫২	২৯,১৭,৫২৮
মোট মালিকানাধীন ও দায়	৩১	৪,৯০,৫০,০০০	১,১৫,০০,০০০
পুনঃমূল্যায়িত শেয়ার প্রতি নীট সম্পদ মূল্য	৩২	১,৪৬,৮৭,৯৭,৮০৫	১,৩৮,৯৮,০১,৪১৭
পুনঃমূল্যায়িত ছাড়া শেয়ার প্রতি নীট সম্পদ মূল্য	৩৩	২৪.৯৬	২৫.৮২
৩৪	১০.৮৬	১১.১৯	

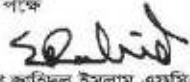
* সংযোজিত নেট সমূহ আর্থিক বিবরণীর একটি অবিচ্ছেদ্য অংশ


ব্যবস্থাপনা পরিচালক


উপ-ব্যবস্থাপনা পরিচালক


কোম্পানী সচিব

একই তারিখে স্বাক্ষরিত পৃথক নিরীক্ষা প্রতিবেদন সাপেক্ষে

শফিক বসাক এক কোং
এর পক্ষে

শেখ জাহিদুল ইসলাম এফসিএ, এমবিএ
পার্টনার
ডিজিটাল নং- ২১১১১৪১৩৯৪এএস৪৬৪৩৭৬


স্থান : চট্টগ্রাম।
তারিখ : নভেম্বর ১৩, ২০২১ ইং


HAKKANI PULP & PAPER MILLS LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June, 2021

	Note(s)	2021 Taka	*Rearranged 2020 Taka
Revenue	27	38,99,68,195	47,30,84,915
Cost of Goods Sold	28	(33,03,52,850)	(39,57,32,584)
Gross Profit / (Loss)		5,96,15,346	7,73,52,331
Operating Expenses:			
Administrative Expenses	29	(1,52,99,525)	(1,50,84,474)
Selling & Distribution Expenses	30	(1,23,11,475)	(77,40,119)
		(2,76,11,000)	(2,28,24,593)
Profit from Operation		3,20,04,346	5,45,27,738
Financial Expenses	31	(5,98,16,687)	(5,20,70,070)
Non-Operating Income	32	47,78,325	89,83,469
Loss on disposal of PPE	33	-	(1,69,262)
Net Profit Before WPPF & WWF		(2,30,34,016)	1,12,71,875
Contribution to WPPF & Welfare Funds	21.01	-	(5,36,756)
Net profit before Tax		(2,30,34,016)	1,07,35,119
Income Tax Expenses:			
Current Tax	23.01.2	(23,68,479)	(28,92,410)
Deferred Tax	34	10,95,571	(64,22,443)
		(12,72,908)	(93,14,853)
Net profit after Tax for the year		(2,43,06,924)	14,20,266
Other Comprehensive Income:			
Deferred Tax on Revaluation Reserve		17,65,513	18,86,560
Unrealized Gain/ (Loss) on Investment in Shares	7.02	83,75,172	(63,27,452)
Deferred tax on unrealized gain/(loss)	18.02	(3,57,134)	-
		97,83,551	(44,40,892)
Total Comprehensive Income		(1,45,23,373)	(30,20,626)
Earning Per Share - Basic	35	(1.28)	0.07

The accounting policies and annexed notes form an integral part of the financial statements.

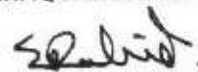

MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR


COMPANY SECRETARY

Signed as per our annexed report of even date.

Signed for and on behalf of
SHAFIQ BASAK & CO.


Sheikh Zahidul Islam FCA, MBA
Partner

DVC No.: 2111141394A5464376

Place: Chattogram
Date: November 13, 2021



হাক্কানী পাল্প এন্ড পেপার মিলস্ লিঃ
আয়-ব্যয় বিবরণী
৩০শে জুন, ২০২১ইং তারিখে সমাপ্ত বৎসরের জন্য

*পুনর্বিমোচকৃত

	নোট	২০২১ টাকা	২০২০ টাকা
বিক্রয়	২৭	৩৮,৯৯,৬৮,১৯৫	৪৭,৩০,৮৪,৯১৫
বিক্রিত পণ্যের ব্যয়	২৮	(৩৩,০৩,৫২,৮৫০)	(৩৯,৫৭,৩২,৫৮৪)
মোট লাভ		৫,৯৬,১৫,৩৪৬	৭,৭৩,৫২,৩৩১
পরিচালন খরচাবলী			
প্রশাসনিক ব্যয়	২৯	(১,৫২,৯৯,৫২৫)	(১,৫০,৮৪,৪৭৪)
বিক্রয় ও বন্টন খরচাবলী	৩০	(১,২৩,১১,৪৭৫)	(৭৭,৪০,১১৯)
		(২,৭৬,১১,০০০)	(২,২৮,২৪,৫৯৩)
পরিচালন মুনাফা		৩,২০,০৪,৩৪৬	৫,৪৫,২৭,৭৩৮
অর্থ সংস্থানজনিত খরচ	৩১	(৫,৯৮,১৬,৬৮৭)	(৫,২০,৭০,০৭০)
অন্যান্য আয়	৩২	৪৭,৭৮,৩২৫	৮৯,৮৩,৪৬৯
স্থায়ী সম্পত্তি বিক্রয় জনিত ক্ষতি	৩৩	-	(১,৬৯,২৬২)
ডব্লিউ.পি.পি.এফ এর পূর্বে নীট লাভ		(২,৩০,৩৪,০১৬)	১,১২,৭১,৮৭৫
শ্রমিকদের লাভের অংশীদারিত্ব তহবিলে প্রদেয় কর পূর্ব নীট লাভ	২১.০১	-	(৫,৩৬,৭৫৬)
আয়কর সম্বন্ধিত		(২,৩০,৩৪,০১৬)	১,০৭,৩৫,১১৯
চলতি কর	২৩.০১.২	(২৩,৬৮,৪৭৯)	(২৮,৯২,৪১০)
বিলম্বিত কর	৩৪	১০,৯৫,৫৭১	(৬৪,২২,৪৪৩)
		(১২,৭২,৯০৮)	(৯৩,১৪,৮৫৩)
কর বাদ নীট লাভ-মালিকানা স্বত্ব পরিবর্তন বিবরণীতে স্থানান্তরিত		(২,৪৩,০৬,৯২৪)	১৪,২০,২৬৬
অন্যান্য বিত্তীয় আয়/ক্ষতি			
পুনঃমূল্যায়িত মুনাফার বিলম্বিত কর		১৭,৬৫,৫১৩	১৮,৮৬,৫৬০
শেয়ারে বিনিয়োগের উপর অনাদায়ী লাভ/(ক্ষতি)	৭.০২	৮৩,৭৫,১৭২	(৬৩,২৭,৪৫২)
শেয়ারের অনাদায়ী লাভের উপর বিলম্বিত কর	১৮.০২	(৩,৫৭,১৩৪)	-
		৯৭,৮৩,৫৫১	(৪৪,৪০,৮৯২)
মোট বিত্তীয় আয়		(১,৪৫,২৩,৩৭৩)	(৩০,২০,৬২৬)
শেয়ার প্রতি আয়	৩৫	(১.২৮)	০.০৭

* সংযোজিত নোট সমূহ অর্থিক বিবরণীর একটি অবিচ্ছেদ্য অংশ

ব্যবস্থাপনা পরিচালক

উপ-ব্যবস্থাপনা পরিচালক

কোম্পানী সচিব

একই তারিখে স্বাক্ষরিত পৃথক নিরীক্ষা প্রতিবেদন সাপেক্ষে

শফিক বলাক এন্ড কোং
এর পক্ষে

শেখ আহম্মদুল ইসলাম এফসিএ, এমবিএ
পার্টনার
ডিজিটালি নং- ২১১১১৪১৩৯৪এএস৪৬৪৩৭৬

স্থান : চট্টগ্রাম।
তারিখ : নভেম্বর ১৩, ২০২১ ইং

HAKKANI PULP & PAPER MILLS LIMITED

Statement of Changes in Equity

For the year ended 30 June, 2021

Particulars	(Amount in Taka)					
	Share Capital	Dividend Equalization Reserve	Revaluation Reserve	Fair Value Reserve	Retained Earnings	Total
Balance as at 01 July, 2020	19,00,00,000	1,32,79,866	27,80,34,601	(48,03,835)	1,41,35,642	49,06,46,274
Adjustment of depreciation on carrying amount of revalued assets	-	-	(1,17,70,089)	-	1,17,70,089	-
Deferred Tax on Revaluation Surplus	-	-	17,65,513	-	-	17,65,513
Unrealized Gain/(Loss) on Investment in Shares	-	-	-	83,75,172	-	83,75,172
Deferred tax on unrealized gain/(loss)	-	-	-	(3,57,134)	-	(3,57,134)
Dividend for the period 2019-2020	-	-	-	-	(18,40,134)	(18,40,134)
Net Profit after Tax for the year	-	-	-	-	(2,43,06,924)	(2,43,06,924)
Balance as on 30 June 2021	19,00,00,000	1,32,79,866	26,80,30,025	32,14,203	(2,41,327)	47,42,82,767

For the year ended 30 June, 2020

Particulars	(Amount in Taka)					
	Share Capital	Dividend Equalization Reserve	Revaluation Reserve	Fair Value Reserve	Retained Earnings	Total
Balance as at 01 July, 2019	19,00,00,000	1,50,00,000	28,87,25,108	15,23,617	1,38,309	49,53,87,035
Adjustment of depreciation on carrying amount of revalued assets	-	-	(1,25,77,067)	-	1,25,77,067	-
Deferred Tax on Revaluation Surplus	-	-	18,86,560	-	-	18,86,560
Unrealized Gain/(Loss) on Investment in Shares	-	-	-	(63,27,452)	-	(63,27,452)
Dividend for the period 2018-2019	-	(17,20,134)	-	-	-	(17,20,134)
Net Profit after Tax for the year	-	-	-	-	14,20,266	14,20,266
Balance as on 30 June 2020	19,00,00,000	1,32,79,866	27,80,34,601	(48,03,835)	1,41,35,642	49,06,46,274

MANAGING DIRECTOR

DEPUTY MANAGING DIRECTOR

COMPANY SECRETARY

The accounting policies and annexed notes form an integral part of the financial statements.

Place: Chattogram

Date: November 13, 2020

হাফ্বানী পাব্ল এন্ড পেপার মিলস্ লিঃ
শেয়ারহোল্ডারদের মালিকানা স্বত্বের পরিবর্তন বিবরণী
৩০শে জুন, ২০২১ইং তারিখে সমাপ্ত বৎসরের জন্য

বিবরণ	শেয়ার মূল্য	লভাংশ সমতাকরণ তহবিল	পুনঃমূল্যায়ন সঞ্চিত	ন্যায্য মূল্য-সঞ্চিত	সংরক্ষিত মুনাফা তহবিল	মোট
১ জুলাই, ২০২০ - এ স্থিতি	১৯,০০,০০,০০০	১,৩২,৭৯,৮৬৬	২৭,৮০,৩৪,৬০১ (১,১৭,৭০,০৮৯)	(৪৮,০৩,৮৩৫)	১,৪১,৩৫,৬৪২ ১,১৭,৭০,০৮৯	৪৯,০৬,৪৬,২৭৪
পুনঃমূল্যায়িত সম্পত্তির অবয়ব সমন্বয়	-	-	১৭,৬৫,৫১৩	-	-	১৭,৬৫,৫১৩
পুনঃমূল্যায়িত মুনাফার উপর বিলম্বিত কর সমন্বয়	-	-	-	৮৩,৭৫,১৭২	-	৮৩,৭৫,১৭২
শেয়ারে বিনিয়োগের উপর অনাদায়ী লাভ/(ক্ষতি)	-	-	-	(৩,৫৭,১৩৪)	-	(৩,৫৭,১৩৪)
শেয়ারের অনাদায়ী লাভের উপর বিলম্বিত কর	-	-	-	-	(১৮,৪০,১৩৪)	(১৮,৪০,১৩৪)
লভাংশ প্রদান (২০১৯-২০২০)	-	-	-	-	(২,৪৩,০৬,৯২৪)	(২,৪৩,০৬,৯২৪)
নতুন পরবর্তী নীট মুনাফা	-	-	-	-	(২,৪৩,০৬,৯২৪)	(২,৪৩,০৬,৯২৪)
৩০ জুন, ২০২১ - এ স্থিতি	১৯,০০,০০,০০০	১,৩২,৭৯,৮৬৬	২৬,৮০,৩০,০২৫	৩২,১৪,২০৩	(২,৪১,৩২৭)	৪৭,৪২,৮২,৭৬৭

৩০শে জুন, ২০২০ ইং তারিখে সমাপ্ত বৎসরের জন্য

বিবরণ	শেয়ার মূল্য	লভাংশ সমতাকরণ তহবিল	পুনঃমূল্যায়ন সঞ্চিত	ন্যায্য মূল্য-সঞ্চিত	সংরক্ষিত মুনাফা তহবিল	মোট
১ জুলাই, ২০১৯ - এ স্থিতি	১৯,০০,০০,০০০	১,৫০,০০,০০০	২৮,৮৭,২৫,১০৮ (১,২৫,৭৭,০৪৭)	১৫,২৩,৬১৭	১,৩৮,৩০৯	৪৯,৫৩,৮৭,০৩৫
পুনঃমূল্যায়িত সম্পত্তির অবয়ব সমন্বয়	-	-	১৮,৮৬,৫৬০	-	-	১৮,৮৬,৫৬০
পুনঃমূল্যায়িত মুনাফার উপর বিলম্বিত কর সমন্বয়	-	-	-	(৩৩,২৭,৪৫২)	-	(৩৩,২৭,৪৫২)
শেয়ারে বিনিয়োগের উপর অনাদায়ী লাভ/(ক্ষতি)	-	-	-	-	-	(১৭,২০,১৩৪)
লভাংশ প্রদান (২০১৮-২০১৯)	-	-	-	-	-	১৪,২০,২৬৬
নতুন পরবর্তী নীট মুনাফা	-	-	-	-	-	১৪,২০,২৬৬
৩০ জুন, ২০২০ - এ স্থিতি	১৯,০০,০০,০০০	১,৩২,৭৯,৮৬৬	২৭,৮০,৩৪,৬০১	(৪৮,০৩,৮৩৫)	১,৪১,৩৫,৬৪২	৪৯,০৬,৪৬,২৭৪

* সংযোজিত মেট্রি সমূহ আর্থিক বিবরণীর একটি অবিচ্ছেদ্য অংশ


ব্যবস্থাপনা পরিচালক

উপ-ব্যবস্থাপনা পরিচালক


কোম্পানী সচিব

স্থান : চট্টগ্রাম

তারিখ : নভেম্বর ১৩, ২০২১ইং



HAKKANI PULP & PAPER MILLS LIMITED

Statement of Cash Flows For the year ended 30 June, 2021

	Note(s)	2021 Taka	*Rearranged 2020 Taka
A. Cash flows from Operating Activities:			
Cash Collection from Turnover & Others		37,33,31,619	44,83,41,735
Payment for Material and Expenses		(36,89,32,719)	(46,01,14,810)
Income Tax Paid		(4,92,834)	(24,12,093)
Net Cash flows from Operating Activities	44	39,06,066	(1,41,85,168)
B. Cash flows from Investing Activities:			
Acquisition of Property, Plant & Equipment		(1,01,43,245)	(1,43,50,123)
Disposal of Property Plant & Equipment		-	27,42,864
Capital Work-In-Progress		(9,23,492)	-
Advanced for Machinery		(27,79,065)	(1,67,76,095)
Sale of shares		38,34,811	13,51,803
Net cash flows from Investing Activities		(1,00,10,991)	(2,70,31,551)
C. Cash flows from Financing Activities:			
Short Term Loan & Overdraft		(4,03,72,176)	1,27,20,795
Long Term Loan		4,88,28,257	8,27,14,674
Interest Paid		(5,98,16,687)	(5,20,70,070)
Unsecured Loan Received		10,00,000	-
Directors Current Account		3,75,50,000	60,00,000
Liabilities for other Finance		3,01,21,937	(36,170)
Dividend Paid		(15,10,716)	(15,09,663)
Net Cash flows from Financing Activities		1,58,00,615	4,78,19,566
D. Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)		96,95,690	66,02,845
E. Opening Cash and Bank Balances		1,15,84,139	49,81,294
Closing Cash and Bank Balances (D+E)		2,12,79,829	1,15,84,139
F. Net Operating Cash Flows Per Share	38	0.21	(0.75)

The accounting policies and annexed notes form an integral part of the financial statements.


MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR


COMPANY SECRETARY

হাঙ্কানী পাল্প এন্ড পেপার মিলস্ লিঃ
নগদ অর্থ প্রবাহ বিবরণী
 ৩০শে জুন, ২০২১ইং তারিখে সমাপ্ত বৎসরের জন্য

	নোট	২০২১ টাকা	২০২০ টাকা
ক পরিচালন কার্যক্রম খাতে নগদ অর্থ প্রবাহঃ			
বিক্রয় ও অন্যান্য হতে নগদ প্রাপ্তি		৩৭,০৩,৩১,৬১৯	৪৪,৮৩,৪১,৭৩৫
কাঁচামাল ক্রয় এবং অন্যান্য খরচের বিপরীতে নগদ প্রদান		(৩৬,৮৯,৩২,৭১৯)	(৪৬,০১,১৪,৮১০)
আয়কর প্রদান		(৪,৯২,৮০৪)	(২৪,১২,০৯৩)
পরিচালন কার্য খাতে নীট নগদ অর্থ প্রবাহ	৪৪	৩৯,০৬,০৬৬	(১,৪১,৮৫,১৬৮)
খ বিনিয়োগ কার্যক্রম খাতে নগদ অর্থ প্রবাহঃ			
সম্পত্তি, যন্ত্রপাতি ও সরঞ্জাম ক্রয়		(১,০১,৪৩,২৪৫)	(১,৪৩,৫০,১২৩)
সম্পত্তি, যন্ত্রপাতি ও সরঞ্জাম বিক্রয়		-	২৭,৪২,৮৬৪
প্রক্রিয়াধীন মূলধনী কার্য		(৯,২৩,৪৯২)	-
সম্পত্তি, যন্ত্রপাতি ও সরঞ্জাম ক্রয় বাবদ অগ্রিম প্রদান		(২৭,৭৯,০৬৫)	(১,৬৭,৭৬,০৯৫)
শেয়ার বিক্রয় বাবদ নগদ প্রাপ্তি		৩৮,৩৪,৮১১	১৩,৫১,৮০৩
বিনিয়োগ কার্য খাতে নীট নগদ অর্থ প্রবাহ		(১,০০,১০,৯৯১)	(২,৭০,৩১,৫৫১)
গ আর্থিক কার্যক্রম খাতে নগদ অর্থ প্রবাহঃ			
ব্লগমেয়াদী ঋণ ও ব্যাংক জমাতিরিক্ত		(৪,০৩,৭২,১৭৬)	১,২৭,২০,৭৯৫
দীর্ঘমেয়াদী ঋণ গ্রহণ		৪,৮৮,২৮,২৫৭	৮,২৭,১৪,৬৭৪
সুদ প্রদান		(৫,৯৮,১৬,৬৮৭)	(৫,২০,৭০,০৭০)
জামানত বিহীন ঋণ গ্রহণ		১০,০০,০০০	-
পরিচালকদের চলতি হিসাব		৩,৭৫,৫০,০০০	৬০,০০,০০০
অন্যান্য অর্থ সংস্থানজনিত ব্যয়		৩,০১,২১,৯৩৭	(৩৬,১৭০)
সভাংশ প্রদান		(১৫,১০,৭১৬)	(১৫,০৯,৬৬৩)
অধিক কার্য খাতে নীট নগদ অর্থ প্রবাহ		১,৫৮,০০,৬১৫	৪,৭৮,১৯,৫৬৬
ঘ নীট নগদ অর্থ ও ব্যাংক জমা বৃদ্ধি/(হ্রাস)- (ক+খ+গ)		৯৬,৯৫,৬৯০	৬৬,০২,৮৪৫
ঙ বছরের প্রারম্ভিক নগদ অর্থ ও ব্যাংক জমা		১,১৫,৮৪,১৩৯	৪৯,৮১,২৯৪
বছরের সমাপনী নগদ অর্থ ও ব্যাংক জমা (ঘ+ঙ)		২,১২,৭৯,৮২৯	১,১৫,৮৪,১৩৯
চ শেয়ার প্রতি পরিচালন কার্যক্রম খাতে নগদ অর্থ প্রবাহ	৩৮	০.২১	(০.৭৫)

* সংযোজিত নোট সমূহ আর্থিক বিবরণীর একটি অবিচ্ছেদ্য অংশ


ব্যবস্থাপনা পরিচালক


উপ-ব্যবস্থাপনা পরিচালক


কোম্পানী সচিব

স্থান : চট্টগ্রাম।
তারিখ : নভেম্বর ১৩, ২০২১ইং

HAKKANI PULP & PAPER MILLS LIMITED

Notes to the Financial Statements

For the year ended 30 June 2021

1.00 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 products.

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

2.01 Statement of compliance:

The Financial Reporting Act, 2015 (FRA) was enacted in 2015. The Financial Reporting Council (FRC) under FRA has been formed in 2017. As per the provision of FRA (section-69), the Financial Statement have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the Companies act the title and format of these financial statements follow the requirements of IFRSs which are to some different from requirement of the Companies Act 1994. However, such differences are not material and view of management, IFRS format gives a better presentation to the Shareholders.

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

2.02 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 and Supplementary Act, 2012 (effective from 01 July 2019)

The Value Added Tax Act and Supplementary Rules, 2016 (effective from 01 July 2019)

The Customs Act, 1969

Bangladesh Labor Act, 2006 as amended in 2013

The Securities and Exchange Ordinance, 1969

The Securities and Exchange Rules, 1987

The Corporate Governance code 2018

2.03 Applicable Accounting Standards:

The following IAS and IFRS 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 period
- 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 - 32 Financial Instruments: Presentation
- IAS - 33 Earning per Share
- IAS - 36 Impairment of Assets
- IFRS- 07 Financial Instruments: Disclosures
- IFRS- 09 Financial Instruments
- IFRS- 15 Revenue From Contract with Customers
- IFRS- 16 Leases

2.04 Basis of Reporting :

The Financial Statements have been prepared and presented for general 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 2021.
- b. A Statement of Profit or Loss and other Comprehensive Income for the year ended 30 June 2021.
- c. A Statement of changes in equity for the year ended 30 June 2021.
- d. A Statement of Cash flows for the year ended 30 June 2021.
- e. Notes , comprising a summary of significant accounting policies and explanatory information.
- f. Comparative information prescribed by the Standard.

2.05 Authorization for Issue :

These financial statements have been authorized for issue by the Board of Directors on 13 November 2021 Unless otherwise stated, the accounting policies and methods of computation used in preparation of the financial statements as at and for the year ended 30 June 2021 are consistent with those policies and methods adopted in preparing the financial statements as at and for the year ended 30 June 2020.

2.06 Reporting Period:

The financial statements of the Company cover twelve months from 1 July 2020 to 30 June 2021.

2.07 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.

2.08 Going Concern:

The Company have adequate resources to continue operation in foreseeable future (except otherwise stated). For this reason, Management continues to adopt going concern basis in preparing the financial statements. The current

revenue generations and resources of the Company provide sufficient fund to meet the present requirements of existing business and operations.

2.09 Functional and presentation currency:

These financial statements are prepared in Bangladesh Taka, which is the functional currency of the Company. All financial information presented in Taka has been rounded off to the nearest integer except when otherwise indicated.

2.10 Current versus non-current classification

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

An asset is current when it is:

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

The Company classifies all other assets as non-current.

A liability is current when

- (i). It is expected to be settled in the normal operating cycle
- (ii). It is held primarily for the purpose of trading,
- (iii). It is due to be settled within twelve months after the reporting period and
- (iv). There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

2.11 Use of Estimates and Judgments:

In preparing financial statements, management has made judgments and estimates that affect the application of the company accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

2.11.01 Judgments, assumptions and estimation uncertainties:

Information about judgments made in applying accounting policies and assumptions and estimation uncertainties that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

Note: 05 Property, Plant and Equipment

Note: 08 Inventories

Note: 09 Trade Receivables

Note : 10 Advances, Deposits & Prepayments

Note: 18 Deferred Tax Liability

Note : 22 Trade Payables

Note: 23 Current Tax Liabilities

3.00 SIGNIFICANT ACCOUNTING POLICIES:

The specific accounting policies selected and applied by the company management for significant transactions and events that have material effect within the framework of IAS 1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years, except otherwise stated.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating to the format of financial statements were also taken into full consideration for fair presentation.

Set out below is an index of the significant accounting policies, the details of which are available on the following:

- (a) Property, plant and equipment
- (b) Capital work-in-progress
- (c) Impairment of assets
- (d) Investment in shares
- (e) Inventories
- (f) Advances, deposits and prepayments
- (g) Cash and cash equivalents
- (h) Employee benefits
- (i) Provisions, contingent liabilities and contingent assets
- (j) Financial income and Financial expenses
- (k) Borrowing costs
- (l) Taxation
- (m) Revenue recognition
- (n) Earning per share (EPS)
- (o) Foreign Currency Transaction Policy
- (p) Comparative Information
- (q) Consistency
- (r) Cash flows statement
- (s) Other Operating income
- (t) Events after the reporting period
- (u) Share Capital
- (v) Leases

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 labor 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, when parts of an items property plant and equipment have different useful lives, they are accounted separate items (major components) of property, plant and equipment.

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:

Name of Assets	Rate of Depreciation
1. Building & Other Civil Construction	5%
2. Plant & Machinery	7%
3. Furniture & Fixtures	10%
4. Office Equipment	10%
5. Electric Installation	10%
6. Gas Line Installation	10%
7. Telephone Line Installation	10%
8. Water Line Installation	10%
9. Fire Extinguisher	20%
10. Office Decoration	10%
11. Vehicle	20%
12. Motor Vehicle	20%
13. Factory Equipment	20%

Upon retirement of assets, the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is charged or credited to statement of profit or loss.

3.01.04 Non- Current asset held for Sales

Non-current assets that are highly probable to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale the assets are premeasured in accordance with the companies accounting policies. There after, the assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale are recognized to revaluation reserve to the extent of revaluation surplus, in excess of revaluation surplus and subsequent gains or losses on remeasurement are recognized in the Statement of profit or loss. Gains are not recognized in excess of any cumulative impairment loss.

If criteria for an asset to be classified as held for sale are no longer met, then the asset or disposal company cases to be held for sale.

In this case, the asset or disposal company should be valued at the lower of the carrying amount before the asset or disposal company was classified as held for sale (as adjusted for any subsequent depreciation, amortization, or revaluation) and its recoverable amount at the date of the decision not to sell.



3.02 Capital Work In Progress:

Property, plant and equipment under construction/acquisition is accounted for and measured at cost as capital work-in-progress until construction/acquisition is completed and it is ready for use.

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:

3.05.01 Nature of inventories

Inventories comprise Raw Materials, Packing Materials, Consumable Stores, Work-in -Process and Finished Goods etc.

3.05.02 Valuation of the 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 labor and 50% cost of overhead.

Consumable stores

Based on weighted average method.

Packing materials

Based on weighted average method.

3.06 Trade and Other Receivables:

Trade and other receivables are recognized at cost which is the fair value of the consideration given in return.

3.07 Advances, deposits and prepayments:

Advances are measured at cost. After 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.

3.08 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.

3.09 Trade and other payable

The company recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the group of resources embodying economic benefits.

3.10 Other liabilities:

Other liabilities represents the amounts due to various parties for receiving services. These are initially recognize date cost which is the fair value.

3.11 Cash flows statement :

Statement of cash flows is prepared in accordance with IAS-7: Cash Flows Statement and the cash flows from operating activities have been presented under direct method.

3.12 Employee benefit schemes:

The company maintains Workers' Profit Participation Fund and Workers' Welfare Fund @ 5% profit before tax as per Labor Act, 2006 as amended in 2013 and accordingly provision is made in the financial statements.

3.13 Provisions, contingent liabilities and contingent assets:

A provision is recognized in the Statement of financial position when the company has a legal or contractual obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingencies arising from claims, litigations, assessments, fine, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Contingent assets are not recognized in the financial statements.

3.14 Financial income and Financial expenses:

3.14.01 Financial income

Interest income from bank deposits companies is recognized in the statement of profit or loss on accrual basis following specific rate of interest in agreement with banks.

3.14.02 Financial expenses

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

3.15 Non- Operating income:

Non- operating income includes interest income on delayed receipts from customers, gain/(loss) on sale of fixed assets and miscellaneous receipts. Other operating income is recognized as revenue income as and when realized.

3.16 Borrowing Cost:

Interest and other costs incurred by the company in connection with the borrowing of funds are recognized as expense in the period in which they are incurred, unless such borrowing cost progress that are capitalized as per IAS-23:

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



3.17 Taxation:

3.17.01 Current Tax:

The Company are maintaining provision for taxation using rates enacted at the reporting date. The Company complies with the applicable tax laws in Bangladesh.

3.17.02 Deferred tax:

3.18 Revenue recognition:

Revenue is measured based on the consideration specified in a contract with a customer. The companies recognizes revenue when it transfers control over a good or service to a customer. The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Types of Sale	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition under IFRS 15
Local Sales	Customers obtain control of products when goods are shipped out at factory gate. Invoices raised as per management approves price list are generated at that point in time.	Revenue is recognized when the entity satisfies a performance obligation by transferring the promised good or service to a customer.

The Company is in the business of providing News print, M.G news print, Medium Paper and Tissues. 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). The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of Value Added Tax (VAT). Gross turnover comprises local sales of News print, M.G news print, Medium Paper and various Tissues, and includes VAT paid to the Government of Bangladesh. Major portion of the sales revenue has been realized through banking channel except in a few cases.

3.19 Earning per share (EPS):

The company calculates its earnings per share in accordance with IAS-33: Earnings per Share which has been reported on the face of statement of profit or loss and other comprehensive income.

3.19.01 Basis of earning:

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 year has been considered fully attributable to the ordinary share holders.

3.19.02 Basic earning Per share:

This represents profit for the year attributable to ordinary shareholder. As there were no preference shares requiring returns or dividends, the net fully attributable to the ordinary shareholders.

3.20 Foreign Currency Transaction Policy:

The foreign currency transaction in respect of imported raw materials, machineries and other spares parts have been recognized by applying exchange rate prevailing on the date of transaction.

3.21 Comparative Information:

Comparative information has been disclosed in respect of 2020 in accordance with IAS-1: Presentation of Financial Statements, for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods financial statements. Prior year's figures have been rearranged wherever considered necessary to ensure comparability with the current year.

3.22 Consistency:

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

3.23 Events after the reporting period:

Events after the reporting period that provide additional information about the company's position at the date of Statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

3.24 Share Capital:

Paid-up capital represents total amount contributed by the shareholders. Holders of ordinary shares are entitled to receive dividends as declared to time and are entitled to vote at shareholders meetings.

3.25 Rearrangement of Statement of Cash Flows:

Figures in relation to "Interest paid" has been moved from "Cash flows from Operating Activities" to "Cash flows from Financial Activities" upon complying with paragraph 33 of IAS-7 "Statement of Cash Flows" as it has been identified as cost of obtaining financial resources.

3.26 Leases:

The Company treated office rent as cancelable short-term leases of low-value assets. Currently the Company has short-term lease of low value assets. The company will not recognize right of use (ROU) assets and lease liabilities for short-term leases.

4.00 Comparative Analysis on Financial performance and position of the Company and reason of significant deviation with previous year:

4.01 The operating and financial review is intended to provide the Management's perspective on the financial and operating performance of the Company. During the year under review, the Company recorded a profit/(loss) after tax of Tk. (24,306,924) against previous year profit/(loss) of Tk. 1,420,266. The increase of loss is for less Sales Revenue. The basic Earnings Per Share for the year ended 30 June 2021 is Tk. (1.28) against Tk. 0.07 for the same previous year. The analysis of major items of the financial statements is given below:

4.02 Revenue:

During the year under review total revenue was decreased as compared to previous year due to Covid-19 Pandemic. All dealer point, depot point, hotel and restaurant and corporate body was closed for lock down in the whole country during pandemic.

4.03 Cost of Goods Sold:

During the year under review Cost of goods Sold was decreased as compared to the previous year due to closing of production during Covid-19 pandemic. Due to pandemic, the company could not continue its operational activities for lock down in whole country.

4.04 Financial Expenses :

The Company's financial expenses was increased as compared to previous year for interest of Tk 7,746,617 on Bai-Muazzal Loan, UPAS Loan, Biam Wes Bills, LATR from Social Islami Bank Limited and CC Hypo Loan of Mercantile Bank Limited.



4.05 Earning per Share (EPS):

The Company's Earnings Per Shares (EPS) has decreased significantly due to decreasing of Sale Revenue and Increase of administrative expenses, selling expenses and financial expenses compared to previous year for Covid-19 pandemic. During the year under review, the Company recorded earnings per share (EPS) of Tk. (1.28) against previous year earnings per share (EPS) of Tk. 0.07

4.06 Cash Flows from operating Activities (NOCFPS):

The Company's net operating cash flows per share (NOCFPS) was increased as compared to the previous year significantly due to rearranged of financial expenses from "Cash flows from Operating Activities" to "Cash flows from Financial Activities".

5.00 PROPERTY, PLANT & EQUIPMENT:

	<u>2021</u> <u>Taka</u>	<u>2020</u> <u>Taka</u>
Balance as on 01 July (including revaluation)	1,26,55,68,456	1,26,12,18,332
Add: Addition during the year	1,01,43,245	1,43,50,123
Less: Adjustment during the year	-	(1,00,00,000)
Balance as on 30 June	1,27,57,11,701	1,26,55,68,456
Less: Accumulated depreciation	46,21,66,373	41,82,48,739
Written down value as on 30 June	81,35,45,328	84,73,19,717

- (a) Details of Group Wise Property, Plant & Equipment with cost, addition and adjustment during the year, depreciation and written down value are shown at Note-5.01

5.01 PROPERTY, PLANT & EQUIPMENT (PAPER UNIT):

(Amount in Taka)

Particulars	C O S T				D E P R E C I A T I O N				Written Down Value as on 30 June, 2021	
	Balance as on 01 July, 2020	Addition during the year	Disposal/ Adjustment during the year	Balance as on 30 June, 2021	Rate of Dep.	Balance as on 01 July, 2020	Charged during the year	Disposal/ Adjustment during the year		Balance as on 30 June, 2020
At Cost										
Land & Land Development	4,35,83,242	-	-	4,35,83,242	-	-	-	-	-	4,35,83,242
Building & Other Construction	15,75,97,103	11,13,739	-	15,87,10,842	5%	4,04,07,931	58,85,171	-	4,62,93,102	11,24,17,740
Plant & Machinery	54,12,30,833	73,75,481	-	54,86,06,314	7%	20,16,02,563	2,37,79,952	-	22,53,82,515	32,32,23,800
Furniture & Fixture	12,16,169	-	-	12,16,169	10%	6,24,866	59,130	-	6,83,997	5,32,172
Office Equipment	36,11,543	-	-	36,11,543	10%	18,34,188	1,77,736	-	20,11,924	15,99,619
Electric Installation	2,13,28,322	-	-	2,13,28,322	10%	1,22,04,681	9,12,364	-	1,31,17,045	82,11,277
Gas Line Installation	39,32,191	-	-	39,32,191	10%	28,85,885	1,04,631	-	29,90,515	9,41,676
Telephone Line Installation	1,32,263	-	-	1,32,263	10%	95,916	3,635	-	99,551	32,712
Water Line Installation	70,21,214	18,000	-	70,39,214	10%	40,80,543	2,95,714	-	43,76,257	26,62,957
Fire Extinguisher	1,11,870	-	-	1,11,870	20%	93,065	3,761	-	96,826	15,044
Office Decoration	19,13,087	-	-	19,13,087	10%	4,23,065	1,49,002	-	5,72,067	13,41,020
Vehicle Car	30,11,672	-	-	30,11,672	20%	22,00,556	1,52,223	-	23,62,780	6,48,892
Motor Vehicle	30,27,057	14,10,000	-	44,37,057	20%	17,01,218	4,76,088	-	21,77,307	22,59,750
Factory Equipment	7,90,370	2,26,025	-	10,16,395	20%	1,32,273	1,38,138	-	2,70,411	7,45,984
"A"	78,85,06,937	1,01,43,245	-	79,86,50,181		26,82,86,751	3,21,47,545	-	30,04,34,295	49,82,15,886
At Revaluation										
Land & Land Development	13,90,28,020	-	-	13,90,28,020	-	-	-	-	-	13,90,28,020
Building & Other Construction	11,06,63,849	-	-	11,06,63,849	5%	4,09,18,024	34,87,291	-	4,44,05,315	6,62,58,534
Plant & Machinery	22,73,69,650	-	-	22,73,69,650	7%	10,90,43,964	82,82,798	-	11,73,26,762	11,00,42,888
"B"	47,70,61,519	-	-	47,70,61,519		14,99,61,988	1,17,70,089	-	16,17,32,078	31,53,29,441
Grand total as on 30 June, 2021	(A+B) 1,26,55,68,456	1,01,43,245	-	1,27,57,11,701		41,82,48,739	4,39,17,634	-	46,21,66,373	81,35,45,328
As on 30 June 2020	1,26,12,18,332	1,43,50,123	1,00,00,000	1,26,55,68,456		37,87,23,561	4,66,13,051	70,87,874	41,82,48,739	84,73,19,717
Allocation of Depreciation:										
Administrative Expenses										2021
Factory Overhead										Taka
										2020
										Taka
										TAKA =
										4,39,17,634
										4,66,13,051



6.00 CAPITAL WORK-IN-PROGRESS:

Capital Work-In-Progress

2021
Taka

2020
Taka

1,51,41,616

1,42,18,124

Balance as on 30 June

1,51,41,616

1,42,18,124

6.01 Capital Work-In-Progress:

Particulars	Opening Balance	Addition during the year	Capitalized during the year	Closing Balance
Building & Other Construction	1,24,57,624	28,053	-	1,24,85,677
Plant & Machinery	7,93,820	7,73,000	-	15,66,820
Motor Vehicle	25,000	1,22,439	-	1,47,439
Electric Installation	9,41,680	-	-	9,41,680
Total	1,42,18,124	9,23,492	-	1,51,41,616

7.00 INVESTMENT IN SHARES:

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

Name of company	No. of Shares	Cost Value as on 30 June 2021	Market Value as on 30 June, 2021	Unrealized gain/(loss)
Beximco Ltd.	18,925	6,68,197	16,86,218	10,18,021
Beximco Pharma Ltd.	3,500	1,38,855	6,20,550	4,81,695
Brac Bank Ltd.	12,109	1,58,299	5,94,552	4,36,253
DESCO Ltd.	5,000	2,38,287	1,70,500	(67,787)
Dhaka Bank Ltd.	27,240	2,10,234	3,75,912	1,65,678
Exim Bank Ltd.	53,401	10,80,863	6,08,771	(4,72,091)
Grameen Phone Ltd.	10,700	39,95,855	37,18,250	(2,77,605)
Islamic Finance and Invest. Ltd.	58,087	17,79,698	12,89,531	(4,90,167)
Islami Bank Bangladesh Ltd.	10,570	3,76,381	3,00,188	(76,193)
Jamuna Oil Ltd.	2,299	2,71,136	3,71,978	1,00,843
Lafarge Holcim Bangladesh Ltd.	10,000	8,05,409	5,83,000	(2,22,409)
Meghna Petroleum Ltd.	2,402	2,49,369	4,36,203	1,86,834
Mercantile Bank Ltd.	13,062	1,18,778	1,89,399	70,621
Mutual Trust Bank Ltd.	19,299	2,07,749	4,09,139	2,01,390
National Bank Ltd.	78,838	9,02,974	6,22,820	(2,80,153)
One Bank Ltd.	35,084	2,96,251	4,42,058	1,45,808
Premier Bank Ltd.	4,675	32,062	57,970	25,908
Rupali Bank Ltd.	34,785	-	12,76,610	12,76,610
Shahjalal Islami Bank Ltd.	38,036	2,49,341	7,64,524	5,15,183
Southeast Bank Ltd.	79,950	8,19,716	11,51,280	3,31,564
Square Pharma Ltd.	9,200	18,26,477	19,66,960	1,40,483
Standard Bank Ltd.	20,920	2,00,804	1,86,188	(14,616)
Titas Gas Ltd.	13,250	7,66,559	4,63,150	(3,03,409)
Trust Bank Ltd.	40,902	8,63,126	15,42,005	6,78,879
Total	6,02,234	1,62,56,420	1,98,27,757	35,71,337

	2021 Taka	2020 Taka
7.02 Gain/ (Loss) on Investment in Shares:		
Unrealized Gain/ (Loss) Closing	35,71,337	(48,03,835)
Less: Unrealized Gain/ (Loss) Opening	(48,03,835)	15,23,617
Gain/ (Loss) on Investment in Shares during the year	83,75,172	(63,27,452)

8.00 INVENTORIES:

a) Raw Materials		
Wastage Paper	5,83,76,882	4,71,75,327
Chemicals	2,71,65,359	64,83,751
	8,55,42,241	5,36,59,078
b) Finished Goods		
Newsprint Paper	4,13,33,005	5,11,86,104
Medium Paper	69,56,797	87,29,159
Khata	41,08,978	45,38,038
Various Tissue Paper	3,02,00,049	2,71,96,813
	8,25,98,829	9,16,50,113
c) Work-In-Process	2,93,41,560	2,92,25,078
d) Consumable Spare & Store	97,07,097	1,48,24,005
e) Packing Material	79,97,031	29,62,669
Total (a+b+c+d+e)	21,51,86,758	19,23,20,943

- (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) Consumable store bases on weighted average method.
- (e) Packing materials based on weighted average method.
- (f) Physical inventory was taken jointly by the representative of management and auditors at the year end.
- (g) Inventory consists of a huge number of items for which the quantity could not be disclosed.

	2021 Taka	2020 Taka
9.00 TRADE RECEIVABLES:		*Rearranged
A. H. Packaging & Accessories	20,90,472	20,90,472
Alamgir Traders	4,08,985	-
Chittagong Club Limited	5,47,711	5,61,630
Entimate Apparels Ltd	4,21,639	1,95,808
F K Packaging Mirshari	1,66,803	-
Handi Restaurant	1,89,874	1,48,420
Health Point Hospital	1,18,991	86,909
Hotel Zaman	1,17,799	1,17,799
M/S. Islam & Sons	2,00,000	-
Rana Enterprise	5,81,375	5,81,375



	2021 Taka	2020 Taka
Royal Packaging	1,12,182	-
Shohid Enterprise-Tissue	1,02,655	1,02,655
Tuba Enterprise (Tissue)	4,76,844	4,76,844
Transcom Food Ltd	1,27,222	8,08,546
Yousuf Enterprise	26,16,042	-
Babul Store	4,18,15,949	6,43,95,867
Dainik Azadi (Shapon chy)	8,46,202	6,11,601
Elite Paper House	2,78,309	2,83,309
Interna Plastic (Pvt.) Ltd.	7,80,000	8,00,000
Modern Biponi	9,18,493	14,18,493
Sonargaon Paper House	4,28,031	4,34,031
Resimax Industries Ltd.	7,31,480	1,67,730
S.K Traders	9,95,759	-
A B Trading	6,42,120	9,76,245
ACI Logistics Ltd. (Showpno)	-	11,20,216
Amina Enterprise	1,20,212	1,20,211
Amir & Brothers	-	12,14,513
Arif Enterprise	6,17,254	6,17,254
Barcode Restaurant Group	3,06,570	3,27,070
Chandpur Paper House	15,39,283	55,80,059
Conpac Trading Ltd.	8,84,242	-
Eanan Enterprise	-	1,77,181
Ekota Enterprise-Teknaf	-	1,98,716
FM Trading	-	6,68,277
Foisal & Brothers	6,30,700	6,36,200
G. N. Enterprise	18,29,332	-
Garibe Newaj Traders (Sales)	6,66,495	6,66,495
Glory Tapes & Labels Ltd.	8,71,745	8,79,245
Habib Enterprise (Chokaria)	3,66,612	4,25,907
JBS Traders	-	4,03,025
Korotoa Paper Depot.	9,56,131	14,56,131
MI Trading	-	5,57,822
M/s Oishi Enterprise	3,36,350	3,43,850
Mahbub & Brothers	42,04,560	12,50,689
Mizan Store (Tissue)	21,37,368	21,37,368
Modhumoti Traders	2,37,649	2,42,149
MR Traders (Khulna Depo)	-	1,59,366
Mustafa Paper House	59,98,260	63,88,393
Nuha Enterprise / Three Star	2,20,229	2,20,229
Padma Media Center	-	13,05,171
Paperaj Traders	2,79,096	2,86,596
Parvin & Zalal Enterprise	-	55,930
Personal Tissue	6,30,135	6,33,635
Pran RFL	2,50,021	2,50,021

	2021 Taka	2020 Taka
RFM Paper Mills Ltd.	4,82,373	4,82,373
RM Trade International	38,05,107	89,02,186
S Rahaman Trading/Enterprise	44,23,428	24,89,621
S.K Enterprise	3,60,633	3,20,000
S.R.Paper House	1,25,655	1,28,155
S.S.G Paper Ltd.	3,20,169	1,85,169
Sagorika Printers	14,05,074	17,05,074
Saif Trade & Supplies	-	71,003
Sajib Enterprise	26,67,276	23,14,554
Sha Jobbariya Enterprise	-	1,40,165
Shanto Enterprise	1,90,903	1,95,903
Siddique Enterprise-Cox's	-	9,57,479
Sifa/ Shefa Packages	8,85,000	9,00,000
Tasbhi & Brothers	-	2,71,597
Unique Accessories	8,26,936	8,26,936
Walton Hi-Tech Industry Ltd.	1,24,369	1,29,369
Watson Paper Mills Ltd.	1,29,510	1,34,010
Other Receivables	7,56,15,839	2,60,11,505
	17,01,59,452	14,87,44,551

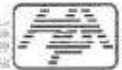
- a) Trade Receivables are occurred in the ordinary course of business.
b) Trade Receivables are unsecured but considered good by the management.
c) The amount of Tk. 62,287,862 has been collected from trade receivables till 27.10.2021. Which represent 36.59% of total trade receivables.

Ageing of Trade Receivables:

Below-30 Days	2,89,27,107	3,12,36,356
Within 31- 60 Days	4,59,43,052	4,61,10,811
Within 61 - 90 Days	2,89,27,107	2,97,48,910
Within 90 - 180 Days	2,72,25,512	2,67,74,019
Above 180 Days	3,91,36,674	1,48,74,455
	17,01,59,452	14,87,44,551

10.00 ADVANCES, DEPOSITS & PREPAYMENTS:

Advance Against Income Tax (Note: 10.01)	3,11,12,292	3,06,19,458
Advance Against Salary & Wages (Note: 10.02)	2,91,248	1,38,098
Advance Against Expenditure (Note: 10.03)	7,22,95,257	11,07,09,738
Advance Against L/C (Note: 10.04)	4,96,45,840	84,52,294
Advance Against Purchase (Note: 10.05)	5,01,78,263	-
Deposits and Prepayments (Note: 10.06)	1,01,34,165	1,01,34,165
	21,36,57,065	16,00,53,753



	2021 Taka	2020 Taka
10.01 Advance Against Income Tax		
Advance Income Tax Paid	58,69,990	54,69,990
Advance Income Tax - Import	13,71,311	12,78,478
Advance Income Tax - Export	2,88,537	2,88,537
Advance Income Tax Deducted at Source	2,25,58,651	2,25,58,651
Advance Income Tax Deducted at Source (Dividend Income)	10,18,989	10,18,989
Advance Income Tax Deducted at Source (Bank Deposits)	4,815	4,815
	3,11,12,292	3,06,19,458
10.02 Advance Against Salary & Wages	2,91,248	1,38,098
10.03 Advance Against Expenditure		
Advance for Dhaka Office	2,59,700	2,59,700
Anima Development Limited	75,25,849	75,25,849
Advance for Machinery Purchase	5,98,25,815	10,03,11,494
VAT Current Account	4,43,029	6,193
Lanka Bangla Securities Ltd.	2,65,181	8,553
VAT Deducted at Source	5,34,584	-
I. T. Deducted at Source	33,655	-
City Brokerage Ltd.	1,073	4,517
Advances for spares parts and other materials	34,06,372	25,93,433
	7,22,95,257	11,07,09,738
10.04 Advance Against L/C	4,96,45,840	84,52,294
10.05 Advance Against Purchase		
Arif Traders	55,54,130	-
Bismillah Enterprise	83,76,959	-
Akram & Brothers	51,28,945	-
M/S Recyle and Waste Paper Suppliers	1,17,40,964	-
Munna Enterprise	1,53,07,325	-
Shah Godi Enterprise	40,69,940	-
	5,01,78,263	-
10.06 Deposits		
Security Deposit (PBS-1)	33,21,100	33,21,100
Security Deposit (BGSL) Boiler	26,01,439	26,01,439
Security Deposit (BGSL) Generator	14,41,672	14,41,672
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)	6,800	6,000

	2021 Taka	2020 Taka
Security Deposit (CDBL)	3,00,000	3,00,000
Security Deposit- Bank Guarantee Against Gas Generator	2,57,040	2,57,040
Security Deposit- Bank Guarantee Against Boiler	10,43,250	10,43,250
Security Deposit Container Purpose	11,10,464	11,10,464
	1,01,34,165	1,01,34,165

The directors consider that all the above advances, deposits and prepayments are either adjustable or recoverable in cash or in kind and that no provision against these are required at this stage.

11.00 CASH & CASH EQUIVALENTS:

Cash In Hand

At Head Office	1,32,78,921	11,84,287
At Dhaka Office	5,05,685	5,000
At Factory	12,15,394	3,000
	1,50,00,000	11,92,287

Cash at Banks

Bangladesh Krishi Bank, Agrabad Branch, CD A/C-2903-0210014807	29,788	30,478
Social Islami Bank Ltd, Agrabad Branch-CD A/C - 0041330027978	-	62,11,657
First Security Islami Bank Ltd, Agrabad Branch. STD A/C - 010413100000463	57,624	57,669
Social Islami Bank Ltd, Agrabad Branch, STD Account-41300458	2,83,000	1,94,131
National Bank Ltd, Pahartali Branch- CD A/C-005533008427	-	-
AB Bank Ltd. PCR Branch, CD A/C-4127773938000	-	7,308
Prime Bank Ltd, Laldighi East Branch, CD A/C -14511090025949 /5816	1,47,431	90,896
Southeast Bank Ltd, Pahartali Branch, CD A/C-New # 005111100000671	17,389	18,079
City Bank Ltd, Agrabad Branch CD A/C No 1101497955001	-	5,415
Premier Bank Ltd, Agrabad Branch CD A/C No-010311100015243	74,294	61,633
Premier Bank Ltd, CEPZ Branch CD A/C No-016711100000103	1,40,001	1,44,629
NCC Bank Ltd. Panthapath Branch, CD A/C No- 0087-0210003867	-	48,141
Islami Bank (BD.) Ltd, Agrabad Branch CD A/C No-20501030100588315	-	-
Mercentile Bank Ltd. A.K Khan Branch CD A/C No-117511121143947	4,794	2,75,000
Dhaka Bank Ltd, G.E.C (C.D.A) Branch CD A/C No-201009777	5,735	7,115
Standard Bank Ltd, Jubilee Road Branch CD A/C No-01233005212	11,446	55,639
United Commercial Bank Ltd, Pahartali Branch CD A/C-No 01000000078	2,78,198	11,78,360
Modhumoti Bank Ltd, Agrabad Branch CD A/C No-1109 11100000164	-	2,030
Eastern Bank Ltd, Agrabad Branch CD A/C No-11071082755	1,49,451	23,907
Pubali Bank Ltd, Pahartali Branch CD A/C No-825901027548	4,28,949	3,00,010
Dutch Bangla Bank CD A/C No- 1021100040340	1,12,212	2,56,292
	17,40,312	89,68,388



		2021 Taka	2020 Taka
Fixed Deposit with Mercantile Bank Ltd. FDR # 117541322176882		3,56,704	3,32,746
Fixed Deposit with Mercantile Bank Ltd. FDR # 117541322894432		4,49,176	4,19,007
Fixed Deposit with Mercantile Bank Ltd. FDR # 117541325279666		7,20,073	6,71,710
Fixed Deposit with Bangladesh Krishi Bank Ltd. FDR # 2903033042265	11.01	5,53,376	-
Fixed Deposit with Bangladesh Krishi Bank Ltd. FDR # 2903033042274		22,47,850	-
Fixed Deposit with Bangladesh Krishi Bank Ltd. FDR # 29030330045646		2,12,338	-
		2,12,79,829	1,15,84,139

(a) Cash balance as on 30.06.2021 was certified by the management.

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

11.01 INVESTMENT IN FIXED DEPOSIT:

Particulars	Tenure	Purpose	Rate of Interest	2021	2020
				TK.	TK.
Fixed Deposit with Mercantile Bank Ltd. FDR # 117541322176882	One Year	Guarantee	6%	3,56,704	332,746
Fixed Deposit with Mercantile Bank Ltd. FDR # 117541322894432	One Year	Guarantee	6%	4,49,176	419,007
Fixed Deposit with Mercantile Bank Ltd. FDR # 117541325279666	One Year	Guarantee	5%	7,20,073	671,710
Fixed Deposit with Bangladesh Krishi Bank Ltd. FDR # 2903033042265	One Year	Guarantee	6%	5,53,376	-
Fixed Deposit with Bangladesh Krishi Bank Ltd. FDR # 2903033042274	One Year	Guarantee	6%	22,47,850	-
Fixed Deposit with Bangladesh Krishi Bank Ltd. FDR # 29030330045646	One Year	Guarantee	6%	2,12,338	-
TOTAL				45,39,517	1,423,463

12.00 SHARE CAPITAL:

12.01 Authorized:

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

2021 Taka	2020 Taka
50,00,00,000	50,00,00,000

12.02 Issued, Subscribed and Paid-up:

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

8,50,00,000	8,50,00,000
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1,05,00,000 Ordinary shares of Tk. 10.00 each fully paid up other than cash.

10,50,00,000	10,50,00,000
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19,00,00,000	19,00,00,000
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12.03 The break up of share holdings as on 30 June, 2021 is as follows:

Description	No. of shares 30 June, 2021	% of share holding 30 June, 2021	No. of shares 30 June, 2020	% of share holding 30 June, 2020
Sponsors & Directors	87,89,330	46.25	97,99,330	51.56
Investment Corporation of Bangladesh	4,500	0.02	33,500	0.18
Bangladesh Development Bank Ltd.	15,80,800	8.32	15,80,800	8.32
Other Institution and General Public	86,25,370	45.39	75,86,370	39.93
Total	1,90,00,000	100	1,90,00,000	100

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

Range of Holdings	No. of Shareholders		No. of Shares		Holding %	
	2021	2020	2021	2020	2021	2020
Less than 500 shares	2,037	1,267	3,85,695	164,510	2.03	0.87
501 to 5000 Shares	1,531	639	27,23,355	1,173,826	14.33	6.18
5001 to 10000 Shares	185	77	13,39,800	610,787	7.05	3.21
10001 to 20000 Shares	77	58	10,92,576	872,092	5.75	4.59
20001 to 30000 Shares	21	15	5,04,008	369,329	2.65	1.94
30001 to 40000 Shares	10	10	3,58,051	349,068	1.88	1.84
40001 to 50000 Shares	5	5	2,21,345	235,450	1.16	1.24
50001 to 100,000 Shares	10	6	6,43,396	378,545	3.39	1.99
100001 to 1,000,000 Shares	13	18	59,18,142	7,039,261	31.15	37.05
Over 1,000,000 Shares	4	6	58,13,632	7,807,132	30.60	41.09
Total	3,893	2,101	1,90,00,000	19,000,000	100	100

12.05 Market Price of Shares:

The shares are listed with Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd. and quoted at Tk. 67.60 on 30 June, 2021 (Face value Tk. 10.00) and Tk. 74.00 on 30 June, 2020 (Face value Tk. 10.00)

	2021 Taka	2020 Taka
13.00 DIVIDEND EQUALIZATION RESERVE:		
Dividend Equalization Reserve is made-up as follows:		
Balance as on 01 July	1,32,79,866	1,50,00,000
Less: Dividend for the year 2018-2019 approved in the AGM	-	(17,20,134)
Balance as on 30 June	<u>1,32,79,866</u>	<u>1,32,79,866</u>

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.

14.00 REVALUATION RESERVE:

A revaluation of Land, Buildings and 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:



	2021 Taka	2020 Taka
Land and land development	13,90,28,020	13,90,28,020
Factory Building & Other Civil Constructions	11,06,63,849	11,06,63,849
Plant & Machinery	22,73,69,650	22,73,69,650
	47,70,61,519	47,70,61,519
Less: Depreciation on Revalued Assets till 30.06.2021 (Note-5.01)	16,17,32,078	14,99,61,988
	31,53,29,441	32,70,99,531
Less : Adjustments for Deferred Tax	4,72,99,416	4,90,64,930
Balance as on 30 June	26,80,30,025	27,80,34,601

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

- i) Effective date of valuation 18th April, 2011
- ii) Intial reserve of revaluation amount of Tk. 477,061,519

15.00 **RETAINED EARNINGS:**

Balance as on 01 July	1,41,35,642	1,38,309
Less: Proposed dividend for the period 2019-2020 as approved in the AGM	18,40,134	-
	1,22,95,508	1,38,309
Add: Net profit/(loss) after tax for the year	(2,43,06,924)	14,20,266
	(1,20,11,416)	15,58,575
Add: Revaluation Surplus Realized	1,17,70,089	1,25,77,067
Balance as on 30 June	(2,41,327)	1,41,35,642

16.00 **UNSECURED LOAN:**

Mr. Mohammed Abdullah, Chairman	1,94,48,060	1,84,48,060
Mr. Md. Golam Kibria, Managing Director	59,14,175	59,14,175
Mr. Md. Golam Mostofa, Director	44,64,830	44,64,830
Mrs. Hosne Ara Begum, Director	38,00,000	38,00,000
Mr. Md. Golam Haider, Director	59,57,975	59,57,975
Mr. Md. Golam Morshed, Director	32,07,475	32,07,475
Mr. Md. Golam Rasul Muktadir, Director	32,07,475	32,07,475
	4,59,99,990	4,49,99,990

The above loans from directors are interest free.

17.00 **LONG TERM LOAN:**

HPSM Commercial Loan	18,16,07,082	39,41,714
Loan Under BMRE of Existing Projects	-	6,51,57,141
Loan Under Tissue Projects	22,74,92,477	31,57,28,230
Bai Muazzal Term Loan	3,62,27,000	-
Term Loan	1,23,87,224	-
	45,77,13,783	38,48,27,085

	2021 Taka	2020 Taka
17.01 LONG TERM LOAN- MATURITY ANALYSIS:		
Due within the period- Current Portion	7,90,33,739	5,49,75,298
Due after more than the period- Non-Current Portion	37,86,80,044	32,98,51,787
	45,77,13,783	38,48,27,085

17.02 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. 311,622,321 against sanction amount of total long term loan Tk. 481,000,000.

Rate of Interest:

Interest rate is 9% 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 @ 9% 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.

Securities:

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

Purpose:

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

18.00 DEFERRED TAX LIABILITY:

Balance as on 01 July	5,60,25,616	4,96,03,173
Deferred Tax (Income)/ Expenses for the year -(Note-18.01)	(10,95,571)	64,22,443
Investment in shares (Note-18.02)	3,57,134	-
	5,52,87,178	5,60,25,616
Add: Deferred Tax for Revaluation Surplus	4,72,99,416	4,90,64,930
Balance as on 30 June	10,25,86,595	10,50,90,546

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 30.06.2021 has been shown at Note-18.01 & 18.02.



18.01 Calculation of Deferred Tax Liability

	2021 Taka	2020 Taka
(a) Carrying Amount of Property, Plant and Equipment (less revaluation and land value) as on 30 June.	45,46,32,644	47,66,36,944
(b) Tax Based Property, Plant and Equipment.	21,04,99,112	25,25,34,481
(c) Net Taxable Temporary Differences (a-b).	24,41,33,531	22,41,02,463
(d) Deferred Tax liability at effective Tax Rate 22.5%.	5,49,30,045	5,60,25,616
(e) Deferred Tax expenses on Net Taxable Temporary differences @22.5%.	(10,95,571)	64,22,443

Carrying amount of Property, Plant & Equipment represents net written down value of assets as on 30.06.2021

18.02 Investment in Shares

(a) Carrying Amount of Investment in Shares (Market value) as on 30 June	1,98,27,757	-
(b) Tax Based Investment in Shares (Cost Value) as 30 June	1,62,56,420	-
(c) Net Taxable Temporary Differences (a-b)	35,71,337	-
(d) Deferred Tax liability at effective Tax Rate 10%	3,57,134	-

19.00 SHORT TERM LOAN AND OVERDRAFT:

Social Islami Bank Ltd, Agrabad Branch- Bai Muazzal Commercial-(CC)	13,34,38,201	16,34,13,698
Social Islami Bank Ltd, Agrabad Branch-CD A/C - 0041330027978	6,30,624	-
UPAS Loan from Social Islami Bank Ltd.	1,75,04,170	77,11,090
Mercantile Bank Ltd. A.K Khan Branch-Cash Credit (CC) Hypo A/C:117577521729167	4,17,35,265	4,39,82,530
Biam Wes Bills, MBE & LATR Loan from Social Islami Bank Ltd.	33,67,576	48,78,453
National Bank Ltd, Pahartali Branch- CD A/C-005533008427/54103	14,06,853	21,06,487
Islami Bank (BD.) Ltd, Agrabad Branch CD A/C No-20501030100588315	1,65,677	34,239
UPAS Loan from Mercantile Bank Ltd.	-	89,43,502
LTR, Sight LC Loan From Mercantile Bank Ltd.	81,66,351	1,11,01,808
Other Short Term Loan	1,20,72,550	1,66,87,635
	21,84,87,266	25,88,59,442

19.01 Short Term Borrowing:

Particulars	Note	2021	2020
		TK.	TK.
Short term loan and overdraft	19.00	21,84,87,266	25,88,59,442
Long term loan-current portion	17.01	7,90,33,739	5,49,75,298
	TOTAL	29,75,21,005	31,38,34,740

- (a) 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.
- (b) Cash Credit (Hypo) was sanctioned by the Mercantile Bank Limited, A.K Khan Moor Branch on the date of 28th May 2017. It is renewable.
- (c) Limit of Bai-Muazzal (Commercial Trading)-CC A/C: 0041330027978 Loan was Tk. 13 (Thirteen) crore.
- (d) Limit of Cash Credit (CC) Hypo A/C:117577521729167 was Tk. 04 (Four) crore.
- (e) SIBL Loan bears interest @ 9% and Mercantile Bank Ltd. Loan bears interest @ 9% p.a. respectively.
- (f) Land, Building and Machinery has been placed as prime securities against the Loan.
- (g) Personal Guarantee of Directors.

20.00 ACCRUED EXPENSES:	2021 Taka	2020 Taka
Audit Fee	3,98,250	2,24,250
Directors Remuneration	4,00,000	2,00,000
Electricity Bill-(Factory)	14,22,615	19,89,311
Electricity Bill-(H/O)	-	2,819
Electricity Bill-(Dhaka Office)	-	12,593
Electricity Bill-(Tissue Unit)	12,56,794	5,69,778
Gas Bill Factory	89,36,985	1,56,77,957
Gas Bill Factory Canteen	12,762	11,409
Gas Bill (H/O)	739	31
Food Allowance	1,55,329	96,128
Mobile Bill	-	31,420
Office Rent	4,25,000	1,25,000
Overtime	31,37,260	25,57,891
Salary & Allowances (D/O)	64,000	61,800
Salaries, Wages and Allowances (H/O)	8,06,462	6,01,951
Staff Salary & Allowances Factory	15,84,677	2,81,119
Telephone Bill	-	2,617
Wages & Allowances	39,51,813	21,62,639
Staff Salary (Sales & Marketing)	28,69,097	14,54,759
Incentive Bonus (Factory)	28,590	-
	2,54,50,373	2,60,63,472

21.00 WORKERS PROFIT PARTICIPATION & WELFARE FUND:

Balance as on 01 July	11,26,585	5,89,829
Add: Provision made during the year	-	5,36,756
	11,26,585	11,26,585
Less: Payment made during the year	-	-
Balance as on 30 June	11,26,585	11,26,585

**21.01 Provision made during the year for WPPF and Welfare Fund:**

Profit before tax and WPPF and Welfare Fund
 Cash dividend received from investment
 Profit applicable for WPPF and Welfare Fund
 Contribution to WPPF and Welfare fund at 5%

2021 Taka	2020 Taka
-	1,12,71,875
-	-
-	1,12,71,875
-	5,36,756

The above amount lies as the 10% payable to Bangladesh Workers' Welfare Foundation Fund. As specific directive as to on which account it should be deposited is not available. This amount has been kept as provision. Upon clear guidance from Labor Welfare Foundation, the amount shall be transferred.

22.00 TRADE PAYABLES:

Abul Khair Steel Melting Ltd.	15,19,802	15,19,802
Aramit Cement Ltd.	-	1,76,660
Azad Engineering Workshop	5,27,150	7,82,300
Bismillah Electric and Cables	-	1,17,008
Bismillah Traders Ashique	-	1,37,347
- Cartoon Nirman Ltd.	40,38,633	18,13,393
- City Lub Oil Industries Ltd.	1,31,757	1,31,757
Garibe Newaz Traders	-	15,000
Gentech Energy	-	2,09,986
Instrumentation Co-operative	35,000	40,000
Munna Enterprize	-	43,77,070
International Bearing	1,98,083	81,905
Islam & Brothers	4,06,286	1,36,428
Khaja Garibe Newaj Five Star Enterprise	2,149	2,109
M/s. Dohar Chemicals	34,72,765	38,32,665
Mamun Hardware Store	11,00,176	59,713
Mohsin Enterprise	-	3,54,470
Noor Hardware Mart	59,781	59,000
Organic Bangladesh Corporation	1,49,000	1,53,000
Raj Bearing	44,130	1,04,130
S.R Packaging	85,28,720	56,36,589
Sakib Enterprise	1,75,670	1,50,00,000
Say Automation & Engineering	1,30,000	1,62,000
Hossain Box Industries	12,48,631	4,07,563
Indowater Solution	10	10
Arif Traders	-	12,72,225
Arman & Brothers	80,000	80,000
Baizid Newsprint Mills Ltd/ Chittagong Packages Ltd	3,71,153	9,12,305
Boiler Techno Crafts Engineering	25,000	80,000
Khaja Polythene Mart	36,556	1,200
Emu Enterprise	2,73,523	1,76,828
Ispahani Marshall Ltd.	81,380	91,380
RFL Plastic Ltd.	1,88,500	1,93,100
Shah Amanat Enterprise (Chemical)	7,53,435	5,32,685

	2021 Taka	2020 Taka
Sheto Enterprise	30,26,963	32,36,860
Sion Enterprise (Chemical)	26,450	31,150
Taslima Enterprise	1,63,345	2,29,086
Unimax Chemicals	8,23,950	13,15,500
United Trading Agency	5,93,054	6,21,194
S K Traders	-	4,18,740
Other Payables	1,71,41,422	59,84,932
	4,53,52,473	5,04,87,090

23.00 CURRENT TAX LIABILITIES:

Balance as on 01 July	1,28,05,342	99,12,932
Provided during the year:		
Against current year	23,68,479	28,92,410
	23,68,479	28,92,410
Total	1,51,73,822	1,28,05,342
Balance as on 30 June	1,51,73,822	1,28,05,342

23.01 Computation of Provision for Income Tax:

23.01.1 Net profit before tax		(2,30,34,016)	1,07,35,119
Less: Other income to be considered separately			
Dividend Income	7,40,196		9,31,533
Profit on Sale of Shares	25,07,544		4,56,673
Interest on FDR	2,91,495		1,05,180
Commission Income- Insurance Premium	87,985		-
Miscellaneous Income	11,51,105	47,78,325	74,90,083
		(2,78,12,341)	17,51,650
Add: Accounting depreciation		4,39,17,634	4,66,13,051
		1,61,05,293	4,83,64,701
Add: Inadmissible expenses			
Entertainment expenses	5,28,498		3,95,597
Miscellaneous expenses	64,280	5,92,778	3,000
		1,66,98,071	4,87,63,298
Less: Tax depreciation u/s 29		5,21,78,614	6,26,37,882
Business Income/(Loss)		(3,54,80,542)	(1,38,74,584)
Add: Other income to be considered separately			
Dividend Income	7,40,196		9,31,533
Profit on Sale of Shares	25,07,544		4,56,673
Interest on FDR	2,91,495		1,05,180
Commission Income- Insurance Premium	87,985		-
Miscellaneous Income	11,51,105	47,78,325	74,90,083
Total Income/(Loss)		(3,07,02,218)	(48,91,112)



	2021 Taka	2020 Taka
23.01.2 Minimum Tax:		
Total receipt against sales	38,99,68,195	47,30,84,915
Total receipt against other income	47,78,325	89,83,469
Total	39,47,46,520	48,20,68,384
Minimum Tax @ 0.60% on gross receipt of Tk. 394,746,520	23,68,479	28,92,410

Compared with tax on business income and minimum tax higher one has been made provision.

24.00 LIABILITIES FOR OTHER FINANCE:

I.T. Deducted at Source	-	4,38,077
VAT Deducted at Source	-	39,986
Loan From Farhana Ferdous	1,60,00,000	-
Loan From Farhana Tarannum	1,46,00,000	-
	3,06,00,000	4,78,063

25.00 UNCLAIMED DIVIDEND:

Balance as on 1st July	29,17,528	28,99,731
Add: Proposed dividend for the year 2019-2020 approved in the AGM	15,67,340	14,53,415
	44,84,868	43,53,146
Less: Dividend Paid	15,10,716	14,35,618
Balance as on 30 June	29,74,152	29,17,528

25.01 Summary of Unclaimed Dividend:

The dividend declared at the annual general meeting is required to be paid within 30 days from the date of approval of the said dividend. Accordingly, the dividend amount is transferred to the shareholder's account through BFTN system within 30 days from the dated of approval of dividend. The company transfers the dividend amount to an unclaimed dividend account when the amount returns from the shareholders bank account due to invalid account, account frozen, unable to locate account, no accounts numbers are available etc.

The company send the dividend amount to its shareholders through "Dividend Warrant" by post (Registered Ad) those who are holding paper format shares. The company transfers the dividend amount to an unclaimed dividend account when the dividend warrant returns due to wrong address of shareholders. Any amount lying in the said account is termed as unclaimed dividend amount.

The details of unclaimed dividend as 30 June 2021 are as follows:

Sl. No.	Financial Year	Rate of Dividend Declared	Date of Approval of Dividend	Unclaimed Dividend as on 30 June 2021	Unclaimed Dividend as % of total dividend payable
01	2004-2005	5% on Public Shares	18/12/2005	37,000	0.93%
02	2005-2206	8% on Public Shares	24/12/2006	1,65,440	1.39%
		5% on Sponsors			
03	2006-2007	8% on Public Shares	13/12/2007	2,03,428	1.56%
		6% on Sponsors			
04	2007-2008	8% All Shareholders	21/12/2008	1,88,652	1.24%
05	2008-2009	10% All Shareholders	13/12/2009	2,69,078	1.42%

06	2009-2010	5% All Shareholders	15/12/2010	1,53,825	1.62%
07	2010-2011	5% All Shareholders	17/12/2011	2,54,350	2.68%
08	2011-2012	5% All Shareholders	29/12/2012	2,06,138	2.17%
09	2012-2013	5% All Shareholders	30/12/2013	2,31,120	2.43%
10	2013-2014	5% on Public Shares	7/12/2014	1,82,493	2.49%
		3% on Sponsors			
11	2014-2015	5% All Shareholders	6/12/2015	3,00,600	3.16%
12	2015-2016	5% on Public Shares	4/12/2016	2,98,029	7.35%
13	2016-2017	0%	24/12/2017	-	-
14	2017-2018	3% All Shareholders	27/12/2018	3,05,650	5.36%
15	2018-2019	2% on Public Shares	26/12/2019	95,700	5.56%
16	2019-2020	2% on Public Shares	29/12/2020	82,650	4.49%
Total Unclaimed Dividend Amount				29,74,152	

The company has circulated a notice to the shareholders regarding transfer of unclaimed dividend amount to the Capital Market Stabilization Fund (CMSF) as per directive of BSEC No-BSEC/CMRRCD/2021-391/20/Admin/121 Dated 1st June 2021. As per circular published on the daily news paper, the last date of application for dividend was 31st August 2021. The dividend amount has already been paid those who has submitted the application for dividend amount as per circular.

26.00 DIRECTORS CURRENT ACCOUNT:

	2021 Taka	2020 Taka
Mr. Mohammed Abdullah, Chairman	2,08,00,000	60,00,000
Mr. Md. Golam Mostofa	30,00,000	-
Mr. Md. Golam Kibria	62,00,000	-
Mr. Md Golam Haider	45,00,000	-
Mr. Md. Golam Morshed	73,00,000	27,50,000
Mr. Md. Golam Rasul Muktadir	72,50,000	27,50,000
	4,90,50,000	1,15,00,000

These balances represent short term financial arrangement availed from directors as and when required to meet working capital. All transactions were made through account payee cheques.

27.00 REVENUE:

News Print Paper	17,09,86,800	30,55,19,266
M.G. Newsprint	7,97,00,956	7,12,60,879
Medium Paper	1,46,76,803	13,94,099
Tissues Paper	13,41,26,157	10,49,26,124
Khata	8,42,860	-
Gross Revenue	40,03,33,576	48,31,00,368
Less: Value Added Tax (VAT)	1,03,65,381	1,00,15,453
Net Revenue	38,99,68,195	47,30,84,915

28.00 COST OF GOODS SOLD:

Opening Stock of Raw Materials	5,36,59,078	4,07,84,052
Add: Purchase during the year	17,01,43,633	25,38,21,494
	22,38,02,711	29,46,05,546



	2021 Taka	2020 Taka
Less: Closing Stock of Raw Materials	8,55,42,241	5,36,59,078
Raw Materials Consumed	13,82,60,470	24,09,46,468
Add: Factory overhead:		
Salaries, Wages and Allowances	3,02,88,705	3,29,89,149
Overtime -Factory Worker	24,96,741	32,46,774
Food Allowance- Factory Staff	3,86,109	4,41,595
Labor Charge	32,000	50,847
Carriage Inward	8,76,205	7,96,365
Gas Bill (Boiler & Gas Generator)	4,20,56,394	2,93,03,376
Electric Bill	2,98,34,319	5,31,66,716
Consumable Spare & Store	33,27,808	39,96,136
Packing Material Consumed	22,68,960	-
Factory Maintenance	95,29,631	56,84,801
Loading Unloading Charge	1,34,47,953	1,61,25,973
Paper/Tissue/Khata Cutting Exp.	35,46,397	39,21,709
Fuel (Generator)	-	7,58,160
Fuel (Machine)	-	6,16,265
Fuel (Vehicle)	4,92,194	5,04,186
Medical & Medicine	61,583	1,02,746
Gas Generator Upkeep	76,655	1,33,529
Boiler Upkeep	30,000	10,000
Insurance Premium (Factory)	7,10,045	11,37,021
Laboratory Expenses	9,000	-
Canteen Expenses-Factory	1,42,589	1,04,874
Gas Bill (Factory Canteen)	1,03,517	83,286
Staff Tea, Tiffin (Factory)	72,060	-
Export Related Expenses	2,804	-
Depreciation	4,33,65,908	4,59,77,628
	32,14,18,048	44,00,97,604
Add: Opening Work-in-Process	2,92,25,078	1,29,64,838
	35,06,43,126	45,30,62,442
Less: Closing Work-in-Process	2,93,41,560	2,92,25,078
Cost of Production	32,13,01,566	42,38,37,364
Add: Opening Stock of Finished Goods	9,16,50,113	6,35,45,333
	41,29,51,679	48,73,82,697
Less: Closing Stock of Finished Goods	8,25,98,829	9,16,50,113
Cost of Goods Sold	33,03,52,850	39,57,32,584

29.00 ADMINISTRATIVE EXPENSES:

Managing Director Remuneration	Notes-29.01	2,58,500	6,15,300
Staff Salary & Allowances & Bonus		74,35,504	72,34,562
Office Rent		3,75,000	3,40,000
Telephone Bill		6,94,392	4,58,527
Entertainment		5,28,498	3,95,597
Staff Tea, Tiffin		12,452	19,870
Travelling Expenses		2,09,638	3,54,211

	2021 Taka	2020 Taka
Dhaka Office Expenses	1,28,268	30,005
Canteen Expenses	7,690	5,520
Postage & Courier	28,878	1,37,690
Forms, Stamp & Legal Documents	3,645	13,898
Fees, Renewal & Subscription	8,27,294	4,46,464
Printing & Stationery	1,01,734	86,701
Gas Bill H/O	86,150	6,865
Board Meeting Attendance Fees	4,40,000	3,29,100
Audit Committee Meeting Attendance Fees	1,69,000	83,000
NRC Meeting Attendance Fees	12,500	-
Board Meeting Expenses	2,546	22,328
B.O Maintenance Fees	952	2,768
Office Maintenance	3,28,925	3,95,884
Telephone, Fax, E-mail	-	500
Intranet Bill (BBTSL)	58,150	71,550
Internet Bill (BBTSL)	77,650	77,000
BRAC Net Limited	2,100	-
- Audit Fee	4,27,050	2,24,250
- Conveyance	3,42,007	11,30,154
Miscellaneous Expenses	64,280	3,000
Legal & Professional Fee	66,000	45,000
AGM Expenses	3,07,838	2,49,825
Annual Subscription Fee of CSE, DSE	1,90,000	-
Annual Subscription Fee of CDBL	1,12,000	-
Electric Bill- Head Office	2,10,000	2,80,000
Electric Bill- Dhaka Office	26,190	-
Fuel (Vehicle)	5,24,201	8,72,632
Vehicle Upkeep	5,70,829	4,54,003
Insurance Premium	-	23,197
Water Bill- Dhaka Office	5,340	-
Website Expenses	27,728	2,000
Rent, Rates , Taxes	84,869	37,650
Depreciation	5,51,726	6,35,423
	1,52,99,525	1,50,84,474

Notes-29.02

29.01 Key Management Personal Compensation:

Short term employee benefits	2,58,500	6,15,300
Long term employee benefits	-	-
Post employee benefits	-	-
Termination benefits	-	-
Share -based payments expenses	-	-
Total	2,58,500	6,15,300



- (a) The above short term employee benefits includes only remuneration amounting Tk. 258,500 paid to The Managing Director
- (b) No remuneration is paid to any other director of the board other than meeting attendance fees which has been separately reported.
- (c) No amount was spent by the company for compensating any other member of the Board of Directors for special services rendered.
- (d) In addition to remuneration, Managing Directors avail company vehicles for transportation purposes. These key management personnel are not entitled to any other benefits. No amount is lying as receivable from the directors.

29.02 Audit fees include VAT for the audit of financial statements of the company for the year 2020-2021.

	2021 Taka	2020 Taka
30.00		
<u>SELLING & DISTRIBUTION EXPENSES:</u>		
Sales Promotion Expenses	2,68,218	61,068
Staff Salary (Sales & Marketing)	1,03,57,038	74,93,263
Festival Bonus (Sales & Marketing)	2,88,473	-
Conveyance-Tissue	11,91,766	-
Advertisement	2,05,980	1,85,788
	1,23,11,475	77,40,119
31.00		
<u>FINANCIAL EXPENSES:</u>		
Bank Charges	5,62,474	4,18,440
Interest Expenses on Cash Credit	85,69,623	19,20,929
Interest on Short Term Loan	6,57,260	1,96,20,850
Interest on Long Term Loan	4,95,50,071	3,00,22,511
Loan Processing Fee	4,34,198	-
Foreign currency exchange gain/(loss) Notes-31.01	43,061	87,341
	5,98,16,687	5,20,70,070
31.01		
<u>Foreign currency exchange (gain)/loss:</u>		
Realized foreign currency transaction (gain)/loss	1,61,19,218	1,59,81,382
Unrealized foreign currency transaction (gain)/loss	1,60,76,156	1,58,94,041
Realized foreign currency exchange loss made during the year	43,061	87,341
32.00		
<u>NON-OPERATING INCOME:</u>		
Dividend Income	7,40,196	9,31,533
Profit on Sale of Shares	25,07,544	4,56,673
Interest on FDR	2,91,495	1,05,180
Commission Income Insurance premium	87,985	-
Miscellaneous Income	11,51,105	74,90,083
	47,78,325	89,83,469
33.00		
<u>DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT</u>		
Gas Generator at cost	-	1,00,00,000
Accumulated depreciation	-	(70,87,874)
Written down value at the time of disposal	-	29,12,126
Insurance claimed receipt	-	(27,42,864)
Loss on disposal	-	1,69,262

	2021 Taka	2020 Taka
34.00 DEFERRED TAX EXPENSES:		
(a) Deferred Tax Liability on 30 June	5,49,30,045	5,60,25,616
(b) Deferred Tax Liability on 01 July	5,60,25,616	4,96,03,173
Deferred Tax Expenses for the year (a-b)	(10,95,571)	64,22,443
35.00 EARNING PER SHARE:		
Calculation is shown below:		
Net Profit after tax	(2,43,06,924)	14,20,266
Number of shares outstanding	1,90,00,000	1,90,00,000
EPS	(1.28)	0.07
36.00 NET ASSET VALUE PER SHARE WITH REVALUATION:		
Calculation is shown below:		
Net Asset with Revaluation	47,42,82,768	49,06,46,274
Number of shares outstanding	1,90,00,000	1,90,00,000
Net asset value per share	24.96	25.82
37.00 NET ASSET VALUE PER SHARE WITHOUT REVALUATION:		
Calculation is shown below:		
Net Asset without revaluation	20,62,52,742	21,26,11,673
Number of shares outstanding	1,90,00,000	1,90,00,000
Net asset value per share	10.86	11.19
38.00 NET OPERATING CASH FLOW:		
Calculation is shown below:		
Net cash flow from operation	39,06,066	(1,41,85,168)
Number of shares outstanding	1,90,00,000	1,90,00,000
Net operating cash generated by per share	0.21	(0.75)

39.00 Number of Employees:

The total employees of the company as on June 30, 2021 stood at 295 nos comprising Head office staff 48 nos, Factory office staff 11 nos, Security 03 nos, Driver And helper 04 nos, Permanent worker 51 nos and Temporary worker 178 nos.

Number of employees whose monthly salary was below Tk. 3,000	-	-
Number of employees whose monthly salary was above Tk. 3,000	295	158

40.00 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. The company has exposure to the following risks from its use of financial instruments.

- a) **Credit Risk**
- b) **Liquidity Risk**
- c) **Market Risk**

40.01 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 News Print Paper, M.G News print, Medium Paper and Tissues paper.

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

	2021 Taka	2020 Taka
a) Exposure of Credit risk:		
Trade receivables	17,01,59,452	14,87,44,551
Advance, Deposit and Prepayments excluding Deposit & Prepayments.	7,22,95,257	11,07,09,738
Bank Balances	62,79,829	1,03,91,852
	24,87,34,538	26,98,46,141
b) Ageing of Trade Receivables are as follows:		
Below-30 Days	2,89,27,107	3,12,36,356
Within 31 -60 Days	4,59,43,052	4,61,10,811
Within 61-90 Days	2,89,27,107	2,97,48,910
Within 90 - 180 Days	2,72,25,512	2,67,74,019
Above 180 Days	3,91,36,674	1,48,74,455
	17,01,59,452	14,87,44,551

40.02 b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates. Moreover, the Company has short term credit facilities with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly.

40.02.01 Exposure to Liquidity risk:

The followings are the contractual maturities of financial liabilities:

Non-derivative financial liabilities	Carrying amount	Within 12 month	More than 12 month	Total
Unsecured Loan	4,59,99,990	-	-	4,59,99,990
Long Term Loan-non-current portions	37,86,80,044	7,90,33,739	-	45,77,13,783
Short Term Loan & Overdraft	21,84,87,266	21,84,87,266	-	21,84,87,266
Accrued Expenses	2,54,50,373	2,54,50,373	-	2,54,50,373
Workers Profit Participation and Welfare Fund	11,26,585	11,26,585	-	11,26,585
Trade Payables	4,53,52,473	4,53,52,473	-	4,53,52,473
Current Tax Liabilities	1,51,73,822	1,51,73,822	-	1,51,73,822
Liabilities for Other Finance	3,06,00,000	3,06,00,000	-	3,06,00,000
Directors Current Account	4,90,50,000	4,90,50,000	-	4,90,50,000
TOTAL	80,99,20,552	46,42,74,257	-	88,89,54,291

40.03 c) Market Risk:

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

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.

40.04 Pandemic Risk:

After being hit by 2nd wave of COVID-19 pandemic, all the schools, colleges and universities have stopped and offices work slowed down. With schools, colleges and universities shut, and government and private offices running on a limited scale in the midst of the deadly corona virus pandemic, people are mostly working from home online. The demand for paper and tissues has gone down. So both production, as well as sales, are facing fall. Besides, raw materials of paper are imported from abroad and because of this pandemic situation all the imports are hampered and most of the companies could not release the raw materials that reached in the port during lockdown. Thus, not only the company but also the industry as a whole is exposed to all the risks created by this pandemic.

41.00 CAPACITY UTILIZATION:

Particulars	2021	2020
Installed Capacity (in M.T) p.a	13,500	13,500
Actual Production (In M.T) p.a	3,918	5,175
% of Capacity Utilization p.a	29.03%	38.33%

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

- (i) Covid-19 Pandemic.
- (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.



42.00 RELATED PARTY TRANSACTION:

42.01

Name of the Parties	Relationship	Nature of Transactions	Balance as on July 1, 2020	Transaction during the year	Outstanding as on 30 June, 2021
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UNSECURED LOAN:

Mr. Mohammad Abdullah	Chairman	Loan Received	1,84,48,060	10,00,000	1,94,48,060
Mr. Md. Golam Kibria	Managing Director	Loan Received	59,14,175	-	59,14,175
Mr. Md. Golam Mostofa	Director	Loan Received	44,64,830	-	44,64,830
Mrs. Hosne Ara Begum	Director	Loan Received	38,00,000	-	38,00,000
Mr. Md. Golam Haider	Director	Loan Received	59,57,975	-	59,57,975
Mr. Md. Golam Morshed	Director	Loan Received	32,07,475	-	32,07,475
Mr. Md. Golam Rasul Muktedir	Director	Loan Received	32,07,475	-	32,07,475

DIRECTORS CURRENT ACCOUNT:

Mr. Mohammad Abdullah	Chairman	Loan Received	60,00,000	1,48,00,000	2,08,00,000
Mr. Md. Golam Kibria	Managing Director	Loan Received	-	62,00,000	62,00,000
Mr. Md. Golam Mostofa	Director	Loan Received	-	30,00,000	30,00,000
Mr. Md Golam Haider	Director	Loan Received	-	45,00,000	45,00,000
Mr. Md. Golam Morshed	Director	Loan Received	27,50,000	45,50,000	73,00,000
Mr. Md. Golam Rasul Muktedir	Director	Loan Received	27,50,000	45,00,000	72,50,000

43.00 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 Labor 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.

44.00 CASH FLOWS FROM OPERATING ACTIVITIES UNDER INDIRECT METHOD:

	2021 Taka	2020 Taka
Profit after Provision for Income Tax	(2,43,06,924)	14,20,266
*Rearranged		
Adjustment to Reconcile Profit before Tax provided by operating activities:		
Add : Depreciation	4,39,17,634	4,66,13,051
Add: Provision for Deferred Tax Expenses	(10,95,571)	64,22,443
Add: (Gain)/ Loss on disposal PPE	-	1,69,262
Add: Financial Expenses	5,98,16,687	5,20,70,070
A	7,83,31,825	10,66,95,092

	2021 Taka	2020 Taka
		*Rearranged
Changes in Working Capital		
(increase)/Decrease in Stock	(2,28,65,815)	(5,50,62,485)
(increase)/Decrease in Trade Receivables	(2,14,14,901)	(3,37,26,649)
(increase)/Decrease in Advance, Deposits & Prepayments	(5,08,24,247)	(24,49,653)
Increase/(Decrease) in Accrued Expenses	(6,13,099)	62,08,557
Increase/(Decrease) in Current portion of Long Term Loan	2,40,58,441	(4,04,53,286)
Increase/(Decrease) in Trade Payables	(51,34,617)	11,74,090
Increase/(Decrease) in Current Tax Liabilities	23,68,479	28,92,410
Increase/(Decrease) in Workers Profit Participation Fund	-	5,36,756
B	(7,44,25,759)	(12,08,80,260)
*Rearranged Net cash inflows/(out flows) from operating activities (A+B)	39,06,066	(1,41,85,168)

45.00 OTHER RELEVANT INFORMATION:

45.01 During the year 5 (Five) Board Meetings were held.

45.02 During the year 5 (Five) Audit Committee Meetings were held.

45.03 During the year 1 (One) Nomination and Remuneration Committee (NRC) Meetings was held.

45.04 The audit fee of Tk. 350,000 along with imposed VAT has been provided in the accounts as per decision taken in the 24th Annual General Meeting of the Company held on 29 December 2020.

45.05 The Compliance audit fee of Tk. 35,000 along with imposed VAT has been provided in the accounts as per decision taken in the 24th Annual General Meeting of the Company held on 29 December 2020.

45.06 There was no claim against the company not acknowledged as debt at the reporting date.

45.07 No amount of money was spent by the company for compensation to member of the board for special service rendered.

46.00 CONTINGENT LIABILITIES:

A contingent liability is a possible obligation that arises from past event and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or;

A person obligation that arise from past event but is not recognized because:

- 1) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- 2) the amount of the obligation can not be measured with sufficient reliability .

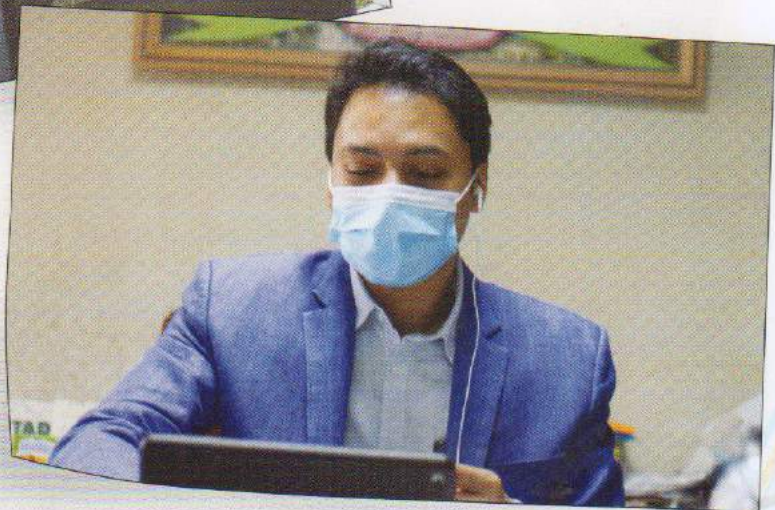
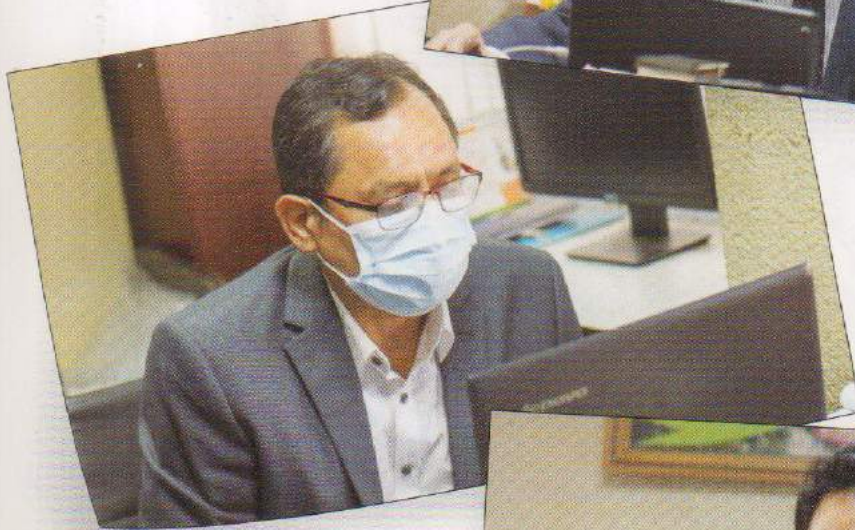
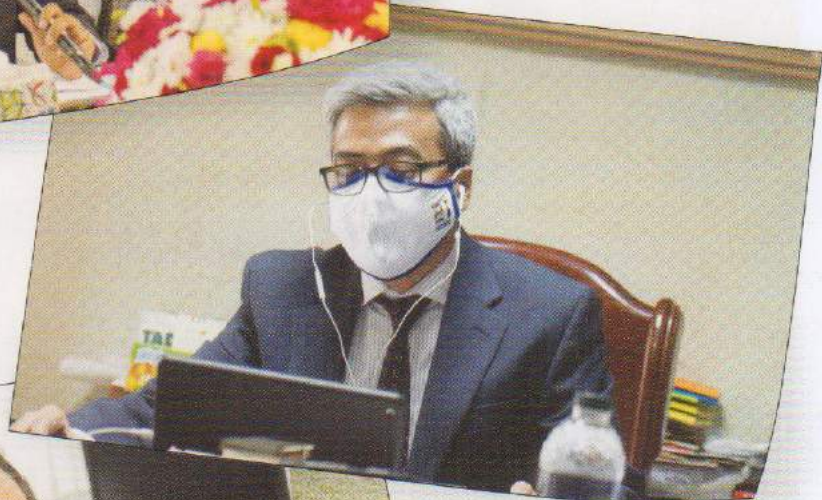
47.00 EVENTS AFTER REPORTING PERIOD:

47.01 The Board of Directors in its meeting held on November 13, 2021 approved the Audited Financial Statements and recommended cash dividend @ 1% only on general shareholders for the year 2020-2021 which is subject to approval of the shareholders in the next AGM. Thus total involvement comes to taka 1,021,067 which is subject to approval of the shareholders in the next AGM

47.02 Except above, no other significant event had occurred till date of signing the Financial Statements.



● *Glimpse of*
24th
Annual General Meeting 2020





Glimpse of
24th
Annual General Meeting 2020





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 25th Annual General Meeting of the Company to be held Monday the 27th December 2021 at 11.00 a.m. at virtually by using Digital Platform as per BSEC order SEC/SRM/04/231/25 July 08.2020 through the link <https://tinyurl.com/hakkaniagm2021> and at any adjournment thereof.

As witness my/our hand _____ this day of _____ 2021 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 the 25th Annual General Meeting of the Company to be held on Monday the 27th December 2021 at 11.00 a.m. at virtually by using Digital Platform as per BSEC order SEC/SRM/04/231/25 July 08.2020 through the link <https://tinyurl.com/hakkaniagm2021>.

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. No person shall be appointed proxy who is not member of the company.

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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