

Annual
REPORT
22-23



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



MOHAMMED ABDULLAH
THE FOUNDER
1947 - 2021



MOHAMMAD GOLAM HAIDER
EX. VICE CHAIRMAN
1984 - 2022



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

Annual Report **2022-2023**

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TRANSMITTAL LETTER

Date: 23 November 2023

The Valued Shareholders of Hakkani Pulp and Paper Mills Limited,
Bangladesh Securities and Exchange Commission,
Registrar of Joint Stock Companies & Firms,
Dhaka Stock Exchange Limited,
Chittagong Stock Exchange PLC.

Subject: Annual Report for the year ended June 30, 2023.

Dear Sir(s),

We are pleased to enclose the notice of 27th Annual General Meeting, a copy of the Annual Report together with the Audited Financial Statements including Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended June 30, 2022 along with the notes thereon of Hakkani Pulp and Paper Mills Limited for your kind information and record.

It may be mentioned here that as per notification no. BSEC/CMRRCD/2006-158/208/ Admin/81, dated 20 June, 2018 issued by Bangladesh Securities and Exchange Commission, we are sending the Notice of Annual General Meeting and Annual Report along with Annual Audited Financial Statements to the valued Shareholders through e-mail addresses available in their Beneficial Owner (BO) accounts with the Central Depository System.

Moreover, soft copy of the Annual Report will also be available in the company's website at www.hakkanigroup.com.

With best regards,

Mohammad Musa
Company Secretary



NOTICE OF THE 27th ANNUAL GENERAL MEETING

This is hereby Noticed that the **27th ANNUAL GENERAL MEETING (AGM)** of the shareholders of **Hakkani Pulp & Paper Mills Limited** will be held on Wednesday, the 27th December 2023 at 11.00 a.m at virtually by using Digital Platform as per BSEC order SEC/SRM/04/231/25 July 08, 2020 through the Link <https://agmbd.live/hakkanipul2023> to transact the following business:

ORDINARY BUSINESS:

- Agenda-1 : To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30th June 2023 together with the Reports of the Auditors' and the Directors thereon;
- Agenda-2 : To declare and approve the dividend for the year ended 30th June 2023 as recommended by the Board of Directors;
- Agenda-3 : To elect/re-elect Director(s) in terms of Articles 82 of Association of the Company;
- Agenda-4 : To appoint the Statutory Auditors for the year ended 30 June 2024 and fix their remuneration;
- Agenda-5 : To appoint the Corporate Governance Compliance Auditors for the year ended 30th June 2024 and fix their remuneration;
- Agenda-6 : To consider and approve of the **Related Party Transactions** (as disclosed in the Note 41 of the Audited Financial Statements) pursuant to the BSEC Notification No. BSEC/CMRRCD/2009-193/Admin/103 dated 5th February 2020;

SPECIAL BUSINESS:

- Agenda-1 : **To change the registered name of the Company to "HAKKANI PULP AND PAPER MILLS PLC" from existing "HAKKANI PULP AND PAPER MILLS LIMITED in compliance with Companies Act. 1994 (2nd Amendment 2020)";**

If deemed fit, to approve the following resolution as Special Resolution with or without modification:

"Resolved that, the Registered Name of the Company be and is hereby changed to **"HAKKANI PULP AND PAPER MILLS PLC"** from existing **"HAKKANI PULP AND PAPER MILLS LIMITED"** under Clause-I of Memorandum of association and other relevant clauses of Memorandum and Articles of Association of the Company in compliance with Companies Act. 1994 (2nd Amendment 2020)".

- Agenda-2 : **To increase the Authorized Share Capital of the Company from Taka 50 crore to Taka100 crore;**

If deemed fit, to approve the following resolution as Special Resolution with or without modification:

A. Resolved that, the authorized share capital of the company be and is hereby increased to BDT 100,00,00,000 (Taka One Hundred Crore) divided into 10,00,00,000 (Ten Crore) Ordinary shares of Taka 10.00 each from existing BDT 50,00,00,000 (Taka Fifty Crore) divided into 5,00,00,000 (Five Crore) Ordinary shares of Taka 10.00 each.

B. To Amend/Change Clause No.-V of Memorandum of Association of Limited in order to increase the Authorized Share Capital to Taka 100

Pursuant to the relevant provisions of the Companies Act 1994 and the any other approvals as may be necessary, the consent of the sharehold



hereby accorded for amendment/change the Clause (V) of the Memorandum of Association of the company which are as follows:

Existing Clause-V of the Memorandum of Association	Proposed Clause-V of the Memorandum of Association
“The authorized capital of the company is Tk. 50,00,00,000 (Taka fifty crore) divided into 5,00,00,000 (Tk. five crore) Ordinary shares of Tk. 10.00 (Ten) each with powers to increase or reduce the share capital of the company and to divide the shares in the capital of the company into different classes and to attach thereto respectively such as preferential, differed, qualified or special rights, privileges or conditions as may be determined by the company or to consolidate or sub-divide the shares and to issue shares of higher or lower denominations.”	“The authorized capital of the company is Tk. 100,00,00,000 (Taka One Hundred crore) divided into 10,00,00,000 (Tk. ten crore) Ordinary shares of Tk. 10.00 (Ten) each with powers to increase or reduce the share capital of the company and to divide the shares in the capital of the company into different classes and to attach thereto respectively such as preferential, differed, qualified or special rights, privileges or conditions as may be determined by the company or to consolidate or sub-divide the shares and to issue shares of higher or lower denominations.”

C. To amend/change clause 4 of Articles of Association of Hakkani Pulp & Paper Mills Limited in order to increase the Authorized Share Capital to Taka 100 crore from 50 crore.

Pursuant to the relevant provisions of the Companies Act 1994 and the rules framed thereunder and any other approvals as may be necessary, the consent of the shareholders of the company be and is hereby accorded for amendment/change the Clause (4) of the Articles of Association of the company which are as follows:

Existing Clause-4 of the Articles of Association	Proposed Clause-4 of the Articles of Association
The authorized capital of the Company is Tk. 50,00,00,000/- (Tk. fifty crore) divided into 5,00,00,000/- (Tk. five crore) ordinary shares of Tk. 10.00 (ten) each.	The authorized capital of the Company is Tk.100,00,00,000/- (Tk. One Hundred crore) divided into 10,00,00,000/- (Tk. ten crore) ordinary shares of Tk. 10.00 (ten) each.

Agenda 3 : **To amend/change the clause No. 47, 50, 69, 70, 71, 72, 86 and 87(1) of the Article of Association of the company.**

Resolved that, the amendment of the clause No. 47, 50, 69, 70, 71, 72, 86 and 87(1) of the Articles of Association of the Company be and are hereby approved by way of substitution and addition.

Dated: Chattogram
November 4, 2023

By order of the Board


Mohammad Musa
Company Secretary

Notes:

- (1) November 23, 2023 is scheduled as Record Date for the 27th Annual General Meeting of the company. Members whose names appear on the Register of Members record on the Record Date will be eligible to attend the meeting at



- (2) The shareholders will join the Virtual AGM of Hakkani Pulp and Paper Mills Limited through the link <https://agmbd.live/hakkanipul2023> prior to 24 hours of the meeting. BO ID will be as the user ID and number of shareholding on the record date will be as password. The shareholders will be able to register and comments before commencement of the AGM and during the AGM. If any technical problems arise to join the virtual meeting requested to call at the mobile number +88-01714-087510. Written queries, if any, should reach at the share department of the company at least 24 hours before the meeting for the sake of convenience of appropriate explanation.
- (3) A member will be entitled to attend and vote at the 27th Annual General Meeting can appoint a proxy to attend the meeting and vote on his/her behalf. The proxy form duly stamped with revenue stamp of Taka 10.00 must be sent at the share department of the Company at Hakkani Pulp & Paper Mills Limited, 2/10, D.T. Road, North Pahartali, Chattogram or through e-mail- companysecretary@hakkanigroup.com or compliancehppml@gmail.com not later than 48 hours before the appointed time of the meeting.
- (4) As per notification of BSEC, the soft copy of Annual Report will be sent to the shareholders' e-mail address available in their BO Accounts maintained by the Depository Participant (DP). The soft copy of Annual Report FY 2022-2023 and Proxy Form will also be available in the company's website at www.hakkanigroup.com. The shareholders may also collect the printed copy of Annual Report FY 2022-2023 from the share department of the company.
- (5) Shareholders bearing BO ID are requested to update the particulars of Bank A/C, e-mail address, change of address and 12 digit Tax payers' identification number (e-Tin) through their depository participant (DP) before **10 December 2023**. If the shareholders failed to upload their e-Tin before **December 10, 2023** income tax at source will be deducted from payable dividend @15% instead of @10% as per amendment Income Tax Act-2023. The Shareholders who are maintaining folio no. are also requested to submit their e-Tin before **10 December 2023** to the Share Department of Hakkani Pulp and Paper Mills Limited, 2/10, D.T Road, North Pahartali, Chattogram.
- (6) Depository Participants/Stock Brokers are requested to send the list of margin account holders based on record date i.e. **10 December 2023**. If any, within the **10 December 2023** to the company through hard copy or e-mail at companysecretary@hakkanigroup.com or compliancehppml@gmail.com, otherwise, the dividend will be paid to the shareholders whose names appeared in the Member/Depository Register on the "Record Date".
- (7) Election of Directors will be held in terms of Articles of Association of the Company and relevant rules/ circulars in force.
- (8) BSEC directives will be applicable in all respect.



২৭তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

এই মর্মে হাক্কানী পাল্প এন্ড পেপার মিলস্ লিঃ এর সম্মানিত শেয়ারহোল্ডারদের অবহিত করা হচ্ছে যে, কোম্পানির ২৭তম বার্ষিক সাধারণ সভা আগামী ২৭ ডিসেম্বর ২০২৩ রোজ বুধবার সকাল ১১.০০ ঘটিকায় ডিজিটাল প্ল্যাটফর্ম <https://agmbd.live/hakkanipul2023> এই লিংকের মাধ্যমে অনুষ্ঠিত হবে।

উক্ত সভার আলোচ্যবিষয় নিম্নরূপ

সাধারণ সিদ্ধান্ত সমূহঃ

- আলোচ্যবিষয়-০১ : কোম্পানির ৩০ জুন ২০২৩ তারিখে সমাপ্ত বৎসরের নিরীক্ষিত আর্থিক বিবরণী, নিরীক্ষা প্রতিবেদন এবং পরিচালকমন্ডলীর প্রতিবেদন গ্রহণ, বিবেচনা ও অনুমোদন।
- আলোচ্যবিষয়-০২ : ৩০ জুন ২০২৩ তারিখে সমাপ্ত বৎসরের জন্য পরিচালক পর্যদের সভায় সুপারিশকৃত লভ্যাংশ অনুমোদন।
- আলোচ্যবিষয়-০৩ : কোম্পানির সংঘবিধির ধারা ৮২ অনুযায়ী পরিচালক নির্বাচন।
- আলোচ্যবিষয়-০৪ : ৩০ জুন ২০২৪ তারিখে সমাপ্ত বৎসরের জন্য নিরীক্ষক নিয়োগ এবং তাদের পারিশ্রমিক নির্ধারণ।
- আলোচ্যবিষয়-০৫ : ৩০ জুন ২০২৪ তারিখে সমাপ্ত বৎসরের জন্য কর্পোরেট গভর্ন্যান্স কমপ্লাইয়েন্সের জন্য নিরীক্ষক নিয়োগ এবং তাদের পারিশ্রমিক নির্ধারণ।
- আলোচ্য বিষয়-০৬ : কোম্পানির সাথে স্বার্থ সংশ্লিষ্ট পক্ষদ্বয়ের লেনদেন সমূহ (**Related Party Transactions**) বিবেচনা ও অনুমোদন। (BSEC Notification No.- BSEC/CMRRCD/2009-193/Admin/103 dated 05/02/2020 এর আলোকে নিরীক্ষিত হিসাব বিবরণীর ৪১ নং নোটে প্রদর্শিত আছে)।

বিশেষ সিদ্ধান্ত সমূহঃ

- আলোচ্যবিষয়-০১ : কোম্পানি আইন, ১৯৯৪ (দ্বিতীয় সংশোধন-২০২০) অনুযায়ী “হাক্কানী পাল্প এন্ড পেপার মিলস্ লিমিটেড এর শেষে “লিমিটেড” শব্দের পরিবর্তে “পাবলিক সীমিত দ্বায় কোম্পানি” বা “PLC” শব্দ প্রতিস্থাপন এবং কোম্পানির মেমোরেন্ডাম এন্ড আর্টিক্যালস অব এসোসিয়েশনের সংশ্লিষ্ট ধারা সমূহ সংশোধন করা।
- যথাযথভাবে বিবেচনা এবং যথোপযুক্ত মনে হলে নিম্নোক্ত সিদ্ধান্তটি বিশেষ সিদ্ধান্ত হিসাবে অনুমোদন করা :
- এই মর্মে সিদ্ধান্ত হয় যে, সংশ্লিষ্ট নিয়ন্ত্রক সংস্থা কর্তৃক অনুমোদন এবং সংশ্লিষ্ট আইন, বিধান ও শর্ত পরিপালন সাপেক্ষে প্রস্তাবিত কোম্পানী আইন, ১৯৯৪ (দ্বিতীয় সংশোধন-২০২০) অনুযায়ী “হাক্কানী পাল্প এন্ড পেপার মিলস্ লিমিটেড” এর শেষে “লিমিটেড” শব্দের পরিবর্তে “পাবলিক সীমিত দ্বায় কোম্পানি” বা “PLC” শব্দ প্রতিস্থাপন করা হবে এবং সে অনুযায়ী কোম্পানির মেমোরেন্ডাম এন্ড আর্টিক্যালস অব এসোসিয়েশনের সংশ্লিষ্ট ধারা সমূহ সংশোধন করা হবে।
- আলোচ্যবিষয়-০২ : কোম্পানির অনুমোদিত মূলধন বৃদ্ধি অনুমোদন।
- যথাযথভাবে বিবেচনা এবং যথোপযুক্ত মনে হলে নিম্নোক্ত সিদ্ধান্তটি বিশেষ সিদ্ধান্ত হিসাবে অনুমোদন করা :
- ক) হাক্কানী পাল্প এন্ড পেপার মিলস্ লিমিটেড এর অনুমোদিত মূলধন ৫০,০০.০০.০০০.০০ (পঞ্চাশ কোটি) টাকা থেকে ১০০,০০,০০,০০০.০০ (একশত কোটি) টাকায় বৃদ্ধি করা।
- খ) হাক্কানী পাল্প এন্ড পেপার মিলস্ লিমিটেড এর অনুমোদিত মূলধন বিষয়ক ধারার বর্ণনা এবং ৫ম (v) ধারার সংশোধনী প্রস্তাব নিম্নে উপস্থাপন করা



সংঘ স্মারকের বিদ্যমান ৫ম (v) ধারা	সংঘ স্মারকের ৫ম (v) ধারার সংশোধনী প্রস্তাব
<p>“The authorized capital of the company is Tk. 50,00,00,000 (Taka fifty crore) divided into 5,00,00,000 (Tk. five crore) Ordinary shares of Tk. 10.00 (Ten) each with powers to increase or reduce the share capital of the company and to divide the shares in the capital of the company into different classes and to attach thereto respectively such as preferential, differed, qualified or special rights, privileges or conditions as may be determined by the company or to consolidate or sub-divide the shares and to issue shares of higher or lower denominations.”</p>	<p>কোম্পানির অনুমোদিত মূলধন ৫০ কোটি টাকা থেকে ১০০ কোটি টাকায় বৃদ্ধির লক্ষ্যে সংঘ স্মারকের ৫ম (v) ধারাটি নিম্নোক্তভাবে সংশোধন করা হোক।</p> <p>“The authorized capital of the company is Tk. 100,00,00,000 (Taka One Hundred crore) divided into 10,00,00,000 (Tk. ten crore) Ordinary shares of Tk. 10.00 (Ten) each with powers to increase or reduce the share capital of the company and to divide the shares in the capital of the company into different classes and to attach thereto respectively such as preferential, differed, qualified or special rights, privileges or conditions as may be determined by the company or to consolidate or sub-divide the shares and to issue shares of higher or lower denominations.”</p>

গ) হাক্কানী পাল্প এন্ড পেপার মিলস্ লিমিটেড এর অনুমোদিত মূলধন বিষয়ক সংঘ বিধির বিদ্যমান ৪র্থ ধারার বর্ণনা এবং ৪র্থ ধারার সংশোধনী প্রস্তাব নিম্নে উপস্থাপন করা হল :

সংঘ বিধির বিদ্যমান ৪র্থ ধারা	সংঘ বিধির ৪র্থ ধারার সংশোধনী প্রস্তাব
<p>The authorized capital of the Company is Tk. 50,00,00,000/- (Tk. fifty crore) divided into 5,00,00,000/- (Tk. five crore) ordinary shares of Tk. 10.00 (ten) each.</p>	<p>কোম্পানির অনুমোদিত মূলধন ৫০ কোটি টাকা থেকে ১০০ কোটি টাকায় বৃদ্ধির লক্ষ্যে সংঘ বিধির ৪র্থ ধারাটি নিম্নোক্তভাবে সংশোধন করা হোক।</p> <p>The authorized capital of the Company is Tk.100,00,00,000/- (Tk. One Hundred crore) divided into 10,00,00,000/- (Tk. ten crore) ordinary shares of Tk. 10.00 (ten) each.</p>

আলোচ্যবিষয়-০৩ : কোম্পানির আর্টিক্যালস অব এসোসিয়েশনের ধারা-৪৭, ৫০, ৬৯, ৭০, ৭১, ৭২, ৮৬ এবং ৮৭(i) এর সংশোধনী অনুমোদন।

যথাযথভাবে বিবেচনা এবং যথোপযুক্ত মনে হলে নিম্নোক্ত সিদ্ধান্তটি বিশেষ সিদ্ধান্ত হিসাবে অনুমোদন করা :

এই মর্মে সিদ্ধান্ত হয় যে, সংশ্লিষ্ট নিয়ন্ত্রক সংস্থা কর্তৃক অনুমোদন এবং সংশ্লিষ্ট আইন, বিধান এবং শর্ত পরিপালন সাপেক্ষে কোম্পানির মেমোরেডাম এন্ড আর্টিক্যালস অব এসোসিয়েশনের ধারা-৪৭, ৫০, ৬৯, ৭০, ৭১, ৭২, ৮৬ এবং ৮৭(i) এর সংশোধন করা হবে।

পরিচালকমন্ডলীর আদেশক্রমে,

তারিখঃ চট্টগ্রাম
নভেম্বর ৪, ২০২৩



বিশেষ দৃষ্টব্যঃ

- (১) রেকর্ড ডেট / শেয়ার হস্তান্তর বই বন্ধের তারিখ ২৩ নভেম্বর ২০২৩।
- (২) সম্মানিত শেয়ারহোল্ডারগণ বার্ষিক সাধারণ সভায় অংশগ্রহণ করার জন্য <https://agmbd.live/hakkanipul2023> এই লিংকে প্রবেশ করতে হবে এবং ইউজার আইডি, বিও হিসাব নম্বর এবং পাসওয়ার্ড হিসাবে রেকর্ড ডেট এ ধারণকৃত শেয়ারের পরিমাণ প্রদান করতে হবে। শেয়ারহোল্ডারগণ তাদের প্রশ্ন ও মতামত সভা শুরুর ২৪ ঘন্টা পূর্বে ইলেকট্রনিক পদ্ধতি ব্যবহারের মাধ্যমে প্রদান করতে হবে। ভার্চুয়াল সভায় অংশগ্রহণের জন্য প্রযুক্তিগত কোন সমস্যার সৃষ্টি হলে +৮৮-০১৭১৪-০৮৭৫১০ নম্বরে যোগাযোগ করার জন্য অনুরোধ রইল।
- (৩) বার্ষিক সাধারণ সভায় উপস্থিত থাকা এবং ভোটাধিকার প্রয়োগে যোগ্য শেয়ারহোল্ডার নিয়ম অনুযায়ী রাজস্ব স্ট্যাম্প প্রিন্সি ফরমে সংযোজনপূর্বক মিটিং শুরু হওয়ার কমপক্ষে ৪৮ ঘন্টা পূর্বে প্রিন্সি নিযুক্ত করিতে পারিবেন।
- (৪) বার্ষিক প্রতিবেদন ২০২২-২০২৩ শেয়ারহোল্ডারগণের ই-মেইল ঠিকানায় প্রেরণ করা হবে। এছাড়া বার্ষিক প্রতিবেদন ২০২২-২০২৩ কোম্পানির www.hakkanigroup.com ওয়েবসাইটে পাওয়া যাবে এবং শেয়ার বিভাগ থেকে সংগ্রহ করা যাবে।
- (৫) মার্চেন্ট ব্যাংক এবং ডিপোজিটরি পার্টিসিপেন্টদের অবগতির জন্য জানানো যাচ্ছে যে, যারা হাক্কানী পাল্প এন্ড পেপার মিলস্ লিমিটেড এর শেয়ার মার্জিন লোন অধিভুক্ত তাদের বিবরণী আগামী ১০ ডিসেম্বর ২০২৩ তারিখের মধ্যে কোম্পানি সচিব বরাবর পৌঁছানোর জন্য অনুরোধ করা হল।
- (৬) সম্মানিত শেয়ারহোল্ডারদের তাদের ঠিকানা, যদি দরকার হয়, হালনাগাদ করার জন্য অনুরোধ করা হল।
- (৭) পরিচালক নির্বাচনের ক্ষেত্রে কোম্পানির সংঘবিধিতে সন্নিবেশিত নীতি অনুসরণ করা হবে।
- (৮) সকল ক্ষেত্রে বিএসইসি এর নির্দেশনা প্রযোজ্য হবে।



COMPANY
Profile



Company Profile

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

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

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

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

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

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

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

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



HOSNE ARA BEGUM

Chairman

Mrs. Hosne Ara Begum was born in Chattogram, Bangladesh in 1952. She is the wife of the late Mr. Md. Abdullah, former Chairman of the company. Mrs. Hosne Ara Begum was elected as Chairman of the company in its 147th Board of Directors meeting held on 04 May 2021. She was the Sponsor Director of Hakkani Pulp & Paper Mills Limited and one of the important fellows in planning policy maker and executer. She is actively involved with this group business for 34 years. She is regular in the Board of Directors meetings to play vital role and to make decisions and ensure transparency in all assignments related to this Business group. She provided the necessary backup to strengthen this business group. She is involved with different corporate social responsibility activities.



MD. GOLAM KIBRIA

Managing Director

Mr. Mohammed Golam Kibria was born in a famous Muslim family in Chattogram, Bangladesh in 1980. He is the 2nd son of the late Mr. Md. Abdullah. He joined the family business after the completion of his graduation. He has worked as Deputy Managing Director of Hakkani Pulp & Paper Mills Limited since its inception on 29th January 2001. Mr. Kibria was appointed as Managing Director of the company in its 146th Board of Directors Meeting held on 30 January 2021.

Mr. Kibria has gathered huge knowledge and experience in the management of the industrial and trading organization. He started his business career after the completion of his graduation. He has also gathered huge knowledge in industrial management and production technology through working at different levels of responsibilities with the inheritance of the group. He acquired computer-based education from NCC, UK and was involved in the related business for a long time with goodwill and success. He can individually manage the whole operational technological side of the industry. He has been also playing an important role in various aspects of management and corporate planning.

He has been in business the different arenas with his pragmatic and dynamic efforts. He has gathered immense experience in the paper manufacturing business, Trading business, packing industry, international trade, logistic management, fuel station etc. He had been playing a major role in planning, executing and controlling, financing and investing activities of Hakkani pulp & paper mills limited most productively.



PROFESSOR S. M. NASRUL QUADIR
Independent Director

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

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

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

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



Prof. Dr. RAFIUDDIN AHMED
Independent Director

Prof. Dr. Rafiuddin Ahmed was born on November 03, 1979. He completed his BBA (Hons.) in Marketing in 2001 and MBA in 2002 from University of Dhaka, Bangladesh. He did his Masters in International Business from University of Melbourne, Melbourne Australia in 2009 funded by Melbourne University Graduate Merit Scholarship. He did his Ph. D. (Doctor of Philosophy) and got awarded with Ph.D. in 2019 from La Trobe University (LTU), Melbourne, Australia.

Prof. Dr. Rafiuddin Ahmed started his teaching career as a Lecturer in Marketing Department at University of Dhaka in December 2005. He was promoted as Assistant Professor in February 2010 and as an Associate Professor and Student advisor in 29th October 2018 at Marketing Department, University of Dhaka, Bangladesh. Finally, he has been working as a Professor since 16 July 2023 at Marketing Department, University of Dhaka, Bangladesh.

Prof. Dr. Rafiuddin Ahmed being an academic and researcher got published a good number of research-based articles at home and abroad in different areas like Marketing, Digital Marketing, Online Business, Microfinance, management, Brand management, digital transformation etc. Dr. Rafiuddin Ahmed has been working in the corporate sectors for many years in the capacities of advisor, consultant, and trainer in different reputed corporate firms in Bangladesh.

The Board of Directors of the Company has appointed him as an independent director of the Company in its 153rd Meeting dated 3rd August 2022. His excellent academic background, professional knowledge, and analytical ability are expected to contribute to the growth and development of Hakkani Pulp & Paper Mills Limited.

Prof. Dr. Rafiuddin Ahmed is associated with many social organizations and activities. He is the Mentor and Juror of the Bangladesh Block chain Olympiad, Co-founder of Marketing Watch Bangladesh (MWB), Founder of Brandz Hub, Project Member in the Business transformation committee of the Bangladesh Securities and Exchange Commission (BSEC), Founder and Director of DU Brac Bank funded Entrepreneurship Development Program (DUEDC), Lead trainer in Thriving skills on digital marketing, digital entrepreneurship and Blockchain for business, Edupreneur, CEO and Founder of Innokids (A Kidspreneurship Training Services for Young Kids (Tweens), Moderator and chief patron, Dhaka University Entrepreneurship Development Club (DUEDC), Chief Advisor, Extra Mile Age Care (An elderly caregiver social enterprise) based in Dhaka, Bangladesh etc.



MD. GOLAM MORSHED

Deputy Managing Director

Mr. Mohammed Golam Morshed was born in a famous Muslim family of Chattogram, Bangladesh in 1985. He is the 4th son of late Mr. Md. Abdullah. He is an MBA. He was appointed as Director of Hakkani Pulp & Paper Mills Limited on 30th April, 2015.

He engaged with the family business after completing post- graduation. He is active in the day to day operation of the business. He is introducing modern management practices in the company and installing a team spirit to excel in the industry.

Mr. Morshed was appointed as Deputy Managing Director of the company as per 146th Board of Directors meeting held on 30 January 2021. He was also the member of audit committee and NRC Committee of the company while he was a non-executive director.



MD. GOLAM RASUL MUKTADIR

Vice Chairman

Mr. Mohammad Golam Rasul Muktadir was born in a famous Muslim family of Chattogram, Bangladesh in 1991. He is the 5th son of late Mr. Md. Abdullah. He was appointed as the Director of Hakkani Pulp & Paper Mills Limited on 30th April, 2015. Mr. Muktadir was appointed as Vice-Chairman of the company in its 155th Board of Directors meeting held on 03 November 2022. He completed his graduation in Business Administration. He is one of the youngest Director of Hakkani Pulp & Paper Mills Limited. He started his business career after completion of his graduation. He has gathered his immense experience in paper manufacturing industries and transport business. He is the member of Audit Committee and Nomination and Remuneration (NRC) Committee.



CORPORATE MANAGEMENT

■ Board of Directors:

Sl. No.	Name of the Directors	Position
01.	Mrs. Hosne Ara Begum	Chairman
02.	Mr. Md. Golam Kibria	Managing Director
03.	Mr. Md. Golam Morshed	Deputy Managing Director
04.	Mr. Md. Golam Rasul Muktadir	Vice-Chairman
05.	Prof. S. M. Nasrul Quadir	Independent Director
06.	Prof. Dr. Rafiuddin Ahmed	Independent Director

■ Audit Committee:

Sl. No.	Name of the Member	Status in the Company	Status in the Committee
01.	Prof. S. M. Nasrul Quadir	Independent Director	Chairperson
02.	Prof. Dr. Rafiuddin Ahmed	Independent Director	Member
03.	Mr. Md. Golam Rasul Muktadir	Non-Executive Director	Member
04.	Mr. Mohammad Musa	Company Secretary	Secretary

■ Nomination and Remuneration Committee (NRC):

Sl. No.	Name of the Member	Status in the Company	Status in the Committee
01.	Prof. S. M. Nasrul Quadir	Independent Director	Chairperson
02.	Prof. Dr. Rafiuddin Ahmed	Independent Director	Member
03.	Mr. Md. Golam Rasul Muktadir	Non-Executive Director	Member
04.	Mr. Mohammad Musa	Company Secretary	Secretary

■ Corporate Officials:

Sl. No.	Name of the Officials	Position
01.	Mr. Shah Javed Ahmed	Executive Director
02.	Mr. Mohammad Musa	Company Secretary
03.	Mr. Mohammad Moinul Abedin	Chief Financial Officer
04.	Mr. Saleh Ahmed	Head of Internal Audit



OTHER PARTICULARS Bank and Other Financial Institution

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

STATUTORY AUDITORS

Shafiq Basak & Co.
Chartered Accountants
National House, (First Floor), Commercial Area, Chattogram, 4100
E-mail: basak_sbc@yahoo.com, basak@shafiqbasak.com

CORPORATE GOVERNANCE COMPLIANCE AUDITORS

Khan Wahab Shafique Rahman & Co.
Chartered Accountants.
Faruk Chamber (10th Floor), 1403 SK Mujib Road, Agrabad C/A
Double Mooring, Chattogram, Bangladesh
Web: www.kwsrbd.com

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FACTORY

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



DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Fellow Shareholder(s),

It is my great pleasure to welcome you all at the 27th Annual General Meeting of **Hakkani Pulp and Paper Mills Limited** and on behalf of the Board of Directors I am presenting the Annual Report of the company which includes Directors' Report along with the Audited Financial Statements and Auditors' Report for the year ended 30 June 2023 for your kind consideration, adoption and approval.

This Annual Report has been prepared and presented under section 184 of the Companies Act, 1994 and in compliance with the Bangladesh Securities and Exchange Commission's (BSEC) Corporate Governance Code, notification No. BSEC/CMRRC/2006-158 /207/Admin/80 dated 03 June 2018.

1.0 Outlook of Global Economy:

Amid high inflation, aggressive monetary tightening and heightened uncertainties, the current downturn has slowed the pace of economic recovery from the COVID-19 crisis, threatening several countries both developed and developing with the prospects of recession in 2023. Growth momentum significantly weakened in the United States, the European Union and other developed economies in 2022, adversely impacting the rest of the global economy through a number of channels.

Tightening global financial conditions coupled with a strong dollar exacerbated fiscal and debt vulnerabilities in developing countries. Over 85 per cent of central banks worldwide tightened monetary policy and raised interest rates in quick succession since late 2021, to tame inflationary pressures and avoid a recession. Global inflation which reached a multi-decade high of about 9 percent in 2022 is projected to ease but remain elevated at 6.5 percent in 2023.

Most developing countries have seen a slower job recovery in 2022 and continue to face considerable employment slack. Disproportionate losses in women's employment during the initial phase of the pandemic have not been fully reversed, with improvements mainly arising from a recovery in informal jobs.

According to the report, slower growth, coupled with elevated inflation and mounting debt vulnerabilities, threatens to further set back hard-won achievements in sustainable development, deepening the already negative effects of the current crises. Already in 2022, the number of people facing acute food insecurity had more than doubled compared to 2019, reaching almost 350 million. A prolonged period of economic weakness and slow income growth would not only hamper poverty eradication, but also constrain countries' ability to invest in the SDGs more broadly.

The report calls for Governments to avoid fiscal austerity which would stifle growth and disproportionately affect the most vulnerable groups, affect progress in gender equality and stymie development prospects across generations. It recommends reallocation and reprioritization of public expenditures through direct policy interventions that will create jobs and reinvigorate growth. This will require strengthening of social protection systems, ensuring continued support through targeted and temporary subsidies, cash transfers, and discounts on utility bills, which can be complemented with reductions in consumption taxes or custom duties.

Strategic public investments in education, health, digital infrastructure, new technologies and climate change mitigation and adaptation can offer large social returns, accelerate productivity growth, and strengthen resilience to economic, social and environmental shocks.

Additional SDG financing needs in developing countries vary by source, but are estimated to amount to a few trillion dollars per year. Stronger international commitment is urgently needed to expand access to emergency financial assistance; to restructure and reduce debt burdens across developing countries; and scale up SDG financing.



2.0 Economic Scenario of Bangladesh:

Bangladesh has a strong track record of growth and development, even in times of elevated global uncertainty. A robust demographic dividend, strong ready-made garment (RMG) exports, resilient remittance inflows, and stable macroeconomic conditions have supported rapid economic growth over the past two decades.

Bangladesh tells a remarkable story of poverty reduction and development. From being one of the poorest nations at birth in 1971, Bangladesh reached lower-middle income status in 2015. It is on track to graduate from the UN's Least Developed Countries (LDC) list in 2026. Poverty declined from 11.8 percent in 2010 to 5.0 percent in 2022, based on the international poverty line of \$2.15 a day (using 2017 Purchasing Power Parity exchange rate). Moreover, human development outcomes improved along many dimensions.

Challenges

Despite these gains, inequality has slightly narrowed in rural areas and widened in urban areas. The country did make a rapid recovery from the COVID-19 pandemic supported by prudent macroeconomic policies with estimated GDP growth of 6.0 percent in FY 23. However, the economy faces considerable challenges with rising inflationary pressure, Dollar crisis, high dollar rate, war of Russia and Ukraine energy shortages, a balance-of-payments deficit, and a revenue shortfall. While the trade deficit narrowed in FY 23, a contraction in financial account deficit resulted in a Balance of Payments (BoP) deficit and a decline in foreign exchange reserves.

Real GDP growth is expected to slow in FY 24 as ongoing import suppression measures disrupt economic activity. Growth is expected to re-accelerate over the medium term, as inflationary pressure eases, external conditions improve, and reform implementation gains momentum. Over the medium term, the balance of payments is projected to return to a surplus as financial inflows recover and remittance inflows rise, supported by strong demand for workers in the Gulf region.

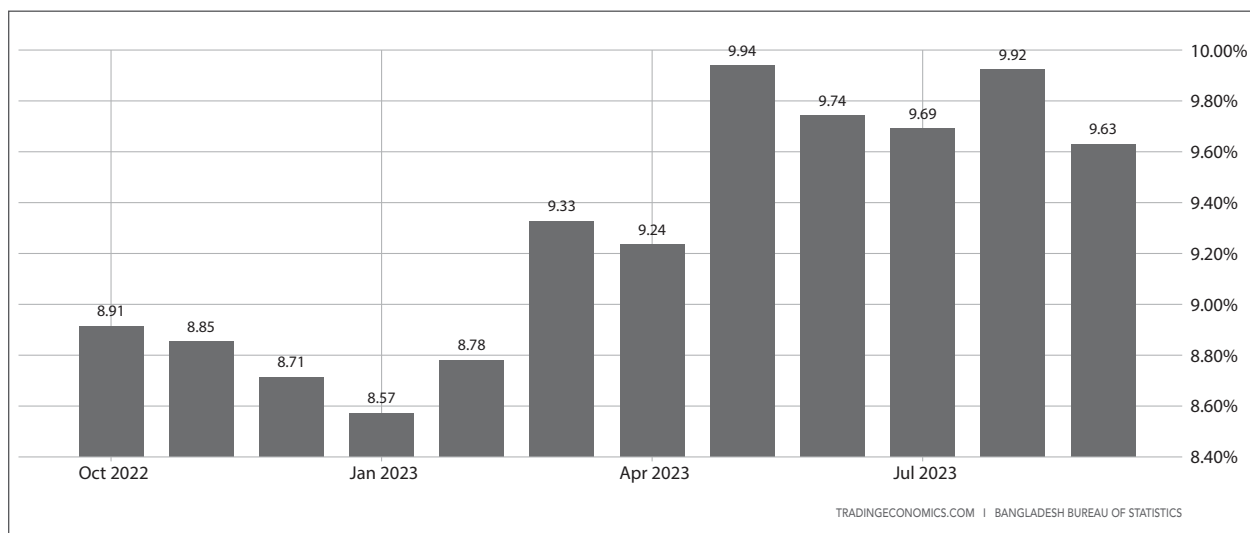
To achieve its vision of attaining upper middle-income status by 2031, Bangladesh needs to create jobs through a competitive business environment, increase human capital and build a skilled labor force, build efficient infrastructure, and establish a policy environment that attracts private investment.

Development priorities include diversifying exports beyond the RMG sector; resolving financial sector vulnerabilities; making urbanization more sustainable and strengthening public institutions, including fiscal reforms to generate more domestic revenue for development. Addressing infrastructure gaps would accelerate growth. Addressing vulnerability to climate change and natural disasters will help Bangladesh to continue to build resilience to future shocks. Pivoting towards green growth would support the sustainability of development outcomes for the next generation.

In FY 2023 (July 2022–June 2023), Bangladesh notched one of Asia's fastest growth rates, according to a provisional estimate by the statistical office. That said, the growth rate was softer than in the prior fiscal year, with private spending, fixed investment and exports all expanding more slowly. Additionally, the statistical office could revise down the FY 2023 growth rate ahead due to a power crisis at the tail-end of the fiscal year. Heading into FY 2024, merchandise exports rose 9% year on year in July–August, up from the 7% expansion seen in FY 2023.

Bangladesh Inflation

Inflation rose to 9.9% in August (July: 9.7%). After remaining roughly stable this calendar year (CY) compared to the prior one, inflation should ease in CY 2024. However, even next year, inflation will remain elevated, with the currency having weakened recently after the authorities loosened controls on the exchange market. Extreme weather is the key upside risk.



Bangladesh Economic Data

	2018	2019	2020	2021	2022
Population (million)	161	163	165	167	169
GDP (USD bn)	319	351	374	416	460
GDP per capita (USD)	1,977	2,153	2,269	2,499	2,729
GDP (BDT bn)	26,392	29,514	31,705	35,302	39,717
Economic Growth (Nominal GDP, ann. var. %)	13.5	11.8	7.4	11.3	12.5
Economic Growth (GDP, ann. var. %)	7.3	7.9	3.4	6.9	7.1
Private Consumption (ann. var. %)	9.4	4.9	3.0	8.0	7.5
Government Consumption (ann. var. %)	5.3	13.4	2.0	6.9	6.2
Total Investment (ann. var. %)	12.1	6.9	3.9	8.1	11.7
Industry (ann. var. %)	10.2	11.6	3.6	10.3	9.9
Unemployment (% of active population)	4.4	4.4	5.2	5.1	4.7
Fiscal Balance (% of GDP)	-4.1	-5.4	-4.8	-3.6	-4.1
Public Debt (% of GDP)	29.6	32.0	34.5	35.6	37.9
Money (ann. var. of M2 %)	9.2	9.9	12.6	13.6	9.4
Inflation (CPI, ann. var. %)	5.4	5.7	5.3	6.1	8.7
Inflation (CPI, ann. var. %)	5.5	5.6	5.7	5.5	7.7
Exchange Rate (BDT per USD)	83.90	84.90	84.75	85.80	102.67
Exchange Rate (BDT per USD)	83.60	84.48	84.90	85.07	93.40
Current Account Balance (USD bn)	-9.6	-4.5	-5.4	-4.6	-18.6



	2018	2019	2020	2021	2022
Current Account Balance (% of GDP)	-3.0	-1.3	-1.5	-1.1	-4.1
Merchandise Trade Balance (USD bn)	-16.0	-15.6	-16.4	-32.5	-28.9
Merchandise Exports (USD bn)	38.6	39.0	32.4	42.0	51.0
Merchandise Imports (USD bn)	54.6	54.6	48.8	74.5	79.9
Merchandise Exports (ann. var. %)	11.0	1.1	-17.0	29.5	21.6
Merchandise Imports (ann. var. %)	16.0	0.1	-10.6	52.5	7.3
Foreign Direct Investment (USD bn)	3.6	2.9	2.6	2.9	3.5
International Reserves (USD bn)	32.0	32.7	43.2	46.2	33.7
International Reserves (months of imports)	7.0	7.2	10.6	7.4	5.1
External Debt (USD bn)	57.1	62.4	73.5	91.4	-
External Debt (% of GDP)	17.9	17.8	19.7	22.0	-

Meanwhile, Bangladesh government has registered a growth rate of 7.2% for the current fiscal year. And also take many initiatives to addressing infrastructure gaps would accelerate growth and addressing vulnerability to climate change and natural disasters will help Bangladesh to continue to build resilience to future shocks. Pivoting towards green growth would support the sustainability of development outcomes for the next generation. Bangladesh is now one of the emerging economies of the world. The growth of this economy has a positive trend by a digit.

3.0 Outlook of Paper & Tissue Industry in Bangladesh Papers and allied products –

The paper as well as tissue industry has become a growing sector in Bangladesh and it has large potentiality of the country. Moreover, it will be a major foreign currency earner in Bangladesh very soon. After the readymade garments and leather industry, this sector is playing a vital role in our national economy. Private paper mills are producing export-oriented paper products. After meeting the local demand, they have started exporting to various countries, bringing in large amounts of foreign currency. Paper industry in Bangladesh has become a positive growth as the demand for paper rising on both the local and international markets. Only a few years before, imported paper met a large portion of domestic demand, but now the market share and the capacity of local manufacturers has grown significantly. The number of paper mills has now increased to 100 over from around 55 years back, while 15 or 20 more units are under process to go into operation soon. These paper mills produce different grades of paper including writing, printing, liner, media, simplex, duplex, board, newsprint, packaging products etc.

Tissue paper products are paper-based materials that are used for personal and household hygiene purposes, such as toilet paper, facial tissues, paper towels, napkins, etc. The tissue paper products market in Bangladesh is one of the fastest-growing segments in the paper industry, with a projected revenue of US\$3,684.00m in 2031.

One of the major trends in the tissue paper products market in Bangladesh is the “shift from newsprint and printing paper to tissue and hygiene paper” due to digital disruption. As more people consume digital media and online content, the demand for newsprint and printing paper has declined significantly. On the other hand, the demand for tissue paper and hygiene paper has increased as people seek more convenience and comfort in their daily lives.

According to Statistics, the revenue in the Paper Tissues segment amounts to US\$187.60m in 2023, and is expected to grow annually by 5.92% (CAGR 2023-2027). The revenue in the Toilet Paper segment amounts to US\$1,124.00m in



2023, and is expected to grow annually by 4.97% (CAGR 2023-2027).

Another trend in the tissue paper products market in Bangladesh is the “increasing demand for paper tissues”, especially facial tissues, as a result of “rising disposable income”, “urbanization”, and “hygiene awareness”. As more people move to urban areas and enjoy higher living standards, they tend to use more paper tissues for personal care and beauty purposes. Moreover, as people become more aware of the importance of hygiene and sanitation, they prefer to use disposable paper tissues instead of reusable cloth towels or handkerchiefs. According to Statistics, the average revenue per capita in the Paper Tissues segment is expected to amount to US\$1.11 in 2023. The average volume per person in the Paper Tissues segment is expected to amount to 0.32 kg in 2023.

4.0 The Segment wise or product wise Performances-

For the Management purpose, the company is organized into two business units based on its products and has two reportable segments as follows:

- 1) The Paper Unit Segment which produces different graded paper products and sell the same to several dealers.
- 2) The Tissue unit Segment which produces different kinds of tissue paper like facial tissue, napkin tissue, hand towel, toilet tissue, kitchen towel etc.

Detailed product wise performance is as follows:

Products	Production (M. Ton)		Sales (M. Ton)	
	2022-2023	2021-2022	2020-2021	2021-2022
News Print Paper	5,153	3,126	5,195	3,249
Tissue Paper	1,617	1,788	1,640	1,744
Total	6,770	4,914	6,835	4,993

5.0 Risk and concerns including internal and external risk factors, threat to sustainability and negative impact on environment if any

Every business is associated with risks. Among those risks some can be averted, others are beyond control. On the other hand, risk assessment and mitigation plans are the integral part of any business. Our operating context is characterized by an environment in which the Paper and Tissue industry is subject to high level risks in availability of power, gas and raw materials. Hakkani Pulp and Paper Mills Limited aims to address all kind of risks including internal and external which threat to business sustainability and negative impact on environment by developing appropriate risk mitigation measures. Moreover, the Board of Directors and Management of the Company are regularly monitoring, assessing and identifying the possible risks and threats on portability and sustainable growth of the business. In spite of that, Investors should take the risk factors into consideration before making any investment decision. A detailed articulation of some of the major risk factors that impact our business and our adjoining strategy and response are described in the **Note No. 39 of the Financial Statements of the Company.**

6.0 A discussion on cost of Goods Sold, Gross Profit Margin and Net Profit Margin:

Cost of Goods Sold (COGS) refers to the direct costs of producing the goods sold by the company. This cost includes the cost of direct materials, direct labor and production overheads used to producing the goods. During the year 2022-2023, Cost of Goods Sold was Tk. 94, 79, 83,786 while Tk. 48,32,82,489 in 2021-2022. Gross Profit Margin is a metric analyze used to assess a company's financial health by calculating the amount of money left over from product sales after subtracting the Cost of Goods Sold (COGS). During the year under review, it has seen that the Gross Profit Margin of the company was 12.66% while it was 10.21% in the previous year. Gross Profit Margin increased due to



increase of sales compared to previous year. Net Profit Margin is the ratio of net profit to revenues from the business segment. Net Income is also called the bottom line of a company. The net profit margin for the year 2022-2023 was 1.56% while it was (4.57%) in the previous year. Profits after tax for the financial year 2022-2023 amounting Tk. 1,69,12,856 while it was Tk. (2,46,10,668) in the previous year.

A summary of cost of Goods Sold, Gross Profit Margin, and Net Profit Margin provided below:

Particulars	2022-2023	2021-2022	Change in %
Cost of goods sold	94,79,83,786	48,32,82,489	96.16%
Gross Profit	13,74,43,325	5,49,55,601	150.10%
Net Profit	1,69,12,856	(2,46,10,668)	168.72%

A comparative graphical presentation on cost of goods sold, gross profit margin, and net profit margin and provided below:



7.0 Extra-Ordinary Activities and their Implications (Loss or Gain):

Extraordinary items are gains or losses in a company's financial statements that are infrequent and unusual. Moreover, an item is deemed extraordinary if it is not part of a company's day-to-day operations and it has a material impact on the company. The year under review, HPPML has not been engaged in any kind of extra-ordinary activities and as a result there was no extra-ordinary gain or loss.

8.0 Discussion on Related Party Transaction:

Hakkani Pulp and Paper Mills Limited carried out a number of transactions with its related parties during the year and all transactions have been made in the normal course of business. The details of related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions have been shown in the Audited Financial Statements **Note No-41**.



9.0 Utilization of Proceeds raised through Public Issues and Rights Issues:

There is no unutilized Public Issues Proceeds in Company's account as the proceeds were utilized fully during the year 2002-2003 and 2003-2004 respectively.

10.0 The Financial Results Deteriorate after the Company goes for Initial Public Offer (IPO) and Rights Share Offer:

No Financial results deteriorated or adverse situation has yet been arisen after the Company went for Initial Public Offering (IPO) Issue. Moreover, the Company was able to maintain a consistency earning consistent profitability since its inception.

11.0 Significant Variance between Quarterly Financial Performances and Annual Financial Statements:

In First Quarter (July-2022 to September-2022), the Earnings Per- Share of the company was (Tk.0.45), in Second Quarter (October-2022 to December-2022), the Earnings Per Share was (Tk.0.37), in Third Quarter (January-2023 to March-2023), the Earnings Per Share was Tk. 0.12 and the Annual Earning Per Share was Tk. 0.89.

It has seen that the company has been shown a consistent financial performance during the year and there was no significant variation between quarterly financial performances and annual financial statements.

12.0 Remuneration paid to the Directors including Independent Directors:

Managing Director, Deputy Managing Director and Executive Director were remunerated as per the Nomination and Remuneration Policy of the company and the approval of the Board of Directors meeting. Directors including Independent Directors were received only the Board Meeting attendance fee which is also approved by Board of Directors meeting. A statement of the Directors' Remuneration has shown in the Audited Financial Statements **Note No. 29**.

13.0 A statement that the financial statements prepared by the management of the company present fairly its state of affairs the result of its operations, cash flows and changes in equity:

The Board is responsible to present a true and fair view of the Company's financial performance and position as a part of good governance. In compliance with the Bangladesh Securities and Exchange Commission's Corporate Governance Code, notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 the Board of Directors confirms to the best of their knowledge as follows:

- The Financial Statements prepared by the management of the Company presented fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the Financial Statements and that the accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the Financial Statements and any departure therefrom has been adequately disclosed.

14.0 System of Internal Control:

The Board of Directors of the Company ensures that the entity has an effective internal control system which ensures that the assets of the Company are safeguarded and appropriate systems are in place to minimize and detect fraud, errors and other irregularities. The Company has adopted Standard Operating Procedures for the betterment of internal control system. The Company has established a separate internal audit department to ensure internal control and compliance in place. On the other hand, Audit Committee regularly monitors and review the reports generated by the internal audit department and takes corrective measures.



As per the Corporate Governance Code, two sub-committees are in the Board of Directors; one is Audit Committee and another is Nomination and Remuneration Committee. Both Committees play an important role in overseeing the company's internal control processes.

During the year under review, the Audit Committee of the Company met quarterly to review the quarterly Financial Statements as well as Annual Financial Statements. They discussed all significant audit observations and ascertain their views on the Financial Statements, including the Financial Reporting System, compliance to accounting policies and procedures, the adequacy and effectiveness of the internal controls systems followed by the Company.

The Audit Committee's observations and suggestions were acted upon by the Company's Management. The Nomination and Remuneration Committee of the company met once a year to formulate the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and top level executive as well as a policy for formal process of considering remuneration of directors and top level executives.

15.0 Protection of Minority Shareholders' Interest:

The Board of Directors of the Company is always concerned about the minority Shareholders' interest. The Board ensures that the minority Shareholders' interest have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and has effective means of redress.

16.0 Ability to Continue as a Going Concern:

The company has adequate resources to continue its operation for foreseeable future. For this reason, the directors continue to adopt going concern principle in preparing the financial statements. The current revenue generations and resources of the company provide sufficient fund to meet the present requirements of its existing business and operations. So, there is no doubt upon the company's ability to continue as a going concern.

17.0 Significant Deviations from the last year's Operating Results:

The operating result arising from the statement of profit or loss and other comprehensive Income shows what the company has earned from its core business activities. HPPML was able to maintain a consistent growth and remarkable performances in operational perspective since its inception.

During the year under review, Hakkani Pulp and Paper Mills Limited (HPPML) reported Net Sales Revenues of Tk.108,54,27,111.00 for financial year 2022-2023 with 101.67% growth and Profit/ (Loss) after taxes were Tk. 1,69,12,856. Earnings per share (EPS) for the year stood at Tk. 0.89.

A comparative analysis on financial performance and position of the Company and reason of significant deviation with previous year has been set out in note no-04 of the financial statements:

The operating and financial review is intended to provide the Management's perspective on the financial and operating performance of the Company. During the year under review, the Company recorded a profit /(loss) after tax of Tk. 16,912,856 against previous year profit /(loss) of Tk. (24,610,668). The basic Earnings Per Share for the year ended 30 June 2023 is Tk. 0.89 against Tk. (1.30) for the same previous year. The analysis of major items of the financial statements is given below:

Revenue:

During the year 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 547,189,021 as compared to previous year.

Cost of Sales:

During the year under review Cost of sales was increased as compared to the previous year due to increase of unit price raw materials, fluctuation of dollar rate, increase of rate of of gas bill, electricity bill, increase of salaries, wages and allowances and others.



Administrative Expenses

During the year under review, administrative expenses was increased significantly as compared to the previous year due to increase of employee salaries, remuneration and other related expenses and inflation.

Selling Expenses

During the year under review, selling expenses was increased significantly as compared to the previous year due to increase of marketing employee's salaries, sales promotion expenses, Carriage Outward expenses and inflation.

Financial Expenses:

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

Earnings per Share (EPS):

During the year under review, the Company's Earnings Per Shares (EPS) was recorded Tk. 0.89 against previous year Tk. (1.30). Earnings Per Share (EPS) was increased due to increase of sales revenue.

Cash Flows from operating Activities (NOCFPS):

The Company's net operating cash flows per share (NOCFPS) of the company was recorded Tk. 4.63 against Tk. (0.08) of previous year. The company's net operating cash flows per share (NOCFPS) was increased due to increase of collection from customers.

18.0 Key Operating and Financial Data of Last Five Years:

A statement of key operating and financial data of last preceding 5 (five) year's has been tabulated below:

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

Particulars	Parameter	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Operation and Market:						
Production Capacity	MT	13,500	13,500	13,500	13,500	11,250
Actual Production	MT	6,770	4,914	3,918	5,175	4,872
Sales Quantity	MT	6,835	4,993	3,881	4,702	4,030
Financial Results:						
Sales Revenue	TK	1,085,427,111	538,238,090	389,968,195	473,084,915	484,009,189
Gross Profit	TK	137,443,325	54,955,601	172,982,693	77,352,331	66,262,774
	%	12.66%	10.21%	18.72%	16.35%	13.69%
Operating Profit	TK	68,466,812	13,464,201	32,004,346	54,527,738	(7,750,761)
	%	6.31%	2.50%	8.21%	11.53%	(1.60%)



Net Profit before Tax	TK	15,773,401	(17,802,266)	(23,034,016)	10,735,119	(5,507,957)
	%	1.45%	(3.31)%	(5.91)%	2.27%	(1.14)%
Net Profit after Tax	TK	16,912,856	(24,610,668)	(24,306,924)	1,420,266	(21,135,213)
	%	1.56%	(4.57)%	(6.23)%	0.30%	(4.37)%
Earnings Per Share (EPS)	TK	0.89	(1.30)	(1.28)	0.07	(1.11)
Dividend (Cash)	%	2% Cash dividend to all shareholders	1% Cash dividend to only general shareholders	1% Cash dividend to only general shareholders	2% Cash dividend to only general shareholders	2% cash dividend on other than Sponsors

Financial Position:

Paid-up Capital	TK	190,000,000	190,000,000	190,000,000	190,000,000	190,000,000
Current Ratio		1.32:1	1.46:1	1.37:1	1.26:1	0.97:1
Non-Current Assets with Revaluation	TK	788,925,523	795,495,275	813,545,328	847,319,717	882,494,770
Current Assets	TK	663,371,090	609,601,670	640,110,861	528,263,576	421,535,574
Current Liability	TK	501,833,283	465,532,422	467,248,409	419,212,821	430,169,669
Net Current Assets	TK	161,537,807	144,069,248	172,862,452	109,050,755	(8,634,095)
Net Assets Value with Revaluation	TK	464,607,790	447,546,925	474,282,768	490,646,274	495,387,034
Net Assets Value without Revaluation	TK	214,705,715	188,880,440	206,252,742	212,611,673	206,661,925
Net Assets Value Per Share with Revaluation	TK	24.45	23.56	24.96	25.82	26.07
Net Assets Value Per Share without Revaluation	TK	11.30	9.94	10.86	11.19	10.88
Net Operating Cash Flow Per Share	TK	4.63	(0.08)	0.21	(0.75)	4.35

19.0 Dividend:

During the year under review 2022-2023, Hakkani Pulp and Paper Mills Limited (HPPML) earned Profit after Tax **Tk. 1,69,12,856** and Earnings Per Share stood Tk. 0.89. The Board of Directors recommended 2% (**Two Percent**) cash Dividend to all shareholders out of Net Profit for the year ended June 30, 2023.

The Board of Directors also confirmed that no bonus share or stock dividend has been or shall be declared as interim dividend.

20.0 Number of Board Meetings held and Attendance by Directors:

During the year under review 2022-2023, the Board of Directors of the company has called upon total six board meetings to consider and discuss the various agenda related to company's operation and others.



The total numbers of Board Meeting and attendance of the Directors have been shown below:

Sl. No.	Name of Directors	Position	Total Number of Board of Directors Meeting	Attendances of Directors
1	Mrs. Hosne Ara Begum	Chairman	6	6
2	Md. Golam Kibria	Managing Director	6	6
3	Md. Golam Haider	Ex-Vice Chairman	6	1
4	Md. Golam Morshed	Deputy Managing Director	6	6
5	Md. Golam Rasul Muktadir	Vice Chairman	6	6
6	Prof. S. M. Nasrul Quadir	Independent Director	6	6
7	Prof. Dr. Rafiuddin Ahmed	Independent Director	6	5

21.0 Shareholding Information:

The shareholding information of the company as on June 30, 2023 has been set out in the **Annexure-ii** of the Annual Report of the company.

22.0 Directors' Appointment, Retirement & Re-appointment:

Directors' appointment, retirement and re-appointment are governed by the Articles of Association of the Company and the Companies Act 1994. Accordingly, in the forthcoming Annual General Meeting the following Directors of the Board will retire and they will also be eligible for re-appointment-

1. Mrs. Hosne Ara Begum
2. Mr. Md. Golam Rasul Muktadir

A brief resume of the said Directors are set out in the Annual Report

It is mentioned here that Mr. Md. Golam Haider, Vice Chairman of Hakkani Pulp and Paper Mills Limited died on 4th September 2022. Due to death of Mr. Md. Golam Haider, the Board has been reconstituted by 4 (Four) Sponsor Directors and 2 Independent Directors in place of previous 5 (Five) Sponsor Directors and 2(Two) Independent Directors.

23.0 Independent Director:

According to the Bangladesh Securities and Exchange Commission's Corporate Governance Code as issued under the Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018 every listed company has to appoint the Independent Directors, to be 1/5th of the Board of Directors size, as the members of the Board of Directors. It is prescribed in the said Notification that the independent directors shall be knowledgeable with integrity to ensure compliance with financial, regulatory and corporate laws and can make significant and meaningful contributions to business operations and shall have at least 12 (twelve) years of corporate management or professional experiences. The company has appointed two experienced person having proven professional experiences as its independent directors under the directives of the Corporate Governance Code of BSEC previously.

A brief resume of the said Independent Directors are set out in the Annual Report.



24.0 Credit Rating:

Credit Rating Agency of Bangladesh Limited has assigned our Credit Rating for the year 2022-2023 which as follows:

Long Term Rating	Short Term Rating	Out Look
BBB1	ST-3	Stable

25.0 Management's Discussion and Analysis:

A detailed analysis presenting the Company's position and operations along with a brief discussion of changes in the Financial Statements and others for the year ended June 30, 2023 is attached in separate **Annexure**.

26.0 Audit Committee:

In accordance with the directives of the Bangladesh Securities and Exchange Commission regarding the Corporate Governance Code by its Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018, the Board of Directors of the company has an Audit Committee as sub-committee of the Board with specific Terms of Reference.

The committee reviews the results of the audit with management and external auditors, including matters required to be communicated to the committee under generally accepted auditing standards. The Audit Committee comprised by two Independent Directors and one non-executive Director. The Audit Committee was composed by Prof. S.M. Nasrul Quadir, Independent Director, Prof. Dr. Rafiuddin Ahmed, Independent Director and Mr. Md. Golam Rasul Muktadir, Non-Executive Director of the company during the year under review as the committee Members.

The Board designated Prof. S. M. Nasrul Quadir as the Chairman of the committee and Mr. Mohammad Musa, Company Secretary performed the responsibility as the Member Secretary of this committee. The Members of this committee of the Company have adequate experience and knowledge on business and trade, corporate laws, financially literacy, ability to analyze and interpret the financial statements for effective discharging of the duties and responsibilities as the members of the Audit Committee.

27.0 Nomination & Remuneration Committee:

In compliance with the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018 regarding the Corporate Governance Code of Bangladesh Securities and Exchange Commission, Hakkani Pulp and Paper Mills Limited has Nomination and Remuneration Committee as a sub-committee of the Board.

The Committee during the period under review, the Nomination & Remuneration Committee's Terms of Reference (TOR) has been determined by the board as follows:

The committee consists with Prof. S. M. Nasrul Quadir, Independent Director, Prof. Dr. Rafiuddin Ahmed, Independent Director, Mr. Md. Golam Rasul Muktadir, Non-Executive Director.

The Board of Directors has designated Prof. S. M. Nasrul Quadir as the Chairman of the committee and Mr. Mohammad Musa, Company Secretary performed the responsibility and act as the Member Secretary of the committee.

28.0 Statuary Auditors:

The existing statutory auditors - M/S. Shafiq Basak & Co, Chartered Accountants who were appointed in the 26th Annual General Meeting and have completed their responsibilities during the year under review and going to complete their terms for three consecutive years.

In compliances of regulatory provisions, the new audit firm have to be appointed in this 27th Annual General Meeting for the next financial year for the company.



The Board of Directors of Hakkani Pulp and Paper Mills Limited has recommended for the appointment of M/S. Khan Wahab Shafique Rahman & Co, Chartered Accountants for the Financial Year 2023-2024. In view of this, the Board of Directors has decided to place the matter of appointment of the Statutory Auditors of the company for the Financial Year 2023-2024 at a fee of BDT 350,000/- (Three Lac Fifty Thousand) excluding VAT for its approval by the shareholders of this company in this 27th Annual General Meeting.

29.0 Appointment of Compliance Auditors:

The existing compliance auditors - M/S. Khan Wahab Shafique Rahman & Co., Chartered Accountants, who were appointed in the 26th Annual General Meeting and have completed their responsibilities during the year under reviewed and going to complete their terms for three consecutive years.

In compliances of regulatory provisions, the new compliance auditor have to be appointed in this 27th Annual General Meeting for the next financial year for the company.

Consequently, The Board of Directors of Hakkani Pulp and Paper Mills Limited has recommended for appointment of M/S. Shafiq Basak & Co, Chartered Accountants for the Financial Year 2023-2024 for issuance the corporate governance certification. In view of this, the Board of Directors has decided to place the matter of appointment of the Corporate Governance Compliance Auditors of the company for the Financial Year 2023-2024, with a fee of BDT 50,000/-(Fifty Thousand) excluding VAT for its approval by the shareholders of the company in this 27th Annual General Meeting.

30.0 Reporting and Compliance of Corporate Governance:

Status of compliance with the requirements / conditions of Bangladesh Securities and Exchange Commission (BSEC) Notification No: BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018 on corporate governance has been included in the Report in **Annexure-C**.

31.0 Subsequent Events:

There are no subsequent events after the date of Financial Position and till the date of this report which could affect the ability of the users of these financial statements to make an appropriate evaluation.

32.0 Declaration of the Board of Directors :

- The statement that the Financial Statements prepared by the management of the company present fairly its state of affairs;
- The statement that proper books of account of the issuer company have been maintained;
- The statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;
- The statement that IAS or IFRS, as applicable in Bangladesh, have been followed in preparation of the FY and any departure there from has been adequately disclosed;
- The statement that the system of internal control is sound in design and has been effectively implemented and monitored;
- The statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;



- The statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;
- The statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;
- An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;
- No bonus shares or stock dividend has been or shall be declared as interim dividend;

33.0 Acknowledgements:

The Board would like to express its humble gratitude to all the employees, all investors/shareholders, bankers, financial institutions, insurance companies and all the Departments of Government of Bangladesh, related regulatory authorities i.e. BSEC, Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), NBR, Bangladesh Bank, our customers, dealers for their continued and consistent support to the company during the year.

Allah Hafiz.

Thank you very much.

On behalf of Board of Directors.

হোসনে আরা বেগম

Hosne Ara Begum

Chairman



HAKKANI PULP AND PAPER MILLS LIMITED Declaration by CEO and CFO

Date: 04 November 2023

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

Subject: Declaration on Financial Statements for the year ended on 30th June, 2023.

Dear Sir(s),

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

- (1) The Financial Statements of Hakkani Pulp & Paper Mills Limited for the year ended on 30th June 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

- (i) We have reviewed the financial statements for the Year ended on 30th June 2023 knowledge and belief:



- (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Md. Golam Kibria
Chief Executive Officer (CEO)

Md. Moinul Abedin
Chief Financial Officer (CFO)



CORPORATE GOVERNANCE

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

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

Board of Directors:

The Board of Directors is currently comprised of six members. Well the Board is responsible of overall management and business of the company, it has entrusted the Chief Executive Officer of the company, also a director of the Board, to run the Management team. The Chief Executive Officer provides the link between the Board of Directors and the Management team of the company. It is the responsibility of the Board of Directors to see that prudent administration of business activities and effective control is maintained. The Board of Directors meets at least once in every two months and six meetings of the Board were held during the year.

Accountability and Audit:

In compliance with the order of Bangladesh Securities and Exchange Commission, the Board of Directors formed an Audit Committee. The Audit Committee consists of Three Non-Executive Directors of the Company including two independent director, independent director is the Chairman of the Audit Committee.

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

Moreover, In compliance with the order of Bangladesh Securities and Exchange Commission, the Board of Directors formed a Nomination and Remuneration Committee. The Nomination and Remuneration Committee consists of three Non-Executive Directors of the Company including two independent director; independent director is the Chairman of the Nomination and Remuneration Committee.

Statutory Audit:

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

Legal and Compliance:

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

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



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

We have examined the compliance status of the Corporate Governance Code by **Hakkani Pulp & Paper Mills Limited** for the year ended on June 30, 2023. This code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 of the Bangladesh Security Exchange Commission.

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

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

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

- The company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission except those mentioned in the statement of compliance status.
- The company has complied with provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this code.
- Proper books and records have been kept by the company as required under the Companies Act, 1994 the securities laws and other relevant laws and
- The governance of the company is satisfactory.

Dated: 14th November, 2023
Chattogram




Mohammad Shaheed FCA (F-1016)
Senior Partner

Khan Wahab Shafique Rahman & Co.
Chartered Accountants

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CORPORATE GOVERNANCE COMPLIANCE STATUS REPORT

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

Condition No.	Title	Compliance Status (Put \checkmark in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
1	Board of Directors:			
1(1)	Size of the Board of Directors			The Board has been consisted of 6 (Six) Members.
	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	\checkmark		
1(2)	Independent Directors			
	All companies shall have effective representation of independent directors on their Board, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following:			
1(2)(a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	\checkmark		There are 2 (Two) Independent Director join on the Board.
1(2)(b)	For the purpose of this clause "independent director" means a director-			The Independent Director has declared their position in this perspective.
1(2)(b)(i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	\checkmark		
1(2)(b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	\checkmark		
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	\checkmark		
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	\checkmark		
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	\checkmark		
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	\checkmark		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
1(2)(b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		The Independent Director has declared their position in this perspective.
1(2)(b)(viii)	who is not an independent director in more than 5 (five) listed companies;	✓		
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI);	✓		
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	✓		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		Dr Saleh Jahur resigned from the post of Independent director on 22/12/2021 and Dr Rafi Uddin Ahmed has been appointed on his place 02/08/2022. Note that the post was remain vacant for 33 days.
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her competition of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the condition No. 18 of Companies Act, 1994.	✓		
1(3)	Qualification of Independent Director:			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		
1(3)(b)	Independent director shall have following qualifications:			



Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	-	-	Not Applicable
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or	-	-	Not Applicable
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or	-	-	Not Applicable
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	√		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	-	-	Not Applicable
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-	-	Not Applicable
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer of the Company shall be filled by different individuals;	√		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in a minute.	-	-	Not Applicable as the Chairman of the Board attended in all board meeting.



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
	The Directors' Report to Shareholders			
1(5)	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		
1(5)(ii)	The segment-wise or product-wise performance;	✓		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	✓		
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, right issues and/or any other instruments;	✓		
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Right Share Offer, Direct Listing, etc.;	-	-	Not Applicable
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored.	✓		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		



Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, If the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	-	-	Not applicable as the company declared 2% cash dividend.
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√	-	
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	-	-	Not applicable as the company declared that, there is no parent, subsidiary, & associates.
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		
1(5)(xxiii)(c)	Executives; and	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	-	-	Not applicable as any of the shareholder are not holding more than 10% shares.
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1(5)(xxiv)(a)	a brief resume of the director;	√		
1(5)(xxiv)(b)	nature of his or her expertise in specific functional areas; and	√		
1(5)(xxiv)(c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	-	-	Not applicable as the company declared that, the directors are not holding directorship & membership in another companies.
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	accounting policies and estimation for preparation of financial statements;	√		
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
1(5)(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1(5)(xxv)(d)	compare each financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	✓		
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with jurisdiction thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
	Meetings of the Board of Directors			
1(6)	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading, relationship with environment, employees, customers and suppliers; and independency.	✓		
2	Governance of Board of Directors of Subsidiary Company:			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	-	-	Not Applicable
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	-	-	Not Applicable
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	-	-	Not Applicable



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	-	-	Not Applicable
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	Not Applicable
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	-	-	Not applicable as no such situation occur during the year.
3(2)	Requirement to attend Board of Directors' Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
4	Board of Directors' Committee:			
	For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.	✓		
5	Audit Committee:			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;		✓	The deputy managing director, who is an executive director, was in the committee. However, the committee has been reformed dated on 3rd June 2023.
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	-	-	Not applicable.
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	-	-	Not applicable as the Chairman of the Audit Committee attended in all the board meeting.



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		Mr. Md. Nasrul Quadir was present in the 26th AGM of the company held on 17th December, 2022.
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5(5)	Role of Audit Committee			
	The Audit Committee shall:			
5(5)(a)	Oversee the financial reporting process;	✓		
5(5)(b)	monitor choice of accounting policies and principles;	✓		
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5(5)(d)	oversee hiring and performance of external auditors;	✓		
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5(5)(h)	review the adequacy of internal audit function;	✓		
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5)(j)	review statement of all related party transactions submitted by the management;	✓		
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
5(5)(m)	<p>oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:</p> <p>Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital etc.), on a quarterly basis, as a part of their quarterly declaration of financial results:</p> <p>Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.</p>	-	-	Not Applicable
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
5(6)(a)(ii)(a)	report on conflicts of interests;	-	-	Not Applicable
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	-	-	Not Applicable
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	-	-	Not Applicable
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-	-	Not Applicable
5(6)(b)	<p>Reporting to the Authorities</p> <p>If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.</p>	-	-	Not Applicable
5(7)	<p>Reporting to the Shareholders and General Investors</p> <p>Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.</p>	✓		
6	Nomination and Remuneration Committee (NRC):			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓		
6(2)(b)	All members of the Committee shall be non-executive directors;	✓		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	✓		
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall elect 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	-		Not applicable as the chairperson of the NRC Committee was attended on the meeting.
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	✓		
	Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	✓		
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	-	-	Not Applicable as no such events has been occurred during the year.
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓		
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	2	3	4	5
7	External or Statutory Auditors:			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:			
7(1)(i)	appraisal or valuation services or fairness opinions;	✓		The statutory auditor M/S Shafiq Basak & Co. has declared their position.
7(1)(ii)	financial information systems design and implementation;	✓		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	broker-dealer services;	✓		
7(1)(v)	actuarial services;	✓		
7(1)(vi)	internal audit services or special audit services;	✓		
7(1)(vii)	any service that the Audit Committee determines;	✓		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7(1)(ix)	any other service that creates conflict of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company.	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		Statutory Auditor was present in 26th AGM held on 17th December, 2022.
8	Maintaining a website by the Company:			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance:			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		



MANAGEMENT DISCUSSION AND ANALYSIS

The Management of this company is pleased to present the Management's Discussion and Analysis for the Financial Year 2022-2023 as per condition no. 1(5) (xxv) of the Corporate Governance Code-2018.

a) Accounting policies and estimation for preparation of financial statements:

The Financial Statements of the company have been prepared in accordance with the International Financial Reporting Standards and Companies Act, 1994 with other applicable laws and provision of Bangladesh. Cash flows from operating activities are prepared under direct method as prescribed by the Securities and Exchange Rules, 2020.

This Financial Statements have been prepared on a historical cost basis, except for debt and equity financial assets and contingent consideration that have been measured at fair value. The financial statements provide comparative information in respect of the previous year. In January 2018, the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted International Financial Reporting Standards issued by the International Accounting Standards Board as IFRSs. The detail of the significant accounting policies is available in Note **3.00 of the Financial Statements**.

b) Changes in accounting policies and estimation:

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

There were no significant changes in accounting policies and estimation during the preparation of financial statements for the year ended June 30, 2023.

c) Comparative analysis of financial performance:

The key indicators of the financial performance stated below:

Particulars	Amount in BDT				
	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Sales	1,085,427,111	538,238,090	389,968,195	473,084,915	484,009,189
Cost of Goods Sold	947,983,786	483,282,489	330,352,850	395,732,584	417,746,415
Gross Profit	137,443,325	54,955,601	59,615,346	77,352,331	66,262,774
Administrative Expenses	23,239,850	15,058,932	15,299,525	15,084,474	18,635,395
Selling Expenses	45,736,663	26,432,468	12,311,475	7,740,119	5,377,488
Financial Expenses	54,547,435	37,391,494	59,816,687	52,070,070	50,000,652
Net Profit after Tax	16,912,856	(24,610,668)	(24,306,924)	1,420,266	(21,135,213)
Earnings Per Share	0.89	(1.30)	(1.28)	0.07	(1.11)



Comparative analysis on financial position of the Company

Particulars	2022-2023 BDT	2021-2022 BDT	2020-2021 BDT	2019-2020 BDT	2018-2019 BDT
Paid Up Capital	190,000,000	190,000,000	190,000,000	190,000,000	190,000,000
Shareholders' Equity	464,607,790	447,546,925	474,282,767	490,646,274	495,387,034
Current Liabilities	501,833,283	465,532,422	467,248,409	419,212,821	430,169,669
Non-Current Liabilities	558,112,114	564,274,171	527,266,628	479,942,323	392,691,765
Net Assets Value Per Share (with revaluation)	24.45	23.56	24.96	25.82	26.07
Net Assets Value Per Share (without revaluation)	11.30	9.94	10.86	11.19	10.88

Comparative analysis on Cash Flow of the Company

Particulars	2022-2023 BDT	2021-2022 BDT	2020-2021 BDT	2019-2020 BDT	2018-2019 BDT
Cash Generated from the operating activities	1,094,026,568	522,659,156	373,331,619	448,341,735	503,198,889
Interest Paid	-	37,391,494	59,816,687	52,070,070	50,000,652
Income Tax Paid	6,059,110	1,676,271	492,834	2,412,093	1,703,291
Net Cash Flows from Operating activities	88,061,586	(1,499,752)	3,906,066	(66,255,238)	82,709,363
Net Cash Flows from Investing activities	(48,803,213)	(5,677,728)	(10,010,991)	(27,031,552)	(71,142,956)
Net Cash Flows from Financing activities	(41,625,352)	10,674,044	15,800,615	99,889,636	(16,276,988)
Net Increase/(Decrease in cash and cash equivalent)	(2,366,979)	3,496,564	9,695,690	6,602,846	(4,710,581)

d) Compare such financial performance with the peer industry scenario:

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



Financial Performance of Peer Industries:

HAKKANI PULP AND PAPER MILLS LIMITED

Operational Result	2022-2023	2021-2022	2020-2021	2019-2020
Revenue	1,085,427,111	538,238,090	389,968,195	473,084,915
Gross Profit	137,443,325	54,955,601	72,982,633	77,352,331
Profit after Tax	16,912,856	(24,610,668)	(24,306,924)	1,420,266
EPS (Tk.)	0.89	(1.30)	(1.28)	0.07
NAV (with Revaluation)	24.45	23.56	24.96	25.82
NAV (without Revaluation)	11.30	9.94	10.86	11.19

SONALI PAPER & BOARD MILLS LIMITED

Operational Result	2022-2023	2021-2022	2020-2021	2019-2020
Revenue	2,490,642,634	2,046,087,300	1,506,938,631	1,495,584,554
Gross Profit	-	214,128,034	184,630,200	236,808,141
Profit after Tax	156,158,680	132,470,594	89,465,514	26,732,381
EPS (Tk.)	4.74	6.03	4.07	1.61
NAV	164.94	241.30	284.33	307.88

e) Financial and economic scenario of the country and the globe:

Outlook of Global Economy:

Amid high inflation, aggressive monetary tightening and heightened uncertainties, the current downturn has slowed the pace of economic recovery from the COVID-19 crisis, threatening several countries both developed and developing with the prospects of recession in 2023. Growth momentum significantly weakened in the United States, the European Union and other developed economies in 2022, adversely impacting the rest of the global economy through a number of channels.

Tightening global financial conditions coupled with a strong dollar exacerbated fiscal and debt vulnerabilities in developing countries. Over 85 percent of central banks worldwide tightened monetary policy and raised interest rates in quick succession since late 2021, to tame inflationary pressures and avoid a recession. Global inflation which reached a multi-decade high of about 9 percent in 2022 is projected to ease but remain elevated at 6.5 percent in 2023.

Most developing countries have seen a slower job recovery in 2022 and continue to face considerable employment slack. Disproportionate losses in women's employment during the initial phase of the pandemic have not been fully reversed, with improvements mainly arising from a recovery in informal jobs.

According to the report, slower growth, coupled with elevated inflation and mounting debt vulnerabilities, threatens to further set back hard-won achievements in sustainable development, deepening the already negative effects of the current crises. Already in 2022, the number of people facing acute food insecurity had more than doubled compared to 2019, reaching almost 350 million. A prolonged period of economic weakness and slow income growth would not only hamper poverty eradication, but also constrain countries' ability to invest in the SDGs more broadly.



The report calls for Governments to avoid fiscal austerity which would stifle growth and disproportionately affect the most vulnerable groups, affect progress in gender equality and stymie development prospects across generations. It recommends reallocation and reprioritization of public expenditures through direct policy interventions that will create jobs and reinvigorate growth. This will require strengthening of social protection systems, ensuring continued support through targeted and temporary subsidies, cash transfers, and discounts on utility bills, which can be complemented with reductions in consumption taxes or custom duties.

Strategic public investments in education, health, digital infrastructure, new technologies and climate change mitigation and adaptation can offer large social returns, accelerate productivity growth, and strengthen resilience to economic, social and environmental shocks.

Additional SDG financing needs in developing countries vary by source, but are estimated to amount to a few trillion dollars per year. Stronger international commitment is urgently needed to expand access to emergency financial assistance; to restructure and reduce debt burdens across developing countries; and scale up SDG financing.

Economic Scenario of Bangladesh:

Bangladesh has a strong track record of growth and development, even in times of elevated global uncertainty. A robust demographic dividend, strong ready-made garment (RMG) exports, resilient remittance inflows, and stable macroeconomic conditions have supported rapid economic growth over the past two decades.

Bangladesh tells a remarkable story of poverty reduction and development. From being one of the poorest nations at birth in 1971, Bangladesh reached lower-middle income status in 2015. It is on track to graduate from the UN's Least Developed Countries (LDC) list in 2026. Poverty declined from 11.8 percent in 2010 to 5.0 percent in 2022, based on the international poverty line of \$2.15 a day (using 2017 Purchasing Power Parity exchange rate). Moreover, human development outcomes improved along many dimensions.

Challenges

Despite these gains, inequality has slightly narrowed in rural areas and widened in urban areas. The country did make a rapid recovery from the COVID-19 pandemic supported by prudent macroeconomic policies with estimated GDP growth of 6.0 percent in FY 23. However, the economy faces considerable challenges with rising inflationary pressure, Dollar crisis, high dollar rate, war of Russia and Ukraine energy shortages, a balance-of-payments deficit, and a revenue shortfall. While the trade deficit narrowed in FY 23, a contraction in financial account deficit resulted in a Balance of Payments (BoP) deficit and a decline in foreign exchange reserves.

Real GDP growth is expected to slow in FY 24 as ongoing import suppression measures disrupt economic activity. Growth is expected to re-accelerate over the medium term, as inflationary pressure eases, external conditions improve, and reform implementation gains momentum. Over the medium term, the balance of payments is projected to return to a surplus as financial inflows recover and remittance inflows rise, supported by strong demand for workers in the Gulf region.

To achieve its vision of attaining upper middle-income status by 2031, Bangladesh needs to create jobs through a competitive business environment, increase human capital and build a skilled labor force, build efficient infrastructure, and establish a policy environment that attracts private investment.

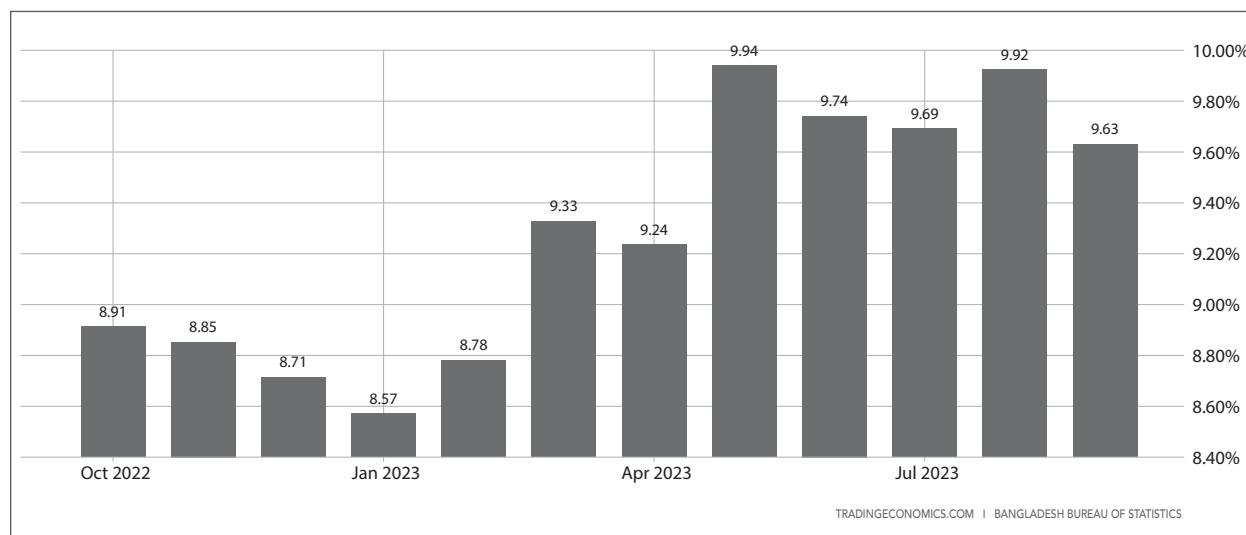
Development priorities include diversifying exports beyond the RMG sector; resolving financial sector vulnerabilities; making urbanization more sustainable and strengthening public institutions, including fiscal reforms to generate more domestic revenue for development. Addressing infrastructure gaps would accelerate growth. Addressing vulnerability to climate change and natural disasters will help Bangladesh to continue to build resilience to future shocks. Pivoting towards green growth would support the sustainability of development outcomes for the next generation.



In FY 2023 (July 2022–June 2023), Bangladesh notched one of Asia’s fastest growth rates, according to a provisional estimate by the statistical office. That said, the growth rate was softer than in the prior fiscal year, with private spending, fixed investment and exports all expanding more slowly. Additionally, the statistical office could revise down the FY 2023 growth rate ahead due to a power crisis at the tail-end of the fiscal year. Heading into FY 2024, merchandise exports rose 9% year on year in July–August, up from the 7% expansion seen in FY 2023.

Bangladesh Inflation

Inflation rose to 9.9% in August (July: 9.7%). After remaining roughly stable this calendar year (CY) compared to the prior one, inflation should ease in CY 2024. However, even next year, inflation will remain elevated, with the currency having weakened recently after the authorities loosened controls on the exchange market. Extreme weather is the key upside risk.



Bangladesh Economic Data

	2018	2019	2020	2021	2022
Population (million)	161	163	165	167	169
GDP (USD bn)	319	351	374	416	460
GDP per capita (USD)	1,977	2,153	2,269	2,499	2,729
GDP (BDT bn)	26,392	29,514	31,705	35,302	39,717
Economic Growth (Nominal GDP, ann. var. %)	13.5	11.8	7.4	11.3	12.5
Economic Growth (GDP, ann. var. %)	7.3	7.9	3.4	6.9	7.1
Private Consumption (ann. var. %)	9.4	4.9	3.0	8.0	7.5
Government Consumption (ann. var. %)	5.3	13.4	2.0	6.9	6.2
Total Investment (ann. var. %)	12.1	6.9	3.9	8.1	11.7
Industry (ann. var. %)	10.2	11.6	3.6	10.3	9.9
Unemployment (% of active population)	4.4	4.4	5.2	5.1	4.7



	2018	2019	2020	2021	2022
Fiscal Balance (% of GDP)	-4.1	-5.4	-4.8	-3.6	-4.1
Public Debt (% of GDP)	29.6	32.0	34.5	35.6	37.9
Money (ann. var. of M2 %)	9.2	9.9	12.6	13.6	9.4
Inflation (CPI, ann. var. %)	5.4	5.7	5.3	6.1	8.7
Inflation (CPI, ann. var. %)	5.5	5.6	5.7	5.5	7.7
Exchange Rate (BDT per USD)	83.90	84.90	84.75	85.80	102.67
Exchange Rate (BDT per USD)	83.60	84.48	84.90	85.07	93.40
Current Account Balance (USD bn)	-9.6	-4.5	-5.4	-4.6	-18.6
Current Account Balance (% of GDP)	-3.0	-1.3	-1.5	-1.1	-4.1
Merchandise Trade Balance(USD bn)	-16.0	-15.6	-16.4	-32.5	-28.9
Merchandise Exports (USD bn)	38.6	39.0	32.4	42.0	51.0
Merchandise Imports (USD bn)	54.6	54.6	48.8	74.5	79.9
Merchandise Exports (ann. var. %)	11.0	1.1	-17.0	29.5	21.6
Merchandise Imports (ann. var. %)	16.0	0.1	-10.6	52.5	7.3
Foreign Direct Investment (USD bn)	3.6	2.9	2.6	2.9	3.5
International Reserves (USD bn)	32.0	32.7	43.2	46.2	33.7
International Reserves (months of imports)	7.0	7.2	10.6	7.4	5.1
External Debt (USD bn)	57.1	62.4	73.5	91.4	-
External Debt (% of GDP)	17.9	17.8	19.7	22.0	-

Meanwhile, Bangladesh government has registered a growth rate of 7.2% for the current fiscal year. And also take many initiatives to addressing infrastructure gaps would accelerate growth and addressing vulnerability to climate change and natural disasters will help Bangladesh to continue to build resilience to future shocks. Pivoting towards green growth would support the sustainability of development outcomes for the next generation. Bangladesh is now one of the emerging economies of the world. The growth of this economy has a positive trend by a digit.

Outlook of Paper & Tissue Industry in Bangladesh Papers and allied products –

The paper as well as tissue industry has become a growing sector in Bangladesh and it has large potentiality of the country. Moreover, it will be a major foreign currency earner in Bangladesh very soon. After the readymade garments and leather industry, this sector is playing a vital role in our national economy. Private paper mills are producing export-oriented paper products. After meeting the local demand, they have started exporting to various countries, bringing in large amounts of foreign currency. Paper industry in Bangladesh has become a positive growth as the demand for paper rising on both the local and international markets. Only a few years before, imported paper met a large portion of domestic demand, but now the market share and the capacity of local manufacturers has grown significantly. The number of paper mills has now increased to 100 over from around 55 years back, while 15 or 20 more units are



under process to go into operation soon. These paper mills produce different grades of paper including writing, printing, liner, media, simplex, duplex, board, newsprint, packaging products etc.

Tissue paper products are paper-based materials that are used for personal and household hygiene purposes, such as toilet paper, facial tissues, paper towels, napkins, etc. The tissue paper products market in Bangladesh is one of the fastest-growing segments in the paper industry, with a projected revenue of US\$3,684.00m in 2031.

One of the major trends in the tissue paper products market in Bangladesh is the “shift from newsprint and printing paper to tissue and hygiene paper” due to digital disruption. As more people consume digital media and online content, the demand for newsprint and printing paper has declined significantly. On the other hand, the demand for tissue paper and hygiene paper has increased as people seek more convenience and comfort in their daily lives.

According to Statistics, the revenue in the Paper Tissues segment amounts to US\$187.60m in 2023, and is expected to grow annually by 5.92% (CAGR 2023-2027). The revenue in the Toilet Paper segment amounts to US\$1,124.00m in 2023, and is expected to grow annually by 4.97% (CAGR 2023-2027).

Another trend in the tissue paper products market in Bangladesh is the “increasing demand for paper tissues”, especially facial tissues, as a result of “rising disposable income”, “urbanization”, and “hygiene awareness”. As more people move to urban areas and enjoy higher living standards, they tend to use more paper tissues for personal care and beauty purposes. Moreover, as people become more aware of the importance of hygiene and sanitation, they prefer to use disposable paper tissues instead of reusable cloth towels or handkerchiefs. According to Statistics, the average revenue per capita in the Paper Tissues segment is expected to amount to US\$1.11 in 2023. The average volume per person in the Paper Tissues segment is expected to amount to 0.32kg in 2023.

Risk and Mitigation:

Financial Risk:

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

Cost Inefficiency Risk:

Since Hakkani Pulp and Paper Mills Limited depend on overseas suppliers for raw materials, it has to bear higher procurement cost due to price volatility in the international market. Hakkani Pulp and Paper Mills Limited has been experiencing higher cost involvement in latest financial year in producing the said products. The company is faced losses in latest financial year.

Operational Risk:

Being a manager of highly flammable product and wastage paper, Paper manufacturing operation is significantly exposed to operational risk. The company has taken substantial precautionary measures against incidental occurrence having insurance coverage with Pragati Insurance Company Limited with “A+” claim paying ability rating. Despite the fact, flammability of the product may bring such an operational loss which may not recover through insurance coverage or other proactive measures. The company’s operation has been affected in the recent past due to power outages, shortage of gas supply, frequent machinery breakdown. The company has taken measures against those issues which would reduce the operational risk to a great extent.

Raw Material Supply Risk:

HPPML is mostly dependent on overseas supply of quality Recycled paper. Import based supplies are likely to be affected by any uncontrollable event or country risk to transact the product. The industry experiences substantial ups



and down in the sources of raw materials which ultimately affected the company's profitability. However, having limited alternative arrangement – the company may face trouble in managing the substitute sources by a short notice.

Competition Risk:

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

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

Fire Risk:

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

Mitigation Plan of the Risks:

Financial risk:

In order to manage this risk and overcome it, the management of the company closely monitor its cash flows, coupled with continued strength in sales and marketing. Hakkani Pulp and Paper Mills Limited is very careful in forecasting the international price and manages its costs in an effective manner, so as to ensure that the debt repayments are met on schedule, even if the interest rates were to rise.

Raw materials supply risk:

The main raw materials of the company are various pulp, recycled paper, wastage paper which is available both in international market and local market. The company has bilateral arrangement with a group of independent suppliers of raw materials. Therefore, it is expected that the company will have smooth flow of raw materials.

Operational Risk:

The Company is equipped with power backup and security system, which reduce operational risk. Besides, the equipment has insurance coverage in order to get reasonable compensation for any damages. Apart from these, routine security check and proper maintenance of the equipment also reduce/eliminate the operational risk.

Future Planning:

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


Mohammad Golam Kibria
Managing Director



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

Particulars	Parameter	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Operation and Market:						
Production Capacity	MT	13,500	13,500	13,500	13,500	11,250
Actual Production	MT	6,770	4,914	3,918	5,175	4,872
Sales Quantity	MT	6,835	4,993	3,881	4,702	4,030
Financial Results:						
Sales Revenue	TK	1,085,427,111	538,238,090	389,968,195	473,084,915	484,009,189
Gross Profit	TK	137,443,325	54,955,601	72,982,633	77,352,331	66,262,774
	%	12.66%	10.21%	18.27%	16.35%	13.69%
Operating Profit	TK	68,466,812	13,464,201	32,004,346	54,527,738	(7,750,761)
	%	6.31%	2.50%	8.21%	11.53%	(1.60%)
Net Profit before Tax	TK	15,773,401	(17,802,266)	(23,034,016)	10,735,119	(5,507,957)
	%	1.45%	(3.31%)	(5.91%)	2.27%	(1.14%)
Net Profit after Tax	TK	16,912,856	(24,610,668)	(24,306,924)	1,420,266	(21,135,213)
	%	1.56%	(4.57%)	(6.23%)	0.30%	(4.37%)
Earnings Per Share (EPS)	TK	0.89	(1.30)	(1.28)	0.07	(1.11)
Dividend (Cash)	%	2% Cash dividend to all shareholders	1% Cash dividend to only general shareholders	1% Cash dividend to only general shareholders	2% Cash dividend to only general shareholders	2% cash dividend on other than Sponsors
Financial Position:						
Paid-up Capital	TK	190,000,000	190,000,000	190,000,000	190,000,000	190,000,000
Current Ratio		1.32:1	1.46:1	1.37:1	1.26:1	0.97:1
Non-Current Assets with Revaluation	TK	788,925,523	795,495,275	813,545,328	847,319,717	882,494,770
Current Assets	TK	663,371,090	609,601,670	640,110,861	528,263,576	421,535,574
Current Liability	TK	501,833,283	465,532,422	467,248,409	419,212,821	430,169,669
Net Current Assets	TK	161,537,807	144,069,248	172,862,452	109,050,755	(8,634,095)
Net Assets Value with Revaluation	TK	464,607,790	447,546,925	474,282,768	490,646,274	495,387,034
Net Assets Value without Revaluation	TK	214,705,715	188,880,440	206,252,742	212,611,673	206,661,925
Net Assets Value Per Share with Revaluation	TK	24.45	23.56	24.96	25.82	26.07
Net Assets Value Per Share without Revaluation	TK	11.30	9.94	10.86	11.19	10.88
Net Operating Cash Flow Per Share	TK	4.63	(0.08)	0.21	(0.75)	4.35



HAKKANI PULP AND PAPER MILLS LIMITED
THE PATTERN OF SHAREHOLDING AS ON 30 JUNE 2023

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

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

2) Directors:

Name	Position in the Company	Number of Share Holding	Percentage of Share	Remarks
Mrs. Hosne Ara Begum	Chairman	10,41,666	5.48%	-
Mr. Md. Golam Kibria	Managing Director	11,45,000	6.03%	-
Mr. Md. Golam Morshed	Deputy Managing Director	14,66,666	7.72%	-
Mr. Md. Golam Rasul Muktadir	Vice-Chairman	14,66,666	7.72%	-

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

Name	Position in the Company	Number of Share Holding	Percentage of Share	Remarks
Mr. Md. Golam Kibria	Chief Executive Officer	11,45,000	6.03%	Managing Director
Mr. Mohammad Musa	Company Secretary & Manager	Nil	Nil	-
Mr. Md. Moinul Abedin	Chief Financial Officer	Nil	Nil	-
Mr. Md. Saleh Ahmed	Head of Internal Audit	Nil	Nil	-

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

Name	Position in the Company	Number of Share Holding	Percentage of Share	Remarks
Mr. Shah Javed Ahmed	Executive Director	350,000	1.84%	-
Mohammad Saidur Rahaman	National Sales Manager	Nil	Nil	-
Md. Mahmudul Hasan	National Sales Manager	Nil	Nil	-
Md. Hasanul Karim	Senior Mechanical Engineer	Nil	Nil	-
Mr. Md. Masud Rana	Manager	Nil	Nil	-

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

Shareholders Holding 10% or more voting interest in the company	-	Nil	Nil	-
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Report of the Audit Committee

For the year ended 30th June 2023

Dear Shareholders,

I am pleased to present the Report of the Audit Committee for the year ended on 30 June 2023. The Report of Audit Committee presented under the condition No.5 (7) of the Corporate Governance Code 2018 issued by the Bangladesh Securities and Exchange Commission. The report provides an insight on the functions of the Audit Committee for the year ended on 30 June 2023.

Composition of the Audit Committee:

The Audit Committee of Hakkani Pulp and Paper Mills Limited a prime Board sub- committee, assists the Board in discharging its governance responsibilities. The Board has formed the Audit Committee, required under Code of Corporate Governance of BSEC with some specific assignments under its Terms of Reference. The existing Audit Committee of the Company is as follows:

Committee Members	Board Members	Position
Prof. S.M. Nasrul Quadir	Independent Director	Chairman
Prof. Dr. Rafiuddin Ahmed	Independent Director	Member
Mr. Md. Golam Rasul Muktadir	Non-Executive Director	Member
Mr. Mohammad Musa	Company Secretary	Secretary

The Audit Committee is appointed by the Board of Directors and all the Members are Non-Executive Directors and the Chairman is an Independent Director. As required, all Members of the Audit Committee are 'financially literate' and are able to analysis and interpret financial statements to effectively discharge their duties and responsibilities as Members of the Audit Committee.

Meeting of the Committee:

The Audit Committee has conducted four meetings during the year 2022-2023 to perform various activities in order to meet the regulatory requirements. The Independent Director, Professor S.M. Nasrul Quadir acted as Chairman of the Committee. As per the regulatory guidelines, Mr. Mohammad Musa, the Company Secretary acted as the Secretary to the Audit Committee. The members of the Committee attended all four meetings of the Audit Committee. Moreover, Mr. Shah Javed Ahmed, Executive Director, Mr. Md. Moinul Abedin, Chief Financial Officer also attended all four meetings on invitation of the Chairman of Audit Committee.

The audit committee has conducted four meetings during the year 2022-2023 on the following dates:

Number of Meetings	Date of Meetings
1st Meeting	17 September 2022
2nd Meeting	2 November 2022
3rd Meeting	26 January 2023
4th Meeting	27 April 2023

Role of Audit Committee:

The Audit Committee ensures compliance with the Corporate Governance Code issued by the Bangladesh Securities and



Exchange Commission (BSEC). The role of the Audit Committee is to supervise and monitor the integrity of the financial statements of the Company and review when appropriate, make recommendations to the Board on business risk, internal controls and compliance and audit. The Audit Committee assists the Board of Directors to ensure that the financial statements reflect a true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business. The Audit Committee is responsible to the Board of Directors. The duties of the Audit Committee are clearly set forth in writing.

The role and duties of the Audit Committee includes the following:

- i. Oversee the financial reporting process.
- ii. Monitor choice of accounting policies and principles.
- iii. Monitor Internal audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;
- iv. Oversee hiring and performance of external Auditors.
- v. Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;
- vi. Review along with the management, the annual financial statements before submission to the Board for approval.
- vii. Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.
- viii. Review the adequacy of internal audit function.
- ix. Review the Management's Discussion and Analysis before disclosing in the Annual Report;
- x. Review statement of all related party transactions submitted by the management;
- xi. Review Management Letters/Letter of Internal Control

Major Activities of the Audit Committee during the Reporting Period:

As per the Corporate Governance Code, the Audit Committee carried out the following activities during the year 2022-2023:

- i. Reviewed the quarterly, half-yearly financial statements, and annual draft financial statements and audited financial statements for the year ended 30 June 2023 and recommended the same to Board for approval;
- ii. Reviewed the adequacy and effectiveness of the financial reporting process, accounting policies, and principles;
- iii. Reviewed the Internal Audit and Compliance process, monitoring system, and risk management that was adequately resourced;
- iv. Reviewed the Internal Audit and Compliance Report and the adequacy of the internal audit function;
- v. Reviewed the procedure and task of the internal audit and financial report preparation;
- vi. Reviewed and considered the report of internal auditors and statutory auditors' observations on internal control;



- vii. Reviewed the internal control system prevailing in the company to introduce the appropriate compliance culture and also to ensure that all employees have clear understanding of their respective roles and responsibilities;
- viii. Reviewed the arrangements made by the management for developing a suitable Management Information System (MIS);
- ix. Evaluated the performance of external auditors and recommended to the Board for their appointment and remuneration and fees;
- x. Recommended the appointment of statutory auditors and compliance auditor.
- xi. Reviewed the findings of external auditors and finalized the audit report and annual financial statements.
- xii. Reviewed the management discussion and analysis before disclosing it in the Annual Report;
- xiii. Reviewed the statement of all related party transactions submitted by the management for the year ended 30 June 2023;

Acknowledgement:

The Audit Committee would like to express its heartfelt thanks to the members of the Board, key management executives, internal audit division and all other employees for their utmost co-operation and dedication to discharge of responsibilities in the financial year 2022-2023.

On behalf of the Audit Committee,

Prof. S. M. Nasrul Quadir

Chairman

Date: November 4, 2023

Place: Chattogram



NOMINATION & REMUNERATION COMMITTEE (NRC) REPORT

For the year ended 30 June 2023

Dear Shareholders,

I am pleased to present the Report of the Nomination and Remuneration Committee for the year ended on 30 June 2023. The Report of Nomination and Remuneration Committee is prepared and presented for meeting the requirement of Condition No. 6(5) (c) of the Corporate Governance Code 2018 issued by the Bangladesh Securities and Exchange Commission. The Nomination and Remuneration Committee is responsible and accountable to the Board of Directors and the shareholders of Hakkani Pulp and Paper Mills Limited. The Committee assists the Board broadly in the formulation of policy with regard to determining the qualifications, positive attributes, experiences and remuneration for the Directors and the top-level Executives of the company.

Composition and Meeting of the NRC:

The Board has formed the Nomination and Remuneration Committee of the company required under Code of Corporate Governance of BSEC with some specific assignments under its Terms of Reference. The Nomination and Remuneration Committee of the company is a sub-committee of the Board. The Committee comprises two Independent Directors and one Non-Executive Director. The existing committee consists of the following members:

Committee Members	Board Members	Position
Prof. S. M. Nasrul Quadir	Independent Director	Chairman
Prof. Dr. Rafiuddin Ahmed	Independent Director	Member
Mr. Md. Golam Rasul Muktadir	Non-Executive Director	Member
Mr. Mohammad Musa	Company Secretary	Secretary

During the year 2022-2023, the Nomination and Remuneration Committee has conducted one meeting dated on 2nd August 2022 to perform various activities in order to meet the regulatory requirements. Professor S. M. Nasrul Quadir, the Independent Director acted as Chairman of the Committee and as per the regulatory guidelines Mr. Mohammad Musa, the Company Secretary acted as the Secretary to the Nomination and Remuneration Committee.

Role of the Nomination and Remuneration Committee (NRC):

- a) The Committee shall be independent and responsible or accountable to the Board and to the Shareholders;
- b) The Committee shall oversee, among others, the following matters and make report with recommendation to the Board:
 1. To formulate the criteria for determining qualifications, positive attributes and dependence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:
 - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
 - b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c) remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals;



2. To devise policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
3. To identify persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
4. To formulate the criteria for evaluation of performance of independent directors and the Board;
5. To identify the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
6. To develop, recommend and review annually the company's human resource and training policies;

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

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

- i. The committee had one (1) meeting during the year. The Committee reviewed the implementation schedule of the decision of the last meeting;
- ii. Reviewed the background, qualification and independence of Independent Directors and recommended the extension of tenure of the Independent Directors;
- iii. Reviewed the criteria for determining qualifications and positive attributes of the top-level executives;
- iv. Reviewed and recommended the remuneration of top-level executives;
- v. The committee reviewed and recommended the re-appointment of Independent Director as per corporate Governance Guide Code;
- vi. The Committee reviewed and recommended the annual Increment of the employees;
- vii. The committee reviewed and recommended the Code of Conduct for the Chairperson, Managing Director and other Board Members. with Roles and Responsibilities of employees of the company;
- viii. The committee reviewed and recommended the roles and Responsibilities of Chairman, Managing Director, Company Secretary, Chief Financial Officer, Head of Internal Audit of the company;
- ix. The committee reviewed and recommended the Criteria for evaluation of performance of Independent Director and other Board Members of the company;

Acknowledgment:

The Nomination and Remuneration Committee would like to express its heartfelt thanks to the members of the committee, key management personnel and executives and all other employees for their utmost cooperation with the Committee during the reporting year.

On behalf of the NRC Committee,

Prof. S. M. Nasrul Quadir

Chairman

Date: November 4, 2023

Place: Chattogram



DIVIDEND DISTRIBUTION POLICY

This Policy shall become effective from the date of its adoption by the Board i.e. **03/08/2022**.

1 Purpose, Objectives and Scope:

- 1.1 This policy is being adopted in compliance with the Directive of the Bangladesh Securities and Exchange Commission (BSEC) No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021. The Directive requires formulating a dividend distribution policy which shall be disclosed in the annual report and official website of the company.
- 1.2 The Policy sets out the circumstances and different factors for consideration by the Board at the time of taking decisions of distribution or retention of profits, in the interest of providing transparency to the shareholders.
- 1.3 The Company shall pursue this Policy, to pay the dividend subject to the business & economic circumstances and external & internal factors enlisted, which shall be consistent with the performance of the Company over the years.

2 Definitions:

- 2.1 “Act” shall mean The Companies Act, 1994 including the Gazette Notification / Rules made thereunder, and as amended from time to time relating to the Act.
- 2.2 “Applicable Laws” shall mean the Companies Act, 1994 including the Gazette Notification / Rules made thereunder, as amended from time to time, and all other acts, rules, regulations, notifications, orders, circulars etc. of the Bangladesh Securities and Exchange Commission (BSEC), the Dhaka Stock Exchange Limited (DSE), the Chittagong Stock Exchange PLC (CSE) and such other act, rules or regulations which applicable to the Company.
- 2.3 “Company” shall mean HAKKANI PULP AND PAPER MILLS LIMITED
- 2.4 “Board” or “Board of Directors” shall mean Board of Directors of the Company.
- 2.5 “Dividend” shall mean Dividend as defined under the Companies Act, 1994.
- 2.6 “CS, CFO, MD” shall mean Company Secretary, Chief Financial Officer and Managing Director of the Company
- 2.7 “Policy or this Policy” shall mean the Dividend Distribution Policy.

3 Parameters for declaration of dividend:

The Board shall consider the following circumstances for declaration and payment of dividend.

3.1 Financial parameters

- (a) Availability of profits;
- (b) Financial feasibility of the Company;
- (c) Liquidity position;
- (d) Business expansions, acquisitions, etc.;
- (e) Profit growth.



3.2 External factors

- (a) Shareholders' expectations;
- (b) Uncertain or recessionary economic and business conditions;
- (c) Sectorial performance;
- (d) Future uncertainties and industrial downturn;
- (e) Government policy;

3.3 Internal factors

- (a) Growth rate of past earnings;
- (b) Growth rate of predicted profits;
- (c) Expansion and modernization of existing business;
- (d) Working capital;

3.4 Utilization of retained earnings

The decision of utilization of retained earnings of the Company shall be based on the following factors:

- (a) Acquisition/Diversification of business;
- (b) Long term strategic plan;
- (c) High cost of debt;
- (d) Market or product development/expansion plan;
- (e) Increase in production capacity;
- (f) Modernization Plan;

4 Dividend Consideration Factors:

Hakkani Pulp and Paper Mills Limited is committed to returning capital to shareholders via a sustainable dividend policy subject to consideration of factors such as the business outlook, capital requirements for growth opportunities, expansion plans, optimal leverage levels and healthy cash reserves in addition to regulatory approvals.

5 Circumstances under which the shareholders may or may not expect dividend:

- 5.1 Whenever it undertakes or proposes for a significant expansion project requiring higher allocation of capital;
- 5.2 Significantly higher working capital requirements adversely impacting free cash flow;
- 5.3 In the event of inadequacy of profits or whenever the Company has incurred losses.

The decision of dividend payout shall, majorly be based on the aforesaid factors considering the balanced interest of the shareholders and the Company.

6 Procedure of Dividend Declaration:

- 6.1 The given below is a summary of the process of declaration and payment of dividends, and is subject to applicable regulations.



6.2 In case of final dividends.

- a. The Company Secretary and Chief Financial Officer in consultation with the MD / CEO of the Company shall prepare a proposal note to the Board for recommending the percentage of dividend, if any and that proposal shall be reviewed by the Board, and shall be recommended for shareholders consideration and approval.
- b. The dividend as recommended by the Board shall be approved/declared by the shareholders at the annual general meeting of the Company.
- c. The payment of dividend shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date/book closure period as per the applicable law.

The Company shall ensure compliance of provisions of Applicable Laws and this Policy in relation to Dividend declared by the Company.

7 **Classes of Shares:**

The Company has issued only equity shares. There are no other class of shares issued or proposed to be issued by the Company. In case of issue of new class of shares in the future, the policy will be reviewed accordingly.

8 **Applicability of the Policy:**

This policy is applicable on equity shares of the Company

9 **Compliance Responsibilities:**

9.1 The Company shall ensure compliance of provisions of Applicable Laws and this Policy in relation to Dividend declared by the Company.

9.2 Compliance of this Policy shall be the responsibility of the Company Secretary and Chief Financial Officer of the Company who shall act under the guidance of the management in this regard.

10 **Review of the Policy:**

10.1 This Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by the National Board of Revenue, Bangladesh Securities and Exchange Commission or such other regulatory authority as may be authorized, from time to time, on the subject matter.

10.2 The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.

10.3 Such amended Policy shall be periodically placed before the Board for adoption immediately after such changes.

11 **Publication of the Policy:**

This Policy, as approved by the Board, shall be disclosed in the annual report and official website of the company.

12 **Disclaimers:**

This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2023/278

BAPLC

Date of issue : October 15, 2023

Renewed Certificate

This is to certify that

HAKKANI PULP & PAPER MILLS LIMITED

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

This certificate remains current until 31st December 2023.



Secretary-General



শফিক বসাক এন্ড কোং SHAFIQ BASAK & CO.

CHARTERED ACCOUNTANTS

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Sarwar Mahmood, FCA
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Independent Auditors' Report To the Shareholders of Hakkani Pulp and Paper Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Hakkani Pulp & Paper Mills Limited** ("the **Company**"), which comprise The Statement of Financial Position as at June 30, 2023 and The Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and Notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at June 30, 2023 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Company Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' (IESBAs) Code of Ethics for Professional Accountants, together with ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



INDEPENDENT MEMBER OF
ABACUS
WORLDWIDE

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Key Audit Matter	How our Audit Addressed the Key Audit Matter
REVENUE RECOGNITION	
<p>Revenue of BDT 1,085,427,111 is recognised in the statement of profit or loss and other comprehensive income for the year ended June 30, 2023 by the Company. This material item is subject to considerable inherent risk due to the complexity of the system necessary for proper recognition, measurement, and recording considering the application of revenue recognition, International Financial Reporting Standard 15 “<i>Revenue from Contracts with Customers</i>”.</p> <p>There is also a risk that revenue may be overstated due to wrong recognition.</p>	<p>In light of the fact that the high degree of complexity and estimates and assumptions give rise to and increased risk of accounting misstatements, we assessed the Company’s processes and controls for recognizing revenue as part of our audit. Furthermore, in order to mitigate the inherent risk in this audit area, our audit approach included testing of the controls and substantive audit procedures, including:</p> <ul style="list-style-type: none"> • Assessing the environment of the measurement as well as other relevant systems supporting the accounting of revenue. • Assessing controls for systems and procedures supporting revenue recognition. • Assessing the invoicing and measurement system up to entries in the general ledger. • Examining customer invoices and receipts of payment on a test basis in accordance with contract. We also examined bank deposit, and reconciled those deposits with accounts receivable to ascertain fairness of revenue so disclosed. • Testing the revenue recognition in line with contract and reporting standard. <p>We assured ourselves of the appropriateness of the systems, Processes, and Controls in place.</p>
See note 27 to the financial statements.	
INVENTORIES	
<p>The company had inventory of BDT 320,603,684 as at June 30, 2023, held in factory. This material item is subject to considerable inherent risk due to the complexity of the system necessary for proper recognition, measurement, valuation and recording considering the application of IAS-2 “<i>Inventories</i>”.</p> <p>Inventories can be over or undervalued due to valuation.</p>	<p>We challenged the appropriateness of management’s assumptions applied in calculating the value of the inventory provisions by:</p> <ul style="list-style-type: none"> • Evaluating the design and implementation of key inventory controls operating across the company, including those at a sample of distribution centers, warehouses and branches; • Attending inventory counts and reconciling the count results to the inventory listings to test the completeness of data;



	<ul style="list-style-type: none"> • Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete; • Challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow-moving/obsolete inventories are valid and complete. • Checking the cost of Raw materials purchase and valuation method applied for raw materials and work in process.
<p>See note 8.00 to the financial statements</p>	

Other Information included in the Company's 2023 Annual Report

Other information consists of the information included in the Company's 2022-23 Annual Report other than the financial statements and our auditor's report thereon. Management is responsible for the other information. The Annual Report is expected to be made available to us after the date of issue of this auditor's Report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Company Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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



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

Report on Other Legal and Regulatory Requirements

In accordance with the Company Act 1994 and the Securities and Exchange Rules 2020, we also report the following:

- we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- 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;
- the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- The expenditure incurred was for the purposes of the company business.

Place, Dhaka
November 5, 2023




Md. Shafiqul Islam FCA
Enrolment # 595
Partner
Shafiq Basak & Co.
Chartered Accountants
DVC: 2311050595AS694948



HAKKANI PULP & PAPER MILLS LIMITED

Statement of Financial Position

As at 30 June 2023

	Note(s)	30 June 2023 Taka	30 June 2022 Taka
ASSETS			
Non Current Assets :		861,182,096	867,751,848
Property, Plant and Equipment	5	788,925,523	795,495,275
Capital Work-In-Progress	6	72,256,573	72,256,573
Current Assets:		663,371,090	609,601,670
Investment in Shares	7	12,214,729	12,583,410
Inventories	8	320,603,684	266,581,269
Trade Receivables	9	185,906,649	191,863,413
Advances, Deposits & Prepayments	10	122,236,614	113,797,185
Cash & Cash equivalents	11	22,409,414	24,776,393
TOTAL ASSETS		1,524,553,186	1,477,353,518
SHARE HOLDERS EQUITY & LIABILITIES			
Shareholders Equity:		464,607,789	447,546,925
Share Capital	12	190,000,000	190,000,000
Dividend Equalization Reserve	13	11,237,712	12,258,779
Revaluation Reserve	14	249,902,074	258,666,486
Fair Value Reserve	7.01	80,141	457,727
Retained Earnings	15	13,387,862	(13,836,066)
Non Current Liabilities:		558,112,113	564,274,171
Unsecured Loan	16	57,699,990	58,299,990
Long Term Loan Non Current Portion	17	406,011,140	401,809,112
Deferred Tax Liability	18	94,400,983	104,165,069
Current Liabilities:		501,833,284	465,532,422
Short Term Loan & Overdraft	19	216,354,265	210,793,095
Liability for Expenses	20	36,683,431	25,424,243
Workers Profit Participation and Welfare Fund	21	1,915,255	1,126,585
Long Term Loan-Current Portion	17.01	82,931,334	82,826,333
Trade Payables	22	29,936,889	23,089,882
Current Tax Liabilities	23	25,481,102	18,440,000
Liabilities for Other Finance	24	52,048,815	47,422,115
Unclaimed Dividend	25	3,082,193	3,010,168
Directors Current Account	26	53,400,000	53,400,000
Total Liabilities		1,059,945,397	1,029,806,593
TOTAL EQUITY & LIABILITIES		1,524,553,186	1,477,353,518
Net Asset Value Per Share (with revaluation)	35	24.45	23.56
Net Asset Value Per Share (without revaluation)	36	11.30	9.94

The accounting policies and annexed notes from 1 to 46 an integral part of these financial statements.


MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR


COMPANY SECRETARY

Signed as per our annexed report of even date.

Place: Chattogram
Date: November 04, 2023


Md. Shafiqul Islam, FCA
Enrolment #595
Partner
Shafiq Basak & Co.
Chartered Accountants
DVC:2311050595AS694948

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HAKKANI PULP & PAPER MILLS LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2023

	Note(s)	2022-2023 Taka	2021-2022 Taka
Revenue	27	1,085,427,111	538,238,090
Cost of Sales	28	(947,983,786)	(483,282,489)
Gross Profit / (Loss)		137,443,325	54,955,601
Operating Expenses:			
Administrative Expenses	29	(23,239,850)	(15,058,932)
Selling & Distribution Expenses	30	(45,736,663)	(26,432,468)
		(68,976,513)	(41,491,400)
Profit from Operation		68,466,812	13,464,201
Financial Expenses	31	(54,547,435)	(37,391,494)
Non-Operating Income	32	2,642,694	6,125,027
Net Profit Before WPPF & WWF		16,562,071	(17,802,266)
Contribution to WPPF & Welfare Funds	21	(788,670)	-
Net profit before Tax		15,773,401	(17,802,266)
Income Tax Expenses:			
Current Tax	23.01.2	(7,041,101)	(3,266,179)
Deferred Tax	33	8,180,556	(3,542,224)
		1,139,455	(6,808,403)
Net profit after Tax		16,912,856	(24,610,668)
Other Comprehensive Income:			
Deferred Tax on Revaluation Reserve	14	1,546,661	1,652,389
Unrealized Gain/ (Loss) on Investment in Shares	7.02	(368,681)	(2,756,476)
Deferred tax on unrealized gain/(loss) in investment in share	18.02	(36,868)	(311,361)
		1,141,112	(1,415,448)
Total Comprehensive Income		18,053,968	(26,026,116)
Earnings Per Share - Basic	34	0.89	(1.30)

The accounting policies and annexed notes from 1 to 46 an integral part of these financial statements.


MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR


COMPANY SECRETARY

Signed as per our annexed report of even date.

Place: Chattogram
Date: November 04, 2023


Md. Shafiqul Islam, FCA
Enrolment #595
Partner
Shafiq Basak & Co.
Chartered Accountants
DVC:2311050595AS694948

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HAKKANI PULP & PAPER MILLS LIMITED
Statement of Changes in Equity

For the year ended 30 June 2023

Particulars	Share Capital	Dividend Equalization Reserve	Revaluation Reserve	Fair Value Reserve	Retained Earnings	(Amount in Taka)
						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	-	-	(10,311,072)	-	10,311,072	-
Deferred Tax on Revaluation Surplus	-	-	1,546,661	-	-	1,546,661
Unrealized Gain/(Loss) on Investment in Shares	-	-	-	(368,681)	-	(368,681)
Deferred Tax on Unrealized Gain/(Loss) on Investment in Shares	-	-	-	(8,905)	-	(8,905)
Dividend for the year 2021-2022	-	(1,021,067)	-	-	-	(1,021,067)
Net Profit after Tax	-	-	-	-	16,912,856	16,912,856
Balance as on 30 June 2023	190,000,000	11,237,712	249,902,075	80,141	13,387,862	464,607,789

For the year ended 30 June 2022

Particulars	Share Capital	Dividend Equalization Reserve	Revaluation Reserve	Fair Value Reserve	Retained Earnings	(Amount in Taka)
						Total
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	-	-	(11,015,929)	-	11,015,929	-
Deferred Tax on Revaluation Surplus	-	-	1,652,389	-	-	1,652,389
Unrealized Gain/(Loss) on Investment in Shares	-	-	-	(2,756,476)	-	(2,756,476)
Dividend for the year 2020-2021	-	(1,021,087)	-	-	-	(1,021,087)
Net Profit after Tax	-	-	-	-	(24,610,668)	(24,610,668)
Balance as on 30 June 2022	190,000,000	12,258,779	258,666,485	457,727	(13,836,066)	447,546,925


MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR


COMPANY SECRETARY

The accounting policies and annexed notes from 1 to 46 an integral part of these financial statements.

Place: Chattogram
Date: November 04, 2023



HAKKANI PULP & PAPER MILLS LIMITED

Statement of Cash Flows

For the year ended 30 June 2023

	Note(s)	2022-2023 Taka	2021-2022 Taka
A. Cash flows from Operating Activities:			
Cash Collection from Turnover & Others		1,094,026,568	522,659,156
Payment for Material and Expenses		(999,905,873)	(522,482,637)
Income Tax Paid		(6,059,110)	(1,676,271)
Net Cash flows from Operating Activities	43	88,061,586	(1,499,752)
B. Cash flows from Investing Activities:			
Acquisition of Property, Plant & Equipment		(34,329,634)	(23,709,574)
Capital Work-In-Progress		-	(57,114,957)
Advance for Machinery		(14,473,579)	71,113,889
Sale of shares		-	4,032,915
Net cash flows from Investing Activities		(48,803,213)	(5,677,728)
C. Cash flows from Financing Activities:			
Short Term Loan & Overdraft		5,561,170	(7,694,171)
Long Term Loan		4,202,028	23,129,069
Interest Paid		(54,547,435)	(37,391,494)
Unsecured Loan Received		(600,000)	12,300,000
Directors Current Account		-	4,350,000
Liabilities for Other Finance		4,626,700	16,822,115
Dividend Paid		(867,815)	(841,475)
Net Cash flows from Financing Activities		(41,625,352)	10,674,044
D. Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)		(2,366,979)	3,496,564
E. Opening Cash and Bank Balances		24,776,393	21,279,829
Closing Cash and Bank Balances (D+E)		22,409,414	24,776,393
F. Net Operating Cash Flows Per Share	37	4.63	(0.08)

The accounting policies and annexed notes from 1 to 46 an integral part of these financial statements.


MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR


COMPANY SECRETARY

Place: Chattogram
Date: November 04, 2023



HAKKANI PULP & PAPER MILLS LIMITED

Notes to the Financial Statements

For the year ended 30 June 2023

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 PLC.

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, Paper products & 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 Act, 2023

The Value Added Tax and Supplementary Duty Act, 2012

The Value Added Tax and Supplementary Duty Rules, 2016

The Customs Act, 1969

Bangladesh Labor Act, 2006 as amended in 2013

The Securities and Exchange Ordinance, 1969

The Securities and Exchange Rules, 2020

The Corporate Governance code 2018

2.03 Applicable Accounting Standards:

The following IASs and IFRSs are applicable for the Financial Statements for the year under review:



- IAS - 01 Presentation of Financial Statements
- IAS - 02 Inventories
- IAS - 07 Statement of Cash Flows
- IAS - 08 Accounting Policies, Changes In Accounting Estimates and Errors
- IAS - 10 Events after the Reporting period
- IAS - 12 Income Taxes, Deferred Taxes
- IAS - 16 Property, Plant and Equipment
- IAS - 19 Employee Benefits
- IAS- 21 The Effects of Changes in Foreign Exchange Rates
- IAS - 23 Borrowing Costs
- IAS - 24 Related Party Disclosures
- IAS - 32 Financial Instruments: Presentation
- IAS - 33 Earnings Per Share
- IAS - 36 Impairment of Assets
- IAS- 37 Provisions, Contingent Liabilities and Contingent Assets
- IFRS- 07 Financial Instruments: Disclosures
- IFRS- 09 Financial Instruments
- IFRS- 15 Revenue From Contract with Customers
- IFRS- 16 Leases

2.04 Basis of Reporting :

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

- a. A Statement of Financial Position as at 30 June 2023.
- b. A Statement of Profit or Loss and other Comprehensive Income for the year ended 30 June 2023.
- c. A Statement of changes in equity for the year ended 30 June 2023.
- d. A Statement of Cash flows for the year ended 30 June 2023.
- 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 04 November 2023.

2.06 Reporting Period:

The financial statements of the Company cover twelve months from 1 July 2022 to 30 June 2023.



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

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) Earnings 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>Non Current 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 measurement 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 Tissue paper. 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 Tissue paper 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 Earnings 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 Earnings 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 30 June 2022 in accordance with IAS-1: Presentation of Financial Statements, for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods financial statements. Prior year's figures have been rearranged wherever considered necessary to ensure comparability with the current year.

3.22 Consistency:

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

3.23 Events after the reporting period:

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

3.24 Share Capital:

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

3.25 Leases:

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

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



4.01 The operating and financial review is intended to provide the Management's perspective on the financial and operating performance of the Company. During the year under review, the Company recorded a profit/(loss) after tax of Tk. 16,912,856 against previous period profit/(loss) of Tk. (24,610,668). The basic Earnings Per Share for the year ended 30 June 2023 is Tk. 0.89 against Tk. (1.30) for the same previous year. The analysis of major items of the financial statements is given below:

4.02 Revenue:

During the year under review total revenue was increased as compared to previous year due to increase of sales. Sales revenue is increased by the amount of Taka 547,189,021 as compared to previous year.

4.03 Cost of Sales:

During the year under review Cost of sales was increased as compared to the previous year due to increase of unit price raw materials, fluctuation of dollar rate, increase of rate of gas bill, electricity bill, increase of salaries, wages and allowances and others.

4.04 Administrative Expenses:

During the year under review, administrative expenses was increased significantly as compared to the previous year due to increase of employee salaries, remuneration and other related expenses and inflation.

4.05 Selling Expenses

During the year under review, selling expenses was increased significantly as compared to the previous year due to increase of marketing employee's salaries, sales promotion expenses, Carriage Outward expenses and inflation.

4.06 Financial Expenses :

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

4.07 Earnings Per Share (EPS):

During the year under review, the Company's Earnings Per Shares (EPS) was recorded Tk. 0.89 against previous year Tk. (1.30). Earnings Per Share (EPS) was increased due to increase of sales revenue.

4.08 Cash Flows from operating Activities (NOCFPS):

The Company's net operating cash flows per share (NOCFPS) of the company was recorded Tk. 4.63 against Tk. (0.08) of previous year. The company's net operating cash flows per share (NOCFPS) was increased due to increase of collection from customers.

5.00 PROPERTY, PLANT & EQUIPMENT:

	30 June 2023	30 June 2022
	Taka	Taka
Balance as on 01 July (including revaluation)	1,299,421,275	1,275,711,701
Add: Addition during the year	34,329,634	23,709,574
Less: Adjustment during the year	-	-
Balance as on 30 June	1,333,750,909	1,299,421,275
Less: Accumulated depreciation	544,825,385	503,926,000
Written down value as on 30 June	788,925,523	795,495,275

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



5.01 PROPERTY, PLANT & EQUIPMENT:

(Amount in Taka)

Particulars	C			O			S			T			D E P R E C I A T I O N			Written Down Value as on 30 June, 2023
	Balance as on 01 July 2022	Addition during the year	Disposal / Adjustment during the year	Balance as on 30 June 2023	Rate of Dep.	Charged during the year	Disposal / Adjustment during the year	Balance as on 01 July 2022	Charged during the year	Disposal / Adjustment during the year	Balance as on 30 June 2023					
At Cost																
Land & Land Development	43,583,242	350,150	-	43,933,392	-	-	-	-	-	-	-	-	-	-	-	43,933,392
Building & Other Construction	173,805,760	9,427,448	-	183,233,208	5%	6,281,979	-	51,932,055	6,281,979	-	-	-	-	-	58,214,035	125,019,174
Plant & Machinery	553,967,984	13,591,971	-	567,559,955	7%	21,621,037	-	248,072,552	21,621,037	-	-	-	-	-	269,693,589	297,866,365
Furniture & Fixture	1,274,608	738,572	-	2,013,180	10%	68,696	-	739,489	68,696	-	-	-	-	-	808,185	1,204,995
Office Equipment	3,856,743	436,200	-	4,292,943	10%	182,647	-	2,177,946	182,647	-	-	-	-	-	2,360,592	1,932,351
Electric Installation	23,872,002	8,914,355	-	32,786,357	10%	1,266,823	-	14,059,182	1,266,823	-	-	-	-	-	15,326,004	17,460,353
Gas Line Installation	3,932,191	-	-	3,932,191	10%	84,751	-	3,084,683	84,751	-	-	-	-	-	3,169,433	762,758
Telephone Line Installation	132,263	-	-	132,263	10%	2,944	-	102,822	2,944	-	-	-	-	-	105,766	26,497
Water Line Installation	7,039,214	437,719	-	7,476,933	10%	272,991	-	4,642,553	272,991	-	-	-	-	-	4,915,544	2,561,389
Fire Extinguisher	111,870	-	-	111,870	20%	2,407	-	99,835	2,407	-	-	-	-	-	102,242	9,628
Office Decoration	1,945,265	21,764	-	1,967,029	10%	125,173	-	707,961	125,173	-	-	-	-	-	833,134	1,133,895
Vehicle Car	3,011,672	-	-	3,011,672	20%	103,823	-	2,492,558	103,823	-	-	-	-	-	2,596,381	415,291
Motor Vehicle	4,584,496	-	-	4,584,496	20%	391,048	-	2,629,257	391,048	-	-	-	-	-	3,020,304	1,564,192
Factory Equipment	1,242,445	411,455	-	1,653,900	20%	183,993	-	437,103	183,993	-	-	-	-	-	621,096	1,032,804
"A"	822,359,755	34,329,634	-	856,689,389		30,588,313	-	331,177,993	30,588,313	-	-	-	-	-	361,766,307	494,923,082
At Revaluation																
Land & Land Development	139,028,020	-	-	139,028,020	-	-	-	-	-	-	-	-	-	-	-	139,028,020
Building & Other Construction	110,663,849	-	-	110,663,849	5%	3,147,280	-	47,718,242	3,147,280	-	-	-	-	-	50,865,522	59,798,327
Plant & Machinery	227,369,650	-	-	227,369,650	7%	7,163,792	-	125,029,764	7,163,792	-	-	-	-	-	132,193,556	95,176,094
"B"	477,061,519	-	-	477,061,519		10,311,072	-	172,748,006	10,311,072	-	-	-	-	-	183,059,079	294,002,440
Grand total as on 30 June 2023 (A+B)	1,299,421,275	34,329,634	-	1,333,750,908		40,899,386	-	503,926,000	40,899,386	-	-	-	-	-	544,825,385	788,925,523
As on 30 June 2022	1,275,711,701	23,709,574	-	1,299,421,275		41,759,627	-	462,166,373	41,759,627	-	-	-	-	-	503,926,000	795,495,275

30 June 2023	30 June 2022
Taka	Taka
483,283	490,457
40,416,103	41,269,169
40,899,386	41,759,626
Taka =	

Allocation of Depreciation :
Administrative Expenses
Factory Overhead



	30 June 2023 Taka	30 June 2022 Taka
6.00 CAPITAL WORK-IN-PROGRESS:		
Capital Work-In-Progress	72,256,573	72,256,573
Balance as on 30 June	72,256,573	72,256,573

6.01 Capital Work-In-Progress:

Particulars	Opening Balance	Addition/ Transferred during the year	Capitalized during the year	Closing Balance
Plant & Machinery	72,256,573	-	-	72,256,573
Total	72,256,573	-	-	72,256,573

7.00 INVESTMENT IN SHARES:

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

Name of Company	No. of Shares	Cost Value as on 30 June 2023	Market Value as on 30 June 2023	Unrealized gain/(loss)
Beximco Pharma Ltd.	3,500	138,855	511,700	372,845
Brac Bank Ltd.	13,993	158,299	500,949	342,650
DESCO Ltd.	5,000	238,287	183,000	(55,287)
Dhaka Bank Ltd.	27,240	210,234	360,925	150,691
Exim Bank Ltd.	53,401	1,080,863	555,370	(525,492)
Grameenphone Ltd.	10,700	3,995,855	3,066,620	(929,235)
Islami Bank Bangladesh Ltd.	10,570	376,381	344,582	(31,799)
Jamuna Oil Company Ltd.	2,299	271,136	413,590	142,454
Lafarge Holcim Bangladesh Ltd.	10,000	805,409	695,000	(110,409)
Meghna Petroleum Ltd.	2,402	249,369	488,086	238,717
Mercantile Bank Ltd.	13,989	118,778	186,054	67,275
Mutual Trust Bank Ltd.	23,350	207,749	366,595	158,846
National Bank Ltd.	82,779	902,974	687,066	(215,908)
One Bank Ltd.	36,838	296,251	367,451	71,200
Premier Bank Ltd.	5,527	32,062	70,746	38,683
Shahjalal Islami Bank Ltd.	41,135	249,341	752,771	503,430
Square Pharma Ltd.	9,200	1,826,477	1,930,160	103,683
Standard Bank Ltd.	21,547	200,804	192,140	(8,664)
Titas Gas Ltd.	13,250	766,559	541,925	(224,634)
Total	386,720	12,125,683	12,214,729	89,046



	30 June 2023 Taka	30 June 2022 Taka
7.02 Gain/ (Loss) on Investment in Shares:		
Unrealized Gain/ (Loss) Closing	89,046	457,727
Less: Unrealized Gain/ (Loss) Opening	457,727	3,571,337
Add: Deferred tax opening	-	357,134
Gain/ (Loss) on Investment in Shares during the year	(368,681)	(2,756,476)

8.00 INVENTORIES:

a) Raw Materials

Wastage Paper	75,801,267	34,988,159
Chemicals Items	17,792,740	25,051,059
	93,594,007	60,039,218

b) Finished Goods

Newsprint Paper	64,240,730	49,710,740
Medium Paper	1,085,643	3,360,543
Khata	4,627,749	4,823,700
Tissue Papers	106,850,757	89,324,160
	176,804,879	147,219,143

c) Work-In-Process

	34,991,121	51,618,780
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d) Consumable Spare & Store

	5,141,072	3,198,922
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e) Packing Material

	10,072,606	4,505,206
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Total (a+b+c+d+e)

	320,603,684	266,581,269
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(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 based 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.

9.00 TRADE RECEIVABLES:

A B Trading Corporation	-	722,256
Al- Madina Paper House	2,973,273	1,975,186
Anupam Traders	29,244	111,097
Apex Pharma	-	253,585
AR Trading	40,893	1,133,917



		30 June 2023	30 June 2022
		Taka	Taka
Absar Store		183,672	-
Agrani Printing Press		1,740,122	1,040,122
Anik Traders		479,245	4,245
A.S. Enterprise		109,075	-
AG Paper House		481,435	-
Avoy Enterprise		2,484,038	1,333,453
Babul Store	Note: 9.04	41,615,949	41,815,949
Barcode Restaurant Group		47,426	325,505
Bhai Bhai Store		639,824	721,691
Bhai Bhai Traders		649,456	-
Bio Pharmaceutical Ltd.		100,968	1,299,333
Chandpur Paper House		159,228	569,940
CGT Tissue		645,638	583,695
Eastern Paper House		6,421,288	5,606,797
Epic Health Care		182,612	-
Fuluwang Limited		1,747,816	-
Garibe Newaj Traders		666,495	631,495
General Pharma		-	2,180,104
Habib Enterprise		2,205	87,669
Handi Restaurant		106,811	160,264
Hazarat Shahajan Shah Stationary House		430,335	-
Health Point Hospital		36,226	45,208
Hotel Zaman		100,412	102,799
Ibn Sina Hospital		147,029	-
Intimate Apparels Ltd.		76,496	363,117
Jayson Pharmaceuticals		-	6,140
Jogonnata Store		108,427	-
J M I Group		77,193	107,848
Mollah Store		722,272	-
M/S. Helal Enterprise		376,906	-
M/S Nur Enterprise		988,271	19,839
M/S. Rafiq Library		1,300,853	-
M/S. Razzak Traders		163,667	-
M J Paper House		5,419,403	4,957,514
Molla Traders		199,707	98,200
New City Gold-Tissue		440,153	-
Nur Nahar Traders		184,052	-
Oniruddho Trading		269,907	-
Oriental Paper House		111,440	-
Rapid Pack Limited		5,104,218	3,459,312
Robin Enterprise		533,257	497,249
Rubel & Sons		3,394,861	1,718,613



	30 June 2023 Taka	30 June 2022 Taka
Resimax Industries Ltd.	1,246,730	1,585,730
R M Trade International	3,771,947	3,740,107
Sajib Enterprise	3,380,826	3,316,899
Shahnaj Trading Corporation	182,793	-
Sikandar Para Banijik Songasta	924,814	-
S K Traders	719,514	-
Sabbir Enterprise	202,342	-
Shapla Traders	111,667	-
Shohan Enterprise	1,536,800	-
Tanvir Enterprise	3,048,979	2,816,850
Transcom Food Ltd.	162,862	86,172
Walton Hi-Tech Industries Ltd.	124,385	244,385
Other Receivables	88,801,193	108,141,128
	185,906,649	191,863,413
9.01 Ageing of Trade Receivables:		
Below-30 Days	26,026,931	32,616,780
Within 31- 60 Days	37,181,330	51,803,122
Within 61 - 90 Days	26,026,931	32,616,780
Within 90 - 180 Days	22,308,798	30,698,146
Above 180 Days	74,362,660	44,128,585
	185,906,649	191,863,413

9.02 Trade Receivables are occurred in the ordinary course of business.

9.03 Trade Receivables are unsecured but considered good by the management.

9.04 Suits were 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 Chief metropolitan magistrate, chattogram. Now, the suits are under process for examination of witnesses against party and after examination of the witnesses is complete, the suit is kept for argument at the Metropolitan Session Judge Court, Chattogram.

9.05 The amount of Tk. 95,085,259 has been collected from trade receivables till 17 October 2023.

10.00 ADVANCES, DEPOSITS & PREPAYMENTS:

Advance Against Income Tax (Note: 10.01)	38,847,673	32,788,564
Advance Against Salary & Wages (Note: 10.02)	196,207	47,248
Advance Against Expenditure (Note: 10.03)	26,446,879	13,723,290
Advance Against L/C (Note: 10.04)	38,735,814	37,103,918
Advance Against Purchase (Note: 10.05)	7,101,484	20,000,000
Deposits and Prepayments (Note: 10.06)	10,908,557	10,134,165
	122,236,614	113,797,185



	30 June 2023 Taka	30 June 2022 Taka
10.01 <u>Advance Against Income Tax</u>		
Advance Income Tax Paid	11,686,440	6,296,490
Advance Income Tax - Import	1,709,741	1,531,643
Advance Income Tax - Export	482,661	398,386
Advance Income Tax Deducted at Source	23,652,043	23,373,201
Advance Income Tax Deducted at Source (Dividend Income)	1,311,974	1,184,029
Advance Income Tax Deducted at Source (Bank Deposits)	4,815	4,815
	38,847,673	32,788,564
10.02 <u>Advance Against Salary & Wages</u>	196,207	47,248
10.03 <u>Advance Against Expenditure</u>		
Anima Development Limited Note: 10.03.01	7,785,549	7,785,549
VAT Current Account	14,358	982,000
Lanka Bangla Securities Ltd.	199	649
City Brokerage Ltd.	127,619	127,710
Bank Guarantee Margin	628,923	628,923
Advances for spares parts and other materials	17,890,232	4,198,459
	26,446,879	13,723,290
10.03.01 This represents advance to Anima Development Limited against purchase of office space for Dhaka Office which is yet to be registered.		
10.04 <u>Advance Against L/C</u>	38,735,814	37,103,918
10.05 <u>Advance Against Purchase</u>		
Arif Traders	2,949,154	3,500,000
Bismillah Enterprise	-	3,500,000
Munna Enterprise	1,558,567	10,000,000
Shah Godi Enterprise	2,593,763	3,000,000
	7,101,484	20,000,000
10.06 <u>Deposits</u>		
Security Deposit (PBS-1)	3,321,100	3,321,100
Security Deposit (BGSL) Boiler	3,375,831	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 (Grameenphone)	20,000	20,000



	30 June 2023 Taka	30 June 2022 Taka
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
	10,908,557	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.

11.00 CASH & CASH EQUIVALENTS:

Cash In Hand

At Head Office	16,426,002	7,235,013
At Dhaka Office	10,000	5,000
At Factory	30,000	30,000
	16,466,002	7,270,013

Cash at Banks

Al Arafah Islami Bank Ltd., Khulshi Branch, CD A/C-2091020000689	8,323	-
Bangladesh Krishi Bank Ltd., Agrabad Branch, CD A/C-2903-0210014807	1,340	318,136
First Security Islami Bank Ltd, Agrabad Branch, STD A/C - 010413100000463	57,311	57,574
Social Islami Bank Ltd, Agrabad Branch, STD Account-41300458	81,180	87,399
Social Islami Bank Ltd, Agrabad Branch, CD A/C - 0041330027978	21,074	7,211,742
Prime Bank Ltd., Laldighi East Branch, CD A/C -14511090025949 /5816	-	731,700
Premier Bank Ltd., Agrabad Branch, CD A/C No-010311100015243	222,442	73,282
Premier Bank Ltd., CEPZ Branch, CD A/C No-016711100000103	90,001	140,001
Islami Bank (BD.) PLC, Agrabad Branch, CD A/C No-20501030100588315	812,765	-
Mercentile Bank Ltd., A.K Khan Branch, CD A/C No-117511121143947	-	463,041
Trust Bank Ltd., CDA Avenue branch, CD A/C No-00200210009922	9,653	-
Standard Bank Ltd., Jubilee Road Branch, CD A/C No-01233005212	63,336	1,315,916
United Commercial Bank PLC, Pahartali Branch, CD A/C-No 01000000078	140,717	311,739
Eastern Bank Ltd., Agrabad Branch, CD A/C No-11071082755	787	1,109,189
Pubali Bank Ltd., Pahartali Branch, CD A/C No-825901027548	371,267	441,066
Dutch Bangla Bank Ltd., Agrabad Branch, CD A/C No- 1021100040340	173,830	74,697
	2,054,025	12,335,481



	30 June 2023 Taka	30 June 2022 Taka
Fixed Deposit with Banks		
Mercantile Bank Ltd., A.K Khan Branch, A/C # 117541322176882	391,884	375,816
Mercantile Bank Ltd., A.K Khan Branch, A/C # 117541322894432	493,515	473,281
Mercantile Bank Ltd., A.K Khan Branch, A/C # 117541325279666	792,597	758,457
Bangladesh Krishi Bank Ltd., Agrabad Branch, A/C # 2903033042265	-	582,716
Bangladesh Krishi Bank Ltd., Agrabad Branch, A/C # 2903033042274	-	2,366,043
Bangladesh Krishi Bank Ltd., Agrabad Branch, A/C # 29030330045646	235,401	223,637
Social Islami Bank Ltd., Agrabad Branch, A/C # 0045330035138	409,715	390,949
Pubali Bank Ltd., Pahartali Branch, A/C # 0825104032609	1,566,275	-
	22,409,414	24,776,393

(a) Cash balance as on 30.06.2023 was certified by the management.

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

11.01 INVESTMENT IN FIXED DEPOSIT RECEIPT (FDR):

Particulars	Tenure	Purpose	Rate of Interest	2023	2022
				Taka	Taka
Mercantile Bank Ltd. A.K Khan Branch A/C # 117541322176882	One Year	Guarantee	6%	391,884	375,816
Mercantile Bank Ltd. A.K Khan Branch A/C # 117541322894432	One Year	Guarantee	6%	493,515	473,281
Mercantile Bank Ltd. A.K Khan Branch A/C # 117541325279666	One Year	Guarantee	5%	792,597	758,457
Bangladesh Krishi Bank Ltd. Agrabad Branch A/C # 2903033042265	One Year	Guarantee	6%	-	582,716
Bangladesh Krishi Bank Ltd. Agrabad Branch A/C # 2903033042274	One Year	Guarantee	6%	-	2,366,043
Bangladesh Krishi Bank Ltd. Agrabad Branch A/C # 29030330045646	One Year	Guarantee	6%	235,401	223,637
Social Islami Bank Ltd. Agrabad Branch A/C # 0045330035138	One Year	Guarantee	9.5%	409,715	390,949
Pubali Bank Ltd. Pahartali Branch A/C # 0825104032609	One Year	Guarantee	6%	1,566,275	-
TOTAL				3,889,387	5,170,899



	30 June 2023 Taka	30 June 2022 Taka
12.00 SHARE CAPITAL:		
12.01 Authorized:		
50,000,000 Ordinary shares of Tk. 10.00 each.	500,000,000	500,000,000
12.02 Issued, Subscribed and Paid-up:		
85,00,000 Ordinary shares of Tk. 10.00 each fully paid up in cash.	85,000,000	85,000,000
1,05,00,000 Ordinary shares of Tk. 10.00 each fully paid up other than cash.	105,000,000	105,000,000
	190,000,000	190,000,000

12.03 The break up of share holdings as on 30 June 2023:

Description	No. of Shares 30 June 2023	% of shares holding 30 June 2023	No. of Shares 30 June 2022	% of shares holding 30 June 2022
Sponsors & Directors	8,439,330	44.42	8,789,330	46.25
Institution and General Public	10,560,670	55.58	10,210,670	53.74
TOTAL	19,000,000	100	19,000,000	100

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

Range of Holdings	No. of Shareholders		No. of Shares		Holding %	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Less than 500 shares	2,441	2,022	460,644	405,191	2.42	2.13
501 to 5,000 Shares	1,725	1,738	3,109,019	3,165,783	16.36	16.66
5,001 to 10,000 Shares	210	203	1,547,282	1,461,646	8.14	7.69
10,001 to 20,000 Shares	92	102	1,287,713	1,423,930	6.78	7.49
20,001 to 30,000 Shares	28	45	675,138	1,108,780	3.55	5.84
30,001 to 40,000 Shares	8	12	285,360	427,320	1.50	2.25
40,001 to 50,000 Shares	15	6	671,897	273,728	3.54	1.44
50,001 to 100,000 Shares	13	19	778,011	1,316,486	4.09	6.93
100,001 to 1,000,000 Shares	15	12	7,151,604	5,183,804	37.64	27.28
Over 1,000,000 Shares	2	3	3,033,332	4,233,332	15.96	22.28
Total	4,549	4,162	19,000,000	19,000,000	100	100

12.05 Market price of Shares:

The shares of the company are listed with Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange PLC and quoted at Tk. 66.20 on 30 June 2023 (Face value Tk. 10.00) and Tk. 61.04 on 30 June 2022 (Face value Tk. 10.00).



	30 June 2023 Taka	30 June 2022 Taka
13.00 DIVIDEND EQUALIZATION RESERVE:		
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 2021-2022 approved in the AGM	1,021,067	1,021,087
Balance as on 30 June	11,237,712	12,258,779
Dividend equalization reserve was created in the earlier year(s) with the concurrence of Board of Directors Meeting. The objective of this reserve is to pay dividend to shareholders during bad time of the company.		
14.00 REVALUATION RESERVE:		
A revaluation of Land, Buildings and Plant and Machinery has been made during the financial year 2010-2011 by M/S. G. K. Adjusters, a professional 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
	477,061,519	477,061,519
Less: Depreciation on Revalued Assets till 30.06.2023 (Note-5.01)	183,059,079	172,748,006
	294,002,440	304,313,513
Less : Adjustments for Deferred Tax @15%	44,100,366	45,647,027
Balance as on 30 June	249,902,074	258,666,486
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		
15.00 RETAINED EARNINGS:		
Balance as on 01 July	(13,836,066)	(241,327)
Add: Net profit/(loss) after tax	16,912,856	(24,610,668)
	3,076,790	(24,851,995)
Add: Revaluation Surplus Realized (Note-5.01)	10,311,072	11,015,929
Balance as on 30 June	13,387,862	(13,836,066)
16.00 UNSECURED LOAN:		
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, Ex-Vice Chairman	7,457,975	7,457,975
Mr. Md. Golam Kibria, Managing Director	13,114,175	13,714,175
Mr. Md. Golam Morshed, Deputy Managing Director	4,707,475	4,707,475
Mr. Md. Golam Mostofa, Ex-Managing Director	4,464,830	4,464,830
Mr. Md. Golam Rasul Muktedir, Vice Chairman	4,707,475	4,707,475
	57,699,990	58,299,990
The above loans from directors are interest free.		



	30 June 2023 Taka	30 June 2022 Taka
17.00 LONG TERM LOAN:		
HPSM Commercial Loan	-	194,077,840
Loan Under BMRE of Existing Projects	197,823,602	-
Loan Under Tissue Projects	247,891,225	242,877,139
Bai Muazzal Term loan	34,083,000	36,227,000
Term Loan	9,144,647	11,453,467
	488,942,474	484,635,445
17.01 LONG TERM LOAN- MATURITY ANALYSIS:		
Due within the period- Current Portion	82,931,334	82,826,333
Due after more than the period- Non-Current Portion	406,011,140	401,809,112
	488,942,474	484,635,445

17.02 TERMS OF LONG TERM LOAN:

Lenders:

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

Total Long Term Loan Facilities:

Total disbursement amount was Tk. 311,176,404 against sanction amount of total long term loan Tk. 432,634,000.

Rate of Interest:

Interest rate is 10.10% 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 @ 10.10% 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 66 (Sixty Six) months.

Securities:

- Hypothecation of machineries and stock.
- Total 697.13 decimal land has been placed as prime securities against the loan.
- Creation of charge with RJSC.
- Personal Guarantee of Directors

Purpose:

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



	30 June 2023 Taka	30 June 2022 Taka
18.00 DEFERRED TAX LIABILITY:		
Balance as on 01 July	58,518,042	55,287,179
Deferred Tax (Income)/ Expenses for the year -(Note-18.01)	(8,180,556)	3,542,224
Investment in shares (Note-18.02)	(36,868)	(311,361)
	50,300,617	58,518,042
Add: Deferred Tax for Revaluation Surplus (Note-14.00)	44,100,366	45,647,027
Balance as on 30 June	94,400,983	104,165,069

This represents provision made for deferred income tax to pay future income tax liability for temporary differences of Property, plant and equipment value. Calculation of Deferred Tax Liability as on 30.06.2023 has been shown at **Note-18.01 & 18.02.**

18.01 Calculation of Deferred Tax Liability

(a) Carrying Amount of Property, Plant and Equipment (less revaluation and land value) as on 30 June	450,989,690	447,598,520
(b) Tax Based Property, Plant and Equipment	199,531,128	187,721,769
(c) Net Taxable Temporary Differences (a-b)	251,458,563	259,876,751
(d) Deferred Tax liability at effective Tax Rate 20%	50,291,713	58,472,269
(e) Deferred Tax expense/(income) on Net Taxable Temporary differences	(8,180,556)	3,542,224

Carrying amount of Property, Plant & Equipment represents net written down value of assets as on 30.06.2023

18.02 Investment in Shares

(a) Market value of Investment in Shares as on 30 June	12,214,729	12,583,410
(b) Cost value of Investment in Shares as 30 June	12,125,683	12,125,683
(c) Net Taxable Temporary Differences (a-b)	89,046	457,727
(d) Deferred Tax liability at effective Tax Rate 10%	8,905	45,773
(e) Deferred Tax expense/(income) on Net Taxable Temporary differences	(36,868)	(311,361)

19.00 SHORT TERM LOAN AND OVERDRAFT:

Social Islami Bank Ltd, Agrabad Branch- Bai Muazzal Commercial-(CC)	160,872,236	147,400,383
UPAS Loan from Social Islami Bank Ltd.	-	6,417,478
Mercantile Bank Ltd. A.K Khan Branch-Cash Credit (CC) Hypo A/C:117577521729167	39,292,941	40,786,185
Biam Wes Bills, MBE & LATR Loan from Social Islami Bank Ltd.	14,648,701	13,259,936
National Bank Ltd, Pahartali Branch- CD A/C-005533008427/54103	91,207	650,461
Islami Bank (BD.) PLC, Agrabad Branch CD A/C No-20501030100588315	-	896,857
Prime Bank Ltd, Laldighi East Branch, CD A/C -14511090025949 /5816	67,385	-
Other Short Term Loan	1,381,795	1,381,795
	216,354,265	210,793,095



		30 June 2023 Taka	30 June 2022 Taka
19.01	Short Term Borrowing:		
		30 June, 2023	30 June, 2022
		Taka	Taka
	Short term loan and overdraft	216,354,265	210,793,095
	Long term loan-current portion	82,931,334	82,826,333
	TOTAL	299,285,599	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 Loans.
- (g) Personal Guarantee of Directors.
- (h) Total 135.55 decimal land has been placed as prime securities against Mercantile Bank Limited.

20.00 **LIABILITY FOR EXPENSES:**

Audit Fee	411,750	410,750
Directors Remuneration	1,492,800	300,000
Electricity Bill	6,567,971	2,914,912
Gas Bill-Boiler & Gas Generator	14,135,791	7,373,848
Gas Bill-Factory Canteen	19,306	23,346
Gas Bill-Head Office	1,124	1,145
Food Expenses-Head Office	120,649	155,329
Office Rent	825,000	725,000
Overtime	2,251,473	3,405,944
Salaries & Allowances-Dhaka Office	95,500	66,250
Salaries & Allowances-Head Office	951,882	1,241,002
Salaries & Allowances-Factory	977,527	815,745
Wages & Allowances	4,540,849	5,135,075
Salaries & Allowances-Sales & Marketing	3,371,707	2,826,097
Food Allowance	469,952	29,800
Conveyance-Tissue Unit	450,150	-
	36,683,431	25,424,243



	30 June 2023 Taka	30 June 2022 Taka
21.00 WORKERS PROFIT PARTICIPATION & WELFARE FUND:		
Balance as on 01 July	1,126,585	1,126,585
Add: Provision made during the year	788,670	-
	1,915,255	1,126,585
Less: Payment made during the year	-	-
Balance as on 30 June	1,915,255	1,126,585
22.00 TRADE PAYABLES:		
Abul Khair Steel Melting Ltd.	969,690	1,119,802
Al Raji Chemical	662,875	361,395
Anjum Traders	3,862,003	1,583,510
Azad Engineering Workshop	535,350	376,150
Baizid Newsprint Mills Ltd	127,726	292,978
Cartoon Nirman Ltd.	2,558,442	2,109,353
City Lub Oil Industries Ltd.	261,869	111,757
Emu Enterprise	433,852	284,370
Gentech Energy	190,197	139,986
Hossain Box Industries	1,882,013	1,113,631
International Bearing Center	314,133	445,053
Islam & Brothers	1,343,382	115,264
Khaja Garibe Newaj	-	2,164
Khaja Polythene Mart	56,165	45,275
Mamun Hardware Store	854,259	1,231,885
M/s. Dohar Chemicals	3,134,615	2,490,815
Noor Hardware Mart	49,091	59,091
Organic Bangladesh Corporation	161,560	134,096
Raj Bearing	-	2,650
RFL Plastic Ltd.	-	88,985
Sakib Enterprise	130,670	145,670
Shah Amanat Enterprise	722,224	753,435
Sion Enterprise	17,520	26,520
S.R Packaging	7,441,198	7,493,974
Say Automation & Engineering	100,000	110,000
Taslina Enterprise	313,543	154,853
Unimax Chemicals	2,484,300	855,200
United Trading Agency	1,330,212	951,812
Other Payables	-	490,208
	29,936,889	23,089,882



		30 June 2023 Taka	30 June 2022 Taka
23.00	<u>CURRENT TAX LIABILITIES:</u>		
	Balance as on 01 July	18,440,000	15,173,822
	Provision during the year:		
	Add: Against current year	7,041,101	3,266,179
		25,481,102	18,440,000
	Less: Adjusted with advance income tax paid	-	-
	Balance as on 30 June	25,481,102	18,440,000
23.01	<u>Computation of Provision for Income Tax:</u>		
23.01.1	Net profit before tax	15,773,401	(17,802,266)
	Less: Other income to be considered separately		
	Dividend Income	639,737	825,254
	Profit on Sale of Shares	-	4,029,920
	Interest on FDR	228,600	399,248
	Miscellaneous Income	1,774,357	870,605
		13,130,707	(23,927,293)
	Add: Accounting depreciation	40,899,386	41,759,627
		54,030,094	17,832,334
	Add: Inadmissible expenses		
	Entertainment expenses	681,688	352,720
	Miscellaneous expenses	-	4,750
		54,711,782	18,189,804
	Less: Tax depreciation u/s 29	22,170,125	46,486,917
	Taxable Business Income/(loss)	32,541,656	(28,297,113)
	Add: Other income to be considered separately		
	Dividend Income	639,737	825,254
	Profit on Sale of Shares	-	4,029,920
	Interest on FDR	228,600	399,248
	Miscellaneous Income	1,774,357	870,605
	Total taxable business Income/(loss)	35,184,350	(22,172,086)
	Current tax @ 20%	7,036,870	-
23.01.2	<u>Minimum Tax:</u>		
	Revenue	1,085,427,111 @ 0.60%	6,512,563
	Non-Operating Income	2,642,694 @ 20%	528,539
	Income tax provision during the year	7,041,101	3,266,179

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



	30 June 2023 Taka	30 June 2022 Taka
24.00		
<u>LIABILITIES FOR OTHER FINANCE:</u>		
I.T. Deducted at Source	534,821	308,880
VAT Deducted at Source	213,994	113,235
Loan From Farhana Ferdous	27,000,000	25,200,000
Loan From Farhana Tarannum	24,300,000	21,800,000
	52,048,815	47,422,115
The above loans are interest free.		
25.00		
<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	939,839	877,491
	3,950,008	3,851,643
Less: Dividend Paid during the year	867,815	841,475
Balance as on 30 June	3,082,193	3,010,168
25.01		
<u>Dividend Unclaimed for the years:</u>		
The year wise breakup of unclaimed dividend as 30 June 2023 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
2021-2022	72,024	-
	3,082,193	3,010,168
26.00		
<u>DIRECTORS CURRENT ACCOUNT:</u>		
Mr. Mohammed Abdullah, Ex-Chairman	20,800,000	20,800,000
Mr. Md. Golam Kibria, Managing Director	10,050,000	10,050,000
Mr. Md. Golam Mostofa, Ex-Managing Director	3,500,000	3,500,000
Mr. Md Golam Haider, Ex-Vice Chairman	4,500,000	4,500,000
Mr. Md. Golam Morshed, Deputy Managing Director	7,300,000	7,300,000
Mr. Md. Golam Rasul Muktadir, Vice Chairman	7,250,000	7,250,000
	53,400,000	53,400,000

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



	2022 - 2023 Taka	2021 - 2022 Taka
27.00 REVENUE FROM CONTRACTS WITH CUSTOMERS:		
Newsprint Paper	643,854,038	272,428,155
M.G. Newsprint	303,907,522	123,811,165
Medium Paper	-	1,131,379
Tissues Paper	138,921,557	147,553,458
Khata	14,151,388	5,550,398
Gross Revenue	1,100,834,505	550,474,555
Less: Value Added Tax (VAT)	15,407,394	12,236,465
Net Revenue	1,085,427,111	538,238,090
28.00 COST OF SALES:		
Opening Stock of Raw Materials	60,039,218	85,542,241
Add: Purchase during the year	717,281,842	363,052,523
	777,321,060	448,594,764
Less: Closing Stock of Raw Materials	93,594,007	60,039,218
Raw Materials Consumed	683,727,053	388,555,546
Add: Factory overhead:		
Salaries, Wages and Allowances	56,027,381	36,084,666
Carriage Inward	729,440	400,515
Gas Bill-Boiler & Gas Generator	83,698,369	42,016,598
Electric Bill	52,413,041	35,304,787
Consumable Spare & Store	8,206,748	5,116,765
Packing Material Consumed	9,191,558	6,887,953
Factory Maintenance	15,428,687	7,675,147
Loading Unloading Charge	267,006	239,137
Cutting Expense	8,235,566	4,389,549
Mobile bill	60,250	42,610
Fuel-Vehicle	504,083	458,317
Medical & Medicine	295,486	243,025
Gas Generator Upkeep	64,100	653,000
Boiler Upkeep	339,500	-
Insurance Premium	410,637	-
Canteen Expenses	287,824	201,786
Gas Bill- Canteen	154,234	93,857
Tea, Tiffin Expenses	484,796	547,596
Depreciation	40,416,103	41,269,169
	960,941,863	570,180,023



	2022 - 2023 Taka	2021 - 2022 Taka
Add: Opening Work-in-Process	51,618,780	29,341,560
	1,012,560,643	599,521,583
Less: Closing Work-in-Process	34,991,121	51,618,780
Cost of Production	977,569,522	547,902,803
Add: Opening Stock of Finished Goods	147,219,143	82,598,829
	1,124,788,665	630,501,632
Less: Closing Stock of Finished Goods	176,804,879	147,219,143
Cost of Sales	947,983,786	483,282,489

** Mobile charge of previous year has been re-arranged from administrative expenses to Factory overhead being related expenses.

29.00 ADMINISTRATIVE EXPENSES:

Director Remuneration	Notes-29.01	6,000,000	1,860,400
Salaries & Allowances		8,821,373	7,184,397
Office Rent		360,000	360,000
Telephone & Mobile Bill		216,370	150,160
Entertainment		1,017,156	352,720
Tiffin and Refreshment		214,512	6,220
Travelling Expenses		1,044,905	794,997
Dhaka Office Expenses		91,868	101,474
Canteen Expenses		75,950	14,340
Postage & Courier		49,868	31,969
Forms, Stamp & Legal Documents		21,575	2,130
Fees, Renewal & Subscription		450,650	430,148
Printing & Stationery		123,396	92,075
Gas Bill-Head Office		12,938	8,442
Meeting Expenses		283,433	245,236
Meeting Attendance Fees		638,800	488,500
Office Maintenance		804,707	648,470
Internet Bill		117,450	114,400
Audit Fee	Notes-29.02	468,500	477,750
Legal & Professional Fee		547,500	171,610
Annual Subscription Fee of CDBL		56,000	56,000
Annual Subscription Fee of CSE, DSE		190,000	190,000
Electric Bill- Head Office		263,202	205,000
Electric Bill- Dhaka Office		20,072	30,479
Fuel (Vehicle)		350,860	263,484
Vehicle Upkeep		423,407	267,748
Website Expenses		20,000	5,836
Rent, Rates & Taxes		72,074	7,640
Miscellaneous Expenses		-	6,850
Depreciation		483,283	490,457
		23,239,850	15,058,932



	2022 - 2023 Taka	2021 2022 Taka
29.01 Key Management Personnel Compensation:		
Short term employee benefits	6,000,000	1,860,400
Long term employee benefits	-	-
Post employee benefits	-	-
Termination benefits	-	-
Share-based payments expenses	-	-
TOTAL	6,000,000	1,860,400

- (a) The above short term employee benefits includes remuneration amounting to Tk. 2,400,000 paid to The Managing Director, Tk. 1,200,000 paid to The Deputy Managing Director & Tk. 2,400,000 paid to The Executive Director.
- (b) No remuneration is paid to any other director of the board other than meeting attendance fees which has been separately reported.
- (c) No amount was spent by the company for compensating any other member of the Board of Directors for special services rendered.
- (d) In addition to remuneration, Managing Directors avail company vehicles for transportation purposes. These key management personnel are not entitled to any other benefits. No amount is lying as receivable from the directors.

29.02 (e) Audit fees includes VAT for the audit of financial statements of the company for the year 2022-2023.

30.00 SELLING & DISTRIBUTION EXPENSES:

Sales Promotion Expenses	1,361,315	715,939
Salaries & Allowances	18,530,673	9,713,805
Conveyance	1,890,611	1,584,925
Carriage Outward	21,398,677	13,392,220
C&F Bill-Export	92,390	26,992
Mobile bill	757,170	475,995
Entertainment	1,309,164	247,760
Advertisement	396,662	274,832
	45,736,663	26,432,468

** Mobile charge of previous year has been re-arranged from admin. Exp to selling expenses being related expenses.

31.00 FINANCIAL EXPENSES:

Bank Charges	499,846	303,089
Bank Guarantee Commission	530,581	463,290
Interest Expenses on Cash Credit	17,816,129	17,753,900
Interest Expenses on Short Term Loan	1,658,491	1,396,083
Interest Expenses on Long Term Loan	29,402,355	17,351,684
Loan Processing Fee	99,800	101,200
Interest Expenses on UPAS Loan	4,540,233	-
Foreign currency exchange gain/(loss)	-	22,248
	54,547,435	37,391,494

Note: 31.01



	2022 - 2023 Taka	2021 - 2022 Taka
31.01 Foreign currency exchange (gain)/loss:		
Realized foreign currency transaction (gain)/loss	-	1,815,325
Unrealized foreign currency transaction (gain)/loss	-	1,793,077
Realized foreign currency exchange loss made during the year	-	22,248
32.00 NON-OPERATING INCOME:		
Dividend Income	639,737	825,254
Profit on Sale of Shares	-	4,029,920
Interest Income	228,600	399,248
Miscellaneous Income	1,774,357	870,605
	2,642,694	6,125,027
33.00 DEFERRED TAX EXPENSES:		
(a) Deferred Tax Liability on 30 June	50,337,486	58,829,403
(b) Deferred Tax Liability on 01 July	58,518,042	55,287,179
Deferred Tax Expenses for the year (a-b)	(8,180,556)	3,542,224
34.00 EARNINGS PER SHARE:		
Calculation is shown below:		
Net Profit after tax	16,912,856	(24,610,668)
Number of shares outstanding	19,000,000	19,000,000
EPS	0.89	(1.30)
35.00 NET ASSET VALUE PER SHARE WITH REVALUATION:		
Calculation is shown below:		
Net Asset with Revaluation	464,607,790	447,546,925
Number of shares outstanding	19,000,000	19,000,000
Net asset value per share	24.45	23.56
36.00 NET ASSET VALUE PER SHARE WITHOUT REVALUATION:		
Calculation is shown below:		
Net Asset without revaluation	214,705,715	188,880,440
Number of shares outstanding	19,000,000	19,000,000
Net asset value per share	11.30	9.94
37.00 NET OPERATING CASH FLOW PER SHARE:		
Calculation is shown below:		
Net cash flow from operation	88,061,586	(1,499,752)
Number of shares outstanding	19,000,000	19,000,000
Net operating cash generated by per share	4.63	(0.08)
38.00 Number of Employees:		
The total employees of the company as on 30 June 2023 stood at 408 nos. comprising Head office staff 73 nos, Factory office staff 24 nos, Security 21 nos, Driver and helper 02 nos, Permanent worker 95 nos and Temporary worker 193 nos.		
Number of employees whose monthly salary was below Tk. 3,000	-	-
Number of employees whose monthly salary was above Tk. 3,000	408	376



39.00 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

39.01 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:

	2022 - 2023 Taka	2021 - 2022 Taka
a) Exposure of Credit risk:		
Trade Receivables	185,906,649	191,863,413
Advance, Deposit and Prepayments (excluding Deposit & Prepayments)	111,328,057	103,663,020
Bank Balances	22,409,414	24,776,393
	319,644,120	320,302,826
b) Ageing of Trade Receivables are as follows:		
Below 30 Days	26,026,931	32,616,780
Within 31 - 60 Days	37,181,330	51,803,122
Within 61 - 90 Days	26,026,931	32,616,780
Within 90 - 180 Days	22,308,798	30,698,146
Above 180 Days	74,362,660	44,128,585
	185,906,649	191,863,413



39.02 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.

39.02.01 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	57,699,990	-	57,699,990	57,699,990
Long Term Loan	488,942,474	82,931,334	406,011,140	488,942,474
Short Term Loan & Overdraft	216,354,265	216,354,265	-	216,354,265
Liability for Expenses	36,683,431	36,683,431	-	36,683,431
Workers Profit Participation and Welfare Fund	1,915,255	1,915,255	-	1,915,255
Trade Payables	29,936,889	29,936,889	-	29,936,889
Current Tax Liabilities	25,481,102	25,481,102	-	25,481,102
Liabilities for Other Finance	52,048,815	52,048,815	-	52,048,815
Unclaimed Dividend	3,082,193	3,082,193	-	3,082,193
Directors Current Account	53,400,000	53,400,000	-	53,400,000
TOTAL	965,544,413	501,833,283	463,711,130	965,544,413

39.03 c) Market Risk

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

i) Currency Risk

The company is not exposed to foreign currency risk.

ii) Interest Rate Risk

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



40.00 CAPACITY UTILIZATION:

Particulars	2022 - 2023	2021 - 2022
Installed Capacity (in M.T)	13,500	13,500
Actual Production (in M.T)	6,770	4,914
% of Capacity Utilization	50%	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) Schedule maintenance of running plant etc.
- (iv) Load shedding and deficiency of electricity supply
- (v) Utilization of production capacity was increased compared to previous year due to increased of market demand etc.

41.00 RELATED PARTY TRANSACTION:

Name of the Parties	Relationship	Nature of Transactions	Balance as on 01 July 2022	Transaction during the year	Outstanding as on 30 June 2023
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41.01 UNSECURED LOAN:

Mr. Mohammd 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	Ex. Vice Chairman	Loan Received	7,457,975	-	7,457,975
Mr. Md. Golam Kibria	Managing Director	Loan Received	13,714,175	(600,000)	13,714,175
Mr. Md. Golam Morshed	Deputy Managing Director	Loan Received	4,707,475	-	4,707,475
Mr. Md. Golam Mostofa	Ex-Managing Director	Loan Received	4,464,830	-	4,464,830
Mr. Md. Golam Rasul Muktadir	Vice Chairman	Loan Received	4,707,475	-	4,707,475

41.02 DIRECTORS CURRENT ACCOUNT:

Mr. Mohammad Abdullah	Ex-Chairman	Loan Received	20,800,000	-	20,800,000
Mr. Md. Golam Haider	Ex-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	Ex-Managing Director	Loan Received	3,500,000	-	3,500,000
Mr. Md. Golam Rasul Muktadir	Vice Chairman	Loan Received	7,250,000	-	7,250,000

41.03 LIABILITIES FOR OTHER FINANCE:

Mrs. Farhana Ferdous	Close Family Member	Loan Received	25,200,000	1,800,000	27,000,000
Mrs. Farhana Tarannum	Close Family Member	Loan Received	21,800,000	2,500,000	24,300,000



42.00 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.

	2022 - 2023 Taka	2021 - 2022 Taka
43.00 CASH FLOWS FROM OPERATING ACTIVITIES UNDER INDIRECT METHOD:		
Profit after Provision for Income Tax	16,912,856	(24,610,668)
Adjustment to Reconcile Profit before Tax provided by operating activities:		
Add : Depreciation	40,899,386	41,759,626
Add: Provision for Deferred Tax Expenses	(8,180,556)	3,542,224
Add: Financial Expenses	54,547,435	37,391,494
Add: Deferred tax on unrealized gain/(loss) in investment in share	(8,905)	-
A	104,170,216	58,082,676
<u>Changes in Working Capital</u>		
(Increase)/Decrease in Inventories	(54,022,415)	(51,394,511)
(Increase)/Decrease in Trade Receivables	5,956,764	(21,703,961)
(Increase)/Decrease in Advance, Deposits & Prepayments	5,916,055	28,745,992
Increase/(Decrease) in Liability for Expenses	11,259,188	(26,130)
Increase/(Decrease) in Current portion of Long Term Loan	105,001	3,792,594
Increase/(Decrease) in Trade Payables	6,847,006	(22,262,591)
Increase/(Decrease) in Current Tax Liabilities	7,041,101	3,266,179
Increase/(Decrease) in Work Profit Participation Fund	788,670	-
B	(16,108,630)	(59,582,428)
Net cash inflows/(out flows) from operating activities (A+B)	88,061,586	(1,499,752)

44.00 OTHER RELEVANT INFORMATION:

- 44.01 During the year 6 (Six) Board Meetings were held.
- 44.02 During the year 4 (Four) Audit Committee Meetings were held.
- 44.03 During the year 1 (One) Nomination and Remuneration Committee (NRC) Meetings was held.
- 44.04 The audit fee of BDT 402,500 along with imposed VAT has been provided in the accounts as per decision taken in the 26th Annual General Meeting of the Company held on 17 December 2022.
- 44.05 The compliance audit fee of Tk. 40,250 along with imposed VAT has been provided in the accounts as per decision taken in the 26th Annual General Meeting of the company held on 17 December 2022.
- 44.06 There was no claim against the company not acknowledged as debt at the reporting date.
- 44.07 No amount of money was spent by the company for compensation to member of the board for special service rendered.



45.00 CONTINGENT LIABILITIES:

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

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

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

Contingent Liabilities and assets as on the date of Statement of Financial Statements were as under:

	<u>2022 - 2023</u> <u>Taka</u>	<u>2021 - 2022</u> <u>Taka</u>
45.01 Bank Guarantee:		
Social Islami Bank Ltd.	5,348,870	5,348,870
Bangladesh Krishi Bank Ltd.	109,200	109,200
Pubali Bank Ltd.	1,548,554	-
Mercantile Bank Ltd.	7,002,998	7,002,998
	14,009,622	12,461,068

Guarantees issued by the Company's scheduled bank to third parties on counter indemnities given by the Company.

46.00 EVENTS AFTER REPORTING PERIOD:

46.01 The Board of Directors in its meeting held on November 04, 2023 approved the Audited Financial Statements and recommended cash dividend 2% on all shareholders for the year 2022-2023 which is subject to approval of the shareholders in the 27th AGM. Thus total involvement comes to taka 38,00,000.

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

HAKKANI PULP & PAPER MILLS LTD.

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

PROXY FORM

I/We _____ of _____ being a member of **Hakkani Pulp & Paper Mills Ltd.** hereby appoint Mr./Mrs. _____ of _____ as my proxy to attend and vote for me/us on my/our behalf at the 27th Annual General Meeting of the Company to be held Wednesday the 27th December, 2023 at 11.00 a.m. at virtually by using Digital Platform as per BSEC order SEC/SRM/04/231/25 July 08.2020 through the link <https://agmbd.live/hakkani2023> and at any adjournment thereof.

As witness my/our hand _____ this day of _____ 2023 signed by the said in presence of _____

Revenue
Stamp

(Signature of the Proxy)

Signature of the Shareholder(s)

Register Folio No. _____

Dated _____

Signature of Witness

Note :

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

Signature Verified

Authorised Signatory

HAKKANI PULP & PAPER MILLS LTD.

SHAREHOLDER'S ATTENDANCE SLIP

I/We hereby record my attendance the 27th Annual General Meeting of the Company to be held on Wednesday the 27th December, 2023 at 11.00 a.m. at virtually by using Digital Platform as per BSEC order SEC/SRM/04/231/25 July 08.2020 through the link <https://agmbd.live/hakkani2023>.

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

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

Signature of the Shareholder(s)

N.B.

1. Please note that AGM can only be attended by the honourable shareholder or properly constituted proxy. Therefore, any friend or children accompanying with honourable shareholder or proxy cannot be allowed into the meeting.
2. No person shall be appointed proxy who is not member of the company.



২৬তম বার্ষিক সাধারণ সভার কার্যবিবরণী

তারিখঃ ১৭ ডিসেম্বর ২০২২ খ্রিষ্টাব্দ, শনিবার, ১ পৌষ ১৪২৯ বঙ্গাব্দ

হাক্কানী পাল্প এন্ড পেপার মিলস্ লিমিটেড এর ২৬তম বার্ষিক সাধারণ সভা ১৭ ডিসেম্বর ২০২২ তারিখ রোজ শনিবার সকাল ১১.০০ ঘটিকায় ডিজিটাল প্ল্যাটফর্ম <https://agmbd.live/hakkani2022> এই লিংকের মাধ্যমে অনুষ্ঠিত হয়।

অনলাইন প্ল্যাটফর্মের মাধ্যমে ২৬তম বার্ষিক সাধারণ সভায় নিম্নোক্ত পরিচালকবৃন্দ এবং অন্যান্যদের মধ্যে নিম্নোক্ত ব্যক্তিবর্গের অংশগ্রহণ সম্পর্কে কোম্পানি সচিব সভাকে নিশ্চিত করেন।

- ১। জনাব মোঃ গোলাম রসুল মুক্তাদির - ভাইস চেয়ারম্যান।
- ২। জনাব মোঃ গোলাম কিবরিয়া - ব্যবস্থাপনা পরিচালক
- ৩। জনাব এস.এম. নছরুল কাদির - স্বতন্ত্র পরিচালক
- ৪। ড. রাফিউদ্দিন আহমেদ - স্বতন্ত্র পরিচালক
- ৫। জনাব মোঃ গোলাম মোরশেদ - উপ-ব্যবস্থাপনা পরিচালক
- ৬। জনাব শাহ জাবেদ আহমেদ - নির্বাহী পরিচালক

এছাড়াও কোম্পানির চীফ ফাইন্যান্সিয়াল অফিসার জনাব মোঃ মইনুল আবেদীন এবং হেড অব ইন্টারনাল অডিট জনাব সালেহ আহমেদ পলাশ সভায় উপস্থিত ছিলেন। শেয়ারহোল্ডারদের বিভিন্ন প্রশ্ন, মতামত ও সুপারিশ গ্রহণ করার জন্য মডারেটর প্যানেলবোর্ডে দায়িত্ব পালন করেন জনাব মোঃ খাদেমুল ইসলাম, জনাব নাইমুল্লাহ সরোয়ার এবং জনাব এস.এম. মঞ্জুর আলম।

২৬তম বার্ষিক সাধারণ সভায় ডিজিটাল প্ল্যাটফর্মে অংশগ্রহণকারী শেয়ারহোল্ডারবৃন্দের তালিকা এতদসঙ্গে সংযুক্ত করা হইল।

অধ্যকার সভায় অন্যান্যদের মধ্যে অংশগ্রহণ করেন ২০২১-২০২২ অর্থ বৎসরের নিরীক্ষক মেসার্স শফিক বসাক এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস এর সম্মানিত পার্টনার জনাব শেখ জাহিদুল ইসলাম এফসিএ এবং জনাব এডভোকেট নুরুল আনোয়ার। সভায় আরো অংশগ্রহণ করেন ২০২১-২০২২ অর্থ বৎসরের কমপ্লাইন্স নিরীক্ষক মেসার্স খান ওহাব শফিক রহমান এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস এর সম্মানিত পার্টনার জনাব এস. এম. সাহেদ, এফসিএ, এফসিএমএ।

কোম্পানি সচিব সভাকে অবগত করেন যে, কোম্পানির সম্মানিত চেয়ারম্যান জনাবা হোসনে আরা বেগম তার ব্যক্তিগত অসুবিধার কারণে অনুপস্থিত থাকায় সম্মানিত ভাইস চেয়ারম্যান জনাব মোঃ গোলাম রসুল মুক্তাদির অধ্যকার সভায় সভাপতিত্ব করেন।

এ পর্যায়ে কোম্পানি সচিব অবগত করেন যে, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের ১০ মার্চ ২০২১ তারিখে ইস্যুকৃত নোটিফিকেশনের ধারা ৯ এর বিধান পরিপালনে ইনডিপেন্ডেন্ট স্ক্রুটিনাইজার হিসাবে হারুনুর রশিদ এন্ড এসোসিয়েটসকে নিয়োগ দেওয়া হয়েছে, জনাব হারুনুর রশিদ এফসিএস এই বিষয়ে রিপোর্ট প্রদান করবেন। এছাড়াও বিএসইসি, ডিএসই ও সিএসইকে অবজারভার হিসাবে এজিএম এর কার্যক্রম পর্যবেক্ষন করার জন্য এজিএম লিঙ্ক প্রেরন করা হয়েছে। তারা অধ্যকার সভা পর্যবেক্ষন করছেন বলে তিনি সভাকে অবগত করেন। তাছাড়া বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের ১০ মার্চ ২০২১ তারিখে ইস্যুকৃত নোটিফিকেশনের ধারা ৭ এর বিধান পরিপালনে ইনডিপেন্ডেন্ট সার্ভিস প্রোভাইডার হিসাবে কম জগৎ টেকনোলজিস লিমিটেডকে নিয়োগ দেওয়া হয়েছে এবং কম জগৎ টেকনোলজিস লিঃ অনলাইন প্ল্যাটফর্ম, ইভোটিং সহ ডিজিটাল এজিএম এর সকল ব্যবস্থা গ্রহন করেছে বলে তিনি সভাকে জানান।

কোম্পানি সচিব সংশ্লিষ্ট সবার অবগতির জন্য ঘোষণা করেন যে, গত ১০ মার্চ ২০২১ তারিখে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক ইস্যুকৃত নোটিফিকেশনের ধারা ৫ এর বিধান পরিপালনে অত্র কোম্পানির ২৬তম বার্ষিক সাধারণ সভার ডিজিটাল প্ল্যাট ফর্মের লিঙ্কটি ২৪ ঘন্টা পূর্বে ওপেন করে দেওয়া হয় যাতে সকল শেয়ারহোল্ডার তাদের প্রশ্ন, মতামত, সুপারিশ প্রদান করতে পারেন এবং বিভিন্ন আলোচ্য বিষয়ের উপর ভোট প্রদান করতে পারেন। সে অনুযায়ী অনেক



শেয়ারহোল্ডার তাদের মূল্যবান প্রশ্ন, মতামত, সুপারিশ প্রদান করেন এবং বিভিন্ন আলোচ্য বিষয়ের উপর ভোট প্রদান করেন। এ পর্যায়ে কোম্পানি সচিব মহোদয় শেয়ারহোল্ডারদেরকে তাদের মূল্যবান ভোট প্রদান করার জন্য পুনরায় অনুরোধ করেন।

এ পর্যায়ে কোম্পানি সচিব পরিচালকবৃন্দ এবং শেয়ারহোল্ডারবৃন্দের অংশগ্রহণ এবং সভার কোরাম পূর্ণ হওয়ার বিষয়টি সভাপতি মহোদয়কে নিশ্চিতকরণপূর্বক ২৬তম বার্ষিক সাধারণ সভার উদ্বোধন ঘোষণা করার জন্য অনুরোধ করেন।

সভাপতি মহোদয় সর্বপ্রথম মহান আল্লাহর দরবারে শুকরিয়া জ্ঞাপন করে পরিচালকবৃন্দ, শেয়ারহোল্ডারবৃন্দ, কোম্পানির নিরীক্ষক ও অংশগ্রহণকারী অতিথিবৃন্দকে আন্তরিক ধন্যবাদ জানান। তিনি সভায় অংশগ্রহণকারী সম্মানিত পরিচালক ও শেয়ারহোল্ডারবৃন্দকে কোম্পানির সার্বিক কার্যক্রমে ও অগ্রগতিতে সর্বদা সর্বাঙ্গীন সহযোগিতা করার জন্য কৃতজ্ঞতা জ্ঞাপন করে ভবিষ্যতে এই ধারা অব্যাহত রাখার আহ্বান জানান।

সভার আনুষ্ঠানিক কার্যক্রমের সূচনা হয় পবিত্র কোরআন এ পাক থেকে তেলাওয়াতের মাধ্যমে। তেলাওয়াত করেন হাফেজ মোঃ আবদুল হালিম।

সভাপতি মহোদয় সম্মানিত পরিচালকবৃন্দ, শেয়ারহোল্ডারবৃন্দকে সভার কার্যক্রমে অংশগ্রহণ করে প্রয়োজনীয় দিক নির্দেশনা ও পরামর্শ প্রদানের আহ্বান জানিয়ে কোম্পানি সচিব জনাব মোহাম্মদ মূসাকে ২৬তম বার্ষিক সাধারণ সভার নোটিশ পাঠপূর্বক সভার কার্যক্রম শুরু করার অনুরোধ করেন।

কোম্পানি সচিব সভাপতির অনুমতিক্রমে ২৬তম বার্ষিক সাধারণ সভার নোটিশ পাঠ করেন এবং সভার কার্যক্রম শুরু করেন।

আলোচ্যবিষয়-০১ঃ কোম্পানির ৩০ জুন ২০২২ তারিখে সমাপ্ত বৎসরের নিরীক্ষিত আর্থিক বিবরণী, নিরীক্ষকের প্রতিবেদন এবং পরিচালকমন্ডলীর প্রতিবেদন গ্রহণ, বিবেচনা ও অনুমোদন।

কোম্পানি সচিব শেয়ারহোল্ডারদের উদ্দেশ্যে ঘোষণা করেন যে, আলোচ্যবিষয় সমূহের পক্ষে এবং বিপক্ষে শেয়ারহোল্ডারদের ভোট প্রদান করার জন্য গত ২৪ ঘন্টা পূর্বে অত্র প্ল্যাটফর্মের ই-ভোটিং অপশনটি ওপেন করে দেওয়া হয়েছিল। তিনি শেয়ারহোল্ডারদেরকে ভোট প্রদানের জন্য অতিরিক্ত ১ মিনিট সময় প্রদান করা হয়েছে বলে অবগত করেন এবং উক্ত সময়ের মধ্যে ভোট প্রদান শেষ করার জন্য অনুরোধ করেন। অতিরিক্ত ১ মিনিট সময় অতিক্রান্ত হওয়ার পর কোম্পানি সচিব আলোচ্যবিষয়-১ এর উপর চূড়ান্ত ভোটের ফলাফল ঘোষণা করেন।

কোম্পানি সচিব প্রাপ্ত ভোটের ভিত্তিতে ঘোষণা করেন যে, আলোচ্যবিষয়-১ অত্র সভায় অনুমোদনের নিমিত্তে সর্বমোট ৩২ জন শেয়ারহোল্ডার ভোট প্রদান করেছেন। আলোচ্যবিষয়-১ এর পক্ষে ভোট পড়েছে ৭৫,৯৮,২১৬ টি এবং বিপক্ষে ভোট পড়েছে ০টি যাহা শতকরা হিসাবে পক্ষে ১০০ শতাংশ এবং বিপক্ষে ০.০০ শতাংশ।

সিদ্ধান্তঃ

সুতরাং ভোটের ফলাফলের ভিত্তিতে আলোচ্য বিষয় - ১ কোম্পানির ৩০শে জুন ২০২২ তারিখে সমাপ্ত বৎসরের নিরীক্ষিত আর্থিক বিবরণী, নিরীক্ষা প্রতিবেদন এবং পরিচালকমন্ডলীর প্রতিবেদন অত্র সভায় অনুমোদিত হল।

আলোচ্যবিষয়-০২ঃ ৩০ জুন ২০২২ তারিখে সমাপ্ত বৎসরের জন্য পরিচালক পর্ষদের সভায় সুপারিশকৃত লভ্যাংশ ঘোষণা ও অনুমোদন।

সভায় কোম্পানি সচিব গত ০৩/১১/২০২২ তারিখে অনুষ্ঠিত পরিচালক মন্ডলীর সভায় সুপারিশকৃত ২০২১-২০২২ অর্থ বৎসরের জন্য স্পন্সর শেয়ার ব্যতীত শুধুমাত্র পাবলিক শেয়ারের উপর ১ (এক) শতাংশ হারে মোট ১০,২১,০৬৭.০০ টাকা নগদ লভ্যাংশ ঘোষণা ও অনুমোদনের জন্য উপস্থাপন করেন।

কোম্পানি সচিব শেয়ারহোল্ডারদের উদ্দেশ্যে ঘোষণা করেন যে, আলোচ্যবিষয় সমূহের পক্ষে এবং বিপক্ষে শেয়ারহোল্ডারদের ভোট প্রদান করার জন্য গত ২৪ ঘন্টা পূর্বে অত্র প্ল্যাটফর্মের ই-ভোটিং অপশনটি ওপেন করে দেওয়া হয়েছিল। তিনি শেয়ারহোল্ডারদেরকে ভোট প্রদানের জন্য অতিরিক্ত ১ মিনিট সময় প্রদান করা হয়েছে বলে অবগত করেন এবং উক্ত সময়ের মধ্যে ভোট প্রদান শেষ করার জন্য অনুরোধ করেন। অতিরিক্ত ১ মিনিট সময় অতিক্রান্ত হওয়ার পর কোম্পানি সচিব আলোচ্য বিষয় ২ এর উপর চূড়ান্ত ভোটের ফলাফল ঘোষণা করেন।



কোম্পানি সচিব প্রাপ্ত ভোটার ভিত্তিতে ঘোষণা করেন যে, আলোচ্যবিষয়-২ অত্র সভায় অনুমোদনের নিমিত্তে সর্বমোট ৩০ জন শেয়ারহোল্ডার ভোট প্রদান করেছেন। আলোচ্য বিষয়-২ এর পক্ষে ভোট পড়েছে ৭৫,৯৮,০১১ টি এবং বিপক্ষে ভোট পড়েছে ০টি যাহা শতকরা হিসাবে পক্ষে ১০০ শতাংশ এবং বিপক্ষে ০.০০ শতাংশ।

সিদ্ধান্তঃ

সুতরাং ভোটার ফলাফলের ভিত্তিতে আলোচ্যবিষয়-২ গত ৩/১১/২০২২ তারিখে অনুষ্ঠিত পরিচালকমন্ডলীর সভায় সুপারিশকৃত ২০২১-২০২২ অর্থ বৎসরের জন্য স্পন্সর শেয়ার ব্যতীত শুধুমাত্র পাবলিক শেয়ারের উপর ১ শতাংশ হারে মোট ১০,২১,০৬৭.০০ টাকা নগদ লভ্যাংশ ঘোষণা অত্র সভায় অনুমোদিত হল।

আলোচ্যবিষয়-০৩ঃ কোম্পানির সংঘ বিধির ধারা ৮২ অনুযায়ী পরিচালক নির্বাচন।

কোম্পানি সচিব শেয়ারহোল্ডারদের উদ্দেশ্যে ঘোষণা করেন যে, কোম্পানির সংঘ বিধি ধারা ৮২ অনুযায়ী পরিচালক জনাব মোঃ গোলাম কিবিরিয়া এবং জনাব মোঃ গোলাম মোর্শেদ পরিচালক পদ থেকে অবসর গ্রহন করেছেন এবং যোগ্য বিধায় তারা পরিচালক পদে পুনঃ নির্বাচিত হওয়ার ইচ্ছা প্রকাশ করেছেন। উক্ত আলোচ্য বিষয় অত্র সভায় অনুমোদনের জন্য উপস্থাপন করা হয়।

কোম্পানি সচিব শেয়ারহোল্ডারদের উদ্দেশ্যে আরো ঘোষণা করেন যে, আলোচ্য বিষয় সমূহের পক্ষে এবং বিপক্ষে শেয়ারহোল্ডারদের ভোট দেওয়ার জন্য গত ২৪ ঘন্টা পূর্বে অত্র প্ল্যাটফর্মের ই-ভোটিং অপশনটি ওপেন করে দেওয়া হয়েছিল। তিনি শেয়ারহোল্ডারদেরকে ভোট দানের জন্য অতিরিক্ত ১ মিনিট সময় প্রদান করা হয়েছে বলে অবগত করেন এবং উক্ত সময়ের মধ্যে ভোট প্রদান করার জন্য অনুরোধ করেন। অতিরিক্ত ১ মিনিট সময় অতিক্রান্ত হওয়ার পর কোম্পানি সচিব আলোচ্য বিষয় - ৩ এর উপর চূড়ান্ত ভোটার ফলাফল ঘোষণা করেন।

কোম্পানি সচিব প্রাপ্ত ভোটার ভিত্তিতে ঘোষণা করেন যে, আলোচ্যবিষয়-৩ অত্র সভায় অনুমোদনের নিমিত্তে সর্বমোট ৩০ জন শেয়ারহোল্ডার ভোট প্রদান করেছেন। আলোচ্যবিষয়-৩ এর পক্ষে ভোট পড়েছে ৭৫,৯৭,৫২০টি এবং বিপক্ষে ভোট পড়েছে ০টি যাহা শতকরা হিসাবে পক্ষে ১০০ শতাংশ এবং বিপক্ষে ০.০০ শতাংশ।

সিদ্ধান্তঃ

সুতরাং ভোটার ফলাফলের ভিত্তিতে আলোচ্যবিষয়-৩ কোম্পানির সংঘ বিধির ধারা ৮২ অনুযায়ী পরিচালক জনাব মোঃ গোলাম কিবিরিয়া এবং জনাব মোঃ গোলাম মোর্শেদ পরিচালক পদে পুনঃ নির্বাচিত হওয়ার বিষয়টি অত্র সভায় অনুমোদিত হল।

আলোচ্যবিষয়-০৪ঃ কোম্পানির স্বতন্ত্র পরিচালকের নিয়োগ / পুনঃ নিয়োগ অনুমোদন।

কোম্পানি সচিব সভাকে অবগত করেন যে, স্বতন্ত্র পরিচালক হিসাবে অত্র কোম্পানিতে জনাব এস. এম. নছরুল কদির এর মেয়াদ গত ৩০/০৪/২০২২ তারিখে পূর্ণ হয়েছে। ফলশ্রুতিতে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক গত ৩ জুন ২০১৮ তারিখে ইস্যুকৃত কর্পোরেট গভর্নেন্স কোডের শর্ত পরিপালনের লক্ষ্যে গত ৩১/০৩/২০২২ তারিখে অনুষ্ঠিত পরিচালক পর্যদের সভায় চট্টগ্রাম বিশ্ববিদ্যালয়ের ফাইন্যান্স এন্ড ব্যাংকিং বিভাগের অধ্যাপক জনাব এস.এম. নছরুল কদিরকে পরবর্তী ৩ (তিন) বৎসরের জন্য স্বতন্ত্র পরিচালক হিসাবে পূরণায় নিয়োগ দান করা হয় যা গত ২৬/০৭/২০২২ তারিখে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক সম্মতি প্রদান করা হয়। অধ্যাপক জনাব এস. এম. নছরুল কদিরের স্বতন্ত্র পরিচালক হিসাবে পরবর্তী ৩ বছরের জন্য পুনঃ নিয়োগের বিষয়টি অত্র সাধারণ সভায় অনুমোদনের জন্য উপস্থাপন করা হয়।

কোম্পানি সচিব সভাকে আরো অবগত করেন যে, অত্র প্রতিষ্ঠানের অপর স্বতন্ত্র পরিচালক ড. মোহাম্মদ সালাহ জহুর তার ব্যক্তিগত অসুবিধার দরুন গত ১৩/১১/২০২১ তারিখের সভায় স্বতন্ত্র পরিচালকের পদ থেকে পদত্যাগ করেন। ফলে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক গত ৩ জুন ২০১৮ তারিখে ইস্যুকৃত কর্পোরেট গভর্নেন্স কোডের শর্ত পরিপালনের লক্ষ্যে গত ০৩/০৮/২০২২ তারিখে অনুষ্ঠিত পরিচালক পর্যদের সভায় ড. মোহাম্মদ সালাহ জহুরের স্থলে ঢাকা বিশ্ববিদ্যালয়ের মার্কেটিং বিভাগের সহযোগী অধ্যাপক ড. রাফিউদ্দিন আহমেদকে পরবর্তী ৩ (তিন) বৎসরের জন্য স্বতন্ত্র



পরিচালক হিসাবে নিয়োগ দান করা হয় যা গত ১৩/০৯/২০২২ তারিখে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক সম্মতি প্রদান করা হয়। ঢাকা বিশ্ববিদ্যালয়ের মার্কেটিং বিভাগের সহযোগী অধ্যাপক ড. রাফিউদ্দিন আহমেদকে স্বতন্ত্র পরিচালক হিসাবে নিয়োগের বিষয়টিও অত্র সাধারণ সভায় অনুমোদনের জন্য উপস্থাপন করা হল।

কোম্পানি সচিব শেয়ারহোল্ডারদের উদ্দেশ্যে ঘোষণা করেন যে, আলোচ্যবিষয় সমূহের পক্ষে এবং বিপক্ষে শেয়ারহোল্ডারদের ভোটাধিকার প্রয়োগ করার জন্য গত ২৪ ঘন্টা পূর্বে অত্র প্ল্যাটফর্মের ই-ভোটিং অপশনটি ওপেন করে দেওয়া হয়েছিল। তিনি শেয়ারহোল্ডারদেরকে ভোটাধিকার প্রয়োগের জন্য অতিরিক্ত ১ মিনিট সময় প্রদান করা হয়েছে বলে অবগত করেন এবং উক্ত সময়ের মধ্যে ভোটাধিকার প্রয়োগ শেষ করার জন্য অনুরোধ করেন। অতিরিক্ত ১ মিনিট সময় অতিক্রান্ত হওয়ার পর কোম্পানি সচিব আলোচ্যবিষয়-৪ এর উপর চূড়ান্ত ভোটের ফলাফল ঘোষণা করেন।

কোম্পানি সচিব প্রাপ্ত ভোটের ভিত্তিতে ঘোষণা করেন যে, আলোচ্যবিষয়-৪ অত্র সভায় অনুমোদনের নিমিত্তে সর্বমোট ৩০ জন শেয়ারহোল্ডার ভোট প্রদান করেছেন। আলোচ্যবিষয়-৪ এর পক্ষে ভোট পড়েছে ৭৫,৯৭,২১৬ টি এবং বিপক্ষে ভোট পড়েছে ০টি যাহা শতকরা হিসাবে পক্ষে ১০০ শতাংশ এবং বিপক্ষে ০.০০ শতাংশ।

সিদ্ধান্তঃ

সুতরাং ভোটের ফলাফলের ভিত্তিতে আলোচ্যবিষয়-৪ অত্র প্রতিষ্ঠানে জনাব এস. এম. নছরুল কদিরের স্বতন্ত্র পরিচালক হিসাবে পুনঃ নিয়োগ এবং ড. রাফিউদ্দিন আহমেদকে নতুন স্বতন্ত্র পরিচালক হিসাবে নিয়োগ দানের বিষয়টি” শেয়ারহোল্ডারদের সর্বসম্মতিক্রমে অত্র সভায় অনুমোদিত হল।

আলোচ্যবিষয়-০৫ঃ ২০২১-২০২২ অর্থ বৎসরের জন্য নিরীক্ষক নিয়োগ এবং তাদের পারিশ্রমিক নির্ধারণ।

কোম্পানি সচিব শেয়ারহোল্ডারদের উদ্দেশ্যে বর্ণনা করেন যে, ২০২১-২০২২ অর্থ বৎসরের সম্মানিত নিরীক্ষক মেসার্স শফিক বসাক এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস তাদের দায়িত্ব ও কর্তব্য সম্পন্ন করার পর অবসর গ্রহণ করেছে। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক ইস্যুকৃত নির্দেশনা অনুযায়ী মেসার্স শফিক বসাক এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস যোগ্য হওয়ায় ২০২২-২০২৩ অর্থ বৎসরের নিরীক্ষাকার্য সম্পাদনের জন্য বার্ষিক ৩,৫০,০০০.০০ টাকা ফি ধার্য পূর্বক নিয়োগ প্রাপ্ত হওয়ার জন্য ইচ্ছা প্রকাশ করেছে যা ৩/১১/২০২২ তারিখের পরিচালক পর্ষদের সভায় সুপারিশ করা হয়েছে যা অত্র সভায় অনুমোদনের জন্য উপস্থাপন করা হল।

কোম্পানি সচিব শেয়ারহোল্ডারদের উদ্দেশ্যে আরো ঘোষণা করেন যে, আলোচ্যবিষয় সমূহের পক্ষে এবং বিপক্ষে শেয়ারহোল্ডারদের ভোটাধিকার প্রয়োগ করার জন্য গত ২৪ ঘন্টা পূর্বে অত্র প্ল্যাটফর্মের ই-ভোটিং অপশনটি ওপেন করে দেওয়া হয়েছিল। তিনি শেয়ারহোল্ডারদেরকে ভোটাধিকার প্রয়োগের জন্য অতিরিক্ত ১ মিনিট সময় প্রদান করা হয়েছে বলে অবগত করেন এবং উক্ত সময়ের মধ্যে ভোটাধিকার প্রয়োগ শেষ করার জন্য অনুরোধ করেন। অতিরিক্ত ১ মিনিট সময় অতিক্রান্ত হওয়ার পর কোম্পানি সচিব আলোচ্যবিষয়-৫ এর উপর চূড়ান্ত ভোটের ফলাফল ঘোষণা করেন।

কোম্পানি সচিব প্রাপ্ত ভোটের ভিত্তিতে ঘোষণা করেন যে, আলোচ্যবিষয়-৫ অত্র সভায় অনুমোদনের নিমিত্তে সর্বমোট ৩১ জন শেয়ারহোল্ডার ভোট প্রদান করেছেন। আলোচ্যবিষয়-৫ এর পক্ষে ভোট পড়েছে ৭৫,৯৭,২২৬ টি এবং বিপক্ষে ভোট পড়েছে ০টি যাহা শতকরা হিসাবে পক্ষে ১০০ শতাংশ এবং বিপক্ষে ০.০০ শতাংশ।

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সুতরাং ভোটের ফলাফলের ভিত্তিতে আলোচ্যবিষয়-৫ আগামী ২০২২-২০২৩ অর্থ বৎসরের জন্য মেসার্স শফিক বসাক এন্ড কোং, চার্টার্ড একাউন্ট্যান্টসকে বার্ষিক ৩,৫০,০০০.০০ টাকা পারিশ্রমিকে কোম্পানির হিসাব নিরীক্ষক হিসাবে নিয়োগদান অত্র সভায় অনুমোদিত হল।

আলোচ্যবিষয়-০৬ঃ ২০২২-২০২৩ অর্থ বৎসরের জন্য কমপ্লাইন্স অডিটর নিয়োগ এবং তাদের পারিশ্রমিক নির্ধারণ।

কোম্পানি সচিব শেয়ারহোল্ডারদের উদ্দেশ্যে বর্ণনা করেন যে, মেসার্স খান ওহাব শফিক রহমান এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস অত্র কোম্পানির ২০২১-২০২২ অর্থ বৎসরের কমপ্লাইন্স অডিটর হিসাবে তাদের দায়িত্ব ও কর্তব্য সম্পন্ন করার পর অবসর গ্রহণ করেছেন। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক ইস্যুকৃত নির্দেশনা অনুযায়ী মেসার্স খান



ওহাব শফিক রহমান এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস যোগ্য হওয়ায় ২০২২-২০২৩ অর্থ বৎসরের জন্য কমপ্লাইন্স অডিটর হিসাবে কার্য সম্পাদনের লক্ষ্যে বার্ষিক ৪০,০০০.০০ টাকা ফি ধার্য পূর্বক নিয়োগ প্রাপ্ত হওয়ার জন্য ইচ্ছা প্রকাশ করেছে যা গত ৩/১১/২০২২ তারিখের পরিচালক পর্ষদের সভায় সুপারিশ করা হয়েছে যা অত্র সভায় অনুমোদনের জন্য উপস্থাপন করা হল।

কোম্পানি সচিব শেয়ারহোল্ডারদের উদ্দেশ্যে আরো ঘোষণা করেন যে, আলোচ্য বিষয় সমূহের পক্ষে এবং বিপক্ষে শেয়ারহোল্ডারদের ভোটাধিকার প্রয়োগ করার জন্য গত ২৪ ঘন্টা পূর্বে অত্র প্ল্যাটফর্মের ই-ভোটিং অপশনটি ওপেন করে দেওয়া হয়েছিল। তিনি শেয়ারহোল্ডারদেরকে ভোটাধিকার প্রয়োগের জন্য অতিরিক্ত ১ মিনিট সময় প্রদান করা হয়েছে বলে অবগত করেন এবং উক্ত সময়ের মধ্যে ভোটাধিকার প্রয়োগ শেষ করার জন্য অনুরোধ করেন। অতিরিক্ত ১ মিনিট সময় অতিক্রান্ত হওয়ার পর কোম্পানি সচিব আলোচ্যবিষয়-৬ এর উপর চূড়ান্ত ভোটের ফলাফল ঘোষণা করেন।

কোম্পানি সচিব প্রাপ্ত ভোটের ভিত্তিতে ঘোষণা করেন যে, আলোচ্যবিষয়-৬ অত্র সভায় অনুমোদনের নিমিত্তে সর্বমোট ৩০ জন শেয়ারহোল্ডার ভোট প্রদান করেছেন। আলোচ্যবিষয়-৬ এর পক্ষে ভোট পড়েছে ৭৫,৯৭,২২১ টি এবং বিপক্ষে ভোট পড়েছে ০টি যাহা শতকরা হিসাবে পক্ষে ১০০ শতাংশ এবং বিপক্ষে ০.০০ শতাংশ।

সিদ্ধান্তঃ

সুতরাং ভোটের ফলাফলের ভিত্তিতে আলোচ্যবিষয়-৬ বার্ষিক ৪০,০০০.০০ টাকা ফি ধার্য পূর্বক মেসার্স খান ওহাব শফিক রহমান এন্ড কোং, চার্টার্ড একাউন্ট্যান্টসকে ৩০ জুন ২০২২ তারিখে সমাপ্তব্য বৎসরের জন্য কোম্পানির কমপ্লাইন্স অডিটর হিসাবে নিয়োগ দান অত্র সভায় অনুমোদিত হল।

আলোচ্যবিষয়-০৭ঃ কোম্পানির সাথে স্বার্থ সংশ্লিষ্ট পক্ষদ্বয়ের লেনদেন সমূহ (Related Party Transactions) বিবেচনা ও অনুমোদন যা নিরীক্ষিত হিসাব বিবরণীর ৪১ নং নোটে প্রদর্শিত আছে। (BSEC Notification No.-BSEC/CMRRCD/2009-193/Admin/103 dated 05/02/2020 এর আলোকে)।

কোম্পানি সচিব শেয়ারহোল্ডারদের উদ্দেশ্যে বর্ণনা করেন যে, ৩০ জুন ২০২২ তারিখে সমাপ্ত বৎসরের নিরীক্ষিত আর্থিক বিবরণীর নোট নং- ৪১.০১ তে কোম্পানির সাথে স্বার্থ সংশ্লিষ্ট পক্ষদ্বয়ের লেনদেন (Related Party Transactions) সমূহের বিস্তারিত বিবরণ প্রদর্শিত হয়েছে যা অত্র সভায় অনুমোদনের জন্য উপস্থাপন করা হল।

কোম্পানি সচিব শেয়ারহোল্ডারদের উদ্দেশ্যে আরো ঘোষণা করেন যে, আলোচ্যবিষয় সমূহের পক্ষে এবং বিপক্ষে শেয়ারহোল্ডারদের ভোটাধিকার প্রয়োগ করার জন্য গত ২৪ ঘন্টা পূর্বে অত্র প্ল্যাটফর্মের ই-ভোটিং অপশনটি ওপেন করে দেওয়া হয়েছিল। তিনি শেয়ারহোল্ডারদেরকে ভোটাধিকার প্রয়োগের জন্য অতিরিক্ত ১ মিনিট সময় প্রদান করা হয়েছে বলে অবগত করেন এবং উক্ত সময়ের মধ্যে ভোটাধিকার প্রয়োগ শেষ করার জন্য অনুরোধ করেন। অতিরিক্ত ১ মিনিট সময় অতিক্রান্ত হওয়ার পর কোম্পানি সচিব আলোচ্যবিষয়-৭ এর উপর চূড়ান্ত ভোটের ফলাফল ঘোষণা করেন।

কোম্পানি সচিব প্রাপ্ত ভোটের ভিত্তিতে ঘোষণা করেন যে, আলোচ্যবিষয়-৭ অত্র সভায় অনুমোদনের নিমিত্তে সর্বমোট ৩০ জন শেয়ারহোল্ডার ভোট প্রদান করেছেন। আলোচ্যবিষয়-৭ এর পক্ষে ভোট পড়েছে ৭৫,৯৭,২২১টি এবং বিপক্ষে ভোট পড়েছে ০টি যাহা শতকরা হিসাবে পক্ষে ১০০ শতাংশ এবং বিপক্ষে ০.০০ শতাংশ।

সিদ্ধান্তঃ

সুতরাং ভোটের ফলাফলের ভিত্তিতে আলোচ্যবিষয়-৭ কোম্পানির সাথে স্বার্থ সংশ্লিষ্ট পক্ষদ্বয়ের লেনদেন সমূহ (Related Party Transactions) যা নিরীক্ষিত হিসাব বিবরণীর ৪১ নং নোটে প্রদর্শিত আছে তা অত্র সভায় অনুমোদিত হল।

আলোচ্যবিষয়-৮ঃ সভাপতির অনুমতিসাপেক্ষে কোম্পানির অন্য কোন বিষয় আলোচনা।

সভার এ পর্যায়ে সম্মানিত শেয়ারহোল্ডারদের বিভিন্ন প্রশ্ন, আলোচনা, মন্তব্য ও সুপারিশমালার উপর ভিত্তি করে সভাপতি মহোদয়ের অনুমতিসাপেক্ষে কোম্পানির ব্যবস্থাপনা পরিচালক জনাব মোঃ গোলাম কিবরিয়া নিম্নোক্ত বক্তব্য উপস্থাপন করেন।



তিনি বক্তব্যের শুরুতে স্বাধীনতার ৫১ বৎসর পূর্তিতে হাক্কানী গ্রুপের পক্ষ থেকে দেশবাসী, সমস্ত শেয়ারহোল্ডার, ডিরেক্টর, কর্মকর্তা, কর্মচারীদের বিজয়ের শুভেচ্ছা জানান। তিনি বাঙ্গালীর মুক্তির দূত, সর্বকালের সর্বশ্রেষ্ঠ বাঙ্গালী, জাতির জনক বঙ্গবন্ধু শেখ মুজিবুর রহমানের প্রতি সশ্রদ্ধ সম্মান প্রদর্শন করে মহান মুক্তিযুদ্ধের সকল শহীদদের স্মরণ করেন এবং তাদের প্রতি কৃতজ্ঞতা জ্ঞাপন করেন।

তিনি শেয়ারহোল্ডারদের জ্ঞাতার্থে বলেন, বাংলাদেশ সিকিউরিটিজ এ্যান্ড এক্সচেঞ্জ কমিশনের নির্দেশনা অনুযায়ী, কোম্পানির বার্ষিক প্রতিবেদন ইতিমধ্যে কোম্পানির ওয়েব সাইটে আপলোড ও সবার কাছে ইমেইল করা হয়েছে এবং সাথে সাথে সব শেয়ারহোল্ডারদের মাঝে এজিএম এর নোটিফিকেশন ম্যাসেজ পাঠানো হয়েছে।

২৬তম বার্ষিক সাধারণ সভায় ডিজিটাল প্ল্যাটফর্মের মাধ্যমে অংশগ্রহণকারী সম্মানিত শেয়ারহোল্ডারবৃন্দ, পরিচালকবৃন্দ, নিরীক্ষকবৃন্দ এবং রেগুলেটরি বডি'র পক্ষে অংশগ্রহণকারী সম্মানিত প্রতিনিধিবৃন্দকে তিনি সালাম জানান।

শুরুতেই গভীর শোকের মাধ্যমে তিনি অত্র কোম্পানির সম্মানিত চেয়ারম্যান, প্রতিষ্ঠাতা তার পরম শ্রদ্ধেয় পিতা জনাব মোঃ আব্দুল্লাহকে স্মরণ করেন। তিনি আল্লাহর দরবারে তার মাগফেরাতের জন্য দোয়া প্রার্থনা করেন এবং সকলের প্রতি দোয়ার আর্জি পেশ করেন।

তিনি অত্যন্ত ব্যতীত মনে সভাকে অবগত করেন যে, কোম্পানির সম্মানিত ভাইস চেয়ারম্যান মোঃ গোলাম হায়দার গত ০৪/০৯/২০২২ তারিখে আকস্মিক অকাল মৃত্যুবরণ করেন। তার অকাল মৃত্যুতে কোম্পানির অপূরণীয় ক্ষতি হয়েছে বলে তিনি মন্তব্য করেন। তিনি কোম্পানির ভাইস চেয়ারম্যান জনাব মোঃ গোলাম হায়দারের রুহের মাগফেরাতের জন্য সকলের নিকট দোয়া প্রার্থনা করেন।

তিনি বলেন একটি উৎপাদনকারী ও বাণিজ্যিক প্রতিষ্ঠান হিসেবে আলোচ্য বছরটি কোম্পানির জন্য একদিকে খুবই আশাব্যঞ্জক অপরদিকে খুবই সমস্যাসংকুল ছিল। কারণ ২০২২ সালে করোনা মহামারীর প্রাদুর্ভাব কমে যাওয়ায় স্কুল কলেজ সমূহে পাঠদান নিয়মিত হয়। এ ছাড়াও কোম্পানির বিপণন টিমকে ব্যপকভাবে পরিবর্তন করে প্ল্যান মাফিক কার্যক্রমের মাধ্যমে হাক্কানীর ইতিহাসের সর্বোচ্চ বিক্রয়ের রেকর্ড গড়তে সক্ষম হয় বলে তিনি সভাকে জানান।

তিনি সকলের অবগতির জন্য বলেন যে, ৩০ জুন ২০২২ সমাপ্ত বৎসরের মোট বিক্রয়ের পরিমাণ প্রায় ৫৪ কোটি টাকা যা বিগত বৎসর ছিল প্রায় ৩৯ কোটি টাকা এবং যা বিগত বৎসরের তুলনায় প্রায় ১৫ কেটি টাকা বেশী। বিগত বৎসরের মোট ৩,৯১৮ মেট্রিক টন পণ্য উৎপাদনের বিপরীতে জুন ২০২২ সমাপ্ত বৎসরে পণ্য উৎপাদনের পরিমাণ ছিল ৪৯১৪ মেট্রিক টন। এছাড়াও বিগত ২০২০-২০২১ সালের বিক্রয়ের পরিমাণ ছিল ৩,৮৮১ মেট্রিক টন যা ২০২১-২০২২ সালে বৃদ্ধি পেয়ে হয়েছে ৪৯৯২ মেট্রিক টন। চলতি বৎসরে বিগত বৎসরের তুলনায় বিক্রয় বৃদ্ধি পেয়েছে ১১১১ মেট্রিক টন এরও বেশী। এছাড়াও তিনি সংশ্লিষ্ট সকলকে অবগত করেন যে, ২০২০-২০২১ অর্থ বৎসরে কোম্পানির আর্থিক খাতের ব্যয়ের পরিমাণ ছিল ৫,৯৮,১৬,৬৮৭.০০ টাকা কিন্তু ২০২১-২০২২ সালে আর্থিক খাতের ব্যয়ের পরিমাণ কমে দাড়িয়েছে ৩,৭৩,৯১,৪৯৮.০০ টাকা। যা বিগত বৎসরের তুলনায় ২,২৪,২৫,১৯৩.০০ টাকা কম। তিনি অত্যন্ত দুঃখের সাথে অবহিত করেন যে, আলোচ্য অর্থ বৎসরে কোম্পানির নীট ক্ষতির পরিমাণ দাঁড়িয়েছে ২,৪৬,১০,৬৬৮.০০ টাকা। তিনি নীট ক্ষতির নিম্নোক্ত কারণ সমূহ ব্যাখ্যা করেন।

বিগত বৎসরের তুলনায় চলতি বৎসরে কাগজ এবং টিস্যু পণ্যের প্রধান কাঁচামালের একক প্রতি ব্যয় অস্বাভাবিকভাবে বৃদ্ধি পেয়েছে। পাশাপাশি বিভিন্ন ক্যামিকেল, প্যাকিং ম্যাটেরিয়াল, মেরামত ও রক্ষনাবেক্ষণ ব্যয়, লোডিং- আনলোডিং, আস্তঃপরিবহন, বর্হিঃপরিবহন ইত্যাদি ব্যাপক হারে বৃদ্ধি পেয়েছে যা নীট ক্ষতির প্রধান কারণ বলে তিনি সভাকে জানান।

তাছাড়া রাশিয়া-ইউক্রেনের যুদ্ধের কারণে আন্তর্জাতিক বাজারে বৈশ্বিক আর্থিক সংকটের প্রভাবে প্রভাবিত হওয়ার কারণেও কোম্পানি ক্ষতির সম্মুখীন হয়েছে এবং দেশীয় বাজারে ব্যাপক মুদ্রাস্ফীতি, অস্থির রাজনৈতিক অবস্থা এবং করোনা পরবর্তী মহামারীর প্রভাব ইত্যাদিও নীট ক্ষতির জন্য দায়ী বলে মন্তব্য করেন। কাঁচামালের মূল্য যদি বিগত বৎসরের সাথে সামঞ্জস্য থাকত তবে চলতি অর্থ বৎসরে কোম্পানি ভালো লাভজনক অবস্থায় থাকত বলে তিনি অভিমত ব্যক্ত করেন। তিনি প্রত্যাশা করেন যে, ২০২২-২০২৩ অর্থ বৎসরে বৈশ্বিক সার্বিক পরিস্থিতি স্বাভাবিক হবে এবং কোম্পানি অতীতের তুলনায় ভালো মুনাফা অর্জন করতে সক্ষম হবে। তিনি কোম্পানির ভবিষ্যত পরিকল্পনা সমূহ নিম্নে তুলে ধরেন :



- ১। প্রতিষ্ঠানের উৎপাদন ক্ষমতার সর্বোচ্চ ব্যবহার নিশ্চিত করা
- ২। প্রতিষ্ঠানের সর্বোচ্চ বিক্রয় রাজস্ব নিশ্চিত করা
- ৩। প্রতিষ্ঠানের সম্পদের যথাযথ ব্যবহার নিশ্চিত করা
- ৪। আভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা বলিষ্ঠ করণের মাধ্যমে ব্যয় নিয়ন্ত্রণ করা
- ৫। কোম্পানির বিদ্যমান প্রোডাক্ট লাইন থেকে বাই প্রোডাক্ট উৎপাদন করা, ইত্যাদি

তিনি আশা ব্যক্ত করেন যে, উপরোক্ত উদ্যোগের মাধ্যমে প্রতিষ্ঠানের ব্যয় নিয়ন্ত্রণ হবে এবং কোম্পানির আয় বৃদ্ধির মাধ্যমে লাভজনকতা অর্জিত হবে। তিনি আরো বলেন হাক্কানী পাল্প এন্ড পেপার মিলস্ লিমিটেডের ব্যবস্থাপনা কর্তৃপক্ষ সব সময় শেয়ারহোল্ডারদের স্বার্থ রক্ষায় সর্বোচ্চ চেষ্টা করে থাকে। তারই অংশ হিসাবে চলতি অর্থ বৎসরেও কোম্পানির নীট ক্ষতি হওয়া স্বত্বেও ডিভিডেন্ড ইকুইলাইজেশন ফান্ড থেকে শেয়ারহোল্ডারদেরকে লভ্যাংশ দেওয়ার ব্যবস্থা করেছে।

ব্যবস্থাপনা পরিচালক মহোদয়, ক্রেতা সাধারণ, শেয়ারহোল্ডারবৃন্দ, পরিচালকবৃন্দ, কোম্পানির কর্মকর্তা ও কর্মচারীগণ, অর্থনৈতিক প্রতিষ্ঠান, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ লিমিটেড, চট্টগ্রাম স্টক এক্সচেঞ্জ লিমিটেড, জাতীয় রাজস্ব বোর্ড সহ সংশ্লিষ্ট সবাইকে অন্তরের অন্তরস্থল থেকে ধন্যবাদ জানান। তিনি ভবিষ্যতে এইরূপ সহযোগিতা ও অনুপ্রেরণা প্রত্যাশা রেখে তার বক্তব্য শেষ করেন।

অদ্যকার সভায় কোম্পানি সচিব নিশ্চিত করেন যে, সকল আলোচ্য বিষয় উপস্থাপিত ও অনুমোদিত হয়েছে। সম্মানিত শেয়ারহোল্ডারবৃন্দকে আজকের সাধারণ সভায় অংশগ্রহণের মাধ্যমে সহযোগিতা করার জন্য তিনি আন্তরিক ধন্যবাদ জানান। সিএফও, হেড অব ইন্টারনাল অডিট, মডারেটর প্যানেলের সদস্যগণ সহ সবাইকে তিনি আন্তরিক ধন্যবাদ এবং কৃতজ্ঞতা জানান।

সভায় আর কোন আলোচ্য বিষয় না থাকায় সভাপতি মহোদয় ডিজিটাল প্ল্যাটফর্ম এর মাধ্যমে উপস্থিত সকল সম্মানিত পরিচালক, শেয়ারহোল্ডারবৃন্দ, নিরীক্ষক সহ অংশগ্রহণকারী সুধীবৃন্দ এবং অত্র প্রতিষ্ঠানের সকল কর্মকর্তা, কর্মচারীবৃন্দকে ২৬তম বার্ষিক সাধারণ সভার সুন্দর আয়োজন ও পরিচালনার জন্য ধন্যবাদ জানান এবং সভা সফল হওয়ায় মহান আল্লাহর দরবারে শুকরিয়া আদায় করেন। ভবিষ্যতে কোম্পানির সার্বিক অগ্রগতিতে সকলের সহযোগিতা পাবে এই প্রত্যাশা রেখে এবং সকলের সুস্থতা কামনা করে ২৬তম বার্ষিক সাধারণ সভার সমাপ্তি ঘোষণা করেন।



মোঃ গোলাম রসুল মুক্তাদির
সভাপতি



২৬তম বার্ষিক সাধারণ সভার উপস্থিতি

ডিজিটাল প্ল্যাটফর্মে <https://agmbd.live/hakkani2022> এই লিংকের মাধ্যমে

১৭ ডিসেম্বর ২০২২ তারিখ রোজ শনিবার সকাল ১১.০০ ঘটিকায় অনুষ্ঠিত হাক্কানী পাল্প এন্ড পেপার মিলস্ লিমিটেড এর

২৬তম বার্ষিক সাধারণ সভায় অংশগ্রহণকারী শেয়ারহোল্ডারবৃন্দের তালিকা।

ক্রমিক নং	শেয়ারহোল্ডারদের নাম	ফলিও নং / বিও হিসাব নং	শেয়ার সংখ্যা
১	জনাবা হোসনে আরা বেগম	১২০২৯৯০০৭৩৬৬৩১৮৬	৫,৪১,৬৬৬
২	জনাবা হোসনে আরা বেগম	১২০৪৪১০০৪০৯৩৫৭৪৮	৫,৫০,০০০
৩	জনাব মোঃ গোলাম কিবরিয়া	১২০৪৫০০০৬৮৯৩৯০২২	১১,০০,০০০
৪	জনাব মোঃ গোলাম মোরশেদ	১২০৪৫০০০০১১১৬৪৮২	১০,০০,০০০
৫	জনাব মোঃ গোলাম মোরশেদ	১৩০১০৩০০০১১১৬৪৮২	৫,৬৬,৬৬৬
৬	প্রফেসর এস. এম. নছরুল কাদির	স্বতন্ত্র পরিচালক	-
৭	ড. রাফিউদ্দিন আহমেদ	স্বতন্ত্র পরিচালক	-
৭	জনাব মোঃ গোলাম মোস্তফা	১২০৩৬২০০০০০৯৯০০৭	৪,৬৬,৬৬৬
৮	জনাবা ফারহানা ফেরদৌস	১২০৪৫০০০৪৬৪৮৩৭২১	২,০৪,০০০
৯	জনাব মোঃ গোলাম রসুল মুক্তাদির	১২০৪৪১০০০৮৬৩৯৩৪১	১৫,৬৬,৬৬৬
১০	জনাবা ফারহানা তারান্নুম	১২০৪৫০০০৩৭৮৭১৩৭৫	৩,১৪,০০০
১১	জনাব এম. এ. কাদের	১২০৩৩৩০০০৩৮৯৬৭২৭১	৪,৫৫,৮৫০
১২	জনাব মোঃ গোলাম সারোয়ার	১২০৩৩৩০০০৩৯৪৫০২৮৪	৪,২০,০০০
১৩	জনাবা ফেরদৌস আরা বেগম	১২০৩৩৩০০০৩৯০১৭৩৬৫	৪,০৯,৯৫৬
১৪	জনাব দেওয়ান মোঃ জোনায়েদ মোর্শেদ	১২০২৩৭০০১৭৮৭৯৩৯৬	২০০
১৫	জনাব জোবায়ের ইসলাম	১২০২৪৯০০১০৫৯৪১১০	১০
১৬	জনাব আজাদ আহসান	১২০২৪২০০৪৩৮৫৪২০১	২
১৭	জনাব সৈয়দ হাবিব হায়দার (বাবু)	১২০১৯৫০০৫৮৫৯৮২১৬	২
১৮	জনাব মোঃ শোরাব হোসেন (লিংকন)	১২০১৪৭০০০০০২১৭১১	২০০
১৯	জনাব কবির আহম্মেদ চৌধুরী	১৬০১৮৮০০৪৫৮৪৩৫০০	১০
২০	জনাব মোঃ নুরুল নবী	১২০৪১৮০০৫৯২৯৮৫০৬	১
২১	আলহাজ্ব মোহাম্মদ আবদুল ওয়াহাব	১২০১৫৯০০০৮০১৪৩৬৭	৮০০
২২	জনাব আবদুল মতিন শহীদ	১২০১৫৮০০১৬৫৩৫০৬৪	৬৭৮
২৩	জনাব কামাল উদ্দিন আহমেদ	১২০১৯৬০০০১১৪১৭৬২	২০
২৪	জনাব মোহাম্মদ আফতাবুর রহমান	১২০২০৬০০১২০৩৬১৭০	২
২৫	জনাব মোহাম্মদ আফতাবুর রহমান	১২০২০৬০০০১৫৭৯৬৪১	৫
২৬	জনাবা জিয়াউন নিসা	১২০২০৬০০০৬০৮৮০৮১	১
২৭	জনাব মাসুমা জাহান কাঁকলি	১২০২০৬০০০৬০৮৮২৪৭	১
২৮	জনাব মোহাম্মদ ওসমান গণি	১৩০১০৩০০০০০৪৮৮৮৪	১০
২৯	জনাবা সোনিয়া বেগম	১৩০১০৩০০২১৩৯৩৭৫৯	১০
৩০	জনাব মোঃ জালাল আহমেদ	১২০৫৬৯০০৬১২৩২৬৯৪	১০
৩১	জনাব মোঃ সেলিম মিয়া	১২০২৮১০০১৫৮৭৬৪৪৭	২
৩২	জনাব এ. বি. এম জিয়াউর রহমান সিদ্দিক	১২০২৬৮০০০৭৭৮৩২১৭	৫
৩৩	জনাব পার্থ দে	১২০৪৮৬০০৬৬১৫৩৫৪৯	১
৩৪	জনাব মোঃ মাসুম হোসেন শরীফ	১২০২৮৯০০৬৭৬০০২৪১	৮০০
৩৫	জনাব কাজী ইকবাল হোসেন	১২০৪৯৭০০৪৪৯৩৬১০২	৫
৩৬	আলহাজ্ব শেখ তানজিরা বেগম	১২০১৫৯০০০৮০০৯২৬৩	৩০০







হাক্কানীর পণ্য .. সবার জন্য ..

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

কারণ

বিশ্ব সেরা ইউরোপিয়ান প্রযুক্তিতে
সর্বোৎকৃষ্ট কাঁচামাল দিয়ে সম্পূর্ণ
অটোমেশিনে তৈরি হয়

হাক্কানী টিস্যু

হাক্কানী গ্রুপের একটি পণ্য

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