

HAKKANI PULP & PAPER MILLS LIMITED

FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022



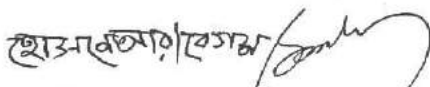
HAKKANI PULP & PAPER MILLS LIMITED

Statement of Financial Position (Un-Audited)

As at 30 September 2022

	Note(s)	30 Sep 2022 Taka	30 June 2022 Taka
ASSETS			
Non Current Assets :			
Property, Plant and Equipment	5	786,670,015	795,495,275
Current Assets:			
Investment in Shares	6	12,098,468	12,583,410
Inventories	7	267,133,269	266,581,269
Trade Receivables	8	198,161,087	191,863,413
Advances, Deposits & Prepayments	9	201,722,499	186,053,758
Cash & Cash equivalents	10	15,217,576	24,776,393
TOTAL ASSETS		1,481,002,913	1,477,353,518
SHARE HOLDERS EQUITY & LIABILITIES			
Shareholders Equity:			
Share Capital	11	190,000,000	190,000,000
Dividend Equalization Reserve	12	12,258,779	12,258,779
Revaluation Reserve	13	256,475,383	258,666,486
Fair Value Reserve	6.01	(27,215)	457,727
Retained Earnings	14	(19,809,242)	(13,836,066)
Non Current Liabilities:			
Unsecured Loan	15	60,799,990	58,299,990
Long Term Loan-non-current portions	16	399,467,913	401,809,112
Deferred Tax Liability	17	104,156,612	104,165,069
Current Liabilities:			
Short Term Loan & Overdraft	18	215,981,653	210,793,095
Accrued Expenses	19	27,865,049	25,424,243
Workers Profit Participation and Welfare Fund	20	1,126,585	1,126,585
Long Term Loan-current Portion	16.01	80,332,018	82,826,333
Trade Payables	21	24,546,256	23,089,882
Current Tax Liabilities	22	19,667,249	18,440,001
Liabilities for Other Finance	23	51,751,716	47,422,115
Unclaimed Dividend	24	3,010,168	3,010,168
Directors Current Account	25	53,400,000	53,400,000
TOTAL EQUITY & LIABILITIES		1,481,002,913	1,477,353,518
Net Asset Value Per Share (with revaluation)	34	23.10	23.56
Net Asset Value Per Share (without revaluation)	35	9.60	9.94

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



CHAIRMAN

MANAGING DIRECTOR



DEPUTY MANAGING DIRECTOR



CFO



COMPANY SECRETARY.

Place: Chattogram

Date: November 03, 2022



HAKKANI PULP & PAPER MILLS LIMITED
Statement of Profit or Loss and Other Comprehensive Income (Un-Audited)
For the Period ended 30 September 2022


	Note(s)	30 Sep 2022 Taka	30 Sep 2021 Taka
Revenue	26	202,956,704	72,271,731
Cost of Goods Sold	27	(186,367,976)	(64,489,514)
Gross Profit / (Loss)		16,588,728	7,782,217
Operating Expenses:			
Administrative Expenses	28	(4,631,412)	(3,005,037)
Selling & Distribution Expenses	29	(11,037,294)	(2,151,880)
		(15,668,706)	(5,156,916)
Profit from Operation		920,022	2,625,301
Financial Expenses	30	(9,401,632)	(15,333,438)
Non-Operating Income	31	1,584,616	4,501,077
Net Profit Before WPPF & WWF		(6,896,994)	(8,207,060)
Contribution to WPPF & Welfare Funds	20	-	-
Net profit before Tax		(6,896,994)	(8,207,060)
Income Tax Expenses:			
Current Tax	22.01.2	(1,227,248)	(460,637)
Deferred Tax	32	(426,702)	(637,688)
		(1,653,950)	(1,098,325)
Net profit after Tax		(8,550,944)	(9,305,385)
Other Comprehensive Income:			
Deferred Tax on Revaluation Reserve		386,665	413,097
Unrealized Gain/ (Loss) on Investment in Shares	6.02	(484,942)	(790,866)
Deferred tax on unrealized gain/(loss)	17.02	(48,494)	(242,334)
		(146,771)	(620,103)
Total Comprehensive Income		(8,697,715)	(9,925,488)
Earning Per Share - Basic	33	(0.45)	(0.49)

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



 CHAIRMAN MANAGING DIRECTOR


 DEPUTY MANAGING DIRECTOR


 CFO


 COMPANY SECRETARY

Place: Chattogram
 Date: November 03, 2022



HAKKANI PULP & PAPER MILLS LIMITED
Statement of Changes in Equity (Un-Audited)
For the Period ended 30 September 2022

Particulars	(Amount in Taka)					
	Share Capital	Dividend Equalization Reserve	Revaluation Reserve	Fair Value Reserve	Retained Earnings	Total
Balance as at 01 July 2022	190,000,000	12,258,779	258,666,486	457,727	(13,836,066)	447,546,925
Adjustment of depreciation on carrying amount of revalued assets	-	-	(2,577,768)	-	2,577,768	-
Deferred Tax on Revaluation Surplus	-	-	386,665	-	-	386,665
Unrealized Gain/(Loss) on Investment in Shares	-	-	-	(484,942)	-	(484,942)
Net Profit after Tax for the period	-	-	-	-	(8,550,944)	(8,550,944)
Balance as on 30 September 2022	190,000,000	12,258,779	256,475,383	(27,215)	(19,809,242)	438,897,705
For the period ended 30 September 2021						
Balance as at 01 July 2021	190,000,000	13,279,866	268,030,025	3,214,203	(241,327)	474,282,767
Adjustment of depreciation on carrying amount of revalued assets	-	-	(2,753,982)	-	2,753,982	-
Deferred Tax on Revaluation Surplus	-	-	413,097	-	-	413,097
Unrealized Gain/(Loss) on Investment in Shares	-	-	-	(790,866)	-	(790,866)
Deferred Tax on unrealised gain/(loss)	-	-	-	(242,334)	-	(242,334)
Net Profit after Tax for the period	-	-	-	-	(9,305,385)	(9,305,385)
Balance as on 30 September 2021	190,000,000	13,279,866	265,689,140	2,181,003	(6,792,730)	464,357,280


CHAIRMAN


MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR


CFO


COMPANY SECRETARY

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

Place: Chattogram
Date: November 03, 2022



HAKKANI PULP & PAPER MILLS LIMITED

Statement of Cash Flows (Un-Audited)

For the Period ended 30 September 2022

	Note(s)	30 Sep 2022 Taka	30 Sep 2021 Taka
A. Cash flows from Operating Activities:			
Cash Collection from Turnover & Others		198,243,647	78,937,159
Payment for Material and Expenses		(195,059,499)	(44,575,356)
Income Tax Paid		(34,948)	(433,442)
Net Cash flows from Operating Activities	42	3,149,199	33,928,361
B. Cash flows from Investing Activities:			
Acquisition of Property, Plant & Equipment		(1,219,187)	(942,260)
Capital Work-In-Progress		-	(800,000)
Advance for Machinery		(11,764,158)	-
Sale of shares		-	4,487,872
Net cash flows from Investing Activities		(12,983,345)	2,745,612
C. Cash flows from Financing Activities:			
Short Term Loan & Overdraft		5,188,558	(19,579,934)
Long Term Loan		(2,341,200)	(24,177,692)
Interest Paid		(9,401,632)	(15,333,438)
Unsecured Loan Received		2,500,000	9,100,000
Directors Current Account		-	2,850,000
Liabilities for Other Finance		4,329,601	-
Net Cash flows from Financing Activities		275,328	(47,141,064)
D. Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)			
		(9,558,818)	(10,467,091)
E. Opening Cash and Bank Balances			
		24,776,393	21,279,829
Closing Cash and Bank Balances (D+E)			
		15,217,576	10,812,738
F. Net Operating Cash Flows Per Share			
	36	0.17	1.79

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


CHAIRMAN


MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR


CFO


COMPANY SECRETARY

Place: Chattogram

Date: November 03, 2022



HAKKANI PULP & PAPER MILLS LIMITED

Notes to the Financial Statements (Un-Audited)

For the Period ended 30 September 2022

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, IFRSs 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 (IASs) and International Financial Reporting Standard (IFRSs) 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 IASs and IFRSs are applicable for the Financial Statements for the period 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 September 2022.
- b. A Statement of Profit or Loss and other Comprehensive Income for the period ended 30 September 2022.
- c. A Statement of changes in equity for the period ended 30 September 2022.
- d. A Statement of Cash flows for the period ended 30 September 2022.
- 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 03 November 2022.

2.06 Reporting Period:

The financial statements of the Company cover three months from 1 July 2022 to 30 September 2022.

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 (Taka/Tk/BDT), 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

(a) The above short term employee benefits includes only remuneration amounting Tk. 51,700 paid to The Managin

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 period and were also consistent with those used in earlier periods, 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 item 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:

<u>Name of Assets</u>	<u>Rate of Depreciation</u>
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 ceases 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 spares & 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

<u>Category</u>	<u>Basis of Valuation</u>
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:

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.

3.18 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 Sales	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 Newsprint, M.G Newsprint, Medium Paper, Khata 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 it is 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 period attributable to ordinary shareholders. As there is no preference dividend or extra ordinary items, the net profit/(Loss) after tax for the period has been considered fully attributable to the ordinary share holders.

3.19.02 Basic earning Per share:

This represents profit for the period 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 2021 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 period are consistent with those policies and methods adopted in preparing the Financial Statements for the previous period.

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 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 period under review, the Company recorded a profit /(loss) after tax of Tk. (8,550,944) against previous period profit /(loss) of Tk. (9,305,384). The basic Earnings Per Share for the period ended 30 September 2022 is Tk. (0.45) against Tk. (0.49) for the same previous period. The analysis of major items of the financial statements is given below:

4.02 Revenue:

During the period under review total revenue was increased as compared to previous year due to increase of sales. Sales revenue is increased by the amount of Taka 130,684,973 as compared to previous period.

4.03 Cost of Goods Sold:

During the period under review Cost of sales was increased as compared to the previous period due to increase of unit price raw materials.

4.04 Financial Expenses :

The Company's financial expenses was decreased as compared to previous period for decrease of expenses interest of Tk. (5,931,806) on Bai-Muazzal Loan, UPAS Loan, Biam Wes Bills, LATR of 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 due to increasing of cost of goods sold compared to previous period. During the period under review, the Company recorded earnings per share (EPS) of Tk. (0.45) against previous period earnings per share (EPS) of Tk. (0.49)

4.06 **Cash Flows from operating Activities (NOCFPS):**

The Company's net operating cash flows per share (NOCFPS) of the company is recorded Tk. 0.17 against Tk. 1.79 of previous period. The company's net operating cash flows per share (NOCFPS) was decrease due to increase in raw materials price, other expenses and increased of cash payment.

5.00 **PROPERTY, PLANT & EQUIPMENT:**

	30 Sep 2022	30 June 2022
	<u>Taka</u>	<u>Taka</u>
Balance as on 01 July (including revaluation)	1,299,421,275	1,275,711,701
Add: Addition during the period	1,219,187	23,709,574
Less: Adjustment during the period	-	-
Balance as on 30 September	1,300,640,462	1,299,421,275
Less: Accumulated depreciation	513,970,447	503,926,000
Written down value as on 30 September	786,670,015	795,495,275

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



30 Sep 2022

30 June 2022

Taka

Taka

6.00 INVESTMENT IN SHARES:

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

Name of company	No. of Shares	Cost Value as on 30 Sep 2022	Market Value as on 30 Sep 2022	Unrealized gain/ (loss)
Beximco Pharma Ltd.	3,500	138,855	595,350	456,495
Brac Bank Ltd.	13,017	158,299	501,155	342,856
DESCO Ltd.	5,000	238,287	183,000	(55,287)
Dhaka Bank Ltd.	27,240	210,234	370,464	160,230
Exim Bank Ltd.	53,401	1,080,863	560,711	(520,152)
Grameen Phone Ltd.	10,700	3,995,855	3,066,620	(929,235)
Islami Bank Bangladesh Ltd.	10,570	376,381	347,753	(28,628)
Jamuna Oil Company Ltd.	2,299	271,136	384,853	113,717
Lafarge Holcim Bangladesh Ltd.	10,000	805,409	753,000	(52,409)
Meghna Petroleum Ltd.	2,402	249,369	488,327	238,957
Mercantile Bank Ltd.	13,715	118,778	190,639	71,860
Mutual Trust Bank Ltd.	21,228	207,749	352,385	144,636
National Bank Ltd.	82,779	902,974	687,066	(215,908)
One Bank Ltd.	36,838	296,251	397,850	101,600
Premier Bank Ltd.	5,142	32,062	66,846	34,784
Shahjalal Islami Bank Ltd.	39,937	249,341	490,753	241,412
Square Pharma Ltd.	9,200	1,826,477	1,930,160	103,683
Standard Bank Ltd.	21,547	200,804	189,614	(11,190)
Titas Gas Ltd.	13,250	766,559	541,925	(224,634)
Total	381,765	12,125,683	12,098,468	(27,215)

6.02 Gain/ (Loss) on Investment in Shares:

Unrealized Gain/ (Loss) Closing

(27,215) 457,727

Less: Unrealized Gain/ (Loss) Opening

457,727 3,571,337

Gain/ (Loss) on Investment in Shares during the period

(484,942) (3,113,610)

7.00 INVENTORIES:

a) Raw Materials

Wastage Paper

39,038,159 34,988,159

Chemicals

20,051,059 25,051,059

59,089,218 60,039,218b) Finished Goods

Newsprint Paper

47,789,740 49,710,740

Medium Paper

1,838,043 3,360,543

Khata

6,346,200 4,823,700

Various Tissue Paper

98,344,660 89,324,160

154,318,643 147,219,143c) Work-In-Process

46,021,280 51,618,780

d) Consumable Spare & Store

4,721,422 3,198,922

e) Packing Material

2,982,706 4,505,206

Total (a+b+c+d+e)**267,133,269 266,581,269**

(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 labor 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.



	30 Sep 2022	30 June 2022
	Taka	Taka
8.00 TRADE RECEIVABLES:		
A B Trading	107,248	722,256
Al- Madina Paper House	1,330,066	1,975,186
Anupam Traders	158,857	111,097
Apex Pharma	225,439	253,585
AR Trading	46,030	1,133,917
Arif Enterprise	617,254	617,254
Avoy Enterprise	199,067	1,333,453
Babul Store	41,815,949	41,815,949
Barcode Restaurant Group	317,985	325,505
Bio Pharmaceutical Ltd.	714,212	1,299,333
Bismillah Paper House	1,350,164	1,350,164
Chandpur Paper House	5,147,905	569,940
Chittagong Club Limited	517,711	517,711
CGT Tissue	645,638	583,695
Elite Paper House	238,309	238,309
Garibe Newaj Traders	666,495	631,495
General Pharma	1,386,440	2,180,104
Habib Enterprise	41,750	87,669
Handi Restaurant	145,879	160,264
Health Point Hospital	5,811	45,208
Hotel Zaman	100,412	102,799
Interna Plastic (Pvt.) Ltd.	765,000	765,000
Intimate Apparels Ltd	493,951	363,117
Jayson Pharmaceuticals	-	6,140
J M I Group	84,789	107,848
Korotoa Paper Depot.	916,131	916,131
Mahbub & Brothers	5,929,407	5,929,407
M J Paper House	5,002,849	4,957,514
Modern Biponi	893,493	893,493
Modhumoti Traders	197,649	197,649
M/s Oishi Enterprise	311,350	311,350
Nuha Enterprise / Three Star	205,229	205,229
Rapid Pack Limited	4,663,692	3,459,312
Robin Enterprise	533,257	497,249
Rubel & sons	3,041,871	1,718,613
Resimax Industries Ltd.	1,451,230	1,585,730
RM Trade International	3,771,947	3,740,107
Royal Packaging	127,856	127,856
Sajib Enterprise	3,349,326	3,316,899
Shanto Enterprise	175,903	175,903
Shohid Enterprise	87,655	87,655
S.K Traders	625,320	-
Sonargaon Paper House	403,031	403,031
S Rahaman Trading/Enterprise	4,349,453	4,349,453
S.R. Paper House	103,655	103,655
S.S.G Paper Ltd.	320,169	320,169
Tanvir Enterprise	2,469,708	2,816,850
Transcom Food Ltd	162,862	86,172
Tuba Enterprise	441,844	441,844
Walton Hi-Tech Industries Ltd.	124,385	244,385
Watson Paper Mills Ltd.	105,010	105,010
Yousuf Enterprise	2,491,042	2,491,042
Other Receivables	98,783,402	95,084,708
	198,161,087	191,863,413

Note: 8.01



	30 Sep 2022	30 June 2022
	<u>Taka</u>	<u>Taka</u>
8.01 Ten (10) Suits was filed against Babul Store to realise the outstanding balance amounting to Tk. 41,415,949 vide CR case No 172/22 to 182/22, dated on 10 January 2022 at the court of chattogram metropolitan magistrate. Now, the cases are under process for charging against party at the chattogram judge court.		
8.02 Ageing of Trade Receivables:		
Below-30 Days	33,687,385	32,616,780
Within 31- 60 Days	53,503,493	51,803,122
Within 61 - 90 Days	33,687,385	32,616,780
Within 90 - 180 Days	31,705,774	30,698,146
Above 180 Days	45,577,050	44,128,585
	<u>198,161,087</u>	<u>191,863,413</u>
8.03 Trade Receivables are occurred in the ordinary course of business.		
8.04 Trade Receivables are unsecured but considered good by the management.		
9.00 ADVANCES, DEPOSITS & PREPAYMENTS:		
Advance Against Income Tax (Note: 10.01)	32,823,512	32,788,564
Advance Against Salary & Wages (Note: 10.02)	73,248	47,248
Advance Against Expenditure (Note: 10.03)	90,845,982	85,979,863
Advance Against L/C (Note: 10.04)	44,001,957	37,103,918
Advance Against Purchase (Note: 10.05)	23,843,635	20,000,000
Deposits and Prepayments (Note: 10.06)	10,134,165	10,134,165
	<u>201,722,499</u>	<u>186,053,758</u>
9.01 Advance Against Income Tax		
Advance Income Tax Paid	6,185,917	6,296,490
Advance Income Tax - Import	1,531,643	1,531,643
Advance Income Tax - Export	407,372	398,386
Advance Income Tax Deducted at Source	23,461,514	23,373,201
Advance Income Tax Deducted at Source (Dividend Income)	1,232,252	1,184,029
Advance Income Tax Deducted at Source (Bank Deposits)	4,815	4,815
	<u>32,823,512</u>	<u>32,788,564</u>
9.02 Advance Against Salary & Wages	<u>73,248</u>	<u>47,248</u>
9.03 Advance Against Expenditure		
Advance for Dhaka Office	259,700	259,700
Anima Development Limited	7,525,849	7,525,849
Advance for Machinery Purchase	75,389,806	72,256,573
VAT Current Account	96,503	982,000
Lanka Bangla Securities Ltd.	199	649
LC Margin	2,400,814	-
City Brokerage Ltd.	127,260	127,710
Bank Gaurantee Margin	628,923	628,923
Advances for spares parts and other materials	4,416,929	4,198,459
	<u>90,845,982</u>	<u>85,979,863</u>
9.04 Advance Against L/C	<u>44,001,957</u>	<u>37,103,918</u>
9.05 Advance Against Purchase		
Arif Traders	3,329,838	3,500,000
Bismillah Enterprise	3,947,588	3,500,000
Munna Enterprise	13,291,180	10,000,000
Shah Godi Enterprise	3,275,029	3,000,000
	<u>23,843,635</u>	<u>20,000,000</u>
9.06 Deposits		
Security Deposit (PBS-1)	3,321,100	3,321,100
Security Deposit (BGSL) Boiler	2,601,439	2,601,439
Security Deposit (BGSL) Generator	1,441,672	1,441,672
Security Deposit (PDB)	25,200	25,200
Security Deposit (GEP Holdings Ltd)	8,000	8,000
Security Deposit (Grameen Phone)	20,000	20,000



	30 Sep 2022	30 June 2022
	<u>Taka</u>	<u>Taka</u>
Security Deposit (BTCL)	6,000	6,000
Security Deposit (CDBL)	300,000	300,000
Security Deposit- Bank Guarantee Against Gas Generator	257,040	257,040
Security Deposit- Bank Guarantee Against Boiler	1,043,250	1,043,250
Security Deposit Container Purpose	1,110,464	1,110,464
	10,134,165	10,134,165

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.

10.00 CASH & CASH EQUIVALENTS:

Cash In Hand

At Head Office	5,200,813	7,235,013
At Dhaka Office	10,000	5,000
At Factory	9,000	30,000
	5,219,813	7,270,013

Cash at Banks

Bangladesh Krishi Bank Ltd., Agrabad Branch, CD A/C-2903-0210014807	318,136	318,136
First Security Islami Bank Ltd, Agrabad Branch. STD A/C - 010413100000463	57,574	57,574
Social Islami Bank Ltd, Agrabad Branch, STD Account-41300458	87,399	87,399
Social Islami Bank Ltd, Agrabad Branch-CD A/C - 0041330027978	239,647	7,211,742
Prime Bank Ltd, Lalidighi East Branch, CD A/C -14511090025949 /5816	-	731,700
Premier Bank Ltd, Agrabad Branch CD A/C No-010311100015243	223,282	73,282
Premier Bank Ltd, CEPZ Branch CD A/C No-016711100000103	140,001	140,001
Islami Bank (BD.) Ltd, Agrabad Branch CD A/C No-20501030100588315	1,363,008	-
Mercantile Bank Ltd, A.K Khan Branch CD A/C No-117511121143947	749	463,041
National Bank Ltd, Pahartali Branch- CD A/C-005533008427/54103	222,701	-
Standard Bank Ltd, Jubilee Road Branch CD A/C No-01233005212	-	1,315,916
United Commercial Bank Ltd, Pahartali Branch CD A/C-No 01000000078	216,673	311,739
Eastern Bank Ltd, Agrabad Branch CD A/C No-11071082755	586,524	1,109,189
Pubali Bank Ltd, Pahartali Branch CD A/C No-825901027548	1,130,995	441,066
Dutch Bangla Bank Ltd. CD A/C No- 1021100040340	148,924	74,697
	4,735,611	12,335,481
Fixed Deposit with Mercantile Bank Ltd. FDR # 117541322176882	391,884	375,816
Fixed Deposit with Mercantile Bank Ltd. FDR # 117541322894432	473,281	473,281
Fixed Deposit with Mercantile Bank Ltd. FDR # 117541325279666	792,597	758,457
Fixed Deposit with Bangladesh Krishi Bank Ltd. FDR # 2903033042265	590,255	582,716
Fixed Deposit with Bangladesh Krishi Bank Ltd. FDR # 2903033042274	2,396,654	2,366,043
Fixed Deposit with Bangladesh Krishi Bank Ltd. FDR # 29030330045646	226,531	223,637
Fixed Deposit with Social Islami Bank Ltd. FDR # 0045330035138	390,949	390,949
	15,217,576	24,776,393

(a) Cash balance as on 30.09.2022 was certified by the management.

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



30 Sep 2022

30 June 2022

TakaTaka

10.01 INVESTMENT IN FIXED DEPOSIT:

Particulars	Tenure	Purpose	Rate of Interest	Taka	Taka
Fixed Deposit with Mercantile Bank Ltd. FDR # 117541322176882	One Year	Guarantee	6%	391,884	375,816
Fixed Deposit with Mercantile Bank Ltd. FDR # 117541322894432	One Year	Guarantee	6%	473,281	473,281
Fixed Deposit with Mercantile Bank Ltd. FDR # 117541325279666	One Year	Guarantee	5%	792,597	758,457
Fixed Deposit with Bangladesh Krishi Bank Ltd. FDR # 2903033042265	One Year	Guarantee	6%	590,255	582,716
Fixed Deposit with Bangladesh Krishi Bank Ltd. FDR # 2903033042274	One Year	Guarantee	6%	2,396,654	2,366,043
Fixed Deposit with Bangladesh Krishi Bank Ltd. FDR # 29030330045646	One Year	Guarantee	6%	226,531	223,637
Fixed Deposit with Social Islami Bank Ltd. FDR # 0045330035138	One Year	Guarantee	9.5%	390,949	390,949
Total				5,262,152	5,170,899



	30 Sep 2022 Taka	30 June 2022 Taka
11.00 SHARE CAPITAL:		
11.01 Authorized:		
50,000,000 Ordinary shares of Tk. 10.00 each.	<u>500,000,000</u>	<u>500,000,000</u>
11.02 Issued, Subscribed and Paid-up:		
85,00,000 Ordinary shares of Tk. 10.00 each fully paid up in cash.	85,000,000	85,000,000
1,05,00,000 Ordinary shares of Tk. 10.00 each fully paid up other than cash.	105,000,000	105,000,000
	<u>190,000,000</u>	<u>190,000,000</u>

11.03 The break up of share holdings as on 30 September 2022 is as follows:-

Description	No of shares 30 September 2022	% of shares holding 30 September 2022	No of shares 30 June 2022	% of shares holding 30 June 2022
Sponsors & Directors	8,789,330	46.25	8,789,330	46.25
Investment Corporation of Bangladesh.	4,500	0.02	4,500	0.02
Bangladesh Development Bank Ltd.	1,000	0.01	1,000	0.01
Other Institution and General Public	10,205,170	53.71	10,205,170	53.71
Total	19,000,000	100	19,000,000	100

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

Range of Holdings	No. of Shareholders		No. of Shares		Holding %	
	30 Sep 2022	30 June 2022	30 Sep 2022	30 June 2022	30 Sep 2022	30 June 2022
Less than 500 shares	2,013	2,022	391,467	405,191	2.06	2.13
501 to 5,000 Shares	1,764	1,738	3,201,543	3,165,783	16.85	16.66
5,001 to 10,000 Shares	214	203	1,620,258	1,461,646	8.53	7.69
10,001 to 20,000 Shares	116	102	1,616,380	1,423,930	8.51	7.49
20,001 to 30,000 Shares	33	45	826,987	1,108,780	4.35	5.84
30,001 to 40,000 Shares	9	12	310,627	427,320	1.63	2.25
40,001 to 50,000 Shares	6	6	261,680	273,728	1.38	1.44
50,001 to 100,000 Shares	13	19	871,100	1,316,486	4.58	6.93
100,001 to 1,000,000 Shares	16	12	5,666,926	5,183,804	29.83	27.28
Over 1,000,000 Shares	3	3	4,233,332	4,233,332	22.28	22.28
Total	4,187	4,162	19,000,300	19,000,000	100	100

11.05 Market price of Shares:

The shares are listed with Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd. and quoted at Tk. 69.10 on 30 September 2022 (Face value Tk. 10.00)



	30 Sep 2022	30 June 2022
	<u>Taka</u>	<u>Taka</u>
12.00		
<u>DIVIDEND EQUALIZATION RESERVE:</u>		
Dividend Equalization Reserve is made-up as follows:		
Balance as on 01 July	12,258,779	13,279,866
Less: Dividend declared for the year 2020-2021 approved in the AGM	-	1,021,087
Balance as on 30 September	<u>12,258,779</u>	<u>12,258,779</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.		
13.00		
<u>REVALUATION RESERVE:</u>		
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 30.09.2022 (Note-5.01)	175,325,774	172,748,006
	<u>301,735,745</u>	<u>304,313,513</u>
Less : Adjustments for Deferred Tax @15%	45,260,361.69	45,647,027
Balance as on 30 September	<u>256,475,383</u>	<u>258,666,486</u>
Revaluation Reserve relates to the revaluation of Property, Plant & Equipment.		
i) Effective date of valuation 18th April, 2011		
ii) Initial reserve of revaluation amount of Tk. 477,061,519		
14.00		
<u>RETAINED EARNINGS:</u>		
Balance as on 01 July	(13,836,066)	(241,327)
Less: Dividend declared for the year 2021-2022 as approved in the AGM	-	-
	<u>(13,836,066)</u>	<u>(241,327)</u>
Add: Net profit/(loss) after tax	(8,550,944)	(24,610,668)
	<u>(22,387,010)</u>	<u>(24,851,995)</u>
Add: Revaluation Surplus Realized (Note-5.01)	2,577,768	11,015,929
Balance as on 30 September	<u>(19,809,242)</u>	<u>(13,836,066)</u>
15.00		
<u>UNSECURED LOAN:</u>		
Mr. Mohammed Abdullah, Ex-Chairman	19,448,060	19,448,060
Mrs. Hosne Ara Begum, Chairman	3,800,000	3,800,000
Mr. Md. Golam Haider, Vice Chairman	7,457,975	7,457,975
Mr. Md. Golam Kibria, Managing Director	16,214,175	13,714,175
Mr. Md. Golam Morshed, Deputy Managing Director	4,707,475	4,707,475
Mr. Md. Golam Mostofa, Director	4,464,830	4,464,830
Mr. Md. Golam Rasul Muktadir, Director	4,707,475	4,707,475
	<u>60,799,990</u>	<u>58,299,990</u>
The above loans from directors are interest free.		
16.00		
<u>LONG TERM LOAN:</u>		
HPSM Commercial Loan	-	194,077,840
Loan Under BMRE of Existing Projects	192,908,073	-
Loan Under Tissue Projects	241,203,962	242,877,139
Bai Muazzal Term loan	34,727,000	36,227,000
Term Loan	10,960,896	11,453,467
	<u>479,799,931</u>	<u>484,635,445</u>



	30 Sep 2022	30 June 2022
	<u>Taka</u>	<u>Taka</u>
16.01	<u>LONG TERM LOAN- MATURITY ANALYSIS:</u>	
	80,332,018.39	82,826,333
	399,467,913	401,809,112
	<u>479,799,931</u>	<u>484,635,445</u>
16.02	<u>TERMS OF LONG TERM LOAN:</u>	
	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 was Tk. 311,176,404 against sanction amount of total long term loan Tk. 432,634,000.	
	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.	
17.00	<u>DEFERRED TAX LIABILITY:</u>	
	58,518,042	55,287,179
	426,702	3,542,224
	(48,494)	(311,361)
	<u>58,896,250</u>	<u>58,518,042</u>
	45,260,362	45,647,027
	<u>104,156,612</u>	<u>104,165,069</u>
	Balance as on 30 September	
	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 30.09.2022 has been shown at Note-18.01 & 18.02.	
17.01	<u>Calculation of Deferred Tax Liability</u>	
	441,281,428	447,598,520
	179,508,223	187,721,769
	261,773,205	259,876,751
	58,898,971	58,472,269
	<u>426,702</u>	<u>3,542,224</u>
	Carrying amount of Property, Plant & Equipment represents net written down value of assets as on 30.09.2022	
17.02	<u>Investment in Shares</u>	
	12,098,468	12,583,410
	12,125,683	12,125,683
	(27,215)	45,727
	(2,722)	45,773
	<u>(48,494)</u>	<u>(311,361)</u>



	30 Sep 2022 Taka	30 June 2022 Taka
18.00		
<u>SHORT TERM LOAN AND OVERDRAFT:</u>		
Social Islami Bank Ltd, Agrabad Branch- Bai Muazzal Commercial-(CC)	151,123,682	147,400,383
Prime Bank Ltd, Laidighi East Branch, CD A/C -14511090025949 /5816	17,583	-
UPAS Loan from Social Islami Bank Ltd.	6,417,478	6,417,478
Mercantile Bank Ltd. A.K Khan Branch-Cash Credit (CC) Hypo	38,847,363	40,786,185
Biam Wes Bills, MBE & LATR Loan from Social Islami Bank Ltd.	13,604,548	13,259,936
National Bank Ltd, Pahartali Branch- CD A/C-005533008427/54103	-	650,461
Islami Bank (BD.) Ltd, Agrabad Branch CD A/C No-20501030100588315	-	896,857
Standard Bank Ltd, Jubilee Road Branch CD A/C No-01233005212	189,716	-
LATR , Sight LC Loan From Mercantile Bank Ltd.	4,399,488	-
Other Short Term Loan	1,381,795	1,381,795
	215,981,653	210,793,095

18.01 Short Term Browing:

Particulars	Note	30 Sep 2022	30 June 2022
		Taka	Taka
Short term loan and overdraft	19.00	215,981,653	210,793,095
Long term loan-current portion	17.01	80,332,018	82,826,333
Total		296,313,672	293,619,428

(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

19.00 **ACCRUED EXPENSES:**

Audit Fee	410,750	410,750
Directors Remuneration	350,000	300,000
Directors Remuneration (Executive Director)	200,000	483,000
Electricity Bill-(Factory)	3,048,006	1,375,659
Electricity Bill-(Tissue Unit)	3,546,953	1,539,253
Gas Bill Factory	8,612,979	7,373,848
Gas Bill Factory Canteen	18,359	23,346
Gas Bill (H/O)	990	1,145
Food Allowance (Head Office)	155,329	155,329
Office Rent	777,500	725,000
Overtime	1,914,256	3,405,944
Salary & Allowances (Dhaka Office)	66,250	66,250
Salaries, Wages and Allowances (H/O)	815,042	758,002
Staff Salary & Allowances Factory	858,445	815,745
Wages & Allowances	4,031,908	5,135,075
Staff Salary (Sales & Marketing)	3,027,497	2,826,097
Food Allowance (Factory)	30,785	29,800
	27,865,049	25,424,243



	30 Sep 2022	30 June 2022
	<u>Taka</u>	<u>Taka</u>
20.00 <u>WORKERS PROFIT PARTICIPATION & WELFARE FUND:</u>		
Balance as on 01 July	1,126,585	1,126,585
Add: Provision made during the period	-	-
	<u>1,126,585</u>	<u>1,126,585</u>
Less: Payment made during the period	-	-
Balance as on 30 September	<u><u>1,126,585</u></u>	<u><u>1,126,585</u></u>

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.

21.00 <u>TRADE PAYABLES:</u>		
Abul Khair Steel Melting Ltd.	1,119,802	1,119,802
Azad Engineering Workshop	355,650	376,150
Baizid Newsprint Mills Ltd	231,998	292,978
Cartoon Nirman Ltd.	2,212,003	2,109,353
City Lub Oil Industries Ltd.	111,757	111,757
Emu Enterprise	310,482	284,370
Gentech Energy	139,986	139,986
Hossain Box Industries	1,185,719	1,113,631
International Bearing Center	581,113	445,053
Islam & Brothers	497,401	115,264
Khaja Garibe Newaj Five Star Enterprise	2,164	2,164
Khaja Polythene Mart	82,756	45,275
Mamun Hardware Store	1,114,207	1,231,885
M/s. Dohar Chemicals	2,274,715	2,490,815
Noor Hardware Mart	59,091	59,091
Organic Bangladesh Corporation	134,096	134,096
Raj Bearing	-	2,650
RFL Plastic Ltd.	-	88,985
Sakib Enterprise	145,670	145,670
Shah Amanat Enterprise	753,435	753,435
Sion Enterprise	26,520	26,520
S.R Packaging	8,015,172	7,493,974
Say Automation & Engineering	110,000	110,000
Taslima Enterprise	214,055	154,853
Unimax Chemicals	1,243,200	855,200
United Trading Agency	1,190,151	951,812
Other Payables	2,435,113	2,435,113
	<u><u>24,546,256</u></u>	<u><u>23,089,882</u></u>



	30 Sep 2022	30 June 2022
	<u>Taka</u>	<u>Taka</u>
22.00 <u>CURRENT TAX LIABILITIES:</u>		
Balance as on 01 July	18,440,001	15,173,822
Provided during the period:		
Against current period	1,227,248	3,266,179
Against previous period	-	-
	<u>1,227,248</u>	<u>3,266,179</u>
Adjusted with advance income tax paid	19,667,249	18,440,000
Balance as on 30 September	<u><u>19,667,249</u></u>	<u><u>18,440,001</u></u>
22.01 <u>Computation of Provision for Income Tax:</u>		
22.01.1 Net profit before tax	(6,896,994)	(17,802,266)
Less: Other income to be considered separately		
Dividend Income	241,117	825,254
Profit on Sale of Shares	-	4,029,920
Interest on FDR	101,391	399,248
Commission Income- Insurance Premium	-	-
Miscellaneous Income	1,184,028	870,605
	<u>(8,423,530)</u>	<u>(23,927,293)</u>
Add: Accounting depreciation	10,044,447	41,759,627
	<u>1,620,917</u>	<u>17,832,334</u>
Add: Inadmissible expenses		
Entertainment expenses	144,478	352,720
Miscellaneous expenses	-	4,750
	<u>144,478</u>	<u>4,750</u>
	<u>1,765,395</u>	<u>18,189,804</u>
Less: Tax depreciation u/s 29	9,363,133	46,486,917
Business Income/(loss)	<u><u>(7,597,738)</u></u>	<u><u>(28,297,113)</u></u>
Add: Other income to be considered separately		
Dividend Income	241,117	825,254
Profit on Sale of Shares	-	4,029,920
Interest on FDR	101,391	399,248
Commission Income- Insurance Premium	-	-
Miscellaneous Income	1,184,028	870,605
Total Business Income/(loss)	<u><u>(6,071,202)</u></u>	<u><u>(22,172,086)</u></u>
22.01.2 <u>Minimum Tax:</u>		
Total receipt against sales	202,956,704	538,238,090
Total receipt against other income	1,584,616	6,125,027.00
Total	<u><u>204,541,320</u></u>	<u><u>544,363,117</u></u>
Minimum Tax @ 0.60% on gross receipt of Tk. 204,541,320.	<u><u>1,227,248</u></u>	<u><u>3,266,179</u></u>

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



	30 Sep 2022	30 June 2022
	<u>Taka</u>	<u>Taka</u>
23.00		
<u>LIABILITIES FOR OTHER FINANCE:</u>		
I.T. Deducted at Source	306,303	308,880
VAT Deducted at Source	145,413	113,235
Loan From Farhana Ferdous	27,000,000	25,200,000
Loan From Farhana Tarannum	24,300,000	21,800,000
	<u>51,751,716</u>	<u>47,422,115</u>
24.00		
<u>UNCLAIMED DIVIDEND:</u>		
Balance as on 1st July	3,010,168	2,974,152
Add: Dividend declared for the year 2021-2022 approved in the AGM	-	877,491
	<u>3,010,168</u>	<u>3,851,643</u>
Less: Dividend Paid during the period	-	841,475
Balance as on 30 September	<u>3,010,168</u>	<u>3,010,168</u>
24.01		
<u>Dividend Unclaimed for the years:</u>		
The details of unclaimed dividend as 30 September 2022 are as follows:		
2004-2005 to 2016-2017	2,490,152	2,490,152
2017-2018	305,650	305,650
2018-2019	95,700	95,700
2019-2020	82,650	82,650
2020-2021	36,016	36,016
	<u>3,010,168</u>	<u>3,010,168</u>
25.00		
<u>DIRECTORS CURRENT ACCOUNT:</u>		
Mr. Mohammed Abdullah, Ex-Chairman	20,800,000	20,800,000
Mr. Md. Golam Kibria	10,050,000	10,050,000
Mr. Md. Golam Mostofa	3,500,000	3,500,000
Mr. Md Golam Haider	4,500,000	4,500,000
Mr. Md. Golam Morshed	7,300,000	7,300,000
Mr. Md. Golam Rasul Muktedir	7,250,000	7,250,000
	<u>53,400,000</u>	<u>53,400,000</u>

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.



	30 Sep 2022	30 Sep 2021
	<u>Taka</u>	<u>Taka</u>
26.00 REVENUE:		
News Print Paper	109,593,400	20,638,487
M.G.Newsprint	48,904,930	17,583,242
Medium Paper	-	263,844
Tissues Paper	45,565,679	34,180,174
Khata	2,668,280	1,659,239
Gross Revenue	206,732,289	74,324,986
Less: Value Added Tax (VAT)	3,775,585	2,053,255
Net Revenue	202,956,704	72,271,731
27.00 COST OF GOODS SOLD:		
Opening Stock of Raw Materials	60,039,218	49,900,143
Add: Purchase during the period	132,636,702	60,723,651
	192,675,920	110,623,794
Less: Closing Stock of Raw Materials	59,089,218	55,542,241
Raw Materials Consumed	133,586,702	55,081,553
Add: Factory overhead:		
Salaries, Wages and Allowances	11,062,794	5,124,836
Overtime -Factory Worker	1,088,975	1,120,117
Food Allowance	85,751	49,706
Labour Charge	1,577	6,392
Carriage Inward	94,950	1,517,655
Gas Bill (Boiler & Gas Generator)	15,075,457	9,074,243
Electric Bill	8,556,058	5,269,029
Consumable Spare & Store	1,528,959	479,554
Packing Material Consumed	2,058,215	326,969
Factory Maintenance	2,293,439	1,373,270
Loading/Unloading Charge	82,835	52,770
Paper/Tissue/Khata Cutting Exp.	1,729,119	574,839
Fuel (Vehicle)	75,030	27,705
Medical & Medicine	39,059	40,911
Gas Generator Upkeep	-	-
Boiler Upkeep	17,000	-
Insurance Premium (Factory)	468,717	-
Laboratory Expenses	-	-
Canteen Expenses-Factory	41,833	35,293
Gas Bill (Factory Canteen)	37,660	10,159
Staff Tea, Tiffin (Factory)	14,820	23,480
Depreciation	9,931,026	10,291,488
	187,869,976	90,479,969
Add: Opening Work-in-Process	51,618,780	28,417,479
	239,488,756	118,897,448
Less: Closing Work-in-Process	46,021,280	36,841,560
Cost of Production	193,467,476	82,055,888
Add: Opening Stock of Finished Goods	147,219,143	86,032,455
	340,686,620	168,088,343
Less: Closing Stock of Finished Goods	154,318,643	103,598,829
Cost of Goods Sold	186,367,976	64,489,514



		30 Sep 2022	30 Sep 2021
		<u>Taka</u>	<u>Taka</u>
28.00	<u>ADMINISTRATIVE EXPENSES:</u>		
	Managing Director Remuneration	51,700	255,100
	Executive Director Remuneration	600,000	-
	Staff Salary & Allowances & Bonus	2,362,600	1,764,101
	Office Rent	67,500	90,000
	Telephone Bill	181,740	153,900
	Entertainment	144,478	64,750
	Staff Tea, Tiffin	1,940	210
	Travelling Expenses	275,125	-
	Dhaka Office Expenses	15,140	25,000
	Canteen Expenses	2,790	-
	Postage & Courier	9,673	4,674
	Forms, Stamp & Legal Documents	1,790	-
	Fees, Renewal & Subscription	88,550	140,144
	Printing & Stationery	26,810	5,447
	Gas Bill H/O	2,703	1,099
	Board Meeting Attendance Fees	69,600	-
	B. D. M. Expenses	5,230	-
	Audit Committee Meeting Attendance Fees	12,000	-
	NRC Meeting Attendance Fees	100,400	-
	B.O Maintenance Fees	900	900
	Office Maintenance	138,681	103,792
	Intranet Bill (BBTSL)	16,500	16,800
	Internet Bill (BBTSL)	15,000	15,500
	Conveyance	94,801	40,357
	Electric Bill- Head Office	73,202	64,424
	Electric Bill- Dhaka Office	4,940	-
	Fuel (Vehicle)	67,688	36,816
	Vehicle Upkeep	81,070	99,391
	Website Expenses	-	2,550
	Rent, Rates & Taxes	5,440	-
	Depreciation	113,421	120,083
		4,631,412	3,005,037

28.01 **Key Management Personal Compensation:**

Short term employee benefits	51,700	255,100
Long term employee benefits	-	-
Post employee benefits	-	-
Termination benefits	-	-
Share -based payments expenses	-	-
Total	51,700	255,100

- (a) The above short term employee benefits includes only remuneration amounting Tk. 51,700 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.



	30 Sep 2022	30 Sep 2021
	Taka	Taka
29.00 <u>SELLING & DISTRIBUTION EXPENSES:</u>		
Sales Promotion Expenses	137,372	12,740
Staff Salary	2,407,052	1,681,417
Festival Bonus	420,750	184,500
Conveyance-Tissue	317,085	243,953
Carriage Outward	7,695,150	-
C&F Bill-Export	9,186	6,050
Entertainment-Tissue	50,699	-
Advertisement	-	23,220
	11,037,294	2,151,880
30.00 <u>FINANCIAL EXPENSES:</u>		
Bank Charges	78,718	169,783
Bank Guarantee Commission	30,596	-
Interest Expenses on Cash Credit	4,633,388	3,944,509
Interest on Short Term Loan	357,677	2,101,587
Interest on Long Term Loan	4,281,253	9,016,358
Loan Processing Fee	20,000	101,200
	9,401,632	15,333,438
31.00 <u>NON-OPERATING INCOME:</u>		
Dividend Income	241,117	344,355
Profit on Sale of Shares	-	4,000,931
Interest Income	101,391	109,811
Commission Income- Insurance Premium	58,080	-
Miscellaneous Income	1,184,028	45,980
	1,584,616	4,501,077
32.00 <u>DEFERRED TAX EXPENSES:</u>		
(a) Deferred Tax Liability on 30 September	58,944,744	55,924,867
(b) Deferred Tax Liability on 01 July	58,518,042	55,287,179
Deferred Tax Expenses for the period (a-b)	426,702	637,688
33.00 <u>EARNING PER SHARE:</u>		
Calculation is shown below:		
<u>Net Profit after tax</u>	(8,550,944)	(9,305,385)
Number of shares outstanding	19,000,000	19,000,000
EPS	(0.45)	(0.49)
34.00 <u>NET ASSET VALUE PER SHARE WITH REVALUATION:</u>		
Calculation is shown below:		
<u>Net Asset with Revaluation</u>	438,897,705	447,546,925
Number of shares outstanding	19,000,000	19,000,000
Net asset value per share	23.10	23.56
35.00 <u>NET ASSET VALUE PER SHARE WITHOUT REVALUATION:</u>		
Calculation is shown below:		
<u>Net Asset without revaluation</u>	182,422,322	188,880,440
Number of shares outstanding	19,000,000	19,000,000
Net asset value per share	9.60	9.94



	30 Sep 2022	30 Sep 2021
	<u>Taka</u>	<u>Taka</u>
36.00 NET OPERATING CASH FLOW:		
Calculation is shown below:		
Net cash flow from operation	3,149,199	(1,499,752)
Number of shares outstanding	19,000,000	19,000,000
Net operating cash generated by per share	0.17	(0.08)

37.00 Number of Employees:

The total employees of the company as on September 30, 2022 stood at 463 nos comprising Head office staff 57 nos, Factory office staff 17 nos, Security 19 nos, Driver And helper 02 nos, Permanent worker 94 nos and Temporary worker 274 nos.

Number of employees whose monthly salary was below Tk. 3,000	-	-
Number of employees whose monthly salary was above Tk. 3,000	463	376

38.00 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

38.01 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:

a) Exposure of Credit risk:

Trade receivables	198,161,087	167,995,101
Advance, Deposit and Prepayments excluding Deposit & Prepayments.	191,588,334	191,391,417
Bank Balances	15,217,576	10,812,737
	<u>404,966,997</u>	<u>370,199,255</u>

b) Ageing of Trade Receivables are as follows:

Below-30 Days	33,687,385	28,559,167
Within 31-60 Days	53,503,493	45,358,677
Within 61-90 Days	33,687,385	28,559,167
Within 90 - 180 Days	31,705,774	26,879,216
Above 180 Days	45,577,050	38,638,873
	<u>198,161,087</u>	<u>167,995,101</u>

38.02 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.



38.02.01 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	60,799,990	-	-	60,799,990
Long Term Loan-non-current portions	399,467,913	80,332,018	-	479,799,931
Short Term Loan & Overdraft	215,981,653	215,981,653	-	215,981,653
Accrued Expenses	27,865,049	27,865,049	-	27,865,049
Workers Profit Participation and Welfare Fund	1,126,585	1,126,585	-	1,126,585
Trade Payables	24,546,256	24,546,256	-	24,546,256
Current Tax Liabilities	19,667,249	19,667,249	-	19,667,249
Liabilities for Other Finance	51,751,716	51,751,716	-	51,751,716
Directors Current Account	53,400,000	53,400,000	-	53,400,000
Total	854,606,410	474,670,526	-	934,938,428

38.03 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.

39.00 CAPACITY UTILIZATION:

Particulars	30 Sep 2022	30 June 2022
Installed Capacity (in M.T)	3,375	13,500
Actual Production (in M.T)	1,579	4,914
% of Capacity Utilization	47%	36%

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

- (i) Break down of boiler as well as generator
- (ii) Break down of Production Machinery
- (iii) Load shading and deficiency of electricity supply
- (iv) Schedule maintenance of running plant etc.
- (v) Utilization of production capacity was increased compared to previous year due to reducing covid virus pandemic, increased market demand etc.



40.00 **RELATED PARTY TRANSACTION:**

40.01	Name of the Parties	Relationship	Nature of Transactions	Balance as on 1st July 2022	Transaction during the period	Balance as on 30 September 2022
-------	---------------------	--------------	------------------------	-----------------------------	-------------------------------	---------------------------------

UNSECURED LOAN:

Mr. Mohammed Abdullah	Ex-Chairman	Loan Received	19,448,060	-	19,448,060
Mrs. Hosne Ara Begum	Chairman	Loan Received	3,800,000	-	3,800,000
Mr. Md. Golam Haider	Vice Chairman	Loan Received	7,457,975	-	7,457,975
Mr. Md. Golam Kibria	Managing Director	Loan Received	13,714,175	2,500,000	16,214,175
Mr. Md. Golam Morshed	Deputy Managing Director	Loan Received	4,707,475	-	4,707,475
Mr. Md. Golam Mostofa	Director	Loan Received	4,464,830	-	4,464,830
Mr. Md. Golam Rasul Muktadir	Director	Loan Received	4,707,475	-	4,707,475

DIRECTORS CURRENT ACCOUNT:

Mr. Mohammed Abdullah	Ex-Chairman	Loan Received	20,800,000	-	20,800,000
Mr. Md Golam Haider	Vice Chairman	Loan Received	4,500,000	-	4,500,000
Mr. Md. Golam Kibria	Managing Director	Loan Received	10,050,000	-	10,050,000
Mr. Md. Golam Morshed	Deputy Managing Director	Loan Received	7,300,000	-	7,300,000
Mr. Md. Golam Mostofa	Director	Loan Received	3,500,000	-	3,500,000
Mr. Md. Golam Rasul Muktadir	Director	Loan Received	7,250,000	-	7,250,000

41.00 **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 period.

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

	30 Sep 2022	30 Sep 2021
	Taka	Taka
Profit after Provision for Income Tax	(8,550,944)	(9,305,385)
Adjustment to Reconcile Profit before Tax provided by operating activities:		
Add: Depreciation	10,044,447	10,411,570
Add: Provision for Deferred Tax Expenses	426,702	637,688
Add: Financial Expenses	9,401,632	15,333,438
Add: Deferred tax on unrealized gain/(loss) on Investment In Share	(48,494)	-
A	11,273,343	17,077,311
Changes in Working Capital		
(Increase)/Decrease in Stock	(552,000)	11,500,000
(Increase)/Decrease in Trade Receivables	(6,297,674)	2,164,351
(Increase)/Decrease in Advance, Deposits & Prepayments	(3,904,583)	12,131,484
Increase/(Decrease) in Accrued Expenses	2,440,806	3,991,397
Increase/(Decrease) in Current portion of Long Term Loan	(2,494,315)	(8,841,040)
Increase/(Decrease) in Trade Payables	1,456,374	(4,555,780)
Increase/(Decrease) in Current Tax Liabilities	1,227,248	460,637
B	(8,124,144)	16,851,050
Net cash inflows/(out flows) from operating activities (A-B)	3,149,199	33,928,361

