

HAKKANI PULP & PAPER MILLS LIMITED

FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2024



HAKKANI PULP & PAPER MILLS LIMITED
Statement of Financial Position (Un-Audited)
As at 30 September 2024


	Note(s)	30 Sep 2024 Taka	30 June 2024 Taka
ASSETS			
Non Current Assets :		869,220,275	875,669,422
Property, Plant and Equipment	4	869,220,275	875,669,422
Current Assets:		686,930,115	664,450,362
Investment in Shares	5	11,971,222	10,656,508
Inventories	6	336,741,875	341,556,875
Trade Receivables	7	176,970,664	178,470,664
Advances, Deposits & Prepayments	8	130,959,163	120,220,322
Cash & Cash equivalents	9	30,287,191	13,545,993
TOTAL ASSETS		1,556,150,390	1,540,119,784
SHARE HOLDERS EQUITY & LIABILITIES			
Shareholders Equity:		464,083,751	461,487,017
Share Capital	10	190,000,000	190,000,000
Dividend Equalization Reserve	11	11,237,712	11,237,712
Revaluation Reserve	12	239,777,436	241,697,668
Fair Value Reserve	5.01	313,277	(1,469,175)
Retained Earnings	13	22,755,326	20,020,812
Non Current Liabilities:		706,356,332	696,003,029
Unsecured Loan	14	57,699,990	57,699,990
Long Term Loan-Non Current Portion	15	550,089,416	545,453,320
Deferred Tax Liability	16	98,566,926	92,849,719
Current Liabilities:		385,710,307	382,629,738
Short Term Loan & Overdraft	17	17,728,688	39,339,098
Liability for Expenses	18	70,634,413	48,543,088
Workers Profit Participation and Welfare Fund	19	2,745,200	2,275,734
Long Term Loan-Current Portion	15.01	119,094,313	117,982,208
Trade Payables	20	26,767,808	31,025,850
Current Tax Liabilities	21	34,893,655	31,857,573
Liabilities for Other Finance	22	54,811,600	52,571,558
Unclaimed Dividend	23	1,532,796	1,532,796
Directors Current Account	24	57,501,833	57,501,833
Total Liabilities		1,092,066,639	1,078,632,767
TOTAL EQUITY & LIABILITIES		1,556,150,390	1,540,119,784
Net Asset Value Per Share (with revaluation)	33	24.43	24.29
Net Asset Value Per Share (without revaluation)	34	11.81	11.57

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


CHAIRMAN


MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR


CFO


COMPANY SECRETARY

Place: Chattogram

Date: October 26, 2024



HAKKANI PULP & PAPER MILLS LIMITED
Statement of Profit or Loss and Other Comprehensive Income (Un-Audited)
For the period ended 30 September 2024

	Note(s)	30 Sep 2024 Taka	30 Sep 2023 Taka
Revenue	25	293,134,937	263,629,456
Cost of Sales	26	(246,908,388)	(230,703,564)
Gross Profit / (Loss)		46,226,549	32,925,892
Operating Expenses:			
Administrative Expenses	27	(4,406,496)	(5,601,847)
Selling & Distribution Expenses	28	(13,235,556)	(12,654,042)
		(17,642,052)	(18,255,888)
Profit from Operation		28,584,497	14,670,004
Financial Expenses	29	(19,367,034)	(13,397,096)
Non-Operating Income	30	641,330	214,923
Net Profit Before WPPF & WWF		9,858,792	1,487,832
Contribution to WPPF & Welfare Funds	19	(469,466)	(70,849)
Net profit before Tax		9,389,326	1,416,983
Income Tax Expenses:			
Current Tax	21.01	(3,036,082)	(1,624,761)
Deferred Tax	31	(5,877,826)	500,711
		(8,913,908)	(1,124,050)
Net profit after Tax		475,418	292,933
Other Comprehensive Income:			
Deferred Tax on Revaluation Reserve	12	338,865	361,959
Unrealized Gain/ (Loss) on Investment in Shares	5.02	1,782,452	(5,891)
Deferred tax on unrealized gain/(loss) on investment in shares	16.02	178,245	(1,480)
		2,299,562	354,588
Total Comprehensive Income		2,774,979	647,521
Earnings Per Share - Basic (per value of Tk. 10)	32	0.03	0.02

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CHAIRMAN


MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR


CFO


COMPANY SECRETARY

Place: Chattogram
Date: October 26, 2024



HAKKANI PULP & PAPER MILLS LIMITED
Statement of Changes in Equity (Un-Audited)
For the period ended 30 September 2024

Particulars	Share Capital	Dividend Equalization Reserve	Revaluation Reserve	Fair Value Reserve	Retained Earnings	Total
Balance as at 01 July 2024	190,000,000	11,237,712	241,697,668	(1,469,175)	20,020,812	461,487,017
Adjustment of depreciation on carrying amount of revalued assets	-	-	(2,259,096)	-	2,259,096	-
Deferred Tax on Revaluation Surplus	-	-	338,865	-	-	338,865
Unrealized Gain/(Loss) on Investment in Shares	-	-	-	1,782,452	-	1,782,452
Net Profit after Tax	-	-	-	-	475,418	475,418
Balance as on 30 September 2024	190,000,000	11,237,712	239,777,436	313,277	22,755,326	464,083,751

For the period ended 30 September 2023

Balance as at 01 July 2023	190,000,000	11,237,712	249,902,075	80,141	13,387,862	464,607,790
Adjustment of depreciation on carrying amount of revalued assets	-	-	(2,413,060)	-	2,413,060	-
Deferred Tax on Revaluation Surplus	-	-	361,959	-	-	361,959
Unrealized Gain/(Loss) on Investment in Shares	-	-	-	(5,891)	-	(5,891)
Dividend for the year 2021-2022	-	-	-	-	-	-
Net Profit after Tax	-	-	-	-	292,933	292,933
Balance as on 30 September 2023	190,000,000	11,237,712	247,850,974	74,250	16,093,856	465,256,790

M. A. Hossain
CHAIRMAN

[Signature]
MANAGING DIRECTOR

[Signature]
DEPUTY MANAGING DIRECTOR

[Signature]
CFO

[Signature]
COMPANY SECRETARY

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

Place: Chattogram
Date: October 26, 2024



HAKKANI PULP & PAPER MILLS LIMITED

Statement of Cash Flows (Un-Audited)

For the period ended 30 September 2024

	Note(s)	30 Sep 2024 Taka	30 Sep 2023 Taka
A. Cash flows from Operating Activities:			
Cash Collection from Turnover & Others		295,276,267	265,281,959
Payment for Material and Expenses		(231,993,091)	(242,011,421)
Income Tax Paid		(408,441)	(1,960,223)
Net Cash flows from Operating Activities	41	62,874,735	21,310,314
B. Cash flows from Investing Activities:			
Acquisition of Property, Plant & Equipment		(5,163,917)	(6,773,051)
Advance for Machinery		(8,798,870)	(17,124,690)
Sale of shares		752,207	-
Net cash flows from Investing Activities		(13,210,580)	(23,897,741)
C. Cash flows from Financing Activities:			
Short Term Loan & Overdraft		(21,610,410)	20,365,021
Long Term Loan		4,636,096	(3,721,507)
Financial Expenses		(18,188,685)	(13,397,096)
Directors Current Account		-	9,701,833
Liabilities for Other Finance		2,240,042	312,351
Net Cash flows from Financing Activities		(32,922,957)	13,260,603
D. Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)		16,741,198	10,673,176
E. Opening Cash and Bank Balances		13,545,993	22,409,414
Closing Cash and Bank Balances (D+E)		30,287,191	33,082,590
F. Net Operating Cash Flows Per Share (NOCFPS)	35	3.31	1.12

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


CHAIRMAN


MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR


CFO


COMPANY SECRETARY

Place: Chattogram

Date: October 26, 2024



HAKKANI PULP & PAPER MILLS LIMITED
Notes to the Financial Statements (Un-Audited)
For the period ended 30 September 2024

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 PLC 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.

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 Income Tax Rules, 1984

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 2018

The Securities and Exchange Ordinance, 1969

The Securities and Exchange Rules, 2020

The Corporate Governance Code 2018

The Dhaka Stock Exchange & Chittagong Stock Exchange (Listing) Regulations 2015

The Financial Reporting Act, 2015

2.03 Applicable Accounting Standards:

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

IAS - 01	Presentation of Financial Statements
IAS - 02	Inventories
IAS - 07	Statement of Cash Flows
IAS - 08	Accounting Policies, Changes In Accounting Estimates and Errors
IAS - 10	Events after the Reporting period
IAS - 12	Income Taxes
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
IAS - 38	Intangible 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-I "Presentation of Financial Statements "

- A Statement of Financial Position as at 30 September 2024.
- A Statement of Profit or Loss and other Comprehensive Income for the period ended 30 September 2024.
- A Statement of changes in equity for the period ended 30 September 2024.
- A Statement of Cash flows for the period ended 30 September 2024.
- Notes , comprising a summary of significant accounting policies and explanatory information.
- 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 26 October 2024.

2.06 Reporting Period:

The financial statements of the Company cover three months from 1 July 2024 to 30 September 2024.

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:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period and
- 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

- 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: 04 Property, Plant and Equipment
- Note: 07 Trade Receivables
- Note : 08 Advances, Deposits & Prepayments
- Note: 16 Deferred Tax Liability
- Note : 20 Trade Payables
- Note: 21 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:

- 3.01 Property, plant and equipment
- 3.02 Capital work-in-progress
- 3.03 Impairment of assets
- 3.04 Investment in shares:
- 3.05 Inventories
- 3.06 Trade and other receivables
- 3.07 Advances, deposits and prepayments:
- 3.08 Cash and cash equivalents:
- 3.09 Trade and other payables
- 3.10 Other liabilities
- 3.11 Cash flows statement
- 3.12 Employee benefits scheme
- 3.13 Provisions, contingent liabilities and contingent assets
- 3.14 Finance income & finance costs:
- 3.15 Non-operating income
- 3.16 Borrowing costs
- 3.17 Taxation
- 3.18 Revenue from contract with customers
- 3.19 Earnings per share (EPS):
- 3.20 Foreign Currency Transactions:
- 3.21 Comparative Information:
- 3.22 Consistency



- 3.23 Events after the reporting
- 3.24 Share Capital
- 3.25 Leases
- 3.26 Accruals

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 month 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:

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

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

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 remeasured in accordance with the companies accounting policies. There after, the assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale are recognized to revaluation reserve to the extent of revaluation surplus, in excess of revaluation surplus and subsequent gains or losses on remeasurement are recognized in the Statement of profit or loss. Gains are not recognized in excess of any cumulative impairment loss.

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



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

3.02 Capital Work In Progress :

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

The cost of capital work in progress comprises:

- 1) Purchase price includes import duties.
- 2) Any cost directly attributable to bringing the assets to be capable of operating in the manner intended by the Management.

The cost of capital working progress shall be recognized as property, plant and equipment when it is probable that the economic benefits associated with its intended use will follow to the entity as per paragraph 7 of IAS- 16 property, plant and equipment.

3.03 Impairment of Assets:

An impairment test is carried out by the Management at the end of each reporting year to ascertain whether there is any indication that an assets is impaired if any such indication exists, the impairment losses for an individual assets is measured and recognized in the financial statements in accordance with IAS-36 Impairment of asset.

3.04 Investment in Shares:

This investment in shares is initially recognized and measured at transaction costs that are directly attributable to the acquisition of the said financial asset. The management considered investment in shares as available for sale financial assets to present its subsequent changes in fair value through other comprehensive 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:

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

ii) Workers' Profit Participation and Welfare Funds

The Company operates fund for workers as workers' profit participation and welfare fund ("the Fund") and provides 5% of its profit before tax as per provision of the Bangladesh Labour Act 2006. The Company recognises the contribution to the fund as short term employee benefits. The Fund is governed by Bangladesh Labour Act, 2006 as amended up 28 September 2015 and the trust deed.

3.13 Provisions, contingent liabilities and contingent assets:

i) Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate thereof can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the Current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits are required to settle the obligation, the provisions are reversed.

ii) Contingent liability

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one of more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the statement of financial position of the Company. Moreover, contingencies arising from claims, litigations, assessments, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

iii) Contingent asset

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The company does not recognise contingent asset.

3.14 Finance income & finance costs:

3.14.01 Finance income

Finance income comprises interest income of funds invested and is recognised as it accrues in profit or loss using the effective interest method.

3.14.02 Finance costs

Finance costs comprise interest expense on borrowings and foreign exchange gain or loss. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.



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 expense 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 from contract with customers:

The Company recognises as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle follow IFRS 15 five-step model as follows:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognise revenue when (or as) the entity satisfies a performance obligation;

Considering the five steps model, the Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods are considered as transferred when (or as) the customer obtains control of that goods. Revenue from the sale of goods is measured at the fair value of consideration received or receivable, net of Value Added Tax (VAT). Gross turnover comprises local sales of Newsprint, M.G newsprint, 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.

The following table provides information about the nature and timing of the satisfaction of performance obligation in contracts with customers:

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. Invoices are usually paid in cash as advance before getting delivery of the goods.	Revenue is recognized when (or as) the entity satisfies a performance obligation by transferring the promised good or service to a customer.
Export Sales		



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:

Transactions in foreign currencies are translated to Taka at the foreign exchange rates prevailing on the date of transaction. All monetary assets and liabilities denominated in foreign currencies at reporting date are translated to Taka at the rates of exchange prevailing on that date. Resulting exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognized in the statement of profit or loss and other comprehensive income as per IAS 21 The Effects of Changes in Foreign Exchange Rates.

Non-Monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transactions.

3.21 Comparative Information:

Comparative information has been disclosed in respect of 30 June 2024 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:

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

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.

3.26 Accruals:

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amongst due to employees. Accruals are reported as part of trade and other payables.

4.00 PROPERTY, PLANT & EQUIPMENT:

	30 Sep 2024	30 June 2024
	<u>Taka</u>	<u>Taka</u>
Balance as on 01 July (including revaluation)	1,462,726,049	1,333,750,909
Add: Addition during the period	5,163,917	128,975,140
Balance as on 30 September	1,467,889,965	1,462,726,049
Less: Accumulated depreciation	598,669,690	587,056,627
Written down value as on 30 September	869,220,275	875,669,422

(a) Details of Group Wise Property, Plant & Equipment with cost, addition and adjustment during the period, depreciation and written down value are shown at Note-4.01



4.01 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 Sep 2024
	Balance as on 01 July 2024	Addition during the period	Disposal/ Adjustment during the period	Balance as on 30 Sep 2024	Rate of Dep.	Charged during the period	Disposal/ Adjustment during the period	Balance as on 01 July 2024	Charged during the period	Disposal/ Adjustment during the period	Balance as on 30 Sep 2024					
At Cost																
Land & Land Development	44,029,962	385,000	-	44,414,962	-	-	-	-	-	-	-	-	-	-	44,414,962	
Building & Other Construction	199,050,602	1,428,826	-	200,479,428	5%	1,690,198	-	65,021,052	-	-	-	-	66,711,250	-	133,768,178	
Plant & Machinery	661,655,191	2,989,880	-	664,645,071	7%	6,520,795	-	291,308,218	-	-	-	-	297,829,013	-	366,816,059	
Furniture & Fixture	2,164,799	46,700	-	2,211,499	10%	31,671	-	940,342	-	-	-	-	972,013	-	1,239,486	
Office Equipment	4,474,643	206,380	-	4,681,023	10%	51,988	-	2,569,180	-	-	-	-	2,621,168	-	2,059,855	
Electric Installation	50,373,167	23,046	-	50,396,213	10%	809,083	-	18,027,072	-	-	-	-	18,836,155	-	31,560,058	
Gas Line Installation	3,932,191	-	-	3,932,191	10%	17,162	-	3,245,709	-	-	-	-	3,262,871	-	669,320	
Telephone Line Installation	132,263	-	-	132,263	10%	596	-	108,416	-	-	-	-	109,012	-	23,251	
Water Line Installation	8,458,243	-	-	8,458,243	10%	80,638	-	5,232,703	-	-	-	-	5,313,342	-	3,144,901	
Fire Extinguisher	111,870	-	-	111,870	20%	385	-	104,167	-	-	-	-	104,553	-	7,317	
Office Decoration	1,967,029	56,270	-	2,023,299	10%	26,644	-	946,523	-	-	-	-	973,168	-	1,050,131	
Vehicle Car	3,011,672	-	-	3,011,672	20%	16,612	-	2,679,439	-	-	-	-	2,696,051	-	315,621	
Motor Vehicle	4,634,496	27,815	-	4,662,311	20%	66,242	-	3,333,143	-	-	-	-	3,399,384	-	1,262,927	
Factory Equipment	1,668,400	-	-	1,668,400	20%	41,953	-	829,341	-	-	-	-	871,294	-	797,106	
"A"	985,664,528	5,163,917	-	990,828,445		9,353,967	-	394,345,305	9,353,967	-	-	-	403,699,273	-	587,129,173	
At Revaluation																
Land & Land Development	139,028,020	-	-	139,028,020	-	-	-	-	-	-	-	-	-	-	139,028,020	
Building & Other Construction	110,663,849	-	-	110,663,849	5%	710,105	-	53,855,439	-	-	-	-	54,565,544	-	56,098,305	
Plant & Machinery	227,369,650	-	-	227,369,650	7%	1,548,991	-	138,855,883	-	-	-	-	140,404,874	-	86,964,776	
"B"	477,061,519	-	-	477,061,519		2,259,096	-	192,711,322	2,259,096	-	-	-	194,970,418	-	282,091,101	
Grand total as on 30 Sep 2024 (A+B)	1,462,726,049	5,163,917	-	1,467,889,965		11,613,063	-	587,056,627	11,613,063	-	-	-	598,669,690	-	869,220,275	
As on 30 June 2024	1,333,750,909	128,975,140	-	1,462,726,049		42,231,242	-	544,825,385	42,231,242	-	-	-	587,056,627	-	875,669,422	
As on 30 Sep 2023	1,333,750,909	6,773,051	-	1,340,523,960		10,073,463	-	544,825,385	10,073,463	-	-	-	554,898,848	-	785,625,112	

30 Sep 2024	Taka
127,511	
11,485,553	
Taka = 11,613,063	
30 Sep 2023	Taka
134,610	
9,938,853	
Taka = 10,073,463	



Allocation of Depreciation :
 Administrative Expenses
 Factory Overhead

30 Sep 2024
Taka

30 June 2024
Taka

5.00 INVESTMENT IN SHARES:

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

Name of company	No. of Shares	Cost Value as on 30 Sep 2024	Market Value as on 30 Sep 2024	Unrealized gain/ (loss)
Brac Bank Ltd.	15,392	158,299	835,786	677,487
DESCO Ltd.	5,000	238,287	119,000	(119,287)
Dhaka Bank Ltd.	28,874	210,234	363,812	153,578
Exim Bank Ltd.	53,401	1,080,863	475,269	(605,594)
Grameenphone Ltd.	10,700	3,995,855	3,737,510	(258,345)
Islami Bank Bangladesh PLC.	5,570	198,339	377,646	179,307
Jamuna Oil Company Ltd.	2,299	271,136	410,372	139,236
Lafarge Holcim Bangladesh Ltd.	10,000	805,409	621,000	(184,409)
Meghna Petroleum Ltd.	2,402	249,369	497,935	248,565
Mutual Trust Bank Ltd.	23,350	207,749	291,875	84,126
National Bank Ltd.	82,779	902,974	529,786	(373,188)
One Bank PLC.	40,032	296,251	356,285	60,034
Shahjalal Islami Bank Ltd.	41,135	249,341	777,452	528,111
Square Pharmaceuticals PLC.	9,200	1,826,477	2,104,960	278,483
Standard Bank PLC.	22,637	200,804	162,986	(37,817)
Titas Gas Ltd.	13,250	766,559	309,550	(457,009)
Total	366,021	11,657,945	11,971,222	313,277

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

Unrealized Gain/ (Loss) Closing	313,277	(1,469,175)
Less: Unrealized Gain/ (Loss) Opening	(1,469,175)	89,046
Add: Deferred tax Opening	-	8,905
Gain/ (Loss) on Investment in Shares during the period	1,782,452	(1,549,316)

6.00 **INVENTORIES:**

Raw Materials	Note-6.01	96,542,209	93,461,252
Finished Goods	Note-6.02	170,124,551	180,664,204
Work-In-Process		33,416,874	31,773,178
Consumable Spares & Stores		6,906,277	8,406,277
Packing Materials		29,751,964	27,251,964
Total		336,741,875	341,556,875

6.01 Raw Materials

Wastage Paper	71,383,087	65,299,780
Chemicals Items	25,159,122	28,161,472
	96,542,209	93,461,252

6.02 Finished Goods

Newsprint Paper	71,358,408	76,103,408
Khata	4,030,810	5,651,060
Tissue Papers	94,735,333	98,909,736
	170,124,551	180,664,204

- (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.



7.00 <u>TRADE RECEIVABLES:</u>	30 Sep 2024	30 June 2024
	<u>Taka</u>	<u>Taka</u>
Al- Madina Paper House	1,543,805	124,855
Anupam Traders	2,415,778	3,665,778
AR Trading	3,298,913	3,311,293
Al Mulk Paper House	555,078	1,909,342
Apollo Imperial Hospital	426,068	438,601
Agrani Printing Press	1,890,122	1,960,122
Anik Traders	404,245	419,245
A.S. Enterprise	124,075	149,075
AG Paper House	150,000	300,000
Avoy Enterprise	2,831,477	4,879,011
Babul Store	41,115,949	41,115,949
Barcode Restaurant Group	210,828	514,874
Bhai Bhai Store	472,464	566,814
Bhai Bhai Traders	649,456	569,456
Chandpur Paper House	302,650	436,760
CGT Tissue	615,638	630,638
Epic Health Care	29,880	271,296
Garibe Newaj Traders	551,495	566,495
Habib Enterprise	48,638	269,692
Handi Restaurant	171,645	161,820
Hazarat Shahajan Shah Stationary House	75,872	130,869
Health Point Hospital	94,620	87,621
Hotel Zaman	78,000	90,000
Ibn Sina Hospital	328,555	147,009
Intimate Apparels Ltd	985,239	540,878
Jogonnata Store	80,000	100,000
M/S. Helal Enterprise	310,906	335,906
M/S. Razzak Traders	128,667	143,667
Molla Traders	1,931,287	996,127
New City Gold	270,011	280,011
New AR Papr House	4,367,469	3,107,919
Nur Nahar Traders	139,052	154,052
Oniruddho Trading	2,258,826	1,641,386
Rapid Pack Limited	3,777,238	5,434,368
Rupayan Traders	75,711	31,776
Robin Enterprise	582,183	597,183
Rubel & Sons	3,791,191	3,826,191
Resimax Industries Ltd.	387,230	93,230
RM Trade International	3,199,447	3,221,447
Sajib Enterprise	2,680,226	2,730,226
Shahnaj Trading Corporation	427,076	407,052
Sikandar Para Banijik Songasta	2,333,509	2,054,736
S.K Traders	1,503,642	918,933
Sabbir Enterprise	127,342	142,342
Shohan Enterprise	4,614,914	8,264,094
Tanvir Enterprise	3,939,998	2,865,899
Other Receivables	80,674,249	77,866,626
	176,970,664	178,470,664

Note: 7.04



	30 Sep 2024	30 June 2024
	<u>Taka</u>	<u>Taka</u>
7.01 Ageing of Trade Receivables:		
Below-30 Days	30,085,013	24,985,893
Within 31- 60 Days	35,394,133	35,694,133
Within 61 - 90 Days	24,775,893	24,985,893
Within 90 - 180 Days	21,236,480	21,416,480
Above 180 Days	65,479,146	71,388,266
	<u>176,970,664</u>	<u>178,470,664</u>
7.02 Trade Receivables are occurred in the ordinary course of business.		
7.03 Trade Receivables are unsecured but considered good by the management.		
7.04 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, the suit will be kept for argument by the Court.		
8.00 <u>ADVANCES, DEPOSITS & PREPAYMENTS:</u>		
Advance Against Income Tax (Note: 8.01)	42,744,073	42,335,631
Advance Against Salary & Wages (Note: 8.02)	463,207	450,207
Advance Against Expenditure (Note: 8.03)	24,297,190	23,147,788
Advance Against L/C (Note: 8.04)	47,691,015	40,179,099
Deposits and Prepayments (Note: 8.05)	15,763,678	14,107,597
	<u>130,959,163</u>	<u>120,220,322</u>
8.01 <u>Advance Against Income Tax</u>		
Advance Income Tax Paid	15,080,922	14,780,922
Advance Income Tax - Import	1,841,972	1,825,030
Advance Income Tax - Export	495,208	465,119
Advance Income Tax Deducted at Source	23,842,557	23,835,657
Advance Income Tax Deducted at Source (Dividend Income)	1,483,413	1,428,905
	<u>42,744,073</u>	<u>42,335,631</u>
8.02 <u>Advance Against Salary & Wages</u>	<u>463,207</u>	<u>450,207</u>
8.03 <u>Advance Against Expenditure</u>		
VAT Return	16,607	46,364
Lanka Bangla Securities Ltd.	557,906	138,884
City Brokerage Ltd.	456,899	127,169
Bank Gaurantee Margin	628,923	628,923
Advances for spares parts and other materials	21,201,276	20,770,870
Advance to Shah Javed Ahmed (Ex. Executive Director)	1,435,579	1,435,579
	<u>24,297,190</u>	<u>23,147,788</u>
8.04 <u>Advance Against L/C</u>	<u>47,691,015</u>	<u>40,179,099</u>
8.05 <u>Deposits</u>		
Security Deposit (PBS-1)	3,321,100	3,321,100
Security Deposit (BGSL) Boiler	6,531,912	4,875,831
Security Deposit (BGSL) Generator	3,140,712	3,140,712
Security Deposit (PDB)	25,200	25,200
Security Deposit (GEP Holdings Ltd)	8,000	8,000
Security Deposit (Grameenphone)	20,000	20,000
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
	<u>15,763,678</u>	<u>14,107,597</u>

The management 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.



9.00 CASH & CASH EQUIVALENTS:

		30 Sep 2024	30 June 2024
		<u>Taka</u>	<u>Taka</u>
Cash in hand	Note 9.01	12,557,929	1,273,644
Cash at banks	Note 9.02	11,133,343	5,689,894
Fixed deposit with banks	Note 9.03	6,595,918	6,582,455
		30,287,191	13,545,993

9.01 Cash In Hand

At Head Office	12,517,929	1,233,644
At Dhaka Office	10,000	10,000
At Factory	30,000	30,000
	12,557,929	1,273,644

9.02 Cash at Banks

Bank	Branch	Account Number	Taka	Taka
Bangladesh Krishi Bank Ltd.	Agrabad	CD A/C-2903-0210014807	650	650
First Security Islami Bank PLC.	Agrabad	STD A/C - 010413100000463	57,487	57,487
Social Islami Bank PLC.	Agrabad	STD Account-41360000458	349,812	350,782
Social Islami Bank PLC.	Agrabad	CD A/C - 0041330027978	2,089,501	870,109
Southeast Bank PLC.	Pahartali	CD A/C - 004111100007246	6,305	6,305
National Bank Ltd.	Pahartali	CD A/C-1055001054103	636,435	207,058
Premier Bank PLC.	Agrabad	CD A/C No-010311100015243	281,602	281,602
Prime Bank PLC.	Laldighi East	CD A/C -2145111015816	238,709	13,253
Islami Bank Bangladesh PLC.	Agrabad	CD A/C No-20501030100588315	3,265,171	1,644,445
Mercantile Bank PLC.	A.K Khan	CD A/C No-117511121143947	-	3,739
Trust Bank Ltd.	CDA Avenue	CD A/C No-00200210009922	186,371	102,708
Standard Bank PLC.	Jubilee Road	CD A/C No-01233005212	214,353	5,193
United Commercial Bank PLC.	Pahartali	CD A/C-No 01000000078	59,962	137,405
Eastern Bank PLC.	Agrabad	CD A/C No-11071082755	936,758	183,374
Pubali Bank PLC.	Pahartali	CD A/C No-825901027548	1,534,990	1,436,213
Dutch Bangla Bank PLC.	Agrabad	CD A/C No- 1021100040340	1,265,238	389,572
Mutual Trust Bank PLC.	Alankar Moor	CD A/C No- 1301000334447	10,000	-
			11,133,343	5,689,894

9.03 Fixed Deposit With Banks

Particulars	Tenure	Purpose	Rate of Interest	Taka	Taka
Mercantile Bank PLC, A.K Khan Branch, A/C # 1410000495044	One Year	Guarantee	6%	418,378	404,915
Mercantile Bank PLC, A.K Khan Branch, A/C # 1410000538124	One Year	Guarantee	6%	509,924	509,924
Mercantile Bank PLC, A.K Khan Branch, A/C # 1410000443135	One Year	Guarantee	5%	818,951	818,951
Mercantile Bank PLC, A.K Khan Branch, A/C # 1410001438299	One Year	Guarantee	4.75%	2,528,000	2,528,000
Bangladesh Krishi Bank Ltd., Agrabad Branch, A/C # 29030330045646	One Year	Guarantee	6%	247,853	247,853
Social Islami Bank PLC, Agrabad Branch, A/C # 0045330035138	One Year	Guarantee	9.5%	434,298	434,298
Pubali Bank PLC, Pahartali Branch, A/C # 0825104032609	One Year	Guarantee	6%	1,638,515	1,638,515
				6,595,918	6,582,455

(a) Cash in hand balance was duly certified by the management.

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



30 Sep 2024 30 June 2024
Taka Taka

10.00 SHARE CAPITAL:

As per the disclosure requirements laid down in schedule under the rule 12 (2) of the Securities and Exchange Rules 1987, the followings are the part and parcel of share capital:

10.01 Authorized:

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

500,000,000 500,000,000

10.02 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

10.03 The break up of share holdings as on 30 Sep 2024 :-

Description	No of shares 30 Sep 2024	% of shares holding 30 Sep 2024	No of shares 30 June 2024	% of shares holding 30 June 2024
Sponsors & Directors	9,082,130	47.80	9,082,130	44.42
Institution and General Public	9,917,870	52.20	9,917,870	55.58
Total	19,000,000	100	19,000,000	100

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

Range of Holdings	No. of Shareholders		No. of Shares		Holding %	
	30 Sep 2024	30 June 2024	30 Sep 2024	30 June 2024	30 Sep 2024	30 June 2024
Less than 500 shares	2,130	2,233	397,550	419,494	2.09	2.21
501 to 5,000 Shares	1,611	1,751	2,899,194	3,101,157	15.26	16.32
5,001 to 10,000 Shares	230	247	1,679,601	1,789,440	8.84	9.42
10,001 to 20,000 Shares	97	111	1,306,520	1,551,821	6.88	8.17
20,001 to 30,000 Shares	42	36	994,541	873,365	5.23	4.60
30,001 to 40,000 Shares	9	8	321,900	281,594	1.69	1.48
40,001 to 50,000 Shares	8	5	361,109	223,897	1.90	1.18
50,001 to 100,000 Shares	18	15	1,178,625	899,270	6.20	4.73
100,001 to 1,000,000 Shares	13	15	5,360,962	6,826,630	28.22	35.93
Over 1,000,000 Shares	3	2	4,499,998	3,033,332	23.68	15.96
Total	4,161	4,423	19,000,000	19,000,000	100	100

10.05 Market price of Shares:

The shares of the company are listed with Dhaka Stock Exchange PLC & Chittagong Stock Exchange PLC and quoted at Tk. 53.37 on 30 Sep 2024 (Face value Tk. 10.00) and Tk. 55.10 on 30 Sep 2024 (Face value Tk. 10.00) respectively.



	30 Sep 2024	30 June 2024
	<u>Taka</u>	<u>Taka</u>
11.00 <u>DIVIDEND EQUALIZATION RESERVE:</u>		
Dividend Equalization Reserve is made-up as follows:		
Balance as on 01 July	11,237,712	11,237,712
Less: Dividend declared for the year	-	-
Balance as on 30 September	<u>11,237,712</u>	<u>11,237,712</u>
Dividend equalization reserve was created in the earlier year(s) with the concurrence of Board of Directors. The objective of this reserve is to pay dividend to shareholders during bad time of the company.		
12.00 <u>REVALUATION RESERVE:</u>		
A revaluation of Land , Buildings and Plant and Machinery has been made during the financial year 2010-2011 by M/S. G. K. Adjusters, a professional valuer and the surplus amount of these assets were transferred to Revaluation Reserve Account. Breakup of such surplus is as follows:		
Land and land development	139,028,020	139,028,020
Factory Building & Other Civil Constructions	110,663,849	110,663,849
Plant & Machinery	227,369,650	227,369,650
	<u>477,061,519</u>	<u>477,061,519</u>
Less: Depreciation on Revalued Assets till 30.06.2024 (Note-4.01)	194,970,418	192,711,322
	<u>282,091,101</u>	<u>284,350,197</u>
Less : Adjustments for Deferred Tax @15%	42,313,665	42,652,530
Balance as on 30 September	<u>239,777,436</u>	<u>241,697,668</u>
Revaluation Reserve relates to the revaluation of Property, Plant & Equipment.		
i) Effective date of valuation 18th April, 2011		
ii) Intial reserve of revaluation amount of Tk. 477,061,519		
13.00 <u>RETAINED EARNINGS:</u>		
Balance as on 01 July	20,020,812	13,387,862
Less: Dividend declared for the year 2022-2023 as approved in the AGM	-	3,800,000
	<u>20,020,812</u>	<u>9,587,862</u>
Add: Net profit/(loss) after tax	475,418	780,707
	<u>20,496,230</u>	<u>10,368,569</u>
Add: Revaluation Surplus Realized (Note-4.01)	2,259,096	9,652,243
Balance as on 30 September	<u>22,755,326</u>	<u>20,020,812</u>
14.00 <u>UNSECURED LOAN:</u>		
Mr. Mohammed Abdullah, Ex-Chairman	19,448,060	19,448,060
Mrs. Hosne Ara Begum, Director	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	13,114,175
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 Muktadir, Chairman	4,707,475	4,707,475
	<u>57,699,990</u>	<u>57,699,990</u>
The above loans from directors are interest free.		
15.00 <u>LONG TERM LOAN:</u>		
HPSM Loan Under Tissue Projects	442,272,978	441,146,934
Bai Muazzal Term loan	220,614,466	215,518,693
Term Loan	6,296,285	6,769,901
	<u>669,183,729</u>	<u>663,435,528</u>
15.01 <u>LONG TERM LOAN- MATURITY ANALYSIS:</u>		
Due within the period- Current Portion	119,094,313	117,982,208
Due after more than the period- Non-Current Portion	550,089,416	545,453,320
	<u>669,183,729</u>	<u>663,435,528</u>



30 Sep 2024

30 June 2024

TakaTaka15.02 **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 15.50% 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 @ 15.50% 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.

16.00 **DEFERRED TAX LIABILITY:**

Balance as on 01 July	50,197,190	50,300,617
Deferred Tax (Income)/ Expenses for the period -(Note-16.01)	5,877,826	52,394
Investment in shares (Note-16.02)	178,245	(155,822)
	56,253,261	50,197,190
Add: Deferred Tax for Revaluation Surplus (Note-12.00)	42,313,665	42,652,530
Balance as on 30 September	98,566,926	92,849,719

This represents provision made for deferred income tax to pay future income tax liability for temporary differences of Property, plant and equipment value. Calculation of Deferred Tax Liability as on 30.09.2024 has been shown at **Note-17.01 & 17.02.**

16.01 **Deferred Tax Liability on Property, Plant and Equipment**

(a) Carrying Amount of Property, Plant and Equipment (less revaluation and land value) as on 30 Sep	542,714,211	547,289,261
(b) Tax Based Property, Plant and Equipment	292,838,953	295,568,727
(c) Net Taxable Temporary Differences (a-b)	249,875,257	251,720,534
(d) Deferred Tax liability at effective Tax Rate 22.5%	56,221,933	50,344,107
(e) Deferred Tax expense/(income) on Net Taxable Temporary differences	5,877,826	(52,395)

Carrying amount of Property, Plant & Equipment represents net written down value of assets as on 30.09.2024

16.02 **Deferred Tax Liability on Investment in Shares**

(a) Market value of Investment in Shares as on 30 Sep	11,971,222	10,656,508
(b) Cost value of Investment in Shares as 30 Sep	11,657,945	12,125,683
(c) Net Taxable Temporary Differences (a-b)	313,277	(1,469,175)
(d) Deferred Tax liability at effective Tax Rate 10%	31,328	(146,918)
(e) Deferred Tax expense/(income) on Net Taxable Temporary differences	178,245	155,823



	30 Sep 2024 Taka	30 June 2024 Taka
17.00 <u>SHORT TERM LOAN AND OVERDRAFT:</u>		
Mercantile Bank PLC. A.K Khan Branch-Cash Credit (CC) Hypo	14,107,970	38,603,803
LATR , Sight LC Loan From Mercantile Bank PLC	2,885,423	-
Other Short Term Loan	735,295	735,295
	17,728,688	39,339,098

17.01 **Short Term Borrowing:**

Particulars	Note	30 Sep 2024	30 June 2024
		Taka	Taka
Short term loan and overdraft	17.00	17,728,688	39,339,098
Long term loan-current portion	15.01	119,094,313	117,982,208
Total		136,823,002	157,321,306

(a) Bai-Muazzal (Commercial Trading)-CC Loan was sanctioned by the Social Islami Bank PLC, Agrabad Branch on the date of 5th May, 2015. It is renewable.

(b) Cash Credit (Hypo) was sanctioned by the Mercantile Bank PLC, 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) Mercantile Bank PLC Loan bears interest @ 14.50% p.a.

(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 PLC.

18.00 **LIABILITY FOR EXPENSES:**

Audit Fee	254,750	407,750
Directors Remuneration	1,304,800	1,484,800
Electricity Bill	19,531,613	6,624,046
Gas Bill	38,066,916	26,678,662
Gas Bill-Factory Canteen,	41,634	17,380
Gas Bill-Head Office	3,956	2,359
Office Rent	800,000	725,000
Overtime	2,812,628	2,645,752
Salaries & Allowances-Dhaka Office	93,500	93,500
Salaries & Allowances-Head Office	694,385	713,485
Salaries & Allowances-Factory	638,837	1,307,338
Wages & Allowances	3,203,565	4,206,150
Salaries & Allowances-Sales & Marketing	2,991,114	3,440,401
Fooding Expenses	157,766	157,516
Conveyance	38,949	38,949
	70,634,413	48,543,088

19.00 **WORKERS PROFIT PARTICIPATION & WELFARE FUND:**

Balance as on 01 July	2,275,734	1,915,255
Add: Provision made during the period	469,466	360,479
	2,745,200	2,275,734
Less: Payment made during the period	-	-
Balance as on 30 September	2,745,200	2,275,734



		30 Sep 2024	30 June 2024
		<u>Taka</u>	<u>Taka</u>
20.00	<u>TRADE PAYABLES:</u>		
	Abul Khair Steel Melting Ltd.	804,690	954,690
	Al Raji Chemical	956,275	1,135,275
	Anjum Traders	2,394,604	3,868,230
	Azad Engineering Workshop	566,850	591,850
	Cartoon Nirman Ltd.	-	1,208,442
	Emu Enterprise	195,205	295,601
	Hossain Box Industries	2,121,182	2,089,888
	International Bearing Center	412,583	183,093
	Islam & Brothers	2,562,390	2,244,911
	Khaja Polythene Mart	-	26,846
	Mamun Hardware Store	896,105	832,965
	M/s. Dohar Chemicals	3,905,365	3,946,115
	S.R Packaging	3,892,085	5,672,635
	Taslina Enterprise	2,821,646	2,886,412
	Unimax Chemicals	3,045,800	2,863,300
	United Trading Agency	2,193,028	2,225,597
		26,767,808	31,025,850
21.00	<u>CURRENT TAX LIABILITIES:</u>		
	Balance as on 01 July	31,857,573	25,481,102
	Provision during the period:		
	Add: Against current period	3,036,082	6,376,471
	Balance as on 30 September	34,893,655	31,857,573
21.01	<u>Computation of Provision for Income Tax:</u>		
21.01.1	Net profit before tax	9,389,326	7,209,572
	Less: Other income to be considered separately		
	Dividend Income	272,543	584,664
	Interest on FDR	19,233	242,103
	Miscellaneous Income	65,092	898,058
		9,032,458	5,484,747
	Add: Accounting depreciation	11,613,063	42,231,242
		20,645,521	47,715,989
	Less: Tax depreciation U/S 50 of ITA 2023	7,508,691	32,840,970
	Taxable Business Income/(loss)	13,136,830	14,875,019
	Add: Other income to be considered separately		
	Dividend Income	272,543	584,664
	Interest on FDR	19,233	242,103
	Miscellaneous Income	65,092	898,058
	Total taxable business Income/(loss)	13,493,698	1,724,825
	Current tax @ 22.50%	3,036,082	3,319,969
21.01.2	<u>Minimum Tax:</u>		
	Revenue	293,134,937 @ 0.60%	1,758,810
	Non-Operating Income	641,330 @ 22.50%	144,299
	Income tax provision during the year	1,903,109	6,376,471

Compared with tax on business income and minimum tax higher one has been provided U/S 163.



	30 Sep 2024	30 June 2024
	<u>Taka</u>	<u>Taka</u>
22.00	<u>LIABILITIES FOR OTHER FINANCE:</u>	
I.T. Deducted at Source	908,067	855,200
VAT Deducted at Source	203,533	216,358
Loan From Farhana Ferdous-Director*	27,200,000	27,200,000
Loan From Farhana Tarannum*	26,500,000	24,300,000
	<u>54,811,600</u>	<u>52,571,558</u>
**The above loans are interest free.		
23.00	<u>UNCLAIMED DIVIDEND:</u>	
Balance as on 1st July	1,532,796	3,082,193
Add: Dividend declared for the year 2022-2023 approved in the AGM	-	3,800,000
	<u>1,532,796</u>	<u>6,882,192</u>
Less: Unclaimed dividend paid to CMSF till 2017-2018	-	1,891,524
	<u>1,532,796</u>	<u>4,990,668</u>
Less: Dividend Paid	-	3,457,872
Balance as on 30 September	<u>1,532,796</u>	<u>1,532,796</u>
23.01	<u>Year wise Unclaimed Dividend:</u>	
The year wise breakup of unclaimed cash dividend as 30 Sep 2024 are as follows:		
2014-2015 to 2018-2019	999,979	999,979
2019-2020	82,650	82,650
2020-2021	36,016	36,016
2021-2022	72,024	72,024
2022-2023	342,128	342,128
	<u>1,532,798</u>	<u>1,532,798</u>
24.00	<u>DIRECTORS CURRENT ACCOUNT:</u>	
Mr. Mohammed Abdullah, Ex-Chairman	20,800,000	20,800,000
Mr. Md. Golam Kibria, Managing Director	10,934,787	10,934,787
Mr. Md. Golam Mostofa, Ex-Managing Director	3,500,000	3,500,000
Mr. Md Golam Haider, Ex-Vice Chiarman	4,500,000	4,500,000
Mr. Md. Golam Morshed, Deputy Managing Director	8,448,066	8,448,066
Mr. Md. Golam Rasul Muktadir, Chairman	9,318,980	9,318,980
	<u>57,501,833</u>	<u>57,501,833</u>

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. The above loan are interest free.



	30 Sep 2024	30 Sep 2023
	Taka	Taka
25.00 REVENUE FROM CONTRACTS WITH CUSTOMERS:		
Newsprint Paper	192,817,681	166,550,516
M.G. Newsprint	78,690,996	75,967,926
Tissue Paper	24,610,638	23,301,645
Khata	1,248,032	1,163,177
Gross Revenue	297,367,346	266,983,264
Less: Value Added Tax (VAT)	4,232,409	3,353,808
Net Revenue	293,134,937	263,629,456
26.00 COST OF SALES:		
Opening Stock of Raw Materials	93,461,252	93,594,007
Add: Purchased during the year	148,317,479	157,111,857
	241,778,731	250,705,864
Less: Closing Stock of Raw Materials	96,542,209	89,961,474
Raw Materials Consumed	145,236,522	160,744,390
Add: Factory overhead	92,775,909	79,387,466
Add: Opening Work-in-Process	31,773,178	34,991,121
	269,785,610	275,122,977
Less: Closing Work-in-Process	33,416,874	29,275,078
Cost of Production	236,368,736	245,847,899
Add: Opening Stock of Finished Goods	180,664,204	176,804,878
	417,032,940	422,652,777
Less: Closing Stock of Finished Goods	170,124,551	191,949,213
Cost of Sales	246,908,388	230,703,564
26.01 Factory overhead:		
Salaries, Wages and Allowances	13,183,192	13,130,037
Carriage Inward	500,100	372,460
Gas Bill	33,108,005	26,125,627
Electric Bill	21,225,964	16,798,752
Consumable Spare & Store	4,017,330	3,433,686
Packing Material Consumed	5,269,734	4,097,361
Factory Maintenance	1,314,317	2,348,625
Loading Unloading Charge	58,882	53,200
Cutting Expense	1,577,290	2,077,598
Mobile bill	41,560	27,758
Fuel bill	112,608	133,432
Medical & Medicine	22,554	16,998
Gas Generator Upkeep	157,200	100,570
Boiler Upkeep	-	45,000
Insurance Premium	400,522	398,889
Canteen Expenses	105,760	62,753
Gas Bill- Canteen	42,117	36,905
Tea, Tiffin Expenses	153,221	188,962
Depreciation	11,485,553	9,938,853
	92,775,909	79,387,466
27.00 ADMINISTRATIVE EXPENSES:		
Director Remuneration	900,000	900,000
Salaries & Allowances	2,081,996	2,668,865
Office Rent	90,000	90,000
Telephone & Mobile Bill	59,600	64,012
Entertainment	58,469	95,890
Tiffin and Refreshment	46,155	59,558
Travelling Expenses	161,037	635,557
Dhaka Office Expenses	17,885	35,920
Canteen Expenses	-	9,200
Postage & Courier	6,420	6,665
Forms, Stamp & Legal Documents	1,580	1,750
Fees, Renewal & Subscription	161,566	161,500
Printing & Stationery	14,032	33,376

Note-26.01

Note: 4.01

Notes-27.01



	30 Sep 2024	30 Sep 2023
	<u>Taka</u>	<u>Taka</u>
Gas Bill-Head Office	3,727	3,419
Meeting Expenses	30,240	33,841
Meeting Attendance Fees	93,600	100,000
Office Maintenance	186,728	141,756
Internet Bill	38,700	31,500
Legal & Professional Fee	61,500	-
Annual Subscription Fee of CDBL	-	56,000
Electric Bill- Head Office	80,000	90,000
Electric Bill- Dhaka Office	7,822	23,069
Fuel Bill	61,926	83,928
Vehicle Upkeep	84,900	141,311
Rent, Rates & Taxes	31,102	120
Depreciation	127,511	134,610
	4,406,496	5,601,847

Note: 4.01

27.01 Key Management Personnel Compensation:

In accordance with the Para 17 of IAS-24 related party disclosure:

Short term employee benefits	900,000	900,000
Long term employee benefits	-	-
Post employee benefits	-	-
Termination benefits	-	-
Share -based payments expenses	-	-
Total	900,000	900,000

(a) The above short term employee benefits includes remuneration amounting to Tk. 6,00,000 paid to The Managing Director. Tk. 3,00,000 paid to The Dupty Managing Director.

(b) No remuneration is paid to any other director of the board other than meeting attendance fees which has been separately reported.

(c) No amount was spent by the company for compensating any other member of the Board of Directors for special services rendered.

(d) In addition to remuneration, Managing Directors avail company vehicles for transportation purposes. These key management personnel are not entitled to any other benefits. No amount is lying as receivable from the directors.

28.00 SELLING & DISTRIBUTION EXPENSES:

Sales Promotion Expenses	258,000	495,394
Salaries & Allowances	3,802,439	4,549,597
Conveyance	607,839	687,550
Carriage Outward	8,012,570	6,424,800
C&F Bill-Export	15,246	10,030
Mobile bill	146,720	245,629
Entertainment	392,742	190,470
Advertisement	-	50,572
	13,235,556	12,654,042

29.00 FINANCIAL EXPENSES:

Bank Charges	41,247	60,209
Bank Guarantee Commission	145,330	-
Interest Expenses on Cash Credit	1,139,369	4,587,750
Interest Expenses on Short Term Loan	38,980	632,281
Interest Expenses on Long Term Loan	18,002,108	8,116,855
	19,367,034	13,397,096



	30 Sep 2024	30 Sep 2023
	<u>Taka</u>	<u>Taka</u>
30.00 <u>NON-OPERATING INCOME:</u>		
Dividend Income	272,543	85,720
Interest Income	19,233	56,263
Profit on shares sales	284,462	-
Miscellaneous Income	65,092	72,940
	<u>641,330</u>	<u>214,923</u>
31.00 <u>DEFERRED TAX EXPENSES:</u>		
(a) Deferred Tax Liability on 30 Sep	56,075,016	49,799,906
(b) Deferred Tax Liability on 01 July	50,197,190	50,300,617
Deferred Tax Expenses for the period (a-b)	<u>5,877,826</u>	<u>(500,711)</u>
32.00 <u>EARNINGS PER SHARE:</u>		
Net Profit after tax	475,418	292,933
Number of shares outstanding	19,000,000	19,000,000
EPS (per value of Tk. 10)	0.03	0.02
Earnings Per Share (EPS) of the Company has been increased significantly compared to the previous period due to increase of sales revenue and decrease of Operating Expenses.		
33.00 <u>NET ASSET VALUE PER SHARE WITH REVALUATION:</u>		
Net Asset with Revaluation	464,083,751	461,487,017
Number of shares outstanding	19,000,000	19,000,000
Net asset value per share (per value of Tk. 10)	24.43	24.29
34.00 <u>NET ASSET VALUE PER SHARE WITHOUT REVALUATION:</u>		
Net Asset without revaluation	224,306,315	219,789,349
Number of shares outstanding	19,000,000	19,000,000
Net asset value per share (per value of Tk. 10)	11.81	11.57
35.00 <u>NET OPERATING CASH FLOWS PER SHARE:</u>		
Net cash flows from operation	62,874,735	21,310,314
Number of shares outstanding	19,000,000	19,000,000
Net operating cash flows by per share (per value of Tk. 10)	3.31	1.12
Net Operating Cash Flows Per Share (NOCFPS) of the Company has been increased significantly compared to the previous period due to increase of cash collection from customers and decrease of payment to suppliers against material and expenses.		
36.00 <u>Number of Employees:</u>		
The total employees of the company as on 30 Sep 2024 stood at 446 nos. comprising Head office staff 91 nos, Factory office staff 20 nos, Security 21 nos, Driver and helper 02 nos, Permanent worker 89 nos and Temporary worker 223 nos.		
Number of employees whose monthly salary was below Tk. 3,000	-	-
Number of employees whose monthly salary was above Tk. 3,000	446	407
37.00 <u>RISK MANAGERMENTS</u>		
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

37.01 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:

	30 Sep 2024	30 Sep 2023
	<u>Taka</u>	<u>Taka</u>
a) Exposure of Credit risk:		
Trade receivables	176,970,664	184,469,070
Advance, Deposit and Prepayments (excluding Deposit & Prepayments.)	115,195,485	130,140,269
Bank Balances	30,287,191	33,082,590
	<u>322,453,340</u>	<u>347,691,928</u>
b) Ageing of Trade Receivables are as follows:		
Below-30 Days	30,085,013	31,359,742
Within 31-60 Days	35,394,133	36,893,814
Within 61-90 Days	24,775,893	25,825,670
Within 90 - 180 Days	21,236,480	22,136,288
Above 180 Days	65,479,146	68,253,556
	<u>176,970,664</u>	<u>184,469,070</u>

37.02 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.

37.02.01 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	669,183,729	119,094,313	550,089,416	669,183,729
Short Term Loan & Overdraft	17,728,688	17,728,688	-	17,728,688
Liability for Expenses	70,634,413	70,634,413	-	70,634,413
Workers Profit Participation and Welfare Fund	2,745,200	2,745,200	-	2,745,200
Trade Payables	26,767,808	26,767,808	-	26,767,808
Current Tax Liabilities	34,893,655	34,893,655	-	34,893,655
Liabilities for Other Finance	54,811,600	54,811,600	-	54,811,600
Unclaimed Dividend	1,532,796	1,532,798	-	1,532,796
Directors Current Account	57,501,833	57,501,833	-	57,501,833
Total	993,499,713	385,710,309	607,789,406	993,499,713

37.03 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.

38.00 CAPACITY UTILIZATION:

Particulars	30 Sep 2024	30 Sep 2023
Installed Capacity (in M.T)	3,375	3,375
Actual Production (in M.T)	1,724	1,742
% of Capacity Utilization	51%	52%

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

39.00 RELATED PARTY TRANSACTION:

Name of the Parties	Relationship	Nature of Transactions	Balance as on 1st July 2024	Transaction during the period	Balance as on 30 Sep 2024
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39.01 UNSECURED LOAN:

Mr. Mohammed Abdullah	Ex-Chairman	Loan Received	19,448,060	-	19,448,060
Mrs. Hosne Ara Begum	Director	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 Rasul Muktadir	Chairman	Loan Received	4,707,475	-	4,707,475
Mr. Md. Golam Kibria	Managing Director	Loan Received	13,114,175	-	13,114,175
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
Total			57,699,990	-	57,699,990

39.02 DIRECTORS CURRENT ACCOUNT:

Mr. Mohammed 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 Rasul Muktadir	Chairman	Loan Received	9,318,980	-	9,318,980
Mr. Md. Golam Kibria	Managing Director	Loan Received	10,934,787	-	10,934,787
Mr. Md. Golam Morshed	Deputy Managing Director	Loan Received	8,448,066	-	8,448,066
Mr. Md. Golam Mostofa	Ex- Managing Director	Loan Received	3,500,000	-	3,500,000
Total			57,501,833	-	57,501,833



40.03 LIABILITIES FOR OTHER FINANCE:

Mrs Farhana Ferdous	Director	Loan Received	27,200,000	-	27,200,000
Mrs Farhana Tarannum	Close Family Member	Loan Received	24,300,000	2,200,000	26,500,000
Total			51,500,000	2,200,000	53,700,000

40.00 CONTRIBUTION TO WORKERS PROFIT PARTICIPATION FUND:

This represents 5% (five percent) of net profit before tax after charging the contribution as per provision of the Labor Act, 2006 as amended in 2018 and is payable to workers as defined in the said Act. The interest attributable to the investment portion will be recognized and paid on a cash basis at the time of payment.

41.00 CASH FLOWS FROM OPERATING ACTIVITIES UNDER INDIRECT METHOD:

	30 Sep 2024	30 Sep 2023
	<u>Taka</u>	<u>Taka</u>
Profit after Provision for Income Tax	475,418	292,933
Adjustment to Reconcile Profit before Tax provided by operating activities:		
Add : Depreciation	11,613,063	10,073,463
Add: Provision for Deferred Tax Expenses	5,877,826	(500,711)
Add: Financial Expenses	18,188,685	13,397,096
Add: Workers Profit Participation and Welfare Fund	469,466	70,849
Add: Deferred tax on unrealized gain/(loss) in investment in share	31,328	7,425
	A	B
	<u>36,655,787</u>	<u>23,341,054</u>
Changes in Working Capital		
(Increase)/Decrease in Inventories	4,815,000	(13,942,432)
(Increase)/Decrease in Trade Receivables	1,500,000	1,437,579
(Increase)/Decrease in Advance, Deposits & Prepayments	(2,077,523)	(4,886,562)
Increase/(Decrease) in Liability for Expenses	22,091,325	14,373,879
Increase/(Decrease) in Current portion of Long Term Loan	1,112,105	(819,202)
Increase/(Decrease) in Trade Payables	(4,258,042)	181,236
Increase/(Decrease) in Current Tax Liabilities	3,036,082	1,624,761
	B	C
	<u>26,218,947</u>	<u>(2,030,741)</u>
Net cash inflows/(out flows) from operating activities (A+B)	<u>62,874,735</u>	<u>21,310,314</u>

