HAKKANI PULP & PAPER MILLS LIMITED

Balance Sheet(Un audited) as at 31st December '2010

	as at 31st Detember 2010				
			Tak <u>a in 000'</u>		
		31st Dec '2010	30th Jun'2010		
A.	SOURCES OF FUNDS	<u>Taka</u>	<u>Taka</u>		
	SHARE HOLDERS FUND:				
	Share Capital	190,000.00	190,000.00		
	Tax Holiday Reserve	44,629.00	44,629.00		
	Dividend Equalization Fund	9,000.00	9,000.00		
	Retained Earnings	12,507.00	1,191.00		
	G	256,136.00	244,820.00		
	LOAN FUND:	,	,		
	Unsecured Loan	20,408.00	20,408.00		
		20,408.00	20,408.00		
		276,544.00	265,228.00		
B.	APPLICATION OF FUNDS				
	FIXED ASSETS At cost less Depreciation	188,550.00	194,966.00		
	Capital Work in Progress	970.00	591.00		
	Investment in Shares	15,210.00	13,004.00		
	<u>CURRENT ASSETS</u>				
	Inventories	75,645.00	104,024.00		
	Sundry Debtors	15,104.00	502.00		
	Advances, Deposits & Prepayments	11,368.00	12,525.00		
	Receivable From MTDR	5,740.00	4,529.00		
	Cash & Bank Balances	12,346.00	13,982.00		
		120,203.00	135,562.00		
	<u>Less:CURRENT LIABILITIES:</u>				
	Bank Overdraft	444.00	24,508.00		
	Provision for Income Tax	10,806.00	5,090.00		
	Accrued Expenses	6,626.00	6,514.00		
	Trade Creditors	14,047.00	26,320.00		
	Liabilities for Other Finance	5,221.00	5,218.00		
	Directors Current Account	1,745.00	1,745.00		
	Proposed Dividend	9,500.00	9,500.00		
	-	48,389.00	78,895.00		
	Net Current Assets	71,814.00	56,667.00		
		276,544.00	265,228.00		

s/d

Managing Director

s/d

Chief Financial Officer

HAKKANI PULP & PAPER MILLS LIMITED Profit & Loss Account(Un audited)

For The Half Year Ended 31st December '2010

Taka in 000'

		- VIII
<u>Particulars</u>	31st Dect'2010 <u>Taka</u>	31st Dect'2009 <u>Taka</u>
Sales	123,456.00	58,002.00
Less: Cost of Goods Sold	103,452.00	47,194.00
Gross Profit	20,004.00	10,809.00
Less: Operating Expenses		
Administrative Expenses	2,527.00	1,971.00
Financial Expenses	1,363.00	1,220.00
Selling & Distribution Expenses	694.00	203.00
	4,584.00	3,394.00
Operating Profit	15,420.00	7,416.00
Add: Non-Operating Income	968.00	365.00
Net Profit Before WPPF	16,388.00	7,781.00
Less:Contribution to Workers Profit Participation Fund	780.00	370.00
Net Profit Before Provision for Income Tax	15,608.00	7,410.00
Less: Provision for Income tax	4,292.00	2,779.00
Surplus for the period	11,316.00	4,631.00
Balance brought forward from last year	1,191.00	752.00
Balance carried forward to balance Sheet	12,507.00	5,383.00
	0.60	0.24

s/d	s/d		
Managing Director	Chief Financial Officer		

HAKKANI PULP & PAPER MILLS LIMITED

<u>Cash Flow Statement</u> for the Half Year ended 31st Dec '2010

		Taka in 000'
	31st Dec '2010	31st Dec '2009
A. Cash flows from operating activities:	<u>Taka</u>	<u>Taka</u>
Cash Collection from Turnover & Others	110,557.00	56,588.00
Payment for cost and expenses	(83,644.00)	(37,593.00)
Interest Paid	(1,251.00)	(1,220.00)
Income Tax Paid	(446.00)	(4,401.00)
Net cash from operating activities	25,216.00	13,374.00
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B. Cash flows from investing activities:		
Acquisition to Fixed Assets	(206.00)	(612.00)
Capital Work in Progress	(379.00)	-
Investment in Shares	(2,207.00)	-
Net cash from investing activities	(2,792.00)	(612.00)
C. Cash flows from financing activities		
Bank Overdraft	(24,065.00)	(16,224.00)
Liabilities for other finance	4.00	145.00
Dividend Paid	-	8.00
Net Cash from financing activities	(24,061.00)	(16,071.00)
Net Increase/(Decrease) in cash and bank balances (/	(1,637.00)	(3,310.00)
Cash and Bank Balances at the beginning	13,983.00	31,889.00
Cash and Bank Balances at the end	12,346.00	28,579.00
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s/d	s/d
Managing Director	Chief Financial Officer

HAKKANI PULP & PAPER MILLS LIMITED Statement of Changes in Equity (Unaudited)

for the Half Year ended 31st December '2010

(Taka in '000')

Particulars	Share Capital	Tax Holiday	Dividend	Retained	Total
	озако об р тан	Reserve	Equlization Fu	Earnings	1 0 0 0 0 0
Balance as at 1st July,2010	190,000.00	44,629.00	9,000.00	1,191.00	244,820.00
Net Profit for the period	-	-		11,316.00	11,316.00
Balance as at 31st Decemb	190,000.00	44,629.00	9,000.00	12,507.00	256,136.00

for the Half Year ended 31st December '2009

(Taka in '000')

Particulars	Share Capital	Tax Holiday Reserve	Dividend Equlization Fu	Retained Earnings	Total
Balance as at 1st July,2009	190,000.00	44,629.00	9,000.00	4,631.00	248,260.00
Net Profit for the period	-	-		752.00	752.00
Balance as at 31st Decemb	190,000.00	44,629.00	9,000.00	5,383.00	249,012.00

s/d	s/d
Managing Director	Chief Financial Officer