

**Partners:**

S.M. Shafique FCA  
Md. Abu Sina FCA  
Md. Anisur Rahman FCA  
Faruk Ahmed ACA  
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**Auditor's Report**  
**To the Shareholders**

We have audited the accompanying financial statements of “**HAKKANI PULP & PAPER MILLS LIMITED**”, which comprise the statement of financial position as at 30<sup>th</sup> June, 2018, and the related statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements:**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), Companies Act 1994 and The Securities and Exchange Rules 1987 and other applicable rules and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors' Responsibility:**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by managements, as well as evaluating the overall presentation of the financial statements.

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

**Branch Office:**

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60, Agrabad C/A, Chittagong.  
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E-mail: kwsrctg@gmail.com

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**Opinion:**

In our opinion, the financial statements present fairly, in all material respects, give a true and fair view of the financial position of **HAKKANI PULP & PAPER MILLS LIMITED** as at 30<sup>th</sup> June, 2018 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the companies Act, 1994 and The Securities and Exchange Rules 1987 and other applicable laws and regulations.

**We also report that:**

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit and made due verification thereof;
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- (c) The statement of financial position and the statement of profit or loss and other comprehensive income dealt with by this report are in agreement with the books of account;
- (d) The expenditures incurred and payments made were for the purposes of the company's business.

**Chattogram**

**Date: November 01, 2018**

*Khan Wahab Shafique Rahman & Co.*  
**Khan Wahab Shafique Rahman & Co.**

**Chartered Accountants**



**HAKKANI PULP & PAPER MILLS LIMITED**  
**Statement of Financial Position**  
**As at 30 June' 2018**

Particulars	Note(s)	2018 Taka	2017 Taka
<b>ASSETS</b>			
<b>Non Current Assets :</b>		<b>862,348,774</b>	<b>797,624,600</b>
Property, Plant and Equipment	04	629,115,458	614,265,985
Capital Work-In-Progress	05	233,233,316	183,358,615
<b>Current Assets:</b>		<b>408,788,580</b>	<b>346,704,236</b>
Investment in Shares	06	24,971,261	21,052,181
Inventories	07	87,859,086	69,843,495
Trade Receivables	08	131,964,797	98,632,005
Advances, Deposits & Prepayments	09	154,301,561	150,130,920
Cash & Cash equivalents	10	9,691,875	7,045,636
<b>TOTAL ASSETS</b>		<b>1,271,137,354</b>	<b>1,144,328,836</b>
<b>SHARE HOLDERS EQUITY &amp; LIABILITIES</b>			
<b>Shareholders Equity:</b>		<b>521,245,689</b>	<b>536,662,814</b>
Share Capital	11	190,000,000	190,000,000
Dividend Equalization Reserve	12	15,000,000	15,000,000
Revaluation Reserve	13	300,149,645	312,359,742
Fair Value Reserve	6.02	2,563,152	1,915,279
Retained Earnings	14	13,532,891	17,387,793
<b>Non Current Liabilities:</b>		<b>294,294,849</b>	<b>266,369,579</b>
Unsecured Loan	15	43,693,290	43,293,290
Long Term Loan	16.01	160,740,545	132,754,169
Deferred Tax Liability	17	89,861,013	90,322,120
<b>Current Liabilities:</b>		<b>455,596,815</b>	<b>341,296,443</b>
Short Term Loan & Overdraft	18	346,071,124	298,102,826
Accrued Expenses	19	14,555,777	5,277,091
Workers Profit Participation and Welfare Fund	20	589,829	589,829
Current Portion of Long Term Loan	16.01	10,632,000	10,632,000
Trade Payables	21	69,473,125	14,199,538
Current Tax Liabilities	22	6,995,420	5,293,314
Liabilities for Other Finance	23	2,679,540	2,601,845
Directors Current Account	24	4,600,000	4,600,000
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>1,271,137,354</b>	<b>1,144,328,836</b>
<b>Net Asset Value Per Share(with revaluation)</b>	33	<b>27.43</b>	<b>28.25</b>
<b>Net Asset Value Per Share(without revaluation)</b>	34	<b>11.64</b>	<b>11.81</b>

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

MANAGING DIRECTOR


  
DIRECTOR

COMPANY SECRETARY



Subject to our separate report of even date

Place: Chattogram  
Date: November 01, 2018

  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants

Chartered Accountants



**HAKKANI PULP & PAPER MILLS LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June, 2018**

Particulars	Note(s)	2018 Taka	2017 Taka
<b>Revenue</b>	25	282,589,254	341,138,173
Less: Cost of Sales	26	249,378,303	315,724,117
<b>Gross Profit / (Loss)</b>		<b>33,210,951</b>	<b>25,414,055</b>
<b>Less: Operating Expenses:</b>			
Administrative Expenses	27	13,072,394	12,213,473
Financial Expenses	28	35,601,011	31,507,222
Selling & Distribution Expenses	29	456,718	383,990
		49,130,123	44,104,685
<b>Operating Profit / (Loss)</b>		<b>(15,919,172)</b>	<b>(18,690,630)</b>
Add: Non-Operating Income	30	1,095,173	2,794,859
<b>Net Profit / (Loss) Before WPPF &amp; WWF</b>		<b>(14,823,999)</b>	<b>(15,895,771)</b>
Less: Contribution to Workers Profit Participation and Welfare Fund		-	-
<b>Net profit / (Loss) before Tax</b>		<b>(14,823,999)</b>	<b>(15,895,771)</b>
Less: Income Tax Provision:			
Current Tax		1,702,107	2,046,829
Deferred Tax	31	1,693,617	158,919
		3,395,724	2,205,748
<b>Net profit / (Loss) after Tax for the year</b>		<b>(18,219,722)</b>	<b>(18,101,520)</b>
<b>Other Comprehensive Income:</b>			
Deferred Tax on Revaluation Reserve		2,154,723	2,303,095
Unrealized Gain/ (Loss) on Investment in Shares	6.02	647,873	5,083,401
<b>Total Comprehensive Income</b>		<b>(15,417,126)</b>	<b>(10,715,024)</b>
<b>Earning Per Share - Basic</b>	32	(0.96)	(0.95)

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

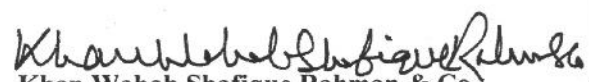
MANAGING DIRECTOR

  
DIRECTOR

  
COMPANY SECRETARY

Subject to our separate report of even date

Place: Chattogram  
Date: November 01, 2018

  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants



# HAKKANI PULP & PAPER MILLS LIMITED

## Statement of Cash Flows For the year ended 30 June, 2018

Particulars	Note(s)	2018 Taka	2017 Taka
<b>A. Cash flows from Operating Activities:</b>			
Cash Collection from Turnover & Others		250,351,702	280,166,559
Payment for Material and Expenses		(191,372,879)	(301,415,806)
Interest Paid		(35,601,011)	(31,507,222)
Income Tax Paid		(642,779)	(12,323,918)
<b>Net Cash flows from Operating Activities</b>	41	<b>22,735,034</b>	<b>(65,080,388)</b>
<b>B. Cash flows from Investing Activities:</b>			
Acquisition of Property, Plant & Equipment		(43,375,227)	(12,812,232)
Capital Work-In-Progress		(49,874,701)	(77,772,490)
Purchase of shares		(3,474,080)	(8,029)
Sale of shares		202,842	1,315,740
<b>Net cash flows from Investing Activities</b>		<b>(96,521,166)</b>	<b>(89,277,011)</b>
<b>C. Cash flows from Financing Activities</b>			
Short Term Loan & Overdraft		47,968,298	6,820,241
Secured Long Term Loan		27,986,376	121,556,662
Unsecured Loan Received		400,000	21,365,040
Liabilities for other finance		77,696	(55,593)
Dividend Paid		-	(4,057,097)
<b>Net Cash flows from Financing Activities</b>		<b>76,432,369</b>	<b>145,629,253</b>
<b>D. Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)</b>		2,646,237	(8,728,145)
<b>E. Opening Cash and Bank Balances</b>		7,045,636	15,773,779
<b>Closing Cash and Bank Balances (D+E)</b>		<b>9,691,875</b>	<b>7,045,636</b>
<b>F. Net Operating Cash Flows Per Share</b>		1.20	(3.43)


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

MANAGING DIRECTOR

  
DIRECTOR

  
COMPANY SECRETARY

Place: Chattogram  
Date: November 01, 2018

  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants



**HAKKANI PULP & PAPER MILLS LIMITED**

**Statement of Changes in Equity  
For the year ended 30 June, 2018**

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

**For the year ended 30 June, 2017**

Particulars	(Amount in Taka)					
	Share Capital	Dividend Equalization Reserve	Revaluation Reserve	Fair Value Reserve	Retained Earnings	Total
Balance as at 01 July, 2016	190,000,000	15,000,000	325,410,615	(3,168,122)	24,192,442	551,434,936
Adjustment of depreciation on carrying amount of revalued assets	-	-	(15,353,968)	-	15,353,968	-
Deferred Tax on Revaluation Surplus	-	-	2,303,095	-	-	2,303,095
Unrealized Gain/(Loss) on Investment in Shares	-	-	-	5,083,401	-	5,083,401
Dividend for the year 2015-2016	-	-	-	-	(4,057,097)	(4,057,097)
Net Profit after Tax for the year	-	-	-	-	(18,101,520)	(18,101,520)
<b>Balance as on 30 June, 2017</b>	<b>190,000,000</b>	<b>15,000,000</b>	<b>312,359,742</b>	<b>1,915,279</b>	<b>17,387,793</b>	<b>536,662,814</b>

MANAGING DIRECTOR

  
DIRECTOR

COMPANY SECRETARY





Place: Chattogram  
Date: November 01, 2018

## HAKKANI PULP & PAPER MILLS LIMITED

### Notes to the Financial Statements

For the year ended 30 June, 2018

#### 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 Chattogram 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.

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

##### 2.01 Statement of compliance:

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

##### 2.02 Application of International Accounting Standard (IAS):

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

IAS - 01	Presentation of Financial Statements
IAS - 02	Inventories
IAS - 07	Statement of Cash Flows
IAS - 08	Accounting Policies, Changes In Accounting Estimates and Errors
IAS - 10	Events after the Reporting year
IAS - 12	Income Taxes, Deferred Taxes.
IAS - 16	Property, Plant and Equipment
IAS - 18	Revenue
IAS - 19	Employee Benefits
IAS - 23	Borrowing Costs
IAS - 24	Related Party Disclosures
IAS - 32	Financial Instruments: Presentation
IAS - 33	Earning per Share
IFRS- 07	Financial Instruments: Disclosure
IFRS- 09	Financial Instruments

##### 2.03 Basis of Reporting :

The Financial Statements have been prepared and presented for external users by the company in accordance with identified Financial reporting framework. presentation has been made in compliance with the requirements of IAS 1 - "Presentation of Financial Statements "

- A Statement of Financial Position as at 30 June' 2018
- A Statement of Profit or Loss and other Comprehensive Income for the year ended 30 June' 2018
- A Statement of changes in equity for the year ended 30 June' 2018
- A Statement of Cash flows for the year ended 30 June' 2018
- Notes , comprising a summary of significant accounting policies and explanatory information.
- Comparative information prescribed by the Standard.



- 2.04 **Other Regulatory Compliances:**  
The entities are also required to comply with the following major laws and regulation along with the Companies Act, 1994.  
The Income Tax Ordinance, 1984  
The Income Tax Rules, 1984  
The Value Added Tax Act, 1991  
The Value Added Tax Rules, 1991  
The Customs Act, 1969  
Bangladesh Labour Act, 2006 as amended in 2013.  
The Securities and Exchange Rules, 1987
- 2.05 **Authorization for Issue :**  
These Financial Statement have been authorized for issue by the Board of Directors of the company on November 01, 2018.
- 2.06 **Basis of Measurement :**  
The Financial Statement have been prepared on going concern basis under the historical cost convention except for revaluation of non-current assets.
- 2.07 **Functional and presentation currency:**  
The Financial Statements are presented in Bangladesh Taka which is the company's functional currency. All financial information presented in BDT has been rounded off to the nearest Taka.
- 2.08 **Use of Estimates and Judgements:**  
The preparation of the Financial Statements in conformity with IAS and IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, actual results may differ from these estimates. Estimates and underlying assumption are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised in any future years affected.  
  
In particular, information about significant areas of estimation, uncertainty and critical Judgements in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statement's included in the following notes:  
  
Note: 04 Property, Plant and Equipment  
Note: 07 Inventories  
Note: 08 Trade Receivables  
Note : 09 Advances, Deposits & Prepayments  
Note: 17 Deferred Tax Liability  
Note : 21 Trade Payables
- 2.09 **Reporting year:**  
The financial year of the company covers one year from 01 July' 2017 to 30 June' 2018 and it is followed consistently.
- 3.00 **SIGNIFICANT ACCOUNTING POLICIES:**  
The accounting policies set out below have been applied consistently to all years presented in the Financial Statements. Certain comparative amounts have been reclassified to confirm with the current year's presentation.
- 3.01 **Property, plant and equipment:**
- 3.01.01 **Recognition and measurement:**  
Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditures that are directly attributable to the acquisition of the assets. The cost of self constructed/ installed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to the working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located.
- 3.01.02 **Subsequent costs:**  
The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future benefit embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of property, plant and equipment are recognized in profit and 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:

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

### 3.02 **Capital Work In Progress (Tissue Unit):**

The cost of capital work in progress relating to tissue unit comprises:

- 1) Its purchase price including import duties.
- 2) Any cost directly attributable to bringing the assets to be capable of operating in the manner intended by the Management.
- 3) The directly attributable cost also included cost of testing whether the assets are functioning properly after deducting the net proceeds from selling of trial production (such as samples produced when testing of equipments) as per paragraph 7(e) of IAS 16 property plant and equipment.

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 period 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 comprehensive income in accordance with paragraph 5.7.5 of BFRS 9.

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



3.05 **Inventories:**

Inventories are measured at lower of cost and net realizable value. The cost of inventories includes expenditure incurred in acquiring these inventories and bringing them to their existing location and condition in accordance with BAS-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 cost or NRV whichever is lower.
Work in Process	Work in process is valued at 75% of sales price.
Consumable stores	Based on weighted average method.
Packing materials	Based on weighted average method.

3.06 **Advances, deposits and prepayments:**

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

Deposits are measured at payment value.

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

3.07 **Cash and cash equivalents:**

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

3.08 **Employee benefit schemes:**

No provision has been made for Workers' Profit Participation Fund due to incurring loss during the year.

3.09 **Provisions:**

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

3.10 **Interest income and expenses:**

Interest income has been recognized on accrual basis.

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

3.11 **Borrowing Cost:**

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

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

3.12 **Contingencies:**

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

3.13 **Income Tax Expenses :**

**Current Tax**

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

**Deferred Tax**

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



3.14 **Revenue:**

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

3.15 **Earning Per Share (EPS):**

**Basic Earnings:**

This represents profit/(loss) for the year attributable to ordinary shareholders. As there is no preference dividend or extra ordinary items, the net profit after tax for the year less noncontrolling interest has been considered fully attributable to the ordinary shareholders.

**Diluted Earnings per share:**

No diluted earnings per share is required to be calculated for the year as there is no scope for dilution during the year.

3.16 **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.

3.17 **Comparative Information:**

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

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

3.18 **Significant Deviation:**

a) **Significant deviation in EPS**

Net profit has reduced due to fall in market price of the product.

4.00 **PROPERTY, PLANT & EQUIPMENT:**

Balance as on 01 July (including revaluation)

Add: Addition during the year

Less: Adjustment during the year

**Balance as on 30 June**

Less: Accumulated depreciation

**Written down value as on 30 June**

	2018 Taka	2017 Taka
	927,205,390	914,393,158
	43,375,227	12,812,232
	-	-
	<b>970,580,617</b>	<b>927,205,390</b>
	341,465,160	312,939,405
	<b>629,115,458</b>	<b>614,265,985</b>

(a) Details of Groupwise fixed assets with cost, addition and adjustment during the year, depreciation and written down value are shown at Note-4.01.



**4.01 PROPERTY, PLANT & EQUIPMENT:**

(Amount in taka)

Particulars	C			Rate of Dep.	D E P R E C I A T I O N			Written Down Value as on 30 June, 2018	
	Balance as on 01 July, 2017	Addition during the year	Disposal/ Adjustment during the year		Balance as on 01 July, 2017	Charged during the year	Balance as on 30 June, 2018		
<b>At Cost</b>									
Land & L and Development	42,987,242	596,000	-	-	-	-	43,583,242	43,583,242	
Building & Other Construction	77,521,559	8,778,746	-	5%	27,589,118	2,501,087	86,300,305	56,210,100	
Plant & Machinery	291,523,948	31,375,591	-	7%	156,535,912	9,449,353	322,899,539	156,914,275	
Furniture & Fixture	956,159	72,160	-	10%	441,202	56,990	1,028,319	530,128	
Office Equipment	2,805,663	185,960	-	10%	1,295,814	153,876	2,991,623	1,541,933	
Electric Installation	19,386,088	-	-	10%	9,323,161	1,006,293	19,386,088	9,056,635	
Gas Line Installation	3,832,191	-	-	10%	2,513,214	131,898	3,832,191	1,187,079	
Telephone Line Installation	132,263	-	-	10%	82,404	4,986	132,263	44,873	
Water Line Installation	6,756,669	6,000	-	10%	3,060,746	370,141	6,762,669	3,331,782	
Fire Extinguisher	111,870	-	-	20%	75,141	7,346	111,870	29,383	
Office Decoration	295,300	-	-	10%	197,370	9,793	295,300	88,137	
Vehicle Car	1,749,672	1,262,000	-	20%	1,559,715	184,591	3,011,672	1,267,366	
Motor Vehicle	2,085,247	838,000	-	20%	686,139	284,582	2,923,247	1,952,526	
Factory Equipment	-	260,770	-	20%	-	-	260,770	260,770	
<b>"A"</b>	<b>450,143,871</b>	<b>43,375,227</b>	<b>-</b>		<b>203,359,936</b>	<b>14,160,935</b>	<b>493,519,098</b>	<b>217,520,870</b>	<b>275,998,228</b>
<b>At Revaluation</b>									
Land & Land Development	139,028,020	-	-	-	-	-	139,028,020	139,028,020	
Building & Other Construction	110,663,849	-	-	5%	29,315,751	4,067,405	110,663,849	77,280,693	
Plant & Machinery	227,369,650	-	-	7%	80,263,718	10,297,415	227,369,650	136,808,516	
<b>"B"</b>	<b>477,061,519</b>	<b>-</b>	<b>-</b>		<b>109,579,469</b>	<b>14,364,820</b>	<b>477,061,519</b>	<b>353,117,229</b>	
<b>Grand total as on 30 June, 2018 (A+B)</b>	<b>927,205,390</b>	<b>43,375,227</b>	<b>-</b>		<b>312,939,405</b>	<b>28,525,755</b>	<b>970,580,617</b>	<b>341,465,160</b>	<b>629,115,458</b>
<b>As on 30 June 2017</b>	<b>914,393,158</b>	<b>12,812,232</b>	<b>-</b>		<b>282,741,365</b>	<b>30,198,041</b>	<b>927,205,390</b>	<b>312,939,405</b>	<b>614,265,985</b>

	2018	2017
	<b>Taka</b>	<b>Taka</b>
Administrative Expenses	410,235	285,425
Factory Expenses	28,115,519	29,912,616
<b>TAKA =</b>	<b>28,525,755</b>	<b>30,198,041</b>



	2018 Taka	2017 Taka
<b>5.00 CAPITAL WORK-IN-PROGRESS:</b>		
Capital Work-In-Progress Existing Unit (Note: 5.1)	14,091,269	43,419,211
Capital Work-In-Progress- Tissue Unit (Note: 5.2)	219,142,047	139,939,404
Balance as on 30 June	<b>233,233,316</b>	<b>183,358,615</b>

**5.1 Capital Work-In-Progress- Existing Unit:**

Particulars	Opening Balance	Addition during the year	Capitalized during the year	Closing Balance
Building & Other Construction	17,199,591	3,189,142	7,934,394	12,454,339
Plant & Machinery	26,114,897	5,927,312	31,371,959	670,250
Motor Vehicle	104,723	31,500	111,223	25,000
Electric Installation	-	941,680	-	941,680
<b>Total for Existing Unit</b>	<b>43,419,211</b>	<b>10,089,634</b>	<b>39,417,576</b>	<b>14,091,269</b>

**5.2 Capital Work-In-Progress- Tissue Unit:**

Particulars	Opening Balance	Addition during the year	Capitalized during the year	Closing Balance
Building & Other Construction	21,217,311	30,914,222	-	52,131,533
Plant & Machinery	118,722,093	26,347,992	-	145,070,085
Motor Vehicle	-	5,550	-	5,550
Net Cost of Sample Product (Note: 5.3)	-	21,934,879	-	21,934,879
<b>Total for Tissue Unit</b>	<b>139,939,404</b>	<b>79,202,643</b>	<b>-</b>	<b>219,142,047</b>

**5.3 Net Cost of Sample Product:**

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

Disclosure on cost of sample product has been given at note: 3.02(3)

**6.00 INVESTMENT IN SHARES:**

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

Name of company	No. of Shares	Cost	Market Value as on 30 June, 2018	Unrealized gain/ (loss)
Bank Asia Ltd.	7,860	81,593	134,412	52,819
Beximco Ltd.	41,834	1,550,974	1,096,051	(454,924)
Beximco Pharma Ltd.	7,999	356,040	751,106	395,066
Brac Bank Ltd.	9,330	158,404	664,296	505,892
DESCO Ltd.	15,308	647,711	644,467	(3,244)
Dhaka Bank Ltd.	36,916	332,955	524,207	191,252
Exim Bank Ltd.	59,497	1,269,789	708,064	(561,724)
Grameen Phone Ltd.	10,700	3,961,466	4,161,230	199,764
IBBL Mudaraba Bond	615	465,000	585,353	120,353
Islamic Finance and Invest. Ltd.	55,586	1,779,803	867,142	(912,661)
Islami Bank	10,570	376,381	251,566	(124,815)
Jamuna Oil Ltd.	2,299	271,160	427,844	156,684
Lafarge Holcim Bangladesh Ltd.	10,000	805,409	564,000	(241,409)
Meghna Petroleum Ltd.	2,402	249,415	454,939	205,524
Mercantile Bank Ltd.	26,472	305,303	450,024	144,721
MTBL	45,084	622,287	1,289,402	667,115
National Bank Ltd.	68,259	903,036	668,938	(234,098)
One Bank Ltd.	37,857	389,531	624,600	235,069
Premier Bank Ltd.	23,460	209,835	255,714	45,879
Prime Bank Ltd.	449	8,030	7,364	(666)
Rupali Bank Ltd.	31,623	1,724,218	1,236,459	(487,759)
Shahjalal Bank Ltd.	107,043	853,568	2,483,398	1,629,830
Southeast Bank Ltd.	99,162	1,040,447	1,556,901	516,454
Summit Power Ltd.	2,465	22,956	92,438	69,482
Squire Pharma Ltd.	7,654	1,826,477	2,243,387	416,911
Standard Bank Ltd.	22,000	249,996	275,000	25,004
Titas Gas Ltd.	13,250	766,553	530,000	(236,553)
Trust Bank Ltd.	48,400	1,179,770	1,422,960	243,190
<b>Total</b>	<b>804,094</b>	<b>22,408,108</b>	<b>24,971,261</b>	<b>2,563,152</b>

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

Unrealized Gain/ (Loss) Closing	2,563,152	1,915,279
Unrealized Gain/ (Loss) Opening	1,915,279	(3,168,122)
Gain/ (Loss) on Investment in Shares during the year	<b>647,873</b>	<b>5,083,401</b>

7.00 **INVENTORIES:**

a) **Raw Materials**

Wastage Paper  
Chemicals

b) **Finished Goods**

Bright Newsprint Paper  
Medium Paper  
Writing Printing Paper  
Tissue

c) **Work-In-Process**

d) **Consumable Store**

e) **Packing Material**

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

	2018	2017
	Value (Taka)	Value (Taka)
	25,603,758	17,401,914
	1,982,929	775,403
	<b>27,586,687</b>	<b>18,177,317</b>
	18,061,559	21,346,256
	2,619,501	2,959,420
	634,850	634,850
	11,648,780	-
	<b>32,964,689</b>	<b>24,940,526</b>
	16,211,881	15,629,855
	10,995,829	10,995,797
	100,000	100,000
	<b>87,859,086</b>	<b>69,843,495</b>

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

(b) Work-in-Process was valued taking 100% materials cost and 50% labour and overheads.

(c) Finished goods was valued at lower of cost or market price.

(d) Physical inventory was taken jointly by the representative of management and auditors at the year end.

(e) Inventory consists of a number of items for which the quantity could not be disclosed.

8.00 **TRADE RECEIVABLES:**

Ashraf Traders  
Babul Store  
Bangladesh Marine Hoist & House  
Dainik Azadi (Shapon chy)  
Dainik Purbokone (Swopon Chy)  
M.B Paper Cutting House  
Modern Biponi  
Nezam Paper House  
P.H.P Float Glass Ind. Ltd.  
Shah Amanat Paper Enterprise  
Well Paper Tube  
Sagorika Printers  
Shopon Chy Purbadesh  
Mizan Paper House  
M/S Soleman Store  
Abdul Mojid & Sons  
A. H Packaging & Accessories  
A. N. J Paper Industries  
Arif Enterprise  
Mahbub & Brothers  
Safe Goods Package  
Shah Godi Board House  
Signet Box Ltd.  
Interna Plastic (Pvt.) Ltd.  
Progressive Enterprise  
R R Package  
Aroma Packaging  
S. A Printing & Packaging  
Sayon Packaging Industry  
Shefa Package  
Patenga Pack & Accessories Industry Ltd.  
Brota Packages Ltd.  
Elite Paper House  
Rahman Enterprise  
Bismillah Enterprise  
S.K Traders  
Munna Enterprise  
Resimax Industries Ltd.  
Fahim Enterprise  
Sheto Enterprise  
Astral Associates  
Bokul Enterprise  
Rana Enterprise  
Sonarga Paper House  
Al-Amin Book Depo

	2018	2017
	Taka	Taka
	40,000	55,000
	47,084,238	64,088,681
	73,000	56,000
	1,774,891	1,000,177
	923,696	937,696
	-	29,366
	1,997,252	2,026,252
	536,791	553,791
	648,266	656,266
	474,164	474,164
	-	15,080
	-	186,315
	393,908	401,908
	53,500	62,500
	-	1,523,250
	548,865	516,907
	4,090,472	3,034,112
	384,600	393,600
	-	1,760,861
	-	648,542
	199,960	204,960
	-	14,720
	812,232	820,032
	2,413,260	1,298,160
	199,440	205,440
	677,620	546,720
	195,000	204,000
	184,808	191,808
	169,560	178,560
	1,577,280	776,160
	196,460	204,960
	178,760	185,760
	1,728,309	-
	46,295	-
	23,406,897	-
	20,416,627	-
	6,947,925	-
	1,916,730	-
	688,666	-
	795,040	-
	800,000	-
	614,976	-
	341,215	-
	634,031	-
	100,592	-



	2018 Taka	2017 Taka
Siam Paper House	140,920	-
Padma Accessories Ltd.	287,847	-
Paperaj Traders	64,075	-
Other Receivables	7,206,630	15,380,257
	<b>131,964,797</b>	<b>98,632,005</b>
(a) Trade Receivables are occurred in the ordinary course of business.		
(b) Trade Receivables are unsecured but considered good by the management.		
<b>Ageing of Trade Receivables:</b>		
Below-30 Days	27,712,607	20,712,721
Within 31- 60 Days	40,909,087	30,575,922
Within 61 - 90 Days	26,392,959	19,726,401
Within 90 - 180 Days	23,753,664	17,753,761
Above 180 Days	13,196,480	9,863,200
	<b>131,964,797</b>	<b>98,632,005</b>
<b>9.00 <u>ADVANCES, DEPOSITS &amp; PREPAYMENTS:</u></b>		
Advance Against Income Tax (Note: 9.1)	26,504,074	25,861,295
Advance Against Salary & Wages (Note: 9.2)	123,438	97,981
Advance Against Expenditure (Note: 9.3)	19,298,764	23,496,117
Advance Against L/C (Note: 9.4)	99,030,959	94,171,049
Deposits and Prepayments (Note: 9.5)	9,344,327	6,504,479
	<b>154,301,561</b>	<b>150,130,920</b>
<b>9.1 <u>Advance Against Income Tax</u></b>		
Advance Income Tax Paid	22,419,707	22,383,707
Advance Income Tax - Import	593,623	419,689
Advance Income Tax - Export	253,247	15,906
Advance Income Tax Deducted at Source	2,730,266	2,730,266
Advance Income Tax Deducted at Source (Dividend Income)	507,231	311,727
	<b>26,504,074</b>	<b>25,861,295</b>
<b>9.2 <u>Advance Against Salary &amp; Wages</u></b>		
	<b>123,438</b>	<b>97,981</b>
<b>9.3 <u>Advance Against Expenditure</u></b>		
Advance Against Purchase	254,100	253,600
Advance to Jamal Uddin	-	163,500
Advance for Land Purchase	-	283,000
Advance for Dhaka Office	259,700	259,700
Anima Development Limited	7,502,749	7,502,749
Advance to B.L International	144,500	180,000
Shahjahan & Brothers	75,000	100,000
Advance against Travelling expenses	2,682,897	2,605,985
Advance to BD Link	-	220,000
Advance against purchase print seller	-	2,597
VAT Current Account	107,141	14,318
Lanka Bangla Securities Ltd.	289,503	3,546,552
E Securities Limited	211	-
Advances for spares parts and other materials	7,982,963	8,364,116
	<b>19,298,764</b>	<b>23,496,117</b>
<b>9.4 <u>Advance Against L/C</u></b>		
	<b>99,030,959</b>	<b>94,171,049</b>
<b>9.5 <u>Deposits</u></b>		
Security Deposit (PBS-I)	3,321,100	821,100
Security Deposit (BGSL) Boiler	1,811,601	1,811,601
Security Deposit (BGSL) Generator	1,441,672	1,099,524
Security Deposit (PDB)	25,200	25,200
Security Deposit (GEP Holdings Ltd)	8,000	8,000
Security Deposit (Grameen Phone)	20,000	20,000
Security Deposit (BTCL)	6,000	6,000
Security Deposit (CDBL)	300,000	300,000
Security Deposit- Bank Gurantee Against Gas Generator	257,040	257,040
Security Deposit- Bank Gurantee Against Boiler	1,043,250	1,043,250
Security Deposit Container Purpose	1,110,464	990,464
-Security Deposit to RanksTel	-	2,300
Security Deposit to Tender Submission Purpose	-	120,000
	<b>9,344,327</b>	<b>6,504,479</b>

**10.00 CASH & CASH EQUIVALENTS:****Cash in Hand**

At Head Office  
At Dhaka Office  
At Factory

2018 Taka	2017 Taka
641,351	752,208
5,000	5,000
35,000	35,000
<b>681,351</b>	<b>792,208</b>

**Cash at Banks**

Bangladesh Krishi Bank Ltd., Agrabad Branch, CD A/C-2903-0210014807  
Social Islami Bank Ltd., Agrabad Branch-CC A/C - 0041330027978  
First Security Islami Bank Ltd., Agrabad Branch. STD A/C - 010413100000463  
Social Islami Bank Ltd., Agrabad Branch, STD Account-41300458  
National Bank Ltd., Pahartali Branch- CD A/C-005533008427  
AB Bank Ltd., PCR Branch, CD A/C-4127773938000  
Prime Bank Ltd., Laldighi East Branch, CD A/C -14511090025949  
Southeast Bank Ltd., Pahartali Branch, CD A/C-New # 005111100000671  
City Bank Ltd., Agrabad Branch CD A/C No 1101497955001  
Premier Bank Ltd., Agrabad Branch CD A/C No-010311100015243  
Premier Bank Ltd., CEPZ Branch CD A/C No-016711100000103  
NCC Bank Ltd., Panthapath Branch, CD A/C No- 0087-0210003867  
Standard Bank Ltd., Sadarghat Branch CD A/C No-04933000571  
Dhaka Bank Ltd., Jubilee Road Branch CD A/C No-18100000012482  
Islami Bank (BD.) Ltd., Agrabad Branch CD A/C No-20501030100588315  
Mercantile Bank Ltd., A.K Khan Branch CD A/C No-117511121143947  
Union Bank Ltd., Laldighi Branch CD A/C No-0611010000054  
Dhaka Bank Ltd., G.E.C (C.D.A) Branch CD A/C No-201009777  
Standard Bank Ltd., Jubilee Road Branch CD A/C No-01233005212  
United Commercial Bank Ltd., Pahartali Branch CD A/C No-0971101000000078

34,043	35,193
455,281	216,346
56,389	55,588
1,160,663	415,298
-	461,926
9,149	10,299
60,268	4,599,551
19,689	21,607
59,395	7,930
56,706	61,531
83,701	269,697
50,125	1,505
7,845	9,225
8,045	9,425
275,716	9,856
5,595,090	8,620
4,822	59,832
9,185	-
379,581	-
535	-
<b>8,326,228</b>	<b>6,253,427</b>
305,828	-
378,468	-
<b>9,691,875</b>	<b>7,045,636</b>

Fixed Deposit with Mercantile Bank Ltd., FDR # 117541322176882

Fixed Deposit with Mercantile Bank Ltd., FDR # 117541322894432

(a) Cash balance as on 30 June' 2018 was certified by management.

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





	2018 Taka	2017 Taka
<b>11.00 SHARE CAPITAL:</b>		
<b>11.01 Authorized:</b>		
50,000,000 Ordinary shares of Tk. 10.00 each.	<u>500,000,000</u>	<u>500,000,000</u>
<b>11.02 Issued, Subscribed and Paid-up:</b>		
85,00,000 Ordinary shares of Tk. 10.00 each fully paid up in cash.	85,000,000	85,000,000
1,05,00,000 Ordinary shares of Tk. 10.00 each fully paid up other than cash.	105,000,000	105,000,000
	<u>190,000,000</u>	<u>190,000,000</u>

**11.03 The break up of share holdings as on 30 June' 2018 is as follows:-**

Description	No of shares 30 June 2018	% of share holding 30 June 2018	No of shares 30 June 2017	% of share holding 30 June 2017
Sponsors	10,549,330	55.52	10,549,330	55.52
Investment Corporation of Bangladesh.	33,500	0.18	33,500	0.18
Bangladesh Development Bank Ltd.	1,580,800	8.32	1,580,800	8.32
Other Institution and General Public	6,836,370	35.98	6,836,370	35.98
<b>Total</b>	<b>19,000,000</b>	<b>100.00</b>	<b>19,000,000</b>	<b>100.00</b>

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

Range of Holdings	No. of Shareholders		No. of Shares		Holding %	
	2018	2017	2018	2017	2018	2017
Less than 500 shares	835	755	105,053	110,954	0.55	0.58
500 to 5000 Shares	1,043	954	1,595,353	1,464,872	8.40	7.71
5001 to 10000 Shares	112	119	848,679	908,924	4.47	4.78
10001 to 20000 Shares	57	42	752,101	598,618	3.96	3.15
20001 to 30000 Shares	18	11	438,776	283,377	2.31	1.49
30001 to 40000 Shares	3	6	98,700	209,625	0.52	1.10
40001 to 50000 Shares	2	3	95,580	144,610	0.50	0.76
50001 to 100,000 Shares	9	4	585,110	264,170	3.08	1.39
100001 to 1,000,000 Shares	15	18	6,846,182	7,430,384	36.03	39.11
Over 1,000,000 Shares	7	6	7,634,466	7,584,466	40.18	39.92
<b>Total</b>	<b>2,101</b>	<b>1,918</b>	<b>19,000,000</b>	<b>19,000,000</b>	<b>100.00</b>	<b>100.00</b>



	2018 Taka	2017 Taka
<b>12.00 DIVIDEND EQUALIZATION RESERVE:</b>		
Dividend Equalization Reserve is made-up as follows:		
Balance as on 01 July	15,000,000	15,000,000
Add: Transferred from Retained Earnings	-	-
Balance as on 30 June	<u>15,000,000</u>	<u>15,000,000</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.		
<b>13.00 REVALUATION RESERVE:</b>		
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 valuer and the surplus amount of these assets were transferred to Revaluation Reserve Account. Breakup of such surplus is as follows:		
Land and land development	139,028,020	139,028,020
Factory Building & Other Civil Constructions	110,663,849	110,663,849
Plant & Machinery	227,369,650	227,369,650
	<u>477,061,519</u>	<u>477,061,519</u>
Less: Depreciation on Revalued Assets till 30 June' 2018 (Note-4.01)	123,944,290	109,579,469
	<u>353,117,229</u>	<u>367,482,050</u>
Less : Adjustments for Deferred Tax	52,967,584	55,122,307
Balance as on 30 June	<u>300,149,645</u>	<u>312,359,742</u>
Revaluation Reserve relates to the revaluation of Property, Plant & Equipment.		
<b>14.00 RETAINED EARNINGS:</b>		
Balance as on 01 July	17,387,793	24,192,442
Less: Dividend for the year 2016-2017 as approved in the AGM	-	4,057,097
	<u>17,387,793</u>	<u>20,135,345</u>
Add: Net profit/(loss) after tax for the year	(18,219,722)	(18,101,520)
	<u>(831,929)</u>	<u>2,033,825</u>
Add: Revaluation Surplus Realized	14,364,820	15,353,968
Balance as on 30 June	<u>13,532,891</u>	<u>17,387,793</u>
<b>15.00 UNSECURED LOAN:</b>		
Mr. Mohammad Abdullah, Chairman	18,448,060	18,048,060
Mr. Md. Golam Mostafa, Managing Director	4,014,830	4,014,830
Mr. Md. Golam Kibria, Director	5,507,475	5,507,475
Mrs. Hosne Ara Begum, Director	3,800,000	3,800,000
Mr. Md. Golam Haider, Director	5,507,975	5,507,975
Mr. Md. Golam Morshed, Director	3,207,475	3,207,475
Mr. Md. Golam Rasul Muktadir, Director	3,207,475	3,207,475
	<u>43,693,290</u>	<u>43,293,290</u>
The above loans from Directors are interest free.		



	2018 Taka	2017 Taka
<b>16.00 LONG TERM LOAN:</b>		
HPSM Commercial Loan	10,279,211	12,483,717
Loan Under BMRE of Existing Projects	55,252,634	39,862,469
Loan Under Tissue Projects	105,840,700	91,039,983
	<b>171,372,545</b>	<b>143,386,169</b>
<b>16.01 LONG TERM LOAN- MATURITY ANALYSIS:</b>		
Due within the year- Current Portion	10,632,000	10,632,000
Due after more than the year- Non-Current Portion	160,740,545	132,754,169
	<b>171,372,545</b>	<b>143,386,169</b>

**16.02 TERMS OF LONG TERM LOAN:**

**Lenders:**

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

**Total loan facilities: Tk. 525,000,000**

**Interest rate:**

Interest rate is 14% per annum subject to change as per decision of the management of the Bank and variable depending on the situation of money market. The company currently enjoying the loan @ 13%.

**Disbursement:**

The disbursement of HPSM Commercial was made on November 24, 2015; BMRE on January 01, 2017 & Tissue Unit on May 17, 2017.

**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 new project (Tissue Project).

**17.00 DEFERRED TAX LIABILITY:**

Balance as on 01 July	35,199,812	35,040,893
Deferred Tax (Income)/ Expenses for the year -(Note-31)	1,693,617	158,919
	36,893,429	35,199,812
Add: Deferred Tax for Revaluation Surplus	52,967,584	55,122,307
	<b>89,861,013</b>	<b>90,322,120</b>

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 June' 2018 has been shown at **Note-17.01**.

**17.01 Calculation of Deferred Tax Liability:**

(a) Carrying Amount of Property, Plant and Equipment (less revaluation and land value) as on 30 June	232,414,986	203,796,693
(b) Tax Based Property, Plant and Equipment	84,841,271	62,997,446
(c) Net Taxable Temporary Differences (a-b)	147,573,715	140,799,247
(d) Deferred Tax liability at effective Tax Rate	36,893,429	35,199,812
(e) Deferred Tax expenses on Net Taxable Temporary differences	<b>1,693,617</b>	<b>158,919</b>



	2018 Taka	2017 Taka
<b>18.00 SHORT TERM LOAN AND OVERDRAFT:</b>		
Social Islami Bank Ltd., Agrabad Branch-CC A/C: 0041330027978	139,321,883	137,650,210
UPAS Loan from Social Islami Bank Ltd.	7,711,090	55,381,722
Biam Wes Bills, MBE & LATR Loan from Social Islami Bank Ltd.	125,954,646	55,043,669
Short Term Loan (Demand Loan-General) from Premier Bank Ltd.	-	49,972,884
Mercantile Bank Ltd., A.K Khan Branch-CC A/C:117577521729167	38,920,038	54,341
National Bank Ltd., Pahartali Branch- CD A/C-005533008427	14,488	-
Other Short Term Loan	34,148,980	-
	<b>346,071,124</b>	<b>298,102,826</b>

(a) Bai-Muazzal (Commercial Trading)-CC Loan was sanctioned by the Social Islami Bank Limited, Agrabad Branch on the date of 05 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 28 May' 2017.

(c) Limit of Cash Credit Loan was Tk. 13 (Thirteen) crore.

(d) Limit of Cash Credit (Hypo) was Tk. 04 (Four) crore.

(e) SIBL Loan bears interest @ 13% & Mercantile Bank Ltd. Loan bears interest @ 11.00% p a.

(f) Land, Building and Machinery has been placed as prime securities against the Loan.

(g) Personal Guarantee of Directors

<b>19.00 ACCRUED EXPENSES:</b>		
Agency commission on Sale	1,250,691	1,250,691
Audit Fee	115,000	100,000
Directors Remuneration	50,000	50,000
Electricity Bill-(Factory)	1,439,503	631,225
Electricity Bill-(H/O)	2,819	6,472
Electricity Bill-(Dhaka Office)	12,593	12,593
Electricity Bill-(Tissue Unit)	644,632	-
Gas Bill Factory	7,935,673	1,672,911
Gas Bill Factory Canteen	4,698	7,641
Gas Bill (H/O)	588	1,294
Food Allowance	21,480	13,480
Mobile Bill	21,382	14,172
Office Rent	15,000	15,000
Overtime	952,350	363,650
Salary & Allowances	16,500	31,500
Salaries, Wages and Allowances	202,784	163,400
Staff Salary & Allowances	487,330	281,647
Telephone Bill	2,617	2,617
Wages & Allowances	1,380,137	658,798
	<b>14,555,777</b>	<b>5,277,091</b>

<b>20.00 WORKERS PROFIT PARTICIPATION &amp; WELFARE FUND:</b>		
Balance as on 01 July	589,829	1,108,876
Add: Provision made during the year	-	-
	<b>589,829</b>	<b>1,108,876</b>
Less: Payment made during the year	-	519,047
Balance as on 30 June	<b>589,829</b>	<b>589,829</b>



21.00 <b>TRADE PAYABLES:</b>	<b>2018</b> <b>Taka</b>	<b>2017</b> <b>Taka</b>
A.M Poly Packaging	6,462	317,736
Abdur Rouf (C&F) Banapole	-	16,362
Azad Engineering Workshop	304,800	237,800
Aramit Cement Ltd.	254,475	1,015,200
Bismillah Electric and Cables	2,988,588	180,965
City Lub Oil Industries Ltd.	131,757	153,100
Financial Express	-	36,000
Golden Robber Industries	-	15,000
International Bearing	523,385	135,085
Mamun Hardware Store	122,004	222,411
Mr. Nabi Feroj Shah	4,165	132,928
M.T Engineering Works	84,142	643,320
Nano Computer	3,600	64,500
Ocean Oil Company	-	1,908
Prime Rubber Industries Ltd.	-	139,000
Raj Bearing	188,340	234,260
RMF Corporation	-	106,792
Sakib Enterprise	239,798	258,553
Team Star Asia	-	381
Al Raji Chemical	205,245	34,925
Bhuiyan Chemical	-	196,000
Gentech Energy	1,078,086	48,000
Global Trade Corporation	-	450,000
Tanvir Paper Mills Ltd.	-	852,054
Shadman Enterprise	-	390,354
Abul Khair Steel Melting Ltd.	1,519,802	1,519,802
Khaja Garibe Newaj Five Star Enterprise	1,514	81,514
Yasin Awlia Enterprise	-	98,811
Jishan Enterprise	-	341,463
Atlantic Traders C & F	395,745	421,217
Broad Band Telecom Services Ltd.	12,500	12,500
Grihayan Ltd.	-	7,000
K B Traders	-	540
Shaibal Enterprise	-	150
Shah Amanat Enterprise Chemical	-	35,175
Arafat Enterprise	-	940
Bismillah Traders Ashique	145,347	221,227
Salim Enterprise	-	117,500
Say Automation & Engineering	240,000	30,000
Shakin Paper Mart	-	337,596
Tech Art Automation & Engineering	-	160,000
Musa Sowdagor	694,500	1,842,500
Samuda Chemical Complex Ltd.	-	955,937
Seamax Corporation	-	222,832
Mozumder Enterprise	13,900	-
GEP Holdings Ltd.	9,435	-
Instrumentation Co-operative	40,000	-
M.S Floor Tech	2,240	-
ASM Logistics	25,000	-
BSM Led	4,700	-
Cartoon Nirman Ltd.	52,250	-
Noor Hardware Mart	59,000	-
Organic Bangladesh Corporation	40,000	-
Sahaba Corporation	113,036	-
Shah Alam Engineering Works	216,807	-
S.R Packaging	231,320	-
M/s. Dohar Chemicals	768,205	-
I.H Trading	30,670	-
Digital Touch	13,600	-
Garibe Newaz Traders	650,000	-
Islam & Brothers	81,915	-
K F International	73,373	-



	2018 Taka	2017 Taka
Modern Manufacturing Complex	46,475	-
Mohsin Enterprise	5,405,420	-
Power Automation & Engineering	139,100	-
Repac Power Generation	250,000	-
Monorom Trading	10,099,294	-
M/S Soleman Store	537,750	-
Sagorika Printers	15,568,658	-
Arif Enterprise	109,381	-
Paper Processing & Packaging Ltd.	1,361,152	-
Sojib Enterprise	854,165	-
Glory Tapes & Labels Ltd.	728,453	-
S R Paper House	1,102,422	-
Al-Madina Paper House	4,860,140	-
A B Trading	2,236,905	-
Avoy Enterprise	2,772,855	-
Mahbub & Brothers	1,337,388	-
RFM Paper Mills Ltd.	837,791	-
S S G Paper Ltd.	539,509	-
S Rahaman Trading	575,785	-
Rainbow Tissue	752,140	-
Chandpur Paper House	2,063,112	-
Bango Paper House	1,044,890	-
JBS Traders	205,295	-
RMS Store	164,304	-
FM Trading	387,199	-
Other Payables	3,923,836	1,910,200
	<b>69,473,125</b>	<b>14,199,538</b>
<b>22.00 CURRENT TAX LIABILITIES:</b>		
Balance as on 01 July	5,293,314	3,246,485
<b>Provided during the year:</b>		
Against current year	1,702,107	2,046,829
Against previous years	-	-
	1,702,107	2,046,829
	6,995,420	5,293,314
Adjusted with advance income tax paid	-	-
Balance as on 30 June	<b>6,995,420</b>	<b>5,293,314</b>
<b>23.00 LIABILITIES FOR OTHER FINANCE:</b>		
I.T. Deducted at Source	93,679	2,450
VAT Deducted at Source	44,400	12,900
E Securities Limited	-	731
North West Securities Ltd.	2,536	2,078
Unclaimed Dividend	2,538,926	2,583,685
	<b>2,679,540</b>	<b>2,601,845</b>
<b>24.00 DIRECTORS CURRENT ACCOUNT:</b>		
Mr. Md. Golam Morshed	2,300,000	2,300,000
Mr. Md. Golam Rasul Muktedir	2,300,000	2,300,000
	<b>4,600,000</b>	<b>4,600,000</b>



25.00 **REVENUE:**

Gross Sales Amount	VAT Amount	Net Sales Amount		
		2018 Taka	2017 Taka	
Bright News Print Paper	248,346,522	5,310,764	243,035,758	98,506,287
Writing Printing Paper	-	-	-	228,994,438
Medium Paper	7,045,464	448,329	6,597,135	11,361,045
News Print Paper - Export	32,956,361	-	32,956,361	2,276,403
	<b>288,348,347</b>	<b>5,759,093</b>	<b>282,589,254</b>	<b>341,138,173</b>

26.00 **COST OF SALES:**

Opening Stock of Raw Materials	18,177,317	28,488,653
Add: Purchase during the year	122,349,558	117,766,878
	<b>140,526,875</b>	<b>146,255,531</b>
Less: Closing Stock of Raw Materials	25,043,826	18,177,317
<b>Raw Materials Consumed</b>	<b>115,483,049</b>	<b>128,078,214</b>
<b>Add: Factory overhead:</b>		
Salaries, Wages and Allowances	18,813,553	18,721,786
Overtime - Factory Worker	3,661,658	3,374,138
Labour Charge	2,622,826	3,530,512
Carriage Inward	724,830	222,850
Gas Bill (Boiler & Gas Generator)	29,834,839	23,810,669
Electric Bill	15,560,626	14,914,046
Consumable Spare & Store	3,332,819	8,000,078
Factory Maintenance	10,434,583	10,811,336
Loading Unloading Charge	190,606	348,028
Paper Cutting Expenses	783,451	1,373,291
Fuel (Generator)	1,064,960	969,579
Fuel (Machine)	800,958	712,848
Fuel (Vehicle)	260,952	244,560
Medical & Medicine	31,476	38,169
Gas Generator Upkeep	3,164,309	964,654
Annual Maintenance (Gas Generator)	71,876	138,002
Boiler Upkeep	302,200	106,324
Insurance Premium (Factory)	1,299,719	1,290,651
Labrotary Expenses	48,518	67,000
Gas Generator Overhauling Exp	1,373,004	1,587
Canteen Expenses-Factory	58,342	101,123
Carrying Outward	4,881,120	5,822,150
Gas Bill (Factory Canteen)	62,612	59,947
Export Related Expenses	601,288	105,575
Depreciation	28,115,519	29,912,616
	<b>243,579,693</b>	<b>253,719,733</b>
Add: Opening Work-in-Process	15,629,855	6,079,582
	<b>259,209,548</b>	<b>259,799,315</b>
Less: Closing Work-in-Process	13,455,861	15,629,855
Cost of Production	245,753,687	244,169,460
Add: Opening Stock of Finished Goods	24,940,526	96,495,183
	<b>270,694,213</b>	<b>340,664,643</b>
Less: Closing Stock of Finished Goods	21,315,909	24,940,526
Cost of Sales	<b>249,378,303</b>	<b>315,724,117</b>



	2018 Taka	2017 Taka
<b>27.00 ADMINISTRATIVE EXPENSES:</b>		
Managing Director Remuneration	620,400	620,400
Staff Salary & Allowances	5,960,634	4,777,343
Office Rent	216,000	232,350
Telephone Bill	268,686	215,701
Entertainment	433,939	419,965
Staff Tea, Tiffin	93,999	82,536
Travelling Expenses	625,469	640,756
Dhaka Office Expenses	29,266	21,714
Canteen Expenses	33,366	23,171
Postage & Courier	150,028	42,116
Forms, Stamp & Legal Documents	3,660	2,450
Fees, Renewal & Subscription	199,042	1,768,245
Printing & Stationary	98,065	97,462
Gas Bill H/O	7,038	6,894
Board Meeting Attendance Fees	547,500	452,500
Audit Committee Meeting Attendance Fees	155,000	157,500
Board Meeting Expenses	43,411	54,115
B.O Maintenance Fees	1,300	1,150
Office Maintenance	545,969	387,765
Telephone, Fax, E-mail	11,602	1,685
Annual Subscription- CDBL	56,000	56,000
Intranet Bill (BBTSL)	84,000	84,000
Internet Bill (BBTSL)	66,000	66,000
Audit Fee	115,000	115,000
Conveyance	500,917	383,201
Miscellaneous Expenses	2,000	22,175
Legal & Professional Fee	315,027	95,250
AGM Expenses	234,001	206,564
Annual Fee of Stock Exchange	190,000	190,000
Electric Bill- Head Office	229,492	175,308
Electric Bill- Dhaka Office	36,949	18,231
Fuel (Vehicle)	398,456	172,894
Vehicle Upkeep	304,956	299,587
Insurance Premium	59,323	23,940
Water Bill- Dhaka Office	11,584	-
Website Expenses	14,080	14,080
Depreciation	410,235	285,425
	<b>13,072,394</b>	<b>12,213,473</b>

(a) No remuneration was paid to any director except Managing Director.

(b) No amount was spent by the company for compensating any member of the Board of Directors except as stated above.

(c) Audit fees of Tk. 115,000 represents fees including VAT for the audit of the financial statements of the company for the year 2017-2018.

**27.01 PAYMENTS / PERQUISITES TO DIRECTORS AND OFFICERS:**

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

Managing Director remuneration	620,400
Managerial remuneration	3,017,523
<b>Managerial Benefits:</b>	
Bonus	335,140
House Rent	-
Conveyance	175,745
<b>Total</b>	<b>4,148,808</b>





	2018 Taka	2017 Taka
<b>28.00 FINANCIAL EXPENSES:</b>		
Bank Charges	549,393	874,148
Interest Expenses on Cash Credit	13,391,900	13,853,755
Interest on Short Term Loan	15,620,740	8,991,040
Interest on Long Term Loan	5,873,803	7,540,030
Loan Processing Fee	165,175	248,250
	<u>35,601,011</u>	<u>31,507,222</u>
<b>29.00 SELLING &amp; DISTRIBUTION EXPENSES:</b>		
Sales Promotion Expenses	-	65,400
Advertisement	456,718	318,590
	<u>456,718</u>	<u>383,990</u>
<b>30.00 NON-OPERATING INCOME:</b>		
Dividend Income	977,758	478,366
Profit on Sale of Shares	15,974	1,981,427
Interest Income	22,769	15,540
Miscellaneous Income	78,673	319,525
	<u>1,095,173</u>	<u>2,794,859</u>
<b>31.00 DEFERRED TAX EXPENSES:</b>		
(a) Deferred Tax Liability on 30 June	36,893,429	35,199,812
(b) Deferred Tax Liability on 01 July	<u>35,199,812</u>	<u>35,040,893</u>
Deferred Tax Expenses for the year (a-b)	<u>1,693,617</u>	<u>158,719</u>
<b>32.00 EARNING PER SHARE:</b>		
Calculation is shown below:		
<b>EPS</b>	<b>(0.96)</b>	<b>(0.95)</b>
Formula:		
Net Profit after tax	(18,219,722)	(18,101,520)
Number of shares	<u>19,000,000</u>	<u>19,000,000</u>
<b>33.00 NET ASSET VALUE PER SHARE WITH REVALUATION:</b>		
Calculation is shown below:		
Net asset value per share	27.43	28.25
Formula:		
Net Asset with Revaluation	521,245,690	536,662,814
Number of shares	<u>19,000,000</u>	<u>19,000,000</u>
<b>34.00 NET ASSET VALUE PER SHARE WITHOUT REVALUATION:</b>		
Calculation is shown below:		
Net asset value per share	11.64	11.81
Formula:		
Net Asset without revaluation	221,096,045	224,303,072
Number of shares	<u>19,000,000</u>	<u>19,000,000</u>



**35.00 Number of Employees:**

The total employees of the company as on June 30, 2018 stood at 259 nos comprising Head office staff 31 nos, Factory office staff 14 nos, Security 03 nos, Driver 2 nos, Permanent worker 62 nos and Temporary worker 147 nos.

**Salary Range :**

Number of employees whose monthly salary was below Tk. 3,000	Nil	Nil
Number of employees whose monthly salary was above Tk. 3,000	259	187

**36.00 RISK MANAGERMENTS**

International Financial Reporting Standard IFRS-7 Financial Instruments: Disclosures - requires of disclosure of Information relating to both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information - the Company's policies for controlling risk and exposures

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risk faced by the company to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

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

**36.01 a) Credit Risk:**

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

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

**a. Exposure of Credit risk:**

	2018 Taka	2017 Taka
Trade receivables	131,964,797	98,632,005
Advance, Deposit and Prepayments excluding Deposit & Prepayments.	19,298,764	23,496,117
Bank Balances	8,632,056	6,253,427
	<b>159,895,617</b>	<b>128,381,549</b>

**b) Ageing of Trade Receivables are as follows:**

Below-30 Days	27,712,607	20,712,721
Within 31-60 Days	40,909,087	30,575,922
Within 61-90 Days	26,392,959	19,726,401
Within 90 - 180 Days	23,753,664	17,753,761
Above 180 Days	13,196,480	9,863,200
	<b>131,964,797</b>	<b>98,632,005</b>

**36.02 b) Liquidity Risk**

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

**36.03 c) Market Risk:**

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

**i) Currency Risk**

The company is not exposed to foreign currency risk.

**ii) Interest Rate Risk:**

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

**37.00 CAPACITY UTILIZATION:**

Particulars	2018	2017
Installed Capacity (in M.T)	7,500	6,000
Actual Production (in M.T)	4,419	3,586
% of Capacity Utilization	58.92%	59.77%

Installed capacity could not be utilized due to (i) shut down of boiler as well as generator for annual maintenance (ii) shut down of generator for maintenance of turbo charger (iii) schedule maintenance of running plant and so on.

**38.00 OTHER RELEVANT INFORMATION:**

- 38.01 During the year 6 (Six) Board Meetings were held.  
38.02 During the year 4 (Four) Audit Committee Meetings were held.  
38.03 The audit fee of Tk. 115,000 along with imposed VAT has been provided in the accounts as per decision taken in the 21<sup>st</sup> Annual General Meeting of the Company held on 24 December' 2017.  
38.04 There was no sum for contingent liabilities on 30 June' 2018.  
38.05 There was no claim against the company not acknowledged as debt at the reporting date.  
38.06 No amount of money was spent by the company for compensation to member of the board for special service rendered.



**39.00 RELATED PARTY TRANSACTION:**

During the year, the company carried out a number of transactions with related parties in the normal course of business and on arms' length basis, the name of these related parties, nature of these transactions and their total value have been set out in accordance with the provisions of IAS-24.

Name of the Parties	Relationship	Nature of Transactions	Opening Balances	Transaction value during the year	Outstanding as on 30 June' 2018
<b>UNSECURED LOAN:</b>					
Mr. Mohammad Abdullah	Chairman	Loan Received	18,048,060	(400,000)	18,448,060
Mr. Md. Golam Mostofa	Managing Director	Loan Repayment	4,014,830	-	4,014,830
Mr. Md. Golam Kibria	Deputy Managing Director	Loan Repayment	5,507,475	-	5,507,475
Mrs. Hosne Ara Begum	Director	Loan Repayment	3,800,000	-	3,800,000
Mr. Md. Golam Haider	Director	Loan Repayment	5,507,975	-	5,507,975
Mr. Md. Golam Morshed	Director	Loan Repayment	3,207,475	-	3,207,475
Mr. Md. Golam Rasul Muktadir	Director	Loan Repayment	3,207,475	-	3,207,475
<b>DIRECTORS CURRENT ACCOUNT:</b>					
Mr. Md. Golam Morshed	Director	Short term Loan repayment	2,300,000	-	2,300,000
Mr. Md. Golam Rasul. Muktadir	Director	Short term Loan repayment	2,300,000	-	2,300,000

**40.00 CONTRIBUTION TO WORKERS PROFIT PARTICIPATION FUND:**

This represents 5% (five percent) of net profit before tax after charging the contribution as per provision of the Labour Act, 2006 as amended in 2013 and is payable to workers as defined in the said Act. No provision has been made for Workers' Profit Participation Fund and Workers' Welfare Fund due to incurring loss during the year.

**41.00 CASH FLOWS FROM OPERATING ACTIVITIES UNDER INDIRECT METHOD:**

	2018 Taka	2017 Taka
NetProfit/(Loss) after Income Tax	(18,219,722)	(18,101,520)
<b>Add: Non Cash Changes</b>		
Depreciation	28,525,755	30,198,041
Provision for Deferred Tax Expenses	1,693,617	158,919
<b>A</b>	11,999,649	12,255,441
<b>Changes in Working Capital</b>		
Increase/(Decrease) in Stock	(18,015,591)	72,323,739
Increase/(Decrease) in Trade Receivables	(33,332,793)	(63,766,539)
Increase/(Decrease) in Workers Profit Participation and Welfare Fund	-	(519,047)
Increase/(Decrease) in Advance, Deposits & Prepayments	(4,170,641)	(78,883,852)
Increase/(Decrease) in Capital Work-In-Progress	-	-
Increase/(Decrease) in Interest Receivable	-	402,904
Increase/(Decrease) in Accrued Expenses	9,278,686	(2,692,380)
Increase/(Decrease) in Current portion of Long Term Loan	-	-
Increase/(Decrease) in Trade Payables	55,273,587	(6,247,482)
Increase/(Decrease) in Advance Against Sales	-	-
Increase/(Decrease) in Current Tax Liabilities	1,702,107	2,046,829
<b>B</b>	10,735,384	(77,335,829)
<b>Net cash inflows/(outflows) from operating activities</b>	<b>22,735,034</b>	<b>(65,080,388)</b>

**42.00 EVENTS AFTER REPORTING YEAR:**

**42.01** The Board of Directors in its meeting held on November 01, 2018 approved the Audited Financial Statements and recommended cash dividend @ 3% (Three Percent) on all shareholders for the year 2017-2018. Thus total involvement comes to Tk. 5,700,000 (Fifty Seven Lac) only which is subject to approval of the shareholders in the next AGM.

**42.02** Except above, no other significant event had occurred till date of signing The Financial Statements.

