

# **HAKKANI PULP & PAPER MILLS PLC.**

**FINANCIAL STATEMENTS (UN-AUDITED)**

**FOR THE THIRD QUARTER ENDED 31 MARCH 2025**



**HAKKANI PULP & PAPER MILLS PLC.**  
**Statement of Financial Position (Un-Audited)**  
**As at 31 March 2025**


	Note(s)	31 March 2025 Taka	30 June 2024 Taka
<b>ASSETS</b>			
<b>Non Current Assets :</b>		<b>870,037,424</b>	<b>875,669,422</b>
Property, Plant and Equipment	4	870,037,424	875,669,422
<b>Current Assets:</b>		<b>717,612,838</b>	<b>664,450,362</b>
Investment in Shares	5	10,762,432	10,656,508
Inventories	6	336,911,160	341,556,875
Trade Receivables	7	157,306,980	178,470,664
Advances, Deposits & Prepayments	8	174,680,011	120,220,322
Cash & Cash equivalents	9	37,952,255	13,545,993
<b>TOTAL ASSETS</b>		<b>1,587,650,262</b>	<b>1,540,119,784</b>
<b>SHARE HOLDERS EQUITY &amp; LIABILITIES</b>			
<b>Shareholders Equity:</b>		<b>464,595,112</b>	<b>461,487,017</b>
Share Capital	10	190,000,000	190,000,000
Dividend Equalization Reserve	11	11,237,712	11,237,712
Revaluation Reserve	12	235,936,974	241,697,668
Fair Value Reserve	5.01	(895,514)	(1,469,175)
Retained Earnings	13	28,315,940	20,020,812
<b>Non Current Liabilities:</b>		<b>730,572,413</b>	<b>696,003,029</b>
Unsecured Loan	14	57,699,990	57,699,990
Long Term Loan-Non Current Portion	15	578,134,736	545,453,320
Deferred Tax Liability	16	94,737,686	92,849,719
<b>Current Liabilities:</b>		<b>392,482,737</b>	<b>382,629,738</b>
Short Term Loan & Overdraft	17	45,579,005	39,339,098
Liability for Expenses	18	45,511,391	48,543,088
Workers Profit Participation and Welfare Fund	19	2,954,219	2,275,734
Long Term Loan-Current Portion	15.01	125,087,555	117,982,208
Trade Payables	20	22,067,813	31,025,850
Current Tax Liabilities	21	37,262,228	31,857,573
Liabilities for Other Finance	22	27,622,318	25,371,558
Unclaimed Dividend	23	1,896,376	1,532,796
Directors Current Account	24	84,501,833	84,701,833
<b>Total Liabilities</b>		<b>1,123,055,150</b>	<b>1,078,632,767</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>1,587,650,262</b>	<b>1,540,119,784</b>

Net Asset Value Per Share (with revaluation)	33	24.45	24.29
Net Asset Value Per Share (without revaluation)	34	12.03	11.57


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

  
CHAIRMAN

  
MANAGING DIRECTOR

  
DIRECTOR

  
CFO-INCHARGE

  
COMPANY SECRETARY

Place: Chattogram  
Date: April 29, 2025



**HAKKANI PULP & PAPER MILLS PLC.**  
**Statement of Profit or Loss and Other Comprehensive Income (Un-Audited)**  
For the Third quarter ended 31 March 2025

Note(s)	Third Quarter Ended		Quarter Ended	
	Jul 24-Mar 25	Jul 23-Mar 24	Jan 25-Mar 25	Jan 24-Mar 24
25	882,787,606	815,477,291	261,389,471	252,312,229
26	(754,501,529)	(708,687,367)	(226,814,130)	(223,318,601)
	<b>128,286,077</b>	<b>106,789,924</b>	<b>34,575,341</b>	<b>28,993,628</b>
<b>Operating Expenses:</b>				
Administrative Expenses	(15,778,714)	(16,855,883)	(5,102,689)	(4,562,737)
Selling & Distribution Expenses	(41,965,697)	(42,124,552)	(13,356,672)	(14,057,438)
	<b>(57,744,411)</b>	<b>(58,980,435)</b>	<b>(18,459,361)</b>	<b>(18,620,175)</b>
<b>Profit from Operation</b>	<b>70,541,666</b>	<b>47,809,489</b>	<b>16,115,981</b>	<b>10,373,453</b>
Financial Expenses	(57,852,358)	(44,096,994)	(18,952,791)	(16,043,304)
Non-Operating Income	1,558,867	1,139,412	640,008	782,755
<b>Net Profit Before WPPF &amp; WWF</b>	<b>14,248,175</b>	<b>4,851,907</b>	<b>(2,196,801)</b>	<b>(4,887,095)</b>
Contribution to WPPF & Welfare Funds	(678,485)	(231,043)	104,609	232,719
<b>Net profit before Tax</b>	<b>13,569,691</b>	<b>4,620,864</b>	<b>(2,092,191)</b>	<b>(4,654,376)</b>
Income Tax Provision:				
Current Tax	(5,404,655)	(5,120,746)	(166,802)	(1,544,180)
Deferred Tax	(2,847,195)	1,071,872	2,748,482	315,578
	<b>(8,251,851)</b>	<b>(4,048,874)</b>	<b>2,581,679</b>	<b>(1,228,602)</b>
<b>Net profit after Tax</b>	<b>5,317,840</b>	<b>571,990</b>	<b>489,488</b>	<b>(5,882,978)</b>
<b>Other Comprehensive Income:</b>				
Deferred Tax on Revaluation Reserve	1,016,594	1,085,877	338,865	361,959
Unrealized Gain/ (Loss) on Investment in Shares	573,661	(987,746)	(139,261)	(957,326)
Deferred Tax on unrealised gain/(loss)	57,366	(99,665)	(13,926)	(95,733)
<b>Total Comprehensive Income</b>	<b>6,965,461</b>	<b>570,456</b>	<b>675,166</b>	<b>(6,574,077)</b>
<b>Earnings Per Share - Basic (per value of Tk. 10)</b>	<b>0.28</b>	<b>0.03</b>	<b>0.03</b>	<b>(0.31)</b>

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

**M. J. H.**  
CHAIRMAN

Place: Chattogram  
Date: April 29, 2025

**[Signature]**  
MANAGING DIRECTOR

**[Signature]**  
DIRECTOR

**[Signature]**  
CFO-INCHARGE

**[Signature]**  
COMPANY SECRETARY



**HAKKANI PULP & PAPER MILLS PLC.**  
**Statement of Changes in Equity (Un-Audited)**  
For the period ended 31 March 2025

(Amount in Taka)						
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	-	-	(6,777,288)	-	6,777,288	-
Deferred Tax on Revaluation Surplus	-	-	1,016,594	-	-	1,016,594
Unrealized Gain/(Loss) on Investment in Shares	-	-	-	573,661	-	573,661
Dividend for the year 2023-2024	-	-	-	-	(3,800,000)	(3,800,000)
Net Profit after Tax	-	-	-	-	5,317,840	5,317,840
<b>Balance as on 31 March 2025</b>	<b>190,000,000</b>	<b>11,237,712</b>	<b>235,936,974</b>	<b>(895,514)</b>	<b>28,315,940</b>	<b>464,595,112</b>

**For the period ended 31 March 2024**

Balance as at 01 July 2023	190,000,000	11,237,712	249,902,074	80,141	13,387,862	464,607,789
Adjustment of depreciation on carrying amount of revalued assets	-	-	(7,239,182)	-	7,239,182	-
Deferred Tax on Revaluation Surplus	-	-	1,085,877	-	-	1,085,877
Unrealized Gain/(Loss) on Investment in Shares	-	-	-	(987,746)	-	(987,746)
Dividend for the year 2022-2023	-	-	-	-	(3,800,000)	(3,800,000)
Net Profit after Tax	-	-	-	-	571,990	571,990
<b>Balance as on 31 March 2024</b>	<b>190,000,000</b>	<b>11,237,712</b>	<b>243,748,769</b>	<b>(907,605)</b>	<b>17,399,034</b>	<b>461,477,911</b>

**Chairman**

**MANAGING DIRECTOR**

**DIRECTOR**

**CEO-IN-CHARGE**

**COMPANY SECRETARY**

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

Place: Chattogram  
Date: April 29, 2025



**HAKKANI PULP & PAPER MILLS PLC.**  
**Statement of Cash Flows (Un-Audited)**  
For the Third quarter ended 31 March 2025

	Note(s)	Jul 24-Mar 25 Taka	Jul 23-Mar 24 Taka
<b>A. Cash flows from Operating Activities:</b>			
Cash Collection from Turnover & Others		905,510,157	817,014,083
Payment for Material and Expenses		(832,415,011)	(683,691,007)
Income Tax Paid		(1,233,608)	(2,607,021)
<b>Net Cash flows from Operating Activities</b>	41	<b>71,861,538</b>	<b>130,716,054</b>
<b>B. Cash flows from Investing Activities:</b>			
Acquisition of Property, Plant & Equipment		(29,811,236)	(52,695,683)
Advance for Machinery		(2,488,903)	(4,138,323)
Sale of shares		752,207	-
<b>Net cash flows from Investing Activities</b>		<b>(31,547,933)</b>	<b>(56,834,006)</b>
<b>C. Cash flows from Financing Activities:</b>			
Short Term Loan & Overdraft		6,239,907	(171,670,551)
Long Term Loan		32,681,416	132,064,897
Financial Expenses		(53,443,007)	(44,096,994)
Directors Current Account		(200,000)	5,101,833
Liabilities for Other Finance		2,250,760	316,811
Unclaimed dividend paid to CMSF		-	(1,891,524)
Dividend Paid		(3,436,420)	(3,458,845)
<b>Net Cash flows from Financing Activities</b>		<b>(15,907,344)</b>	<b>(83,634,372)</b>
<b>D. Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)</b>		<b>24,406,262</b>	<b>(9,752,323)</b>
<b>E. Opening Cash and Bank Balances</b>		<b>13,545,993</b>	<b>22,409,414</b>
<b>Closing Cash and Bank Balances (D+E)</b>		<b>37,952,255</b>	<b>12,657,091</b>
<b>F. Net Operating Cash Flows Per Share (NOCFPS)</b>	35	<b>3.78</b>	<b>6.88</b>

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

 <b>CHAIRMAN</b>	 <b>MANAGING DIRECTOR</b>	 <b>DIRECTOR</b>	 <b>CFO-INCHARGE</b>	 <b>COMPANY SECRETARY</b>
--	---	--	---	---

Place: Chattogram  
Date: April 29, 2025



**HAKKANI PULP & PAPER MILLS PLC.**  
**Notes to the Financial Statements (Un-Audited)**  
**For the period ended 31 March 2025**

**1.00 LEGAL STATUS AND NATURE OF THE BUSINESS:**

**1.01 Status and Legal Form of the Company**

Hakkani Pulp and Paper Mills PLC. (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 Tax Deduction Rules, 2024

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-1 "Presentation of Financial Statements "

- A Statement of Financial Position as at 31 March 2025.
- A Statement of Profit or Loss and other Comprehensive Income for the period ended 31 March 2025.
- A Statement of changes in equity for the period ended 31 March 2025.
- A Statement of Cash flows for the period ended 31 March 2025.
- 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 29 April 2025.

**2.06 Reporting Period:**

The financial statements of the Company cover Nine months from 1 July 2024 to 31 March 2025.

**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
- It is held primarily for the purpose of trading,
- 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 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.

**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:**

	31 March 2025	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	29,811,236	128,975,140
<b>Balance as on 31 March</b>	<b>1,492,537,285</b>	<b>1,462,726,049</b>
Less: Accumulated depreciation	622,499,861	587,056,627
<b>Written down value as on 31 March</b>	<b>870,037,424</b>	<b>875,669,422</b>

(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:

Particulars		C O S T			D E P R E C I A T I O N				(Amount in Taka)		
		Balance as on 01 July 2024	Addition during the period	Disposal/ Adjustment during the period	Balance as on 31 Mar 2025	Rate of Dep.	Balance as on 01 July 2024	Charged during the period	Disposal/ Adjustment during the period	Balance as on 31 Mar 2025	Written Down Value as on 31 Mar 2025
At Cost											
Land & Land Development		44,029,962	755,740	-	44,785,702	-	-	-	-	-	44,785,702
Building & Other Construction		199,050,602	5,193,271	-	204,243,873	5%	65,021,052	5,116,151	-	70,137,203	134,106,670
Plant & Machinery		661,655,191	19,328,689	-	680,983,880	7%	291,308,218	19,901,507	-	311,209,725	369,774,154
Furniture & Fixture		2,164,799	146,519	-	2,311,318	10%	940,342	98,709	-	1,039,051	1,272,267
Office Equipment		4,474,643	290,188	-	4,764,831	10%	2,569,180	158,397	-	2,727,577	2,037,254
Electric Installation		50,373,167	835,775	-	51,208,942	10%	18,027,072	2,454,199	-	20,481,270	30,727,672
Gas Line Installation		3,932,191	-	-	3,932,191	10%	3,245,709	51,486	-	3,297,195	634,996
Telephone Line Installation		132,263	-	-	132,263	10%	108,416	1,789	-	110,204	22,059
Water Line Installation		8,458,243	875,210	-	9,333,453	10%	5,232,703	261,188	-	5,493,891	3,839,562
Fire Extinguisher		111,870	-	-	111,870	20%	104,167	1,155	-	105,323	6,547
Office Decoration		1,967,029	82,430	-	2,049,459	10%	946,523	81,072	-	1,027,596	1,021,863
Vehicle Car		3,011,672	-	-	3,011,672	20%	2,679,439	49,835	-	2,729,274	282,398
Motor Vehicle		4,634,496	656,109	-	5,290,605	20%	3,333,143	237,116	-	3,570,258	1,720,347
Factory Equipment		1,668,400	1,647,306	-	3,315,706	20%	829,341	253,342	-	1,082,683	2,233,023
"A"		985,664,528	29,811,236	-	1,015,475,764		394,345,305	28,665,946	-	423,011,251	592,464,513
At Revaluation											
Land & Land Development		139,028,020	-	-	139,028,020	-	-	-	-	-	139,028,020
Building & Other Construction		110,663,849	-	-	110,663,849	5%	53,855,439	2,130,315	-	55,985,754	54,678,095
Plant & Machinery		227,369,650	-	-	227,369,650	7%	138,855,883	4,646,973	-	143,502,856	83,866,794
"B"		477,061,519	-	-	477,061,519		192,711,322	6,777,288	-	199,488,610	277,572,909
Grand total as on 31 Mar 2025 (A+B)											
		1,462,726,049	29,811,236	-	1,492,537,285		587,056,627	35,443,234	-	622,499,861	870,037,424
As on 30 June 2024											
		1,333,750,909	128,975,140	-	1,462,726,049		544,825,385	42,231,242	-	587,056,627	875,669,422
As on 31 Mar 2024											
		1,333,750,909	52,695,683	-	1,386,446,592		544,825,385	31,508,311	-	576,333,697	810,112,895

Allocation of Depreciation :

Administrative Expenses

Factory Overhead

31 Mar 2025	Taka
389,802	404,765
35,053,432	31,103,546
<b>Taka =</b>	<b>31,508,311</b>

31 Mar 2024	Taka
404,765	404,765
31,103,546	31,103,546
<b>Taka =</b>	<b>31,508,311</b>



31 March 2025

30 June 2024

Taka

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 31 Mar 2025	Market Value as on 31 Mar 2025	Unrealized gain/ (loss)
Brac Bank PLC	15,392	158,299	783,453	625,154
DESCO Ltd.	5,000	238,287	124,500	(113,787)
Dhaka Bank PLC	28,874	210,234	320,501	110,267
Exim Bank PLC	53,401	1,080,863	352,447	(728,416)
Grameenphone Ltd.	10,700	3,995,855	3,444,330	(551,525)
Islami Bank Bangladesh PLC.	5,570	198,339	245,080	46,741
Jamuna Oil Company Ltd.	2,299	271,136	403,475	132,339
Lafarge Holcim Bangladesh PLC	10,000	805,409	456,000	(349,409)
Meghna Petroleum Ltd.	2,402	249,369	494,332	244,962
Mutual Trust Bank PLC	23,350	207,749	287,205	79,456
National Bank Ltd.	82,779	902,974	339,394	(563,580)
One Bank PLC.	40,032	296,251	336,269	40,018
Shahjalal Islami Bank Ltd.	41,135	249,341	740,430	491,089
Square Pharmaceuticals PLC.	9,200	1,826,477	2,024,920	198,443
Standard Bank PLC.	22,637	200,804	135,822	(64,982)
Titas Gas T&D Co. Ltd.	13,250	766,559	274,275	(492,284)
<b>Total</b>	<b>366,021</b>	<b>11,657,945</b>	<b>10,762,432</b>	<b>(895,514)</b>

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

Unrealized Gain/ (Loss) Closing	(895,514)	(1,469,175)
Less: Unrealized Gain/ (Loss) Opening	(1,469,175)	89,046
Add: Deferred tax Opening	-	8,905
<b>Gain/ (Loss) on Investment in Shares during the period</b>	<b>573,661</b>	<b>(1,549,316)</b>

**6.00 INVENTORIES:**

Raw Materials	Note-6.01	140,133,578	93,461,252
Finished Goods	Note-6.02	126,571,846	180,664,204
Work-In-Process		29,237,086	31,773,179
Consumable Spares & Stores		5,716,686	8,406,277
Packing Materials		35,251,964	27,251,963
<b>Total</b>		<b>336,911,160</b>	<b>341,556,875</b>

**6.01 Raw Materials**

Wastage Paper	102,048,333	65,299,780
Chemicals Items	38,085,245	28,161,472
	<b>140,133,578</b>	<b>93,461,252</b>

**6.02 Finished Goods**

Newsprint Paper	64,245,080	76,103,408
Khata	2,009,894	5,651,060
Tissue Papers	60,316,872	98,909,736
	<b>126,571,846</b>	<b>180,664,204</b>

(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.



		31 March 2025	30 June 2024
		<u>Taka</u>	<u>Taka</u>
7.00	<b>TRADE RECEIVABLES:</b>		
	Al- Madina Paper House	2,592,650	124,855
	Anupam Traders	249,578	3,665,778
	AR Trading	1,239,239	3,311,293
	Agrani Printing Press	1,518,122	1,960,122
	Anik Traders	309,245	419,245
	A.S. Enterprise	-	149,075
	AG Paper House	2,502,370	300,000
	Avoy Enterprise	5,019,487	4,879,011
	Babul Store	41,115,949	41,115,949
	Barcode Restaurant Group	-	514,874
	Bhai Bhai Store	372,464	566,814
	Bhai Bhai Traders	349,456	569,456
	Chandpur Paper House	5,278,149	436,760
	CGT Tissue	345,638	630,638
	Eastern Paper House	5,375,288	6,448,288
	Epic Health Care	143,049	271,296
	Fulurwang Limited	1,224,816	1,637,816
	Garibe Newaji Traders	-	566,495
	Habib Enterprise	-	269,692
	Handi Restaurant	169,807	161,820
	Hazarat Shahajan Shah Stationary House	-	130,869
	Health Point Hospital	72,641	87,621
	Hotel Zaman	-	90,000
	Ibn Sina Hospital	122,174	148,457
	Intimate Apparels Ltd	954,798	540,878
	Jogonnata Store	-	100,000
	M/S. Helal Enterprise	213,906	335,906
	M/S. Rafiq Library	-	1,050,853
	M/S. Razzak Traders	-	143,667
	M J Paper House	4,601,771	6,908,783
	Molla Traders	1,944,045	996,127
	New City Gold	-	280,011
	Nur Nahar Traders	-	154,052
	Oniruddho Trading	2,176,146	1,641,386
	Rapid Pack Limited	3,692,378	5,434,368
	Robin Enterprise	347,183	597,183
	Rubel & Sons	3,361,191	3,826,191
	Resimax Industries Ltd.	-	93,230
	RM Trade International	2,651,446	3,221,447
	Sajib Enterprise	2,026,526	2,730,226
	Shahnaj Trading Corporation	104,076	407,052
	Sikandar Para Banijik Songasta	935,849	2,054,736
	S.K Traders	2,280,809	918,933
	Sabbir Enterprise	-	142,342
	Shohan Enterprise	3,045,024	8,264,094
	Tanvir Enterprise	2,031,578	2,865,899
	Other Receivables	58,940,132	67,307,076
		<u>157,306,980</u>	<u>178,470,664</u>

Note: 7.04.



	31 March 2025	30 June 2024
	<u>Taka</u>	<u>Taka</u>
<b>7.01 Ageing of Trade Receivables:</b>		
Below-30 Days	26,742,187	30,340,013
Within 31- 60 Days	31,461,396	35,694,133
Within 61 - 90 Days	22,022,977	24,985,893
Within 90 - 180 Days	18,876,838	21,416,480
Above 180 Days	58,203,583	66,034,145
	<b>157,306,980</b>	<b>178,470,664</b>
<b>7.02</b> Trade Receivables are occurred in the ordinary course of business.		
<b>7.03</b> Trade Receivables are unsecured but considered good by the management.		
<b>7.04</b> 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.		
<b>8.00 <u>ADVANCES, DEPOSITS &amp; PREPAYMENTS:</u></b>		
Advance Against Income Tax (Note: 8.01)	43,569,239	42,335,631
Advance Against Salary & Wages (Note: 8.02)	569,941	450,207
Advance Against Expenditure (Note: 8.03)	38,335,529	23,147,788
Advance Against L/C (Note: 8.04)	76,441,624	40,179,099
Deposits and Prepayments (Note: 8.05)	15,763,678	14,107,597
	<b>174,680,011</b>	<b>120,220,322</b>
<b>8.01 <u>Advance Against Income Tax</u></b>		
Advance Income Tax Paid	15,221,922	14,780,922
Advance Income Tax - Import	2,297,888	1,825,030
Advance Income Tax - Export	566,994	465,119
Advance Income Tax Deducted at Source	23,958,593	23,835,657
Advance Income Tax Deducted at Source (Dividend Income)	1,523,842	1,428,905
	<b>43,569,239</b>	<b>42,335,631</b>
<b>8.02 <u>Advance Against Salary &amp; Wages</u></b>	<b>569,941</b>	<b>450,207</b>
<b>8.03 <u>Advance Against Expenditure</u></b>		
VAT Return (Mushak 9.1)	1,649,711	46,364
Lanka Bangla Securities Ltd.	906	138,884
City Brokerage Ltd.	899	127,169
Bank Guarantee Margin	628,923	628,923
Advances for spares parts and other materials	36,055,090	20,770,870
Advance to Shah Jahed Ahmed (Ex. Executive Director)	-	1,435,578
	<b>38,335,529</b>	<b>23,147,788</b>
<b>8.04 <u>Advance Against L/C</u></b>	<b>76,441,624</b>	<b>40,179,099</b>
<b>8.05 <u>Deposits</u></b>		
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 (Gramphone)	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
	<b>15,763,678</b>	<b>14,107,597</b>

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.



		31 March 2025 Taka	30 June 2024 Taka
<b>9.00 CASH &amp; CASH EQUIVALENTS:</b>			
Cash in hand	Note 9.01	4,137,929	1,273,644
Cash at banks	Note 9.02	27,082,090	5,689,894
Fixed deposit with banks	Note 9.03	6,732,236	6,582,455
		<b>37,952,255</b>	<b>13,545,993</b>

#### 9.01 Cash In Hand

At Head Office	4,097,929	1,233,644
At Dhaka Office	10,000	10,000
At Factory	30,000	30,000
	<b>4,137,929</b>	<b>1,273,644</b>

#### 9.02 Cash at Banks

Bank	Branch	Account Number	Taka	Taka
Bangladesh Krishi Bank Ltd.	Agrabad	CD A/C-2903-0210014807	248	650
First Security Islami Bank PLC.	Agrabad	STD A/C - 010413100000463	57,581	57,487
Social Islami Bank PLC.	Agrabad	STD Account-41360000458	312,085	350,782
Social Islami Bank PLC.	Agrabad	CD A/C - 0041330027978	20,847,349	870,109
Southeast Bank PLC.	Pahartali	CD A/C - 004111100007246	2,730	6,305
National Bank Ltd.	Pahartali	CD A/C-1055001054103	2,209,323	207,058
Premier Bank PLC.	Agrabad	CD A/C No-010311100015243	281,602	281,602
Prime Bank PLC.	Laldighi East	CD A/C -2145111015816	32,807	13,253
Islami Bank Bangladesh PLC.	Agrabad	CD A/C No-20501030100588315	105,695	1,644,445
Mercantile Bank PLC.	A.K Khan	CD A/C No-117511121143947	125	3,739
Trust Bank Ltd.	CDA Avenue	CD A/C No-00200210009922	19,984	102,708
Standard Bank PLC.	Jubilee Road	CD A/C No-01233005212	16,875	5,193
United Commercial Bank PLC.	Pahartali	CD A/C-No 0971101000000078	9,017	137,405
Eastern Bank PLC.	Agrabad	CD A/C No-11071082755	190,174	183,374
Pubali Bank PLC.	Pahartali	CD A/C No-825901027548	1,067,808	1,436,213
Dutch Bangla Bank PLC.	Agrabad	CD A/C No- 1021100040340	413,400	389,572
Mutual Trust Bank PLC.	Alankar Moor	CD A/C No- 1301000334447	50,763	-
Islami Bank Bangladesh PLC.	Pahartali	CD A/C No-20506920100018417	1,464,524	-
			<b>27,082,090</b>	<b>5,689,894</b>

#### 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	9%	418,378	404,915
Mercantile Bank PLC, A.K Khan Branch, A/C # 1410000538124	One Year	Guarantee	9%	526,879	509,924
Mercantile Bank PLC, A.K Khan Branch, A/C # 1410000443135	One Year	Guarantee	9%	846,181	818,951
Mercantile Bank PLC, A.K Khan Branch, A/C # 1410001438299	One Year	Guarantee	9%	2,612,056	2,528,000
Bangladesh Krishi Bank Ltd., Agrabad Branch, A/C # 29030330045646	One Year	Guarantee	6%	258,929	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	9.5%	1,635,515	1,638,515
<b>Total</b>				<b>6,732,236</b>	<b>6,582,455</b>

(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.



31 March 2025    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:**

100,000,000 Ordinary shares of Tk. 10.00 each. 1,000,000,000    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 31 Dec 2024 :-**

Description	No of shares 31 Mar 2025	% of shares holding 31 Mar 2025	No of shares 30 June 2024	% of shares holding 30 June 2024
Sponsors & Directors	8,982,130	47.27	9,082,130	47.80
Institution and General Public	10,017,870	52.73	9,917,870	52.20
<b>Total</b>	<b>19,000,000</b>	<b>100</b>	<b>19,000,000</b>	<b>100</b>

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

Range of Holdings	No. of Shareholders		No. of Shares		Holding %	
	31 March 2025	30 June 2024	31 March 2025	30 June 2024	31 March 2025	30 June 2024
Less than 500 shares	1,969	2,233	343,700	419,494	1.81	2.21
501 to 5,000 Shares	1,389	1,751	2,631,975	3,101,157	13.85	16.32
5,001 to 10,000 Shares	222	247	1,643,493	1,789,440	8.65	9.42
10,001 to 20,000 Shares	118	111	1,711,441	1,551,821	9.01	8.17
20,001 to 30,000 Shares	38	36	931,438	873,365	4.90	4.60
30,001 to 40,000 Shares	12	8	435,449	281,594	2.29	1.48
40,001 to 50,000 Shares	9	5	410,489	223,897	2.16	1.18
50,001 to 100,000 Shares	17	15	1,088,413	899,270	5.73	4.73
100,001 to 1,000,000 Shares	12	15	5,403,604	6,826,630	28.44	35.93
Over 1,000,000 Shares	3	2	4,399,998	3,033,332	23.16	15.96
<b>Total</b>	<b>3,789</b>	<b>4,423</b>	<b>19,000,000</b>	<b>19,000,000</b>	<b>100</b>	<b>100</b>

**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. 66.10 on 31 March 2025 (Face value Tk. 10.00) and Tk. 66.40 on 31 March 2025 (Face value Tk. 10.00) respectively.



	31 March 2025	30 June 2024
	<u>Taka</u>	<u>Taka</u>
<b>11.00</b>		
<b><u>DIVIDEND EQUALIZATION RESERVE:</u></b>		
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	-	-
<b>Balance as on 31 March</b>	<b>11,237,712</b>	<b>11,237,712</b>
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.		
<b>12.00</b>		
<b><u>REVALUATION RESERVE:</u></b>		
A revaluation of Land, Buildings and Plant and Machinery has been made during the financial year 2010-2011 by M/S. G. K. Adjusters, a professional valuer and the surplus amount of these assets were transferred to Revaluation Reserve Account. Breakup of such surplus is as follows:		
Land and land development	139,028,020	139,028,020
Factory Building & Other Civil Constructions	110,663,849	110,663,849
Plant & Machinery	227,369,650	227,369,650
	477,061,519	477,061,519
Less: Depreciation on Revalued Assets till 31.03.2025 (Note-4.01)	199,488,610	192,711,321
	277,572,909	284,350,198
Less : Adjustments for Deferred Tax @15%	41,635,936	42,652,530
<b>Balance as on 31 March</b>	<b>235,936,974</b>	<b>241,697,668</b>
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		
<b>13.00</b>		
<b><u>RETAINED EARNINGS:</u></b>		
Balance as on 01 July	20,020,812	13,387,862
Less: Dividend declared for the year 2023-2024 as approved in the AGM	3,800,000	3,800,000
	16,220,812	9,587,862
Add: Net profit/(loss) after tax	5,317,840	780,707
	21,538,652	10,368,569
Add: Revaluation Surplus Realized (Note-4.01)	6,777,288	9,652,243
<b>Balance as on 31 March</b>	<b>28,315,940</b>	<b>20,020,812</b>
<b>14.00</b>		
<b><u>UNSECURED LOAN:</u></b>		
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
	57,699,990	57,699,990
The above loans from directors are interest free.		
<b>15.00</b>		
<b><u>LONG TERM LOAN:</u></b>		
HPSM Loan Under Tissue Projects	466,707,108	441,146,934
Bai Muazzal Term loan	231,338,713	215,518,693
Term Loan	5,176,470	6,769,901
	703,222,291	663,435,528
<b>15.01</b>		
<b><u>LONG TERM LOAN- MATURITY ANALYSIS:</u></b>		
Due within the period- Current Portion	125,087,555	117,982,208
Due after more than the period- Non-Current Portion	578,134,736	545,453,320
	703,222,291	663,435,528



15.02 **TERMS OF LONG TERM LOAN:****Lenders:**

The company entered into a secured long term loan agreement with Social Islami Bank PLC, 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	50,197,189	50,300,617
Deferred Tax (Income)/ Expenses for the period -(Note-16.01)	2,847,195	52,394
Investment in shares (Note-16.02)	57,366	(155,823)
	53,101,750	50,197,189
Add: Deferred Tax for Revaluation Surplus (Note-12.00)	41,635,936	42,652,530
<b>Balance as on 31 March</b>	<b>94,737,686</b>	<b>92,849,719</b>

This represents provision made for deferred income tax to pay future income tax liability for temporary differences of Property, plant and equipment value. Calculation of Deferred Tax Liability as on 31.03.2025 has been shown at Note-16.01 & 16.02.

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 31 March	547,678,811	547,289,261
(b) Tax Based Property, Plant and Equipment	300,277,406	295,568,727
(c) Net Taxable Temporary Differences (a-b)	247,401,405	251,720,534
(d) Deferred Tax liability at effective Tax Rate 22.50%	53,191,302	50,344,107
(e) Deferred Tax expense/(income) on Net Taxable Temporary differences	2,847,195	(52,395)

Carrying amount of Property, Plant & Equipment represents net written down value of assets as on 31.03.2025

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

(a) Market value of Investment in Shares as on 31 March	10,762,432	10,656,508
(b) Cost value of Investment in Shares as 31 March	11,657,945	12,125,683
(c) Net Taxable Temporary Differences (a-b)	(895,513)	(1,469,175)
(d) Deferred Tax liability at effective Tax Rate 10%	(89,551)	(146,918)
(e) Deferred Tax expense/(income) on Net Taxable Temporary differences	57,366	155,823



		31 March 2025	30 June 2024
		<u>Taka</u>	<u>Taka</u>
<b>17.00</b>	<b><u>SHORT TERM LOAN AND OVERDRAFT:</u></b>		
	Mercantile Bank PLC. A.K Khan Branch-Cash Credit (CC) Hypo	34,977,730	38,603,803
	LATR, Sight LC Loan From Mercantile Bank PLC.	9,865,980	-
	Other Short Term Loan	735,295	735,295
		<b>45,579,005</b>	<b>39,339,098</b>
<b>17.01</b>	<b><u>Short Term Borrowing:</u></b>		
		<b>31 March 2025</b>	<b>30 June 2024</b>
		<b>Taka</b>	<b>Taka</b>
	Short term loan and overdraft	45,579,005	39,339,098
	Long term loan-current portion	125,087,555	117,982,208
	<b>Total</b>	<b>170,666,560</b>	<b>157,321,306</b>
	<p>(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.</p> <p>(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.</p> <p>(c) Limit of Bai-Muazzal (Commercial Trading)-CC A/C: 0041330027978 Loan was Tk. 13 (Thirteen) crore.</p> <p>(d) Limit of Cash Credit (CC) Hypo A/C: 1729000027824 was Tk. 04 (Four) crore.</p> <p>(e) Mercantile Bank PLC Loan bears interest @ 14.50% p.a. &amp; Social Islami Bank PLC loan bears interest @ 15.50%.</p> <p>(f) Land, Building and Machinery has been placed as prime securities against the Loans.</p> <p>(g) Personal Guarantee of Directors</p> <p>(h) Total 135.55 decimal land has been placed as prime securities against Mercantile Bank PLC.</p>		
<b>18.00</b>	<b><u>LIABILITY FOR EXPENSES:</u></b>		
	Audit Fee	45,150	407,750
	Directors Remuneration	1,454,800	1,484,800
	Electricity Bill	10,013,639	6,624,046
	Gas Bill	24,064,347	26,678,662
	Gas Bill-Factory Canteen	32,243	17,380
	Gas Bill-Head Office	2,377	2,359
	Office Rent	650,000	725,000
	Overtime	2,538,136	2,645,752
	Salaries & Allowances-Dhaka Office	85,724	93,500
	Salaries & Allowances-Head Office	547,315	713,485
	Salaries & Allowances-Factory	1,346,806	1,307,338
	Wages & Allowances	1,708,695	4,206,150
	Salaries & Allowances-Sales & Marketing	2,860,733	3,440,401
	Fooding Expenses	161,426	157,516
	Conveyance	-	38,949
		<b>45,511,391</b>	<b>48,543,088</b>
<b>19.00</b>	<b><u>WORKERS PROFIT PARTICIPATION &amp; WELFARE FUND:</u></b>		
	Balance as on 01 July	2,275,734	1,915,255
	Add: Provision made during the period	678,485	360,479
		<b>2,954,219</b>	<b>2,275,734</b>
	Less: Payment made during the period	-	-
	<b>Balance as on 31 March</b>	<b>2,954,219</b>	<b>2,275,734</b>



			31 March 2025	30 June 2024
			<u>Taka</u>	<u>Taka</u>
<b>20.00</b>	<b><u>TRADE PAYABLES:</u></b>			
	Abul Khair Steel Melting Ltd.		615,852	954,690
	Al Raji Chemical		783,575	1,135,275
	Anjum Traders		2,082,890	3,868,230
	Azad Engineering Workshop		517,850	591,850
	Cartoon Nirman Ltd.		-	1,208,442
	Emu Enterprise		-	295,601
	Hossain Box Industries		2,856,548	2,089,888
	International Bearing Center		341,663	183,093
	Islam & Brothers		1,818,082	2,244,911
	Khaja Polythene Mart		-	26,846
	Mamun Hardware Store		795,483	832,965
	M/s. Dohar Chemicals		2,987,040	3,946,115
	S.R Packaging		2,465,336	5,672,635
	Taslima Enterprise		2,304,871	2,886,412
	Unimax Chemicals		2,266,800	2,863,300
	United Trading Agency		2,231,823	2,225,597
			<b>22,067,813</b>	<b>31,025,850</b>
<b>21.00</b>	<b><u>CURRENT TAX LIABILITIES:</u></b>			
	Balance as on 01 July		31,857,573	25,481,102
	<b>Provision during the period:</b>			
	Add: Against current period		5,404,655	6,376,471
	<b>Balance as on 31 March</b>		<b>37,262,228</b>	<b>31,857,573</b>
<b>21.01</b>	<b><u>Computation of Provision for Income Tax:</u></b>			
<b>21.01.1</b>	<b>Net profit before tax</b>		13,569,691	7,209,572
	<b>Less: Other income to be considered separately</b>			
	Dividend Income		474,687	584,664
	Interest on FDR		214,882	242,103
	Profit on Sale of Shares		284,462	-
	Cash Incentive-Export		434,640	-
	Miscellaneous Income		150,197	898,058
			12,010,824	5,484,747
	Add: Accounting depreciation		35,443,234	42,231,242
			47,454,057	47,715,989
	Less: Tax depreciation U/S 50 of ITA 2023		24,346,817	32,840,970
	<b>Taxable Business Income/(loss)</b>		<b>23,107,241</b>	<b>14,875,019</b>
		Amount	Rate	
	<b>Tax on Business Income</b>	23,107,241	22.50%	5,199,129
	<b>Add: Other income to be considered separately</b>			
	Dividend Income	474,687	20%	94,937.40
	Interest on FDR	214,882	22.50%	48,348.34
	Profit on Sale of Shares	284,462	10%	28,446.15
	Cash Incentive-Export	434,640	0%	-
	Miscellaneous Income	150,197	22.50%	33,794.33
	<b>Total Income</b>			<b>24,666,108</b>
	<b>Current Tax</b>			<b>5,404,655</b>
<b>21.01.2</b>	<b><u>Minimum Tax:</u></b>			
	Revenue		882,787,606	1,005,250,917
	Non-Operating Income		1,558,867	1,724,825
	<b>Total</b>		<b>884,346,473</b>	<b>1,006,975,742</b>
	Minimum Tax @ 0.60% on gross receipt of Tk. 884,346,473.		5,306,079	6,376,471
	<b>Compared with tax on business income and minimum tax higher one has been provided U/S 163 of ITA 2023</b>			



		31 March 2025	30 June 2024
		<u>Taka</u>	<u>Taka</u>
<b>22.00</b>	<b><u>LIABILITIES FOR OTHER FINANCE:</u></b>		
	I.T. Deducted at Source	969,935	855,200
	VAT Deducted at Source	152,383	216,358
	Loan From Farhana Tarannum*	26,500,000	24,300,000
		<u>27,622,318</u>	<u>25,371,558</u>
	**The above loans are interest free.		
<b>23.00</b>	<b><u>UNCLAIMED DIVIDEND:</u></b>		
	Balance as on 1st July	1,532,796	3,082,193
	Add: Dividend declared for the year 2023-2024 approved in the AGM	3,800,000	3,800,000
		<u>5,332,796</u>	<u>6,882,193</u>
	Less: Unclaimed dividend paid to CMSF till 2017-2018	-	1,891,524
		<u>5,332,796</u>	<u>4,990,668</u>
	Less: Dividend Paid	3,436,420	3,457,872
	<b>Balance as on 31 March</b>	<u>1,896,376</u>	<u>1,532,796</u>
<b>23.01</b>	<b><u>Year wise Unclaimed Dividend:</u></b>		
	The year wise breakup of unclaimed cash dividend as 31 March 2025 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	341,858	342,128
	2023-2024	363,850	-
		<u>1,896,376</u>	<u>1,532,796</u>
<b>24.00</b>	<b><u>DIRECTORS CURRENT ACCOUNT:</u></b>		
	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 Chairman	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	9,118,980	9,318,980
	Mrs. Farhana Ferdous-Director	27,200,000	27,200,000
		<u>84,501,833</u>	<u>84,701,833</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.



		Jul 24-Mar 25	Jul 23-Mar 24
		Taka	Taka
<b>25.00 REVENUE FROM CONTRACTS WITH CUSTOMERS:</b>			
Newsprint Paper		594,820,698	528,470,601
M.G. Newsprint		219,065,816	224,407,912
Tissue Paper		78,176,725	71,116,394
Khata		4,837,219	3,672,768
<b>Gross Revenue</b>		<b>896,900,458</b>	<b>827,667,675</b>
Less: Value Added Tax (VAT)		14,112,852	12,190,384
<b>Net Revenue</b>		<b>882,787,606</b>	<b>815,477,291</b>
<b>26.00 COST OF SALES:</b>			
Opening Stock of Raw Materials		93,461,252	93,594,007
Add: Purchased during the period		445,810,929	444,504,523
		<b>539,272,181</b>	<b>538,098,529</b>
Less: Closing Stock of Raw Materials		140,133,578	86,461,252
<b>Raw Materials Consumed</b>		<b>399,138,603</b>	<b>451,637,277</b>
Add: Factory overhead	Note-26.01	298,734,475	254,674,085
Add: Opening Work-in-Process		31,773,179	34,991,121
		<b>729,646,257</b>	<b>741,302,483</b>
Less: Closing Work-in-Process		29,237,086	37,328,047
<b>Cost of Production</b>		<b>700,409,171</b>	<b>703,974,436</b>
Add: Opening Stock of Finished Goods		180,664,204	176,804,879
		<b>881,073,375</b>	<b>880,779,315</b>
Less: Closing Stock of Finished Goods		126,571,846	172,091,948
<b>Cost of Sales</b>		<b>754,501,529</b>	<b>708,687,367</b>
<b>26.01 Factory overhead:</b>			
Salaries, Wages and Allowances		45,092,919	40,287,090
Carriage Inward		1,366,390	2,527,350
Gas Bill		102,485,062	84,268,193
Electric Bill		68,875,543	52,800,466
Consumable Spare & Store		6,093,727	6,830,566
Packing Material Consumed		17,481,497	17,217,791
Factory Maintenance		9,400,924	11,371,789
Loading Unloading Charge		207,407	299,743
Cutting Expense		6,815,257	5,678,394
Mobile bill		128,610	110,010
Fuel bill		439,583	429,442
Medical & Medicine		88,211	92,551
Gas Generator Upkeep		3,783,550	100,570
Boiler Upkeep		23,150	175,000
Insurance Premium		400,522	398,889
Canteen Expenses		293,784	262,368
Gas Bill- Canteen		93,250	112,396
Tea, Tiffin Expenses		611,657	607,931
Depreciation	Note: 4.01	35,053,432	31,103,546
		<b>298,734,475</b>	<b>254,674,085</b>
<b>27.00 ADMINISTRATIVE EXPENSES:</b>			
Director Remuneration	Notes-27.01	2,700,000	2,700,000
Salaries & Allowances		6,243,233	7,525,748
Office Rent		270,000	270,000
Telephone & Mobile Bill		172,590	184,502
Entertainment		204,555	268,015
Tiffin and Refreshment		247,843	251,151
Travelling Expenses		948,999	1,139,992
Dhaka Office Expenses		71,255	97,850
Canteen Expenses		7,850	22,840
Postage & Courier		28,840	33,645
Forms, Stamp & Legal Documents		2,440	13,450
Fees, Renewal & Subscription		1,569,043	898,985
Printing & Stationery		50,289	68,137



	Jul 24-Mar 25	Jul 23-Mar 24
	<u>Taka</u>	<u>Taka</u>
Gas Bill-Head Office	21,461	10,609
Meeting Expenses	657,241	363,766
Meeting Attendance Fees	417,000	556,400
Office Maintenance	616,629	633,669
Internet Bill	136,545	107,100
Audit Fee	-	201,250
Legal & Professional Fee	127,250	39,000
Annual Subscription Fee of CDBL	56,000	56,000
Electric Bill- Head Office	260,000	210,000
Electric Bill- Dhaka Office	55,973	51,035
Fuel Bill	194,583	218,286
Vehicle Upkeep	209,902	480,830
Website Expenses	51,566	47,338
Rent, Rates & Taxes	67,825	120
Share Demat, Remat & Transfer Fees	-	1,400
Depreciation	389,802	404,765
	<u>15,778,714</u>	<u>16,855,883</u>

**27.01 Key Management Personnel Compensation:**

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

Short term employee benefits	2,700,000	2,700,000
Long term employee benefits	-	-
Post employee benefits	-	-
Termination benefits	-	-
Share -based payments expenses	-	-
<b>Total</b>	<b>2,700,000</b>	<b>2,700,000</b>

(a) The above short term employee benefits includes remuneration amounting to Tk. 18,00,000 paid to The Managing Director, Tk. 9,00,000 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	262,867	619,989
Sales Commission	-	383,950
Salaries & Allowances	11,159,289	12,001,624
Conveyance	2,132,905	2,084,844
Carriage Outward	25,620,071	24,096,350
C&F Bill-Export	45,477	18,916
Mobile bill	503,295	624,154
Entertainment	1,355,671	1,154,623
Advertisement	886,122	1,140,102
	<u>41,965,697</u>	<u>42,124,552</u>

**29.00 FINANCIAL EXPENSES:**

Bank Charges	420,747	450,232
Bank Guarantee Commission	145,330	184,901
Interest Expenses on Cash Credit	3,146,053	9,152,766
Interest Expenses on Short Term Loan	697,220	907,729
Interest Expenses on Long Term Loan	53,443,007	32,087,640
Interest Expenses on UPAS Loan	-	1,313,725
	<u>57,852,358</u>	<u>44,096,994</u>



	Jul 24-Mar 25	Jul 23-Mar 24
	<u>Taka</u>	<u>Taka</u>
<b>30.00 NON-OPERATING INCOME:</b>		
Dividend Income	474,687	274,514
Interest Income	214,882	124,747
Profit on shares sales	284,462	-
Cash Incentive-Export	434,640	-
Miscellaneous Income	150,197	740,150
	<u>1,558,867</u>	<u>1,139,412</u>
<b>31.00 DEFERRED TAX EXPENSES:</b>		
(a) Deferred Tax Liability on 31 March	53,044,384	49,228,745
(b) Deferred Tax Liability on 01 July	50,197,189	50,300,617
Deferred Tax Expenses for the period (a-b)	<u>2,847,195</u>	<u>(1,071,872)</u>
<b>32.00 EARNINGS PER SHARE:</b>		
Net Profit after tax	5,317,840	571,990
Number of shares outstanding	19,000,000	19,000,000
EPS (per value of Tk. 10)	0.28	0.03
The company's earnings per share (EPS) has significantly increased from the previous period, primarily due to higher sales.		
<b>33.00 NET ASSET VALUE PER SHARE WITH REVALUATION:</b>		
Net Asset with Revaluation	464,595,112	461,487,017
Number of shares outstanding	19,000,000	19,000,000
Net asset value per share (per value of Tk. 10)	24.45	24.29
<b>34.00 NET ASSET VALUE PER SHARE WITHOUT REVALUATION:</b>		
Net Asset without revaluation	228,658,138	219,789,349
Number of shares outstanding	19,000,000	19,000,000
Net asset value per share (per value of Tk. 10)	12.03	11.57
<b>35.00 NET OPERATING CASH FLOWS PER SHARE:</b>		
Net cash flows from operation	71,861,538	130,716,054
Number of shares outstanding	19,000,000	19,000,000
Net operating cash flows by per share (per value of Tk. 10)	3.78	6.88
The Net Operating Cash Flows Per Share (NOCFPS) of the Company has declined significantly compared to the previous period, primarily due to increased cash payments for material and expenses. This indicates reduced cash generation from core business activities.		
<b>36.00 Number of Employees:</b>		
The total employees of the company as on 31 March 2025 stood at 441 nos. comprising Head office staff 80 nos, Factory office staff 22 nos, Security 21 nos, Driver and helper 02 nos, Permanent worker 87 nos and Temporary worker 229 nos.		
Number of employees whose monthly salary was below Tk. 3,000	-	-
Number of employees whose monthly salary was above Tk. 3,000	441	395

**37.00 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

#### 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:

##### a) Exposure of Credit risk:

Trade receivables  
Advance, Deposit and Prepayments (excluding Deposit & Prepayments.)  
Bank Balances

Jul 24-Mar 25	Jul 23-Mar 24
Taka	Taka
157,306,980	185,509,269
158,916,333	119,360,067
37,952,255	12,657,091
<b>354,175,568</b>	<b>317,526,427</b>

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

Below-30 Days  
Within 31-60 Days  
Within 61-90 Days  
Within 90 - 180 Days  
Above 180 Days

26,742,187	31,536,576
31,461,396	37,101,854
22,022,977	25,971,298
18,876,838	22,261,112
58,203,583	68,638,430
<b>157,306,980</b>	<b>185,509,269</b>

#### 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	703,222,291	125,087,555	578,134,736	703,222,291
Short Term Loan & Overdraft	45,579,005	45,579,005	-	45,579,005
Liability for Expenses	45,511,391	45,511,391	-	45,511,391
Workers Profit Participation and Welfare Fund	2,954,219	2,954,219	-	2,954,219
Trade Payables	22,067,813	22,067,813	-	22,067,813
Current Tax Liabilities	37,262,228	37,262,228	-	37,262,228
Liabilities for Other Finance	27,622,318	27,622,318	-	27,622,318
Unclaimed Dividend	1,896,376	1,896,376	-	1,896,376
Directors Current Account	84,501,833	84,501,833	-	84,501,833
<b>Total</b>	<b>1,028,317,464</b>	<b>392,482,737</b>	<b>635,834,726</b>	<b>1,028,317,464</b>

#### 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	Jul 24-Mar 25	Jul 23-Mar 24
Installed Capacity (in M.T)	10,125	10,125
Actual Production (in M.T)	5,214	5,495
% of Capacity Utilization	51%	54%

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 31 Mar 2025
---------------------	--------------	------------------------	-----------------------------	-------------------------------	---------------------------

**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
<b>Total</b>			<b>57,699,990</b>	<b>-</b>	<b>57,699,990</b>

**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	(200,000)	9,118,980
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
Mrs Farhana Ferdous	Director	Loan Received	27,200,000	-	27,200,000
<b>Total</b>			<b>84,701,833</b>	<b>(200,000)</b>	<b>84,501,833</b>



#### 40.03 LIABILITIES FOR OTHER FINANCE:

Mrs Farhana Tarannum	Close Family Member	Loan Received	24,300,000	2,200,000	26,500,000
Total			24,300,000	2,200,000	26,500,000

#### 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:

	Jul 24-Mar 25	Jul 23-Mar 24
	<u>Taka</u>	<u>Taka</u>
Profit after Provision for Income Tax	5,317,840	571,990
Adjustment to Reconcile Profit before Tax provided by operating activities:		
Add : Depreciation	35,443,234	31,508,311
Add: Provision for Deferred Tax Expenses	2,847,195	(1,071,872)
Add: Financial Expenses	53,443,007	44,096,994
Add: Workers Profit Participation and Welfare Fund	678,485	231,043
Add: Deferred tax on unrealized gain/(loss) in investment in share	(89,551)	(90,761)
<b>A</b>	<b>97,640,209</b>	<b>75,245,706</b>
<u>Changes in Working Capital</u>		
(Increase)/Decrease in Inventories	4,645,715	(3,110,377)
(Increase)/Decrease in Trade Receivables	21,163,684	397,380
(Increase)/Decrease in Advance, Deposits & Prepayments	(52,108,338)	(7,092,727)
Increase/(Decrease) in Liability for Expenses	(3,031,697)	23,980,205
Increase/(Decrease) in Current portion of Long Term Loan	7,105,347	33,440,801
Increase/(Decrease) in Trade Payables	(8,958,037)	2,734,321
Increase/(Decrease) in Current Tax Liabilities	5,404,655	5,120,746
<b>B</b>	<b>(25,778,672)</b>	<b>55,470,349</b>
<b>Net cash inflows/(out flows) from operating activities (A+B)</b>	<b>71,861,538</b>	<b>130,716,054</b>

