



# ANNUAL REPORT

## 2021 - 2022

35<sup>th</sup> ANNUAL GENERAL MEETING



BANGLADESH MONOSPOOL PAPER MANUFACTURING CO. LTD  
বাংলাদেশ মনোস্পুল পেপার ম্যানুফ্যাকচারিং কোম্পানী লিঃ



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## Company Profile

**Bangladesh Monospool Paper Manufacturing Company Limited** is one of the largest paper converting projects in Bangladesh having long experience in hi-tech printing and converting in private sector. Inception of the company was in 1988. The company listed its securities with Dhaka Stock Exchange Ltd. in 1989 and with Chittagong Stock Exchange Ltd. in 1999. Over the years the company attained the status of market leader in the paper products manufacturing industry of the country. The company is committed to customer's satisfaction which enabled to grow and expand its operations significantly.

The company prints wide range of products such as Multicolor Cheque Leaves, Payment Orders, Demand Drafts and Requisition Slips for prominent banks and also prints Dividend Warrants of different companies. Customized Computer Continuous Sheets, Registration Cards, Admit Cards, Tabulation Sheets, Transcripts, OMR Forms, Commercial Offset Printing, Catalogue, Brochures, Magazines, Cards, Calendars, Diaries, Annual Reports, Text Books, Medicine Boxes, PIN Mailing Forms, Photocopy Papers, POS Rolls and ATM Rolls etc. There are other varieties in the product range of the company.

The company is ISO 9001: 2008 certified and enlisted '**1<sup>st</sup> Class**' vendor of Bangladesh Government Press widely known as BG press Under the Ministry of Public Administration of the Government.

The company has taken strategic steps to build on its market position through introduction of high quality products.

## Vision, Mission & Core Values

### ***Vision***

- To be a leader in printing & packaging industry
- Improvement in quality for satisfaction of customers
- To maintain high degree of efficiency
- To maintain international standards of the products.
- To maintain efficient manpower and technology.

### ***Mission***

- To be with innovation and product diversification
- To maximize quality with minimum cost
- To increase wealth of the company
- To contribute to the national economy
- To recognize the customer's right

### ***Core Values***

- Quality orientation and pursuit of excellence
- Trust, sensitivity and professional conduct
- To continue to maintain ethical practices
- Taking accountability and responsibility
- Discipline and respect for commitment



## Transmittal Letter

October 16, 2022

All Shareholders of Bangladesh Monospool Paper Mfg. Co. Ltd.  
Bangladesh Securities and Exchange Commission,  
Dhaka Stock Exchange Limited  
Chittagong Stock Exchange Limited  
Registrar of Joint Stock Companies & Firms

**Subject: Annual Report for the year ended 30 June, 2022**

Dear Sir(s)

We are pleased to enclose copy(ies) of the Annual Report containing Directors' Report, Auditors' Report along with Audited Financial Statements including Statement of Financial Position as on 30 June 2022, Statement of Comprehensive Income, Cash flows and Changes in Equity and other relevant Statements for the year ended 30 June 2022.

Yours sincerely,

**Md. Emdadul Haque**  
Company Secretary

## **Notice of the 35<sup>th</sup> Annual General Meeting**

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting (AGM) of Bangladesh Monospool Paper Manufacturing Company Ltd. will be held on Monday, November 07, 2022 at 11:00 a.m. in Digital Platform to transact the following business:

### **Agenda:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30 June, 2022 together with the Report of the Auditors thereon and the Report of the Directors;
2. To approve dividend for the year ended on 30 June, 2022 as recommended by the Board of Directors;
3. To Elect/Re-Elect Directors of The Company;
4. To appoint Statutory Auditors for the year 2022-2023 and fix their remuneration;
5. To appoint Compliance Auditors for the year 2022-2023 and fix their remuneration.

By Order of the Board of Directors



Md. Emdadul Haque  
Company Secretary

Place: Dhaka  
Date: October 10, 2022

### **Notes:**

- (i) Members, whose names will appear in the share register of the company or in the Members/Depository Register on the record date i.e. October 24, 2022, will be eligible to attend and vote in the Annual General Meeting (AGM).
- (ii) The proxy form must be affixed with requisite revenue stamp and must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
- (iii) The AGM will be conducted through Digital Platform in accordance with the order no SEC/SRMIC/94-231/25 dated July 08, 2020; directive no. BSEC/CMRRCD/2009-193/08 dated March 10, 2021 and letter no. SEC/SRMIC/94-231/91 dated March 31, 2021 of Bangladesh Securities and Exchange Commission (BSEC).
- (iv) Link for Joining in AGM through Digital Platform will be provided through e-mails of shareholders which will be opened before 72 hours from the time (November 07, 2022 at 11:00 a.m.) fixed for holding the Annual General Meeting. Members can join the Virtual Annual General Meeting using their Laptop, PC, mobile or Tab providing their respective 16-Digit BO ID and No. of shares.
- (v) Pursuant to the BSEC Notification No. CMRRCD/2006-158/208/admin/81 dated June 20, 2018 Copy of Annual Report will be sent to the e-mail addresses of the members linked with their BO Accounts. In case of non-receipt of the Annual Report of FY 2021-2022 of the Company sent through e-mail, shareholders may collect the same from the Company Affairs Department of the Company by a written request. The Annual Report will be uploaded on the company's website at <https://mpmc.com.bd> on stipulated date. Virtual AGM link is <https://mpmc.bdvirtualagm.com>.

## Corporate Information

### BOARD OF DIRECTORS

#### Chairman

Mr. Mustafa Kamal Mohiuddin

#### Managing Director

Mr. Mostafa Jamal Mohiuddin

#### Directors

Mr. Md. Mobarok Hossain

Mr. Md. Amir Hossain

Advocate Md. Golam Kibria

#### Independent Directors

Dr. Md. Mahbubul Alam Joarder

Dr. Ataur Rahman

Engr. Muhammad Enayet Ali

### AUDIT COMMITTEE

#### Chairman

Engr. Muhammad Enayet Ali

#### Members

Mr. Md. Mobarok Hossain

Mr. Md. Amir Hossain

### COMPANY SECRETARY

Mr. Md. Emdadul Haque

### CHIEF FINANCIAL OFFICER

Mr. Md. Khandhakar Ashraf Uddin

### HEAD OF INTERNAL AUDIT

Mr. Md. Abdus Subhan

### STATUTORY AUDITORS

#### M/S Pinaki & Co.

Chartered Accountants

### CORPORATE GOVERNANCE COMPLIANCE AUDITORS

#### M/S Huda Hossain & Co.

Chartered Accountants

### BANKERS

1. Social Islami Bank Limited  
Principal Branch,  
15, Dilkusha C/A, Dhaka
2. AB Bank Ltd.  
Principal Branch,  
BCIC Bhaban,  
30-31 Dilkusha C/A,  
Dhaka-1000

### REGISTERED OFFICE

Plot No.-314/A, Road No. 18,  
Block- E, Bashundhara R/A,  
Dhaka-1229.

### FACTORY

Sreerampur, Dhamrai, Dhaka

<b>Milestones</b>	
<i>Date of Incorporation</i>	<b>23 January, 1988</b>
<i>Incorporation / Registration No</i>	<b>C-16996(30)/88</b>
<i>Certificate of Commencement of Business</i>	<b>23 January, 1988</b>
<i>Initial Public Offering (IPO)</i>	<b>7 December, 1988</b>
<i>Listing with Dhaka Stock Exchange Ltd.</i>	<b>19 April, 1989</b>
<i>Re Listing with Dhaka Stock Exchange Ltd.</i>	<b>10 June, 2021</b>
<i>Listing with Chittagong Stock Exchange Ltd.</i>	<b>14 August, 1999</b>
<i>Re Listing with Chittagong Stock Exchange Ltd.</i>	<b>10 June, 2021</b>
<i>1<sup>st</sup> Right Share Issue</i>	<b>01 March, 1997</b>
<i>Shifting to New Registered Office</i>	<b>29 August, 2013</b>
<i>Initiating Dematerialization of Shares</i>	<b>29 April, 2015</b>
<i>Last Declaration of Dividend</i>	<b>27 December, 2021</b>



## **DIRECTORS' PROFILE**

### **MUSTAFA KAMAL MOHIUDDIN**

#### **Chairman**

Mustafa Kamal Mohiuddin, Chairman, Bangladesh Monospool Paper Manufacturing Company Limited is one of the Sponsor Shareholder Directors of the company. As a businessman he proved himself as a progressive entrepreneur. As the Chairman of Bangladesh Monospool Paper Manufacturing Company Limited he has proven track record of working to develop the company. He is associated with good number of professional bodies including chambers, associations and forums.

### **MD. MOBAROK HOSSAIN**

#### **Director**

Md. Mobarok Hossain is a Nominee Director of Bangladesh Monospool Paper Manufacturing Company Limited, representing Bangladesh Development Group Ltd. He is the Managing Director of Paper Processing and Packaging Ltd. Md. Mobarok Hossain obtained his post graduation degree in Commerce. He is an expert in printing books, paper products and paper manufacturing. He has vast knowledge in Accounts, Income Tax, and VAT.

### **ADVOCATE MD. GOLAM KIBRIA**

#### **Director**

Prominent lawyer Advocate Md. Golam Kibria is a Nominee Director of Bangladesh Monospool Paper Manufacturing Company Limited representing Bangladesh Development Group Ltd. He has more than two decades of practical experience in implementation and management activities of different Paper Projects. His association with the company has been proved contributory to the business development of the company.

### **MD. AMIR HOSSAIN**

#### **Director**

Md. Amir Hossain is a Nominee Director of Bangladesh Monospool Paper Manufacturing Company Limited (MPMC), representing Magura Group Ltd. Magura Group Ltd. is a major shareholder of Bangladesh Monospool Paper Manufacturing Company Ltd. Mr. Amir Hossain has been nominated as Director of Bangladesh Monospool Paper Manufacturing Company Ltd. by Magura Group Ltd. for better representation of Magura Group Limited in MPMC.

**ENGR. MUHAMMAD ENAYET ALI**  
**Independent Director**

Engr. Muhammad Enayet Ali is an Independent Director of Bangladesh Monospool Paper Manufacturing Company Limited. He obtained his M.Sc (Applied Physics & Electronics) from Dhaka University. He has sufficient knowledge and long experience in running paper mills. As such his contribution towards business promotion of the Company has already become significant. He is the Chairman of Audit Committee as well as Nomination and Remuneration Committee of the company.

**DR. MD. MAHBUBUL ALAM JOARDER**  
**Independent Director**

Dr. Md. Mahbubul Alam Joarder is a Professor of University of Dhaka, Bangladesh. He completed his B.Sc. in Applied Physics & Electronics from University of Dhaka in 1990, M.Sc. in Applied Physics & Electronics from University of Dhaka in 1991 and Ph.D from Ibaraki University, Hitachi, Japan. Prof. Dr. Md. Mahbubul Alam Joarder joined Bangladesh Monospool Paper Mfg. Co. Ltd. on 06 February 2021 as an Independent Director. His association with the company has already been proved contributory to the business promotion of the company.

**DR. ATAUR RAHMAN**  
**Independent Director**

Dr. Ataur Rahman is a Professor of the Department of Marketing, University of Dhaka, Bangladesh. He completed his B. Com (Hons.) in Marketing in 1996, M. Com. in Marketing in 1997, M.Phil. in Marketing in 2001 and Ph.D in Marketing in 2009 from University of Dhaka. Prof. Dr. Ataur Rahman joined Bangladesh Monospool Paper Mfg. Co. Ltd. on 06 February 2021 as an Independent Director. He is positively contributing towards business promotion of the company through development of its marketing strategy.

**MOSTAFA JAMAL MOHIUDDIN**  
**Managing Director**

Mostafa Jamal Mohiuddin is the Managing Director of Bangladesh Monospool Paper Mfg. Co. Ltd. He is one of the Sponsor Shareholder Directors of the company. With education and experience on printing, publication, paper converting and infrastructural development works Mr. Mostafa Jamal Mohiuddin is an entrepreneur with expertise in different realm of business for the last two decades. Through adopting his pragmatic business policy the company succeeded in boosting up its revenue and profit.

## Board of Directors



**Mustafa Kamal Mohiuddin**  
Chairman



**Md. Mobarok Hossain**  
Director



**Advocate Md. Golam Kibria**  
Director



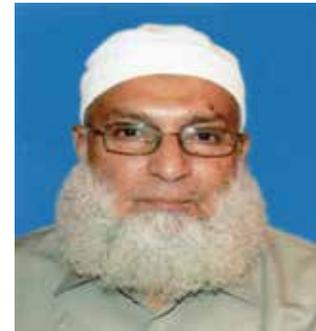
**Md. Amir Hossain**  
Director



**Prof. Dr. Ataur Rahman**  
Independent Director



**Prof. Dr. Mahbubul Alam Joarder**  
Independent Director



**Eng. Muhammad Enayet Ali**  
Independent Director



**Mostafa Jamal Mohiuddin**  
Managing Director

## Message from the Chairman

BISMILLAHIR RAHMANIR RAHIM

HONORABLE SHAREHOLDERS,

Assalamu Alaikum.

It is my great pleasure to take the opportunity on behalf of the Board of Directors of Bangladesh Monospool Paper Manufacturing Company Ltd. to present your company's achievements and performance of 2021-2022. I cordially welcome you all to this great occasion - the 35<sup>th</sup> Annual General Meeting (AGM). I express sincere gratitude to our respected shareholders, valued clients and wellwishers for their relentless support and confidence they have reposed on us.

The company, after resumption of share trading since June 13, 2021 in DSE/CSE bourses, continuing its journey with growth in all parameters. The company has been upgraded as a 'A' grade listed company by Dhaka and Chittagong Stock Exchange Ltd. for fulfillment of all necessary criteria.

Inspite of post pandemic effect of COVID-19 a clearly defined vision and business policy enabled the company to show outstanding performance in terms of turnover and profit earning in the year 2021-2022. The company has been working with the mission targeting to be the number one manufacturer of value added paper products and vision to be the leader of paper products industries.

In the financial year 2021-2022 the company earned net profit after tax amounting to Tk. 5,11,55,310/-. It is my immense pleasure to inform you that the Board of Directors recommended declaration of 10% cash dividend and 10% Stock Dividend for the shareholders of the company for the year ended on 30-06-2022 in the 35<sup>th</sup> Annual General Meeting convened on 07-11-2022.

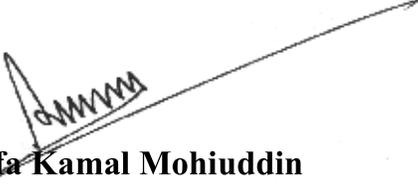
Business performance of the company during the year geared up upto the expected level at the untiring effects of our Management Team and proper guidance of the Board of Directors.



Bangladesh Monospool Paper Manufacturing Company Ltd. is a company well recognized for its transparency in Corporate Governance. To uphold the growing reputation, Bangladesh Monospool Paper Manufacturing Company Ltd. has been maintaining both regulatory and voluntary governance practices.

I would like to express my sincere thanks and gratitude to BSEC, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd., Central Depository Bangladesh Ltd., Registrar of Joint Stock Companies and firms Company's Bankers, and other business partners for their co-operation, consistent support and guidance in running the company smoothly.

I also like to convey my best wishes to the members of the Board, Management Team and the employees of the company for their relentless effort and contribution towards achievement of business goal that enabled the Company to emerge as a sound business enterprise and expect to getting the same in future.



**Mustafa Kamal Mohiuddin**  
**Chairman**

## Directors' Report

### DEAR VALUED SHAREHOLDERS,

Assalam Alaikum.

It is our great pleasure to welcome all of you in the 35<sup>th</sup> Annual General Meeting of Bangladesh Monospool Paper Mfg. Company Limited and to present before you the Directors' Report together with the audited financial statements of the company for the year ended June 30, 2022. This report has been prepared in compliance with section 184 of the companies Act, 1994 and Bangladesh Securities and Exchange Commission Notification no. SEC/CMRRCD/2006-158/207 dated June 03, 2018.

### PRINCIPAL ACTIVITIES:

The principal activities of Bangladesh Monospool Paper Manufacturing Company Ltd. is to print and produce security paper, photocopy paper, OMR forms, tabulation sheets of different public/Board Examinations. Bd. Monospool has always maintained trust on reaching out to people with high value-added paper products, excellent service network. Over the years, Bd. Monospool has strategic moves and emerged as one of the leading manufactures of paper and innovative stationery products in the country. Today, Monospool has evolved into a well diversified and vertically integrated Company, competitively positioned based on the strength of its diverse paper products of high quality and brand recognition. In short, Monospool is a Company where dynamic integration forms the solid base for diverse value added products and satisfaction of the valued customers.

### GLOBAL ECONOMIC OUTLOOK:

Over the past two years COVID-19 pandemic continued to wreak disaster on lives and livelihood and disrupted the global financial stability. Financial year 2021-2022 started with new uncertainties as pandemic resurged in some parts of the world with outbreak of the Delta variant which eventually impeded the pace of global economic recovery. However, global economy has gained momentum at a moderate pace, partly attributable to incremental coverage of vaccination and better management of the pandemic. Raising energy prices and supply chain disruptions have resulted in higher and more broad-based inflation than anticipated, notably in the United States and many emerging market and developing economies. All these have put pressure on quicker revival of economic activities to the full scale. IMF projected global economy to grow 5.9% in 2021 and expects to moderate to 4.4% in 2022. Geopolitical tensions and social unrest relating to Russia-Ukraine war is threatening to imperil energy supply, international trade, and policy cooperation thus resulting in elevated food and energy prices. Elevated commodity prices, sweeping financial sanctions and the potential for a ban on energy imports from Russia all these are threatening to stumble the global economy, weakened by the COVID-19 pandemic, still struggling to gain momentum.

## **A BRIEF OVERVIEW OF BANGLADESH ECONOMY:**

Bangladesh economy has showed its resilience in 2021. With timely implementation of stimulus packages, continued fiscal and monetary policy supports, hefty remittance inflow, declining COVID-19 infection rate, and increasing coverage of vaccination helped country's economic growth recovered faster attaining 6.94% GDP growth in FY 2021 from 3.45% in FY 2020 largely driven by activities in the agriculture and industry sectors. To support investment and employment generating activities in the recovery process, Bangladesh Bank continued its efforts in line with expansionary monetary policy stance for FY 2022. Following FY 2020, agriculture sector remained resilient and showed solid performance in FY 2021 growing by 3.17%. Industry sector strongly rebounded and grew by 10.29% in FY 2021 after a slower growth of 3.61% in previous fiscal year. To boost the production and generate employment, government and Bangladesh Bank continued to provide policy support, including sector specific stimulus packages and various refinance schemes, which resulted in higher growth performance. Bangladesh Securities and Exchange Commission (BSEC) and the Government of Bangladesh took a number of initiatives to boost investors' confidence in the capital market. Moreover, the Central bank undertook several policy measures under the stimulus package which helped in amplifying liquidity in the market, building investors' confidence and stabilizing the capital market.

## **ECONOMY AND BUSINESS OUTLOOK 2022:**

The global economy is recovering from the COVID-19 outbreak, though the recovery process is uneven among countries. World Bank projects that the Bangladesh economy will grow by 6.4% in FY 2022 due to improvement in domestic demand and resumption of export items. Despite excess liquidity and depressed private sector credit growth, BB is expected to continue the expansionary and accommodative monetary policy for recovery, as a key priority, of economy from the slowdown. It is expected that since the economic activities are being rebounded in recent periods after a significant improvement of COVID-19 situation in the country, it would subsequently ease the pressure on excess liquidity, increasing private sector credit growth by strengthening economic activities. Here, Bangladesh Bank's policy is to let flow the funds to the productive sectors, including agriculture, SMEs, export-oriented industries and the informal sector, which have been hit hard by the pandemic. Therefore, Bangladesh Bank remains vigilant for taking appropriate policy measures on the development of exchange rate depreciation and inflation expectation. Both exports and imports are growing fast. Demand for workforce has grown in the countries that are main sources of wage-earners' remittances for Bangladesh.

## **INDUSTRY OUTLOOK AND FUTURE DEVELOPMENT:**

The people of Bangladesh, like elsewhere in the world are recovering from unprecedented situation where the economy is struggling to recover from the effect of the COVID-19. From producers to importers, wholesalers to retailers, everyone in the Paper industry took a hit as academic institutions and offices remained closed. However absorbing pandemic shocks, the

company is making a comeback on growing demand following reopening of the business entities and educational institutions. We are optimistic about the company's future and our ability to continue to deliver satisfactory returns to our respected shareholders in the current year and in the years to come.

### **BUSINESS PERFORMANCE:**

The company operates its business activities in manufacturing different Paper products like base paper of cheque books of good number of private banks, different forms used by the banks, photocopy paper, OMR forms, tabulation sheets, admit cards etc. in huge volume. During the year 2021-2022 net sales of the company was Tk. 66,39,87,441/- compared to Tk. 29,98,19,319/- in the year 2020-21. Gross profit of the company was Tk. 22,64,80,957/- as on 30-06-2022 in comparison to Tk. 15,82,51,192/- in the last year. During the year under review net profit after tax was Tk. 5,11,55,310/- which was Tk. 1,15,11,679/- in the last year. Earnings per share stood at Tk. 5.45 compared to Tk. 1.23 in the last year.

### **UPGRADATION FROM "Z" TO "A" CATEGORY OF THE COMPANY IN STOCK MARKET:**

After declaration and payment of 10% cash dividend to the shareholders the shares of the Company have been upgraded from 'Z' to 'A' category on February 07, 2022 by DSE and CSE. This is another combined achievement of the esteemed shareholders and the management of the company in the year 2022.

### **DIVIDEND:**

The Board of Directors recommended 10% cash dividend and 10% Stock Dividend for the year ended on 30-06-2022 for approval of the shareholders in the 35<sup>th</sup> Annual General Meeting convened on November 07, 2022.

### **COST OF GOODS SOLD (COGS), GROSS PROFIT AND NET PROFIT MARGIN:**

COGS of the company was Tk. 43,75,06,484/- in the current year compared to Tk. 1,41,56,81,27/- in the previous year. COGS to sales ratio was 65.89%. Gross profit stood at Tk. 22,64,80,957 compared to Tk. 15,82,51,192/- in the last year. Net profit stood at Tk. 5,11,55,310/- in the current year compared to 1,15,11,679/- in the year 2020-2021.

### **EXTRAORDINARY GAIN OR LOSS:**

No events on extraordinary gain or loss occurred during the reporting period requiring adjustment or disclosure in the financial statements.

### **RELATED PARTY TRANSACTION:**

All transactions with related parties are made on a commercial basis and the basis was the principle of "Arms Length Transaction" Basis of related party transaction is discussed in the

note no. 3.19 and 39. Details of related party transactions are disclosed in the note 39 of the financial statement.

**UTILIZATION OF PROCEEDS FROM PUBLIC ISSUE:**

This is not applicable for the company as there was no such event of collecting fund from public issues which would require adjustment or disclosure in the Annual Report.

**VARIANCE WITHIN THE QUARTERLY FINANCIAL STATEMENTS AND ANNUAL FINANCIAL STATEMENTS:**

There was no event of significant variance between quarterly financial performances and Annual financial statements during the year under review.

**REMUNERATION TO DIRECTORS INCLUDING INDEPENDENT DIRECTORS:**

Director's remuneration is shown in the note no. 31.00 of the notes of the financial statements.

**FAIRNESS OF FINANCIAL STATEMENTS:**

The financial statements together with the notes thereon have been drawn up in conformity with the International Accounting Standards/Financial Reporting Standards, companies Act, 1994 and Securities and Exchange Rules 1987. These statements present fairly the company's state of affairs, the results of operations, cash flow and changes in equity.

**PROPER BOOKS OF ACCOUNTS:**

Proper books of Accounts of the company have been maintained.

**ADOPTION OF PROPER ACCOUNTING POLICIES AND ESTIMATES:**

Appropriate accounting policies have been consistently applied in the preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.

**IAS/BAS/IFRS/BFRS APPLICATION:**

International Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS) as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure, therefore has been adequately disclosed.

**INTERNAL CONTROL:**

The company maintains a sound internal control system that gives a reasonable assurance against any material misstatement. The internal control system is regularly monitored by the Audit Committee in each meeting.



## **MINORITY SHAREHOLDERS:**

Minority shareholders' interests always looked after by the Board.

## **GOING CONCERN:**

Based on the available information the Directors consider that the company has the plans and resources to manage its business risks successfully and remain financially strong. After making inquiries, the Directors' have a reasonable expectation that the company has adequate resources to continue its operations for the foreseeable future.

## **SIGNAFICANT DEVIATION FROM LAST YEAR'S OPERATION RESULT:**

During the year under review, our sales increased to Tk. 66,39,87,441/- from Tk. 29,98,19,319/- of the last year registering a positive growth of 221.46%. Net Operating Cash Flow per share (NOCFPS) was Tk. 7.19 during the year under review as compared to Tk. 4.30 in the last year.

## **KEY OPERATING AND FINANCIAL DATA:**

The summarized key operating and financial data for the five years is set out at page 22 of the Annual Report.

## **BOARD AND COMMITTEE MEETINGS AND ATTENDANCE:**

During the year 2021-2022 total seven Board Meetings, four Audit Committee Meetings and one Nomination & Remuneration Committee Meeting were held. Details of the Board meetings, Audit Committee meeting and Nomination & Remuneration Committee are shown at page 24 of the Annual Report. The Managing Director, Chief Financial Officer (CFO), Company Secretary (CS) and Head of Internal Audit & Compliance (HIAC) were present in all Board meetings.

## **THE PATTERN OF SHAREHOLDING AND NAME WISE DETAILS:**

The shareholding information as of June 30, 2022 and other related information are provided at page no. 23 of the Annual Report.

## **CONTRIBUTION TO NATIONAL EXCHEQUER:**

Bangladesh Monospool Paper Manufacturing Company Ltd. is a corporate taxpayers from the paper sector of the country. Every year the company is contributing to the National Exchequer in the form of VAT and taxes. During the year the company contributed to the government exchequer a sum of Tk. 3,39,58,189.95.

## **DIRECTORS ELECTION:**

As per the articles of association of the company and the Companies Act 1994, one third of the Directors' shall retire at every Annual General Meeting of the company. In pursuance of article 83 And 84 of the Articles of Association of the company those who have been longest in the office since their last re-election is to retire by rotation. Accordingly, Mr. Mostafa Jamal

Mohiuddin and Mr. Md. Amir Hossain will retire at this Annual General Meeting. Being eligible they have offered themselves for re-appointment. The brief profile of the Directors is given on page 9 & 10 of the Annual Report.

#### **INDEPENDENT DIRECTOR:**

The Company has complied with the Corporate Governance Code, 2018 of the Bangladesh Securities & Exchange Commission with regard to appointment of Independent Directors to the Board. The Company has three Independent Directors namely Dr. Mahbubul Alam Joarder, Dr. Ataur Rahman and Engineer Md. Enayet Ali.

#### **MANAGEMENT DISCUSSION AND ANALYSIS:**

Management's discussion and analysis have been highlighted in the Managing Director's Statement.

#### **DECLARATION BY THE CEO AND THE CFO:**

Declaration by the Managing Director and CFO has been given at page 32.

#### **CORPORATE GOVERNANCE COMPLIANCE REPORT:**

Bangladesh Monospool Paper Manufacturing Company Ltd. complied with requirements (except few) of Corporate Governance as required by the Securities & Exchange Commission (BSEC). In accordance with the BSEC notification Corporate Governance Compliance Report is shown in Annexure-C of the Annual Report.

Further, in Compliance with the BSEC notification dated June 3, 2018, Huda Hossain & Co. Chartered Accountants in Practice issued the Corporate Governance Compliance Certificate which is shown at page 41 of this report.

#### **APPOINTMENT OF STATUTORY AUDITOR:**

M/S. Pinaki & Company, Chartered Accountants performed the auditing of financial statements of the company for the year ended on 30-06-2022. Pursuant to the section 210 of Companies Act 1994, the statutory auditors were appointed and as per BSEC rules they are eligible for auditing the Financial Statements of the company for three consecutive years. This is their second year as the statutory auditors in the company. So, as per BSEC rules they are eligible for re-appointment and they have consent to be appointed as statutory auditors for the year 2022-2023. Therefore, they may be appointed in the ensuing Annual General Meeting after completion of due process and formalities.

The matter was placed to the audit committee who apprised the Board of Directors for placing the matter to the shareholders for approval in the 35<sup>th</sup> AGM.

**APPOINTMENT OF A PROFESSIONAL (CHARTERED ACCOUNTANTS/ CHARTERED SECRETARIES) FIRM FOR THE CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE OF BSEC:**

As per notification no. BSEC/CMRRC/2006-158/207/Admin/80: dated June 03, 2018, the Company shall obtain a certificate from Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant/Chartered Secretary) regarding compliance with the condition of Corporate Governance Code of the Commission and such certificate shall be disclosed in the Annual Report. The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the Annual General Meeting.

In this regard, M/s. Ashraf Uddin & Co. Chartered Accountants in Practice offered themselves for appointment to issue “Corporate Governance compliance certificate”. The Board recommended the proposal for the appointment of M/S. Bokhtear Humayun & Co. Chartered Accountants in Practice, to issue “Corporate Governance compliance certificate” of Bangladesh Monospool Paper Manufacturing Company Ltd. for the year 2022-2023 subject to approval of the shareholders of the Company in the 35<sup>th</sup> Annual General Meeting.

**EMPLOYEES:**

The total strength of BMPMC employees stood at 423 at the end of the year. BMPMC believes that a strong, skilled and dedicated workforce is the key ingredient to success. BMPMC has also implemented the Workers Profit Participation Fund for its employees. The company provides 5% of profit before charging such expense to employees as workers Profit Participation Fund (WPPF) in accordance with the Bangladesh Labour Act 2006 (amended in 2013).

**HEALTH AND SAFETY:**

BMPMC is committed to providing a healthy and risk-free environment for its employees. We have made it compulsory that various tools like a fire extinguisher, oxygen cylinder, mask, first-aid box, etc. should be available for the topmost security of its employees and workers.

**COMPLIANCE WITH LAWS AND REGULATIONS:**

The Company was not involved in any activities contravening the laws and regulations of the country. The Company ensures compliance with the provisions of all concerned regulatory authorities.

## ENVIRONMENTAL PROTECTION:

The Company is committed to protecting the environment issues. To the best of the knowledge of the Board the company was not involved in any activity which might be harmful to the environment.

## CORPORATE SOCIAL RESPONSIBILITY:

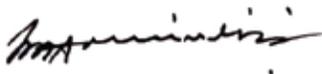
The Company continues to contribute to the welfare of the local communities through its CSR projects.

## ACKNOWLEDGMENT:

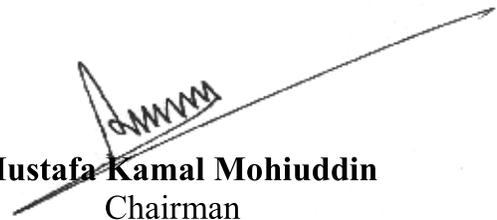
The Board of Directors firmly believes that the company has necessary strengths, resources and commitment to further propel the company to newer heights. The Company and its Board of Directors would like to extend its foremost regard and appreciation to the valued shareholders and other stakeholders of the Company for their persistent support and guidance to the company that led to the cumulative achievements. The Board also expresses their gratitude to the Government of Peoples' Republic of Bangladesh, National Board of Revenue (NBR), Registrar of Joint Stock Companies and Firms (RJSC), Bangladesh Securities & Exchange Commission (BSEC), Central Depository Bangladesh Limited (CDBL), Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE), the company's bankers and other business partners for their cooperation, positive support and guidance. The Company also wishes to express its sincere appreciation to all the employees of BMPMC for their contribution to the development of the Company.

We look forward to your continued support to the company in 2022-2023 and in the years thereafter.

For and on behalf of the Board of Directors,



**Mostafa Jamal Mohiuddin**  
Managing Director



**Mustafa Kamal Mohiuddin**  
Chairman

## Key Operating and Financial Data

Particulars	2021-2022 (Tk.)	2020-2021 (Tk.)	2019-2020 (Tk.)	2018-2019 (Tk.)	2017-2018 (Tk.)
Authorized Capital	50,00,00,000	50,00,00,000	50,00,00,000	50,00,00,000	50,00,00,000
Paid up Capital	9,38,88,256	9,38,88,256	3,04,83,200	3,04,83,200	3,04,83,200
Revenue	66,39,87,441	29,98,19,319	42,90,55,445	64,41,52,286	50,45,78,771
Gross Profit	22,64,80,957	15,82,51,192	18,52,13,434	23,62,04,842	18,88,04,181
Profit/(Loss) before Tax	6,25,81,037	1,94,81,631	3,58,85,391	8,99,87,063	7,64,23,715
Net Profit/(Loss) after Tax	5,11,55,310	1,15,11,679	1,69,42,762	6,74,90,297	5,73,17,786
Non-Current Assets	84,69,96,310	86,05,33,011	77,77,67,249	77,59,64,157	72,12,46,513
Current Assets	65,47,09,298	52,75,78,341	52,44,66,311	43,61,33,962	33,62,58,675
Total Assets	150,17,05,608	138,81,11,353	130,22,33,560	121,20,98,119	1,05,75,05,189
Shareholders' Equity	42,13,74,652	37,96,16,883	38,29,06,315	36,57,93,390	29,81,28,385
Current Liabilities	42,01,28,369	42,21,58,241	44,75,06,279	38,88,75,426	29,70,52,859
Total Liabilities	1,08,03,30,956	100,84,94,469	91,93,27,245	84,63,04,729	75,93,76,804
Earnings Per Share (EPS)	5.45	1.23	1.80	22.14	18.80

## SHAREHOLDING PATTERN

As per Condition No. 1(5) (xxiii) of CG Code-2018

<b>Pattern of Shareholding as on June 30, 2022</b>			
<b>Name of the Shareholders</b>	<b>Status</b>	<b>Shares held</b>	<b>%</b>
<b>Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit, and their Spouse and minor Children:</b>			
Mr. Mustafa Kamal Mohiuddin	Chairman	20,40,000	21.72%
Mr. Mostafa Jamal Mohiuddin	Managing Director	5,12,638	5.46%
Bangladesh Development Group Ltd. <b>Represented by:</b> Mr. Md. Mobarok Hossain Advocate Md. Golam Kibria	Director Director	13,16,949	14.03%
Magura Group Ltd. <b>Represented by:</b> Mr. Md. Amir Hossain	Director	8,03,972	8.56%
Engr. Muhammad Enayet Ali	Independent Director	-	-
Dr. Md. Mahbubul Alam Joarder	Independent Director	-	-
Dr. Aatur Rahman	Independent Director	-	-
<b>(C) Executives:</b>			
Mr. Md. Mustafizur Rahman	Company Secretary	-	-
Mr. Md. Khandaker Ashraf Uddin	Chief Financial Officer	-	-
Mr. Md. Aatur Rahman	General Manager (Sales & Marketing)	-	-
Mr. Md. Moniruzzaman Liton	Manager	-	-
Mr. Shahidul Islam	(GM) Production and Engineering	-	-
Mr. Md. Murad Alam	AGM (Production)	-	-
Mr. Protul Mojumder	Manager (Tax & VAT)	-	-
Mr. Md. Abdus Subhan	Head of Internal Audit	-	-
<b>(d) Shareholders holding ten percent (10%) or more voting interest in the Company</b>			
Mr. Mustafa Kamal Mohiuddin	Chairman	20,40,000	21.72%
Bangladesh Development Group Ltd.	Shareholder	13,16,949	14.03%

A detailed presentation on shareholding pattern is also disclosed in Note No. 15.00 of the Audited Financial Statements.

### Directors Meeting & Attendance of Bangladesh Monospool Paper Mfg. Co. Ltd. Board Meeting

Name of Directors	Designation	Total Meeting	Meeting Attended
Mr. Mustafa Kamal Mohiuddin	Chairman		
Mr. Mostafa Jamal Mohiuddin	Managing Director		
Mr. Md. Mobarok Hossain	Director		
Advocate Md. Golam Kibria	Director		
Mr. Md. Amir Hossain	Director		
Engr. Muhammad Enayet Ali	Independent Director		
Prof. Dr. Md. Mahbubul Alam Joarder	Independent Director		
Prof. Dr. Ataur Rahman	Independent Director		

### Audit Committee Meeting

Name of Directors	Designation	Total Meeting	Meeting Attended
Engr. Muhammad Enayet Ali	Independent Director	4	4
Mr. Md. Mobarok Hossain	Director	4	4
Mr. Md. Amir Hossain	Director	4	4

### Nomination & Remuneration Committee Meeting

Name of Directors	Designation	Total Meeting	Meeting Attended
Engr. Muhammad Enayet Ali	Independent Director	01	01
Mr. Md. Mobarok Hossain	Director	01	01
Mr. Md. Amir Hossain	Director	01	01

### Directors Meeting Attendance Fee

Name of the Directors	Board Meeting		Audit Committee	NR Committee	Total Fees Paid (Tk.)
	Attendance	Fees (Tk.)	Attendance	Attendance	
Mr. Mustafa Kamal Mohiuddin Chairman	7/7	5000	-	-	35000
Mr. Mostafa Jamal Mohiuddin Managing Director	7/7	5000	-	-	35000
Mr. Md. Mobarok Hossain Director	7/7	5000	4/4	1/1	35000
Advocate Md. Golam Kibria Director	7/7	5000	-	-	35000
Mr. Md. Amir Hossain Director	4/7	5000	4/4	1/1	20000
Engr. Muhammad Enayet Ali Independent Director	6/7	5000	4/4	1/1	30000
Prof. Dr. Md. Mahbubul Alam Joarder Independent Director	7/7	5000	-	-	35000
Prof. Dr. Ataur Rahman Independent Director	7/7	5000	-	-	35000

\*\* Audit Committee and Nomination & Remuneration Committee members do not receive any meeting attendance fee.

## REPORT OF THE AUDIT COMMITTEE

### For the year ended 30 June 2022

Under Condition No. 5(7) of the Corporate Governance Code as adopted on 03 June, 2018 by Bangladesh Securities and Exchange Commission (BSEC) Audit Committee in Bangladesh Monospool Paper Manufacturing Company Ltd. is a sub-committee of the Board of Directors, assists the board in fulfilling its oversight responsibilities.

The Audit Committee assists the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business. The Audit Committee is responsible to the Board of Directors. The jurisdiction of the Audit Committee extends over the Company covering risk management with special emphasis on ensuring compliance with all applicable legislation and regulation.

Chairman : Engr. Muhammad Enayet Ali, Independent Director  
Member : Mr. Md. Mobarok Hossain, Director  
Member : Mr. Md. Amir Hossain, Director  
Secretary : Mr. Md. Emdadul Haque, Company Secretary

A total of 04 (four) meetings of the Audit Committee were held during the year. Company Secretary functioned as the Secretary to the Committee as per regulatory guidelines.

The detail responsibilities of Audit committee are well defined in the Terms of Reference (TOR). However, the major roles of the Audit Committee are mentioned below:

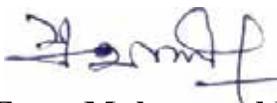
- (a) To review the quarterly and annual financial statements before submission to the Board for approval, adequacy of internal audit functions.
- (b) To oversee the financial reporting process, hiring and performance of external auditors;

The Audit Committee reports on its activities to the Board of Directors. Audit Committee also immediately reports to the Board of Directors on

- (a) Conflicts of interests,
- (b) Suspected or presumed fraud or irregularity or material defect in the internal control system,
- (c) Suspected infringement of laws, including securities related laws, rules and regulations,
- (d) Any other matter which shall be disclosed to the Board of Directors.

In connection with financial reporting, the Audit Committee reviewed the Company's financial statements. The Audit Committee concluded that all reported financial results have been presented in accordance with applicable rules.

On behalf of the Committee,



**Engr. Muhammad Enayet Ali**  
Chairman of the Committee

## Report of the Nomination & Remuneration Committee

As per the requirement of the BSEC Code of Corporate Governance the Board of Directors of **Bangladesh Monospool Paper Manufacturing Company Ltd.** has constituted a Nomination & Remuneration Committee (hereinafter referred to as the “NRC”). The NRC is a sub-committee of the Board.

### Composition of the Committee

The NRC consists of three Directors including one Independent Director. Independent Director is the Chairman of the Committee. The committee acts as per the terms and conditions of the Corporate Governance Code of BSEC. The Committee members are:

1. Engr. Muhammad Enayet Ali (Independent Director) : Chairman
2. Mr. Md. Mobarok Hossain (Director) : Member
3. Mr. Md. Amir Hossain (Director) : Member

Company Secretary Md. Emdadul Haque acts as the Secretary of the Committee.

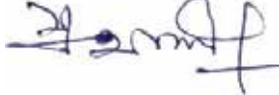
### Major Role and Responsibilities of the Committee

- i. The Committee is an Independent sub-committee of the Board and responsible or accountable to the Board and to the shareholders of the Company.
- ii. The Committee discharges the responsibilities and acts as stipulated in the Terms of Reference (ToR) of the Nomination and Remuneration Committee adopted by the Board in line with the Corporate Governance Code 2018.

### The activities of the NRC during the year were as follows:

- i. During the year Committee held a meeting. All the members including the Chairman of the Nomination & Remuneration Committee attended at the meeting. The attendance record of the members is shown in the report.
- ii. Committee has reviewed the management’s proposals for the annual increment/ promotion/ enhancement of salary and renewal of contract appointments of senior management of the Company.

On behalf of the Committee



**Engr. Muhammad Enayet Ali**

Chairman

Nomination & Remuneration Committee

## MANAGEMENT'S DISCUSSION AND ANALYSIS

DEAR FELLOW SHAREHOLDERS,

Assalamu Alaikum,

It is a statutory requirement to apprise you about the business performance of the company with a brief discussion and analysis of financial statements.

As per condition No. 5(xxv) of Corporate Governance Code dated 03 June, 2018 the Management Discussion and Analysis is being presented before you along with the company's position and operations together with a brief discussion of changes in the financial statements.

### ACCOUNTING POLICES AND ESTIMATIONS

As is applicable, we adhere to the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh. The following IASs and IFRSs are applicable for the financial statements for the year under review:

- IAS- 1 Presentation of Financial Statements
- IAS- 2 Inventories
- IAS- 7 Statements of Cash Flows
- IAS- 8 Accounting Policies and Changes in Accounting Estimates
- IAS- 10 Events after the Reporting Period.
- IAS- 12 Income Taxes
- IAS- 16 Properties, Plant & Equipment
- IAS- 23 Borrowing Costs
- IAS- 24 Related Party Disclosures
- IAS -32 Financial Instruments: Presentation
- IAS- 33 Earnings per Share
- IAS- 36 Impairment of Assets
- IAS- 37 Provisions, Contingent Liabilities and Contingent Assets
- IFRS -7 Financial Instruments: Disclosure
- IFRS -13 Fair Value Measurement
- IFRS - 15 Revenue from Contract with Customers

This is also explained in Note No. 2.08 of the Audited Financial Statements. There are no changes in accounting policies and estimation, during the preparation of financial statement for the year ended June 30, 2022.

## COMPARATIVE ANALYSIS OF FINANCIAL PERFORMANCE

Particulars	01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020	01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018
Revenue	66,39,87,441	29,98,19,319	42,90,55,445	64,41,52,286	50,45,78,771
Gross Profit	22,64,80,957	15,82,51,192	18,52,13,434	23,62,04,842	18,88,04,181
Net Profit Before Tax	6,25,81,037	1,94,81,631	3,58,85,391	8,99,87,063	7,64,23,715
Net Profit After Tax	5,11,55,310	1,15,11,679	1,69,42,762	6,74,90,297	5,73,17,786
Total Asset	150,17,05,608	138,81,11,353	130,22,33,560	121,20,98,119	1,05,75,05,189
Total Current Assets	65,47,09,298	52,75,78,341	52,44,66,311	45,39,19,072	33,62,58,675
Paid up Capital	9,38,88,256	9,38,88,256	3,04,83,200	3,04,83,200	3,04,83,200
No. of Shares	93,88,825	93,88,825	30,48,320	30,48,320	30,48,320
Shareholders' Equity	42,13,74,652	37,96,16,883	38,29,06,315	36,57,93,390	29,81,28,385
Current Liabilities	42,01,28,369	42,21,58,241	44,75,06,279	38,88,75,426	29,70,52,859
EPS	5.45	1.23	1.80	22.14	18.80
NAV per share	44.88	40.43	40.78	120.00	97.80
NOCFPS	7.19	4.30	6.05	20.11	9.08

Analysis of performance: The Company maintained positive performance in a good ratio in relation to turnover and profitability in the preceding five years.

### RISK AND RISK MANAGEMENT PLAN OF THE COMPANY

Risk is integral part of every business. The risk landscape of the Company encompasses risk arising from Business operations, financial risks and other risks provided in the following risk areas, including but not limited to:

1. Strategic Risk
2. Production & Operational Risk
3. Financial Risk
4. Business Risk
5. Marketing Risk
6. Credit Risk
7. Human Resources Risk
8. Reputation Risk
9. Regulatory Risk

The company uses Risk Management as a strategic tool to protect itself from various potential and existing risks pertaining to all the stakeholders in its business operations. Risks and concerns issues

related to the financial statements, explaining such risk and concerns mitigation plan of the company are furnished below:

Risk	Mitigation Strategies
Strategic Risk	<ul style="list-style-type: none"> <li>• Strategies and operating performance are assessed regularly by the Board along with MD and the top management.</li> <li>• Operating, financial and strategic business information are reviewed.</li> <li>• Business strategies and key initiatives and ensuring alignment between business-level and enterprise-level strategies are considered.</li> <li>• Once the strategy is set, it is implemented throughout the year.</li> </ul>
Production & Operational Risk	<ul style="list-style-type: none"> <li>• Being a manufacturer the company has production risk always. Aiming so the management preserve one month's Raw Material as inventory to continue uninterrupted production. The management of the company also focuses on full production of the factory for high profit against lower production cost.</li> <li>• Production, marketing, Credit and liquidity risk are considered while operational strategies are set –               <ul style="list-style-type: none"> <li>- Mitigating rising labor cost</li> <li>- Planning for supply chain pricing shocks</li> <li>- Investing and applying business intelligence tools</li> </ul> </li> <li>• The company aims to create and sustain shareholder value to execute its business Strategies.</li> <li>• The company maintains a formal enterprise-wide operational risk management framework that emphasizes a strong risk management.</li> </ul>
Financial Risk	<ul style="list-style-type: none"> <li>• The risk of varies in inflation rates is, now, considered in assessment model of the company as it producing commodities and sells them in exchange currencies.</li> <li>• Interest rate risk is managed within company's asset vs. liability management process and controlled via interest rate sensitivity limits.</li> <li>• Inflation is related with raw material purchase as well</li> <li>• Following strategies are considered while taking decision of financing-               <ul style="list-style-type: none"> <li>- Evaluating debt options</li> <li>- Considering interest limitation and tax policy implications</li> <li>- Assessing traditional vs. non-traditional lenders</li> <li>- Interest rate</li> </ul> </li> </ul>

<b>Business Risk</b>	<ul style="list-style-type: none"> <li>• The company maintains a number of policies and practices to manage business risk.</li> <li>• Sound product design is considered as an essential element.</li> <li>• The Company also manages risk through effective business strategies, ongoing monitoring of experience, and stress-testing scenario analysis.</li> </ul>
<b>Marketing Risk</b>	<ul style="list-style-type: none"> <li>• Following strategies are followed to meet this type of risk:             <ul style="list-style-type: none"> <li>- Assessing logistic cost and resources</li> <li>- Managing inventory</li> <li>- Monitor sales volume and marketing policies warehouse</li> </ul> </li> </ul>
<b>Credit Risk</b>	<ul style="list-style-type: none"> <li>• All receivables are reviewed on a monthly basis and recoveries made on time.</li> </ul>
<b>Human Resources Risk</b>	<p style="text-align: center;"><b>For High Turnover Ratio</b></p> <ul style="list-style-type: none"> <li>• Analysis on worker and staff turnover is reviewed by the Management and the Board.</li> <li>• Employee surveys are carried out on a periodic basis.</li> </ul> <p style="text-align: center;"><b>For Retaining skilled worker and talented staff</b></p> <ul style="list-style-type: none"> <li>• Addressing Labor issues</li> <li>• Accommodating flexible work arrangement</li> <li>• Wages and remuneration packages are aimed to attract skilled worker and qualified &amp; talented staff.</li> <li>• Wages and Salary surveys are conducted periodically to ensure competitive salaries.</li> <li>• Regular Management meetings and distribution management meetings are conducted to convey the key decisions taken at the top management level and to communicate what is happening in the Company to all members of the Management Team.</li> </ul>
<b>Reputational Risk</b>	<ul style="list-style-type: none"> <li>• Company's Reputational Risk Management Policy is approved by the respective committee of the Board.</li> <li>• The Company also has defined and documented processes to approve new products and new business. These processes involve committees with representation from the businesses and control functions, and include consideration of all aspects of a new product, including reputational risk.</li> </ul>

<b>Regulatory Risk</b>	<ul style="list-style-type: none"><li>• The Company Secretary works as the Chief Compliance Officer provides an annual compliance and governance report to the Audit Committee of the Board stating the results of the annual process and setting out an opinion on the strength of the governance framework and regulatory risk management at the company.</li><li>• Communicating and advising on compliances by the Board and top management of the Company.</li><li>• Legal requirements and emerging compliance is analyzed by the Corporate Affairs Department.</li><li>• Reporting significant issues and findings to senior management and the Board.</li></ul>
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## FUTURE PLAN

It is expected that with the valued suggestions of the board of Directors, the Shareholders and relentless efforts and dedicated services of the employees, the Company will be able to upgrade the position during the remaining period of the year. Prudent and Judicious financial management combined with stringent austerity measures by all concerned is also warranted to improve the profitability and viability of the company.

We also like to thank the members of the Board and Management Team for the commitment in expediting and implementing the company strategy and unwavering support that enabled the Company emerge as a financially sound enterprise. We would like to recognize the dedicated and unflinching services of all the members of the company with deep appreciation.

Thanking you,

One behalf of the Management



**Mostafa Jamal Mohiuddin**  
Managing Director

**Annexure - A**

**Annexure-IV**  
**[As per condition No. 1(5) (xxvi)]**  
**DECLARATION BY CEO AND CFO**

**October 10, 2022**

**The Board of Directors**

**Bangladesh Monospool Paper Manufacturing Company Ltd.**

Plot No.-314/A, Road No. 18,

Block- E, Bashundhara R/A, Dhaka-1229

**Subject: Declaration on Financial Statements for the year ended on 30 June 2022**

Dear Sirs,

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

- (1) The Financial Statements of Bangladesh Monospool Paper Manufacturing Company Ltd. for the year ended on 30 June, 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on 30 June 2022 and that to the best of our knowledge and belief:
  - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Mostafa Jamal Mohiuddin  
**Managing Director**



Khandakar Ashraf Uddin  
**Chief Financial Officer (CFO)**

# BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No:

OM-2022/266

**BAPLC**

Date of issue : August 1, 2022

## Renewed Certificate

*This is to certify that*

**BANGLADESH MONOSPOOL PAPER MANUFACTURING COMPANY LIMITED**

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

*This certificate remains current until 31<sup>st</sup> December 2022.*



  
Secretary General

## **REPORT ON COMPLIANCE & GOVERNANCE**

HONORABLE SHAREHOLDERS,  
ASSALAMUALIKUM.

On behalf of the Management, I am pleased to report to you about the compliance and governance of the company and welcome you all at the 35<sup>th</sup> Annual General Meeting of Bangladesh Monospool Paper Manufacturing Company Ltd.

Bangladesh Securities and Exchange Commission (BSEC) streamlined the corporate governance code and repealed the existing corporate governance Code on 10 June 2018 in order to enhance the corporate governance in the interest of the investors and the capital market. Listed Companies shall comply in accordance with the condition stipulated in the code.

The management of the company is always aware to ensure a continued commitment for getting the essence of sound corporate governance. Corporate Governance framework has been developed and enhanced based on the basic principles and best practices outlined in the following:

- The Companies Act 1994
- Corporate Governance Code of BSEC-2018
- Listing Regulations -2015
- BSEC Rules 1969 and 1987
- Other applicable rules and regulations issued by BSEC, DSE and CSE
- Standards of Business Conduct,
- Policies and Guidelines of the Company
- Statement of Risk Management and Internal Control of the Company
- Statement of Delegated Authorities of the Company
- Laws of the land and
- Local and global best practices

Corporate Governance clearly defines the rights and responsibilities of the Board of Directors, Management, Shareholders and other Stakeholders. A good corporate reputation is the most valuable and competitive asset of a company. Bangladesh Monospool Paper

Manufacturing Company Ltd. believes in the continued improvement of corporate governance. The Board of Directors and the Management Team of Bangladesh Monospool Paper Manufacturing Company Ltd. is committed to maintaining effective Corporate Governance through accountability, fairness, transparency and responsibility.

### **Board of Directors**

The Board of Directors comprises of 07 (Six) members including 03 (three) Independent Directors. All Directors have sound knowledge in the area of paper manufacturing industry, managerial expertise and sound academic and professional knowledge. They are well conversant with corporate governance. The Board of Directors is appointed by the Shareholders in the Annual General Meetings who are accountable to the Shareholders.

### **Appointment of Independent Director**

The Board of Directors of the company appointed Independent Directors in compliance with the corporate governance code. In selecting Independent Director, the Company always looked for individuals who possess experience, strong inter personal skills and independence. An Independent Director is considered by the Board to be independent of the Company and free of any business or other relationship that could interfere with the exercise of his independent judgment. The Board believes that their experience and knowledge assists in providing both effective and constructive contribution to the Board.

### **The Role of the Chairman and Managing Director**

Position of the Chairman and Managing Director/CEO are clearly defined. The Chairman is responsible for leading the Board and its effectiveness. The Managing Director serves as the Chief Executive officer of the Company.

### **Audit Committee**

The Audit Committee is established as a sub-committee of the Board and has jurisdiction over Bangladesh Monospool Paper Manufacturing Company Ltd. The Audit Committee assists the Board. The audit committee is comprised of three members of the Board including an Independent Director who is the Chairman of the Committee.

### **Nomination and Remuneration Committee**

Nomination and Remuneration Committee (NRC) is established as a sub-committee of the Board. The NRC assists the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and

top level executive as well as a policy for formal process of considering remuneration of directors, top level executives. The Terms of Reference (TOR) of the NRC clearly sets forth in writing covering the areas stated at the condition No. 6(5) (b) i.e. Role of the NRC as prescribed in the Corporate Governance Code-2018.

The nomination and remuneration policy and the evaluation criteria of the committee are adopted by the Committee. The activities of NRC during the year at a glance are as follows:

- devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
- identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to and from the Board;
- formulating the criteria for evaluation of performance of independent directors and the Board;
- identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
- developing, recommending and reviewing annually the company's human resources and training policies;

### **Appointment of Chief Financial Officer, Head of Internal Audit and Company Secretary**

The Company has appointed Mr. Md Khandhakar Ashraf Uddin as Chief Financial Officer, Mr. Md. Emdadul Haque as Company Secretary and Mr. Md. Abdus Subhan as Head of Internal Audit of the company as per requirement of Bangladesh Securities and Exchange Commission (BSEC).

### **Role of the Company Secretary**

The Company Secretary is responsible for ensuring proper information flow within the Board and its Committees and between the Senior Management and Non-executive Directors. He is also responsible for advising the Board through the Chairman on all governance matters. He fulfills the regulatory requirements of the Company. He keeps the records of compliance status imposed by the BSEC, which has been shown in the compliance report on BSEC Corporate Governance Code-2018. The authority of both the appointment and removal of the Company Secretary is vested on the Board as a whole.

## **Role of the Head of Audit & Internal Control**

The Head of Audit & Internal Control is responsible for reporting to the Board Audit Committee regarding any deviation from standard accounting and internal control system of the Company. He is also responsible for ensuring regulatory compliances of the Company. The authority of the appointment of the Head of Audit and Internal Control is vested on the Board.

## **Communication with Shareholders and Stakeholders**

The Company provides a balanced level of communication between the Company and its Stakeholders. The Company has Company Affairs Division to communicate with the Stakeholders. Shareholders may communicate with this Division at any time for any sort of information and query. The Company disseminates its all Price Sensitive Information (PSI) within 30 minutes of the decision to the BSEC and the Stock Exchanges under the signature of Managing Director or Company Secretary through fax/e-mail and by special messenger, and through courier services in special cases and immediately publishes the same in 02 newspapers and on a web portal. The shareholders are provided routine services by the Company Secretary in the matters of transfer of shares, replacement in case of damage of share certificates, payment of dividend, reissue of dividend warrant when warrants expires in the hand of shareholders, issue of certificates on tax deduction from dividend etc.

## **Financial Reporting and Transparency**

Financial Statements have been prepared in line with the International Accounting Standards, Securities of Exchange Rules-1987 and relevant Rules and Regulation as applicable in Bangladesh. The Company keeps constant supervision on submission of Quarterly, half yearly and annual financial statements with comprehensive details to the respective authorities.

As per BSES Corporate Governance Code dated 3 June,2018 and International Accounting Standard (IAS 34) the interim financial reports are intended to provide an update on the quarterly financial statements audited or unaudited.

## **Statutory Auditors**

M/S Pinaki & Company & Co., Chartered Accountants was the statutory auditor of the Company for the year 2021-22. They carry out systematic examination of books and records of the Company and ascertain, verify and report upon the facts regarding the financial operation and the results of the Company. To comply with the corporate governance properly, the Company did not engage its statutory auditors to perform the following services:

- (i) Appraisal or valuation services or fairness opinions;
- (ii) Financial information systems design and implementation;
- (iii) Book-keeping or other services related to the accounting records or financial statements;
- (iv) Internal audit services;
- (v) Any other service that the Audit Committee determines;
- (vi) No partner or employees of the auditors are holding any shares of Bangladesh Monospool Paper Manufacturing Company Ltd. during the tenure of their audit assignment;
- (vii) Audit/certification services on compliance of corporate governance. External/ Statutory auditors are appointed by the shareholders in the Annual General Meeting and fix their remuneration thereof;

### **Internal Audit**

Bangladesh Monospool Paper Manufacturing Company Ltd. considers that internal audit is one of the “four pillars” of corporate governance, the other pillars being the Board of Directors, Management and the External Auditors. Internal auditing of Bangladesh Monospool Paper Manufacturing Company Ltd. assists the Company in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization’s risk management, control and governance processes. It helps the Audit Committee of the Board of Directors to perform their responsibilities effectively. This includes reporting critical internal control problems, informing the committee on the material issues or findings, suggesting questions or topics for the Audit Committee’s meeting agenda and coordinating carefully with the committee to receive effective information. The scope of Internal Audit encompasses the examination and evaluation of the adequacy and effectiveness of the organization’s governance, risk management process, system of internal control structure and the quality of performance to achieve the organization’s stated goals and objectives. Major elements of the Company’s control environment are as follows:

- Regular Board Meeting with comprehensive agendas dealing with all major aspects of business.
- An established organogram and delegation of authorities with job descriptions for each division and section.
- Defined operating guidelines and procedures with authorization limits at appropriate levels.

- The Internal Audit Department directly reporting to the Audit Committee of the Board in compliance with procedures and limits of authority.
- A comprehensive annual budgetary system with ultimate approval of the Board.
- A comprehensive financial reporting system including actual performance with budget.
- Review and analysis of fund position on daily basis.
- Accounting and operation manuals.

### **Compliances**

To ensure the spirit of the corporate governance with accountability for inspiring confidence of investors, regulators, financiers and other stakeholders, Bangladesh Monospool Paper Manufacturing Company Ltd. is committed to comply with all the requirements of corporate governance as required by the Bangladesh Securities and Exchange Commission (BSEC). The certificate on compliance of conditions of corporate governance of the Company is attached herewith in this annual report.

Before concluding, I would like to convey my sincere gratitude and propound thanks to the honorable Chairman and the respectable Directors of the Board for their judicious guidance, pragmatic vision, valuable input, patronage round the year regarding compliance issues and I look forward to receive the same in future. In this connection, I also like to thank the prudent Management Team for their commitment in expediting and implementing compliance and governance strategy of the Company.

With best regards,



**Md. Emdadul Haque**  
Company Secretary



**HUDA HOSSAIN & CO.**  
CHARTERED ACCOUNTANTS

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## **Annexure-B**

*[Certificate as per condition No. 1(5)(XXVII)]*

**Report to the Shareholders of BANGLADESH MONOSPOOL PAPER MANUFACTURING CO. LTD  
on compliance of Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by **BANGLADESH MONOSPOOL PAPER MANUFACTURING CO. LTD** for the year ended on June 30, 2022. This code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 of the Bangladesh Securities and Exchange commission.

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

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

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

- (a) The company has complied with the conditions of the Corporate Governance Code as stipulated on the above mentioned Corporate Governance Code issued by the commission;
- (b) The company has complied with the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws;
- (d) The governance of the Company is satisfactory.

Place: Dhaka  
Dated: 26<sup>th</sup> July 2022



  
(MD AMINUL ISLAM FCA)  
**HUDA HOSSAIN & CO.**  
CHARTERED ACCOUNTANTS

## Corporate Governance Code Compliance Status

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

*(Report under Condition No.9)*

Condition No.	Title	Compliance Status (Put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	<b>Board of Directors:</b>			
1.1	Size of the Board of Directors: The total number of members of a company's Board of Directors shall not be less than 5 (Five) and more than 20 (Twenty).	✓		
1.2	<b>Independent Directors:</b>			
1.2 (a)	Independent Directors: At least 1/5th (We have five Directors and three Independent Director)	✓		
1.2 (b)(i)	Independent Director does not hold any shares in the company or holds Less than one percent (1%) Shares of the total paid-up shares of company	✓		
1.2 (b)(ii)	Not a Sponsor of The Company or is not connected with the Company's any sponsor or Director or Nominated Director or Shareholder	✓		
1.2 (b)iii)	Not been an executive of the Company immediate preceding 2 financial years	✓		
1.2 (b)iv)	Does not have other relationship	✓		
1.2 (b)v)	Not a Member or TREC holder, Director or Officer of any Stock Exchange	✓		
1.2 (b)vi)	Not a Shareholder, Director excepting independent director or Officer of any member TREC holder of Stock Exchange or an intermediary of the capital market	✓		
1.2 (b)vii)	Not a Partner or an Executive or was not a partner or an Executive during the preceding 3 (Three) years of the concerned Company's statutory audit firm	✓		
1.2 (b)viii)	Not an Independent Director more than five listed Companies.	✓		
1.2 (b)ix)	Not Convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a Bank or a Non-Bank Financial Institution (NBFI)	✓		
1.2 (b)x)	Not convicted for a Criminal offence	✓		

1.2 (c)	Appointment by the Board and approved in AGM.	✓		
1.2 (d)	Post cannot remain vacant for more than 90 days	✓		
1.2 (e)	Tenure of the Independent Director	✓		
<b>1.(3)</b>	<b>Qualification of Independent Director:</b>			
1.3 (a)	Independent Director shall be knowledgeable individual with integrity	✓		
1.3 (b)i)	Should be a Business Leader			N/A
1.3 (b)ii)	Should be a Corporate Leader	✓		
1.3(b)iii)	Former official of government or statutory or autonomous or regulatory body.			N/A
1.3 (b)iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law.	✓		
1.3 (b)v)	An advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification			N/A
1.3 (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1.3 (d)	Special cases for relaxation of qualifications.			Not applicable
<b>1.(4)</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:</b>			
1.4(a)	The position of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1.4(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or chief Executive Officer;	✓		
1.4 (e)	In the absence of the Chairperson of the Board, the remaining members may elect			No such event occurred

	one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting.			
<b>1.(5)</b>	<b>The Directors' Report to Shareholders</b>			
1.5 (i)	Industry outlook and possible future developments in the industry	✓		
1.5 (ii)	Segment-wise or product-wise performance	✓		
1.5 (iii)	Risks and concerns			No such Risk
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	✓		
1.5 (v)	Discussion on continuity of any Extra Ordinary gain or loss			No such event occurred
1.5 (vi)	Discussion and Basis of related party transactions- a statement of all related party transactions.	✓		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments			N/A
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc			N/A
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.			No such event occurred
1.5 (x)	Statement of Remuneration to directors including independent directors.	✓		
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	✓		
1.5 (xii)	Statement of Proper books of account of the issuer company have been maintained.	✓		
1.5 (xiii)	Statement of Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	✓		
1.5 (xiv)	Statement of IAS/IFRS, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	✓		

1.5 (xv)	Statement of system of internal control is sound in design and has been effectively implemented and monitored	✓		
1.5 (xvi)	Statement of minority shareholders have been protected from abusive actions.	✓		
1.5 (xvii)	Statement of no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	✓		
1.5 (xviii)	An explanation that Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	✓		
1.5 (xix)	Statement of Key operating and financial data of at least preceding 5 (five) years shall be summarized	✓		
1.5 (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	✓		
1.5 (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend.	✓		
1.5 (xxii)	The total number of Board meetings held during the year and attendance by each Director	✓		
<b>1.5 (xxiii)</b>	<b>A report on the pattern of the shareholding:</b>			
1.5 (xxiii)a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	✓		
1.5 (xxiii)b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit & Compliance and their spouses and minor children (name wise details);	✓		
1.5 (xxiii)c)	Executives;	✓		
1.5 (xxiii)d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	✓		
1.5 (xxiv)a)	A brief resume of the director;	✓		
1.5 (xxiv)b)	Nature of his/her expertise in specific functional areas;	✓		
1.5 (xxiv)c)	Names of companies in which the person also holds the directorship and the	✓		

	membership of committees of the board.			
<b>1.5 (xxv)</b>	<b>Management Discussion and Analysis signed by MD:</b>			
1.5 (xxv)a)	Accounting policies and estimation for preparation of financial statements.	✓		
1.5 (xxv)b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;			N/A
1.5(xxv)c)	Comparative analysis (including effects of inflation) of financial performance or result and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	✓		
1.5 (xxv)d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1.5 (xxv)e)	Briefly explain the financial and economic scenario of the country and the globe;			Explained in Directors Report
1.5 (xxv)f)	Risks and concerns issues related to the financial statements, explaining such risk and concern mitigation plan of the company.	✓		
1.5 (xxv)g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM.	✓		
1.5 (xxvi)	Declaration or certification by the CEO and CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A;	✓		
1.5(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
1.6	Meeting of the Board of Directors: The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code	✓		

1.7	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1.7 (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1.7 (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.			Under Process
2	<b>Governance of Board of Directors of Subsidiary Company:</b>			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;			Not Applicable
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;			Not Applicable
2(c)	The minutes of the Board Meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;			Not Applicable
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;			Not Applicable
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company			Not Applicable
3	<b>MANAGING DIRECTOR (MD) or CHIEF EXECUTIVE OFFICER (CEO), CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPLIANCE (HIAC) AND COMPANY SECRETARY (CS):</b>			
3.1	<b>Appointment</b>			
3.1(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO), a Head of Internal Audit and Compliance (HIAC);	✓		
3.1(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO),	✓		

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

4(ii)	Nomination and Remuneration Committee	✓		
<b>5</b>	<b>AUDIT COMMITTEE:</b>			
5.1	Responsibility to the Board of Directors	✓		
5.1(a)	The company shall have an Audit Committee as a sub-committee of the Board.	✓		
5.1(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	✓		
5.1(c)	The Audit Committee shall be responsible to the Board. The duties of the Audit Committee shall be clearly set forth in writing.	✓		
<b>5.2</b>	<b>Constitution of the Audit Committee</b>			
5.2(a)	The Audit Committee shall be composed of at least 3 (three) members	✓		
5.2(b)	The Board shall appoint members of the Audit Committee who shall be non executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5.2(c)	All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience	✓		
5.2(d)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 ( one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee.	✓		
5.2(e)	The company secretary shall act as the secretary of the Committee	✓		
5.2(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1(one) independent director	✓		

<b>5.3 Chairperson of the Audit Committee</b>				
5.3(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director.	✓		
5.3(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes	✓		
5.3(c)	Chairperson of the audit committee shall remain present in the Annual General Meeting (AGM).	✓		
<b>5.4 Meeting of the Audit Committee</b>				
5.4(a)	The Audit Committee shall conduct at least its four meetings in a financial year:	✓		
5.4(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
<b>5.5 Role of Audit Committee</b>				
5.5(a)	Oversee the financial reporting process	✓		
5.5(b)	Monitor choice of accounting policies and principles	✓		
5.5(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5.5(d)	Oversee hiring and performance of external auditors	✓		
5.5(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption	✓		
5.5(f)	Review along with the management, the annual financial statements before submission to the board for approval	✓		
5.5(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board	✓		

	for approval.			
5.5(h)	Review the adequacy of internal audit function	✓		
5.5(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5.5(j)	Review statement of significant related party transactions submitted by the management	✓		
5.5(k)	Review Management Letters or Letter of Internal Control weakness issued by Statutory auditors	✓		
5.5(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5.5(m)	Over see whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:			N/A
<b>5.6</b>	<b>Reporting of the Audit Committee</b>			
5.6(a)	Reporting to the Board of Directors			
5.6.a(i)	The Audit Committee shall report on its activities to the Board.	✓		
5.6.a(ii)a)	report on conflicts of interests;			There was no such event to report
5.6.a(ii)b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;			There was no such event to report
5.6.a(ii)c)	Suspected infringement of laws, including securities related laws, rules and regulations;			There was no such event to report
5.6.a(ii)d)	Any other matter which shall be disclosed to the Board Immediately.			There was no such event to report
5.6(b)	Reporting to the Authorities			There was no such event to report
<b>5.7</b>	<b>Reporting to the Shareholders and General Investors.</b>			There was no such event to report
<b>6</b>	<b>Nomination and Remuneration Committee(NRC)</b>			
<b>6.1</b>	<b>Responsibilities to the Board of Directors:</b>			
6.1(a)	The Company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	✓		
6.1(b)	The NRC shall assist the Board in	✓		

	formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;			
6.1(c)	The terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		
<b>6.2</b>	<b>Constitution of the NRC</b>			
6.2(a)	The Committee shall comprise of at least three members including an independent director	✓		
6.2(b)	All members of the Committee shall be non-executive directors;	✓		
6.2(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6.2(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6.2(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other case of Vacancies, the boards shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓		
6.2(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be nonvoting member, if the Chairperson feels that advice or suggestion from such external expert and/or or member(s) of staff shall be required or valuable for the Committee;	✓		
6.2(g)	The company secretary shall act as the secretary of the Committee;	✓		
6.2(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6.2(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company	✓		
<b>6.3</b>	<b>Chairperson of the NRC</b>			
6.3(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the	✓		

	Committee, who shall be an independent director;			
6.3(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		
6.3(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	✓		
<b>6.4</b>	<b>Meeting of the NRC</b>			
6.4(a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6.4(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		There was no such event with in the report period
6.4(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6.4(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
<b>6.5</b>	<b>Role of the NRC</b>			
6.5(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6.5(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓		
6.5(b)i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓		
6.5(b)i)a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully	✓		
6.5(b)i)b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmark;	✓		
6.5(b)i)c)	Remuneration to directors, top level	✓		

	executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals			
6.5(b)ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6.5(b)iii)	Identifying person who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommended their appointment and removal to the Board;	✓		
6.5(b)iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6.5(b)v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		
6.5(b)vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6.5(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
<b>7</b>	<b>EXTERNAL OR STATUTORY AUDITORS:</b>			
7.1	The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company, namely:	✓		
7.1(i)	Appraisal or valuation services or fairness opinions	✓		
7.1(ii)	Financial information systems design and implementation	✓		
7.1(iii)	Book-keeping or other services related to the accounting records or financial statements	✓		
7.1(iv)	Broker-dealer services			N/A
7.1(v)	Actuarial services.	✓		
7.1(vi)	Internal audit services	✓		
7.1(vii)	Any service that the Audit Committee determines	✓		
7.1(viii)	Audit or certification services on compliance of corporate governance as required under condition No 9(1); and	✓		

7.1(ix)	Any other service that creates conflict of interest.	✓		
7.2	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in law and daughter-in-law shall be considered as family members.	✓		
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
<b>8</b>	<b>Maintaining a website by the Company</b>			
8.1	The company shall have an official website linked with the website of the stock exchange.			[ <a href="https://www.mpmc.com.bd">https://www.mpmc.com.bd</a> And <a href="https://www.bdg-magura.com">https://www.bdg-magura.com</a> ]
8.2	The company shall keep the website functional from the date of listing.			
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).			
9	<b>REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:</b>			
9.1	The company shall obtain a certificate from a practicing professional Accountant or Secretary (Chartered Accountant or Cost & Management Account or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		
9.3	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		

Date: October 22, 2022

**Boards Statement of Interim Dividend**

Clause 1(5) (xxi)

No Bonus Share or Stock Dividend has been declared as interim dividend by Bangladesh Monospool Paper Manufacturing Company Ltd. during the year ended on 30-06-2022.



Advocate Md. Golam Kibria  
Director



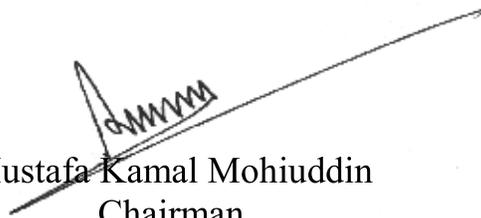
Md. Amir Hossain  
Director



Mostafa Jamal Mohiuddin  
Managing Director



Md. Mobarok Hossain  
Director



Mustafa Kamal Mohiuddin  
Chairman

**Independent Auditors' Report**  
**To the shareholders of Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Report on the Audit of the Financial Statements**

**Opinion:**

We have audited the financial statements of **Bangladesh Monospool Paper Manufacturing Company Ltd. ('the Company')**, which comprise the Statement of Financial Position as at 30 June 2022, and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

**Basic for Opinion :**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Opinion.

**Emphasis of Matter:**

Without qualifying our opinion, we draw attention on the matters disclosed as under:

1. The investment under land and land development and capital work-in-progress (CWIP) amounting to Tk. 63,522,631 and 4,538,080 respectively being made during this year, were totally made in cash and thereby deserve authenticity in terms of quantum of expenditure to that effect. Naturally scope of misstatement exists.
2. There appeared sister concern loan during the year. Moreover the company incurred Tk. 108,436,462 as interest to that effect.
3. The company made a payment of Tk. 6,342,573 under Workers Profit Participate Fund (WPPF) in cash which represent awaiting of due compliance in this regards.
4. The total fixed assets amount of Tk. 498,076,718 deserves maintenance of proper fixed assets register to avoid loss of any items their on, in future.
5. The company made a payment of Tk. 55,250,000 for Advance against Land Purchase in cash as under our audit period.
6. Due care need be maintained with regard to Tax and VAT compliance.

### Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statement of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Key Audit Matters (KAM)

Particulars	Risks	Auditor's responses
<p><b>Revenue recognition:</b> The Company reported total revenue of BDT Tk. <b>663,987,441</b> at the year ended on 30 June 2022.</p> <p>All of the Company's sales revenue comes from printing of paper and paper products. Revenue is recognized at the point of delivery from factory. Sales made during the year are material and considered to be complex and judgmental.</p> <p>Refer to note no 29 to the financial statements.</p>	<p>There is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives and rebates.</p> <p>There is also a risk that revenue may be overstated due to fraud through manipulation of the discounts, incentives and rebates recognized resulting from the pressure local management may feel to achieve performance targets.</p>	<p>Our audit procedures included the following to test the design and operating effectiveness of key control focusing on:</p> <ul style="list-style-type: none"> <li>➤ Segregation of duties in invoice creation and modification;</li> <li>➤ Timing of revenue recognition considering point of recognition;</li> </ul> <p>Our substantive procedures in relation to the revenue recognition and measurement comprises the following:</p> <ul style="list-style-type: none"> <li>➤ Obtaining and documenting a thorough understanding of the complete procedures followed and controls performed by the Company.</li> <li>➤ Inspecting selected sample sales transactions recognized during the year with source documents such as sales order, sales invoice and delivery challan.</li> <li>➤ Performing reconciliation of sales revenue recognized during the year with monthly Value Added Tax returns submitted to VAT authority.</li> <li>➤ The strategy's compliance with Revenue recognitions.</li> <li>➤ Finally assessing the appropriateness and presentation of disclosure notes with IFRS 15: Revenue from contracts with customers.</li> </ul> <p><b>Optimum results:</b> We considered the revenue items shown in financial statements acceptable.</p>

### Key Audit Matters (KAM)

Particulars	Risks	Auditor's responses
<p><b>Measurement of deferred tax liabilities:</b></p> <p>The deferred tax liabilities amounting to BDT Tk. <b>40,215,812</b> were shown in the financial statements as at 30 June 2022.</p> <p>For significant accounting policies and critical accounting estimates for the recognition and measurement of deferred tax liabilities.</p> <p>We refer to note number 18 of the financial statements.</p>	<p>Recognition and measurement of deferred tax liabilities containing judgment and objective estimates regarding future taxable profit and the usability of unused tax losses and tax credits.</p> <p>The significant risk arises from estimation of future usability of the benefits. Such estimation required in relation to deferred tax liabilities as their recoverability is dependent on forecasts of profitability available in near future.</p>	<ul style="list-style-type: none"> <li>➤ We have conducted a risk assessment to obtain an understanding of the relevant tax laws and regulations considering the following:</li> <li>➤ Evaluation of the policies used for recognition and measurement of deferred tax liabilities in accordance with IAS 12,</li> <li>➤ Test of design, implementation and operating effectiveness of internal controls with respect to recognition of deferred tax liabilities,</li> <li>➤ The computation of deferred tax liabilities by applying appropriate provisions of tax law to scheduled reversals particularly the potential tax rates applicable at the time of expected reversals,</li> <li>➤ The strategy's compliance with the tax laws.</li> </ul> <p><b>Optimum results:</b> We considered recognition and measurement of deferred tax liabilities in particular regarding the assumptions and parameters to develop the taxable profit and usability of tax losses and credit it's appeared not reasonable.</p>

### Key Audit Matters (KAM)

Particulars	Risks	Auditor's responses
<p><b>Overall Documentation Process of the Company:</b></p> <p>The documentation process of transaction are maintained in separate business premises and posted in accounting software from different places. Source documents are kept at factory premises. Documentation systems are complex and judgmental.</p>	<p>As part of our risk assessment, we identified the following significant judgments and estimates which could give rise to material misstatement or management bias:</p> <ul style="list-style-type: none"> <li>• The information of the financial statements may be misstated in case of error posting, absent of original sources documents, etc.</li> </ul>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>➤ Examining the source documents</li> <li>➤ Collecting the sufficient and appropriate audit evidence.</li> </ul> <p><b>Optimum results:</b> Company is engaged in converting and printing of paper &amp; paper products and their marketing. Documentation appears to be satisfactory.</p>

### Other Information:

Management is responsible for other information. The other information comprises all of the information in the annual audit report other than the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and thereby we do not express any observation to that effect.

However, in connection with our audit of the financial statements, our responsibility is to read the other information identified in the Annual Report as & when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls:

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management factions of the company.

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

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

### **Auditors' Responsibilities for the Audit of the Financial Statements:**

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

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

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



responsible for the direction, supervision and performance of the group audit. We solely responsible for our audit opinion.

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

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

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

#### **Report on other Legal and Regulatory Requirements:**

In accordance with the Companies Act 1994, and the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books.
- c) The statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income of the Company dealt with by the report are in agreement with the books of account and returns;

**Mohan Adhikari, FCA**

Partner

ICAB Enroll. No. 1729

**Pinaki & Company**

Chartered Accountants

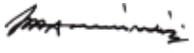
Dhaka.

Dated: 28/09/2022

<b>DVC:</b>	<b>2210031729AS146598</b>
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**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Statement of Financial Position**  
As at 30 June 2022

Particulars	Notes	Amount in Taka	
		30 June 2022	30 June 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>846,996,310</b>	<b>860,533,011</b>
Property, Plant and Equipment	4.00	498,076,718	440,740,856
Insurance Claim Receivable	5.00	-	3,155,079
Capital Work-in-Progress	6.00	28,794,366	24,256,286
Long Term Investment	7.00	320,125,226	392,380,790
<b>Current Assets</b>		<b>654,709,298</b>	<b>527,578,342</b>
Inventories	8.00	186,985,573	151,329,038
Trade Receivables	9.00	138,661,858	96,802,561
Inter Company Account	10.00	91,791,178	114,200,560
Investment in FDR	11.00	591,502	561,197
Advances, Deposits and Prepayments	12.00	171,579,549	127,948,446
Advance Income Tax	13.00	41,506,921	30,010,705
Cash and Cash Equivalents	14.00	23,592,717	6,725,835
<b>TOTAL ASSETS</b>		<b>1,501,705,608</b>	<b>1,388,111,353</b>
<b>EQUITY AND LIABILITIES</b>			
		<b>421,374,652</b>	<b>379,616,883</b>
Share Capital	15.00	93,888,256	93,888,256
Revaluation Reserve	16.00	187,839,443	188,924,473
Retained Earnings	17.00	139,646,954	96,804,155
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>		<b>660,202,587</b>	<b>586,336,229</b>
Deferred Tax Liabilities	18.00	40,215,812	40,902,848
Long Term Loan	19.00	619,986,775	545,433,381
<b>Current Liabilities</b>		<b>420,128,369</b>	<b>422,158,241</b>
Trade Payables	20.00	1,961,365	1,493,771
Liabilities for Expenses	21.00	8,235,100	9,144,384
Short Term Loan	22.00	278,267,464	253,350,984
Long Term Bank Loan-Current Portion	23.00	70,661,204	84,188,598
Inter Company/Directors Loan Account	24.00	11,387,183	33,705,311
Un-paid Dividend	25.00	2,729,786	2,296,884
Worker's Profit Participation Fund	26.00	3,129,052	6,342,573
Provision for Income Tax	27.00	43,757,214	31,635,736
<b>Total Liabilities</b>		<b>1,080,330,956</b>	<b>1,008,494,470</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,501,705,608</b>	<b>1,388,111,353</b>
Net Assets Value Per Share (NAVPS)	28.00	<b>44.88</b>	<b>40.43</b>

  
**Company Secretary**  
  
**Managing Director**

  
**Chief Financial Officer**

  
**Director**  
  
**Chairman**

Dhaka, Bangladesh  
Date:

  
**Mohan Adhikari, FCA**  
**Partner**  
ICAB Enroll no: 1729  
**Pinaki & Company**  
Chartered Accountants

<b>DVC:</b>	<b>2210031729AS146598</b>
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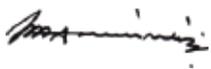
**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Statement of Profit or Loss and other Comprehensive Income**  
For the year ended 30 June 2022

Particulars	Notes	Amount in Taka	
		2021 - 2022	2020 - 2021
Revenue	29.00	663,987,441	299,819,319
Cost of Goods Sold	30.00	(437,506,484)	(141,568,127)
<b>Gross Profit</b>		<b>226,480,957</b>	<b>158,251,192</b>
<b>Operating Expenses</b>		<b>(52,669,538)</b>	<b>(27,538,334)</b>
Administrative Expense	31.00	(20,744,678)	(11,561,583)
Selling and Distribution Expense	32.00	(31,924,860)	(15,976,751)
<b>Operating Profit</b>		<b>173,811,419</b>	<b>130,712,858</b>
Financial Expense	33.00	(108,436,462)	(112,136,357)
<b>Profit before other income</b>		<b>65,374,957</b>	<b>18,576,500</b>
Other Income	34.00	335,132	1,879,212
<b>Profit/(Loss) Before Tax and WPPF</b>		<b>65,710,089</b>	<b>20,455,712</b>
Provision for WPPF		(3,129,052)	(974,082)
<b>Profit/(Loss) Before Tax</b>		<b>62,581,037</b>	<b>19,481,631</b>
<b>Income Tax Expenses</b>		<b>(11,425,727)</b>	<b>(7,969,952)</b>
Current Tax Charge	35.00	(12,121,478)	(7,393,567)
Deferred Tax	35.01	695,751	(576,384)
<b>Net Profit/(Loss) After Tax</b>		<b>51,155,310</b>	<b>11,511,679</b>
<b>Earnings Per Share (EPS)</b>	36.00	<b>5.45</b>	<b>1.23</b>

  
**Company Secretary**

  
**Chief Financial Officer**

  
**Director**

  
**Managing Director**

  
**Chairman**

Dhaka, Bangladesh  
Date:

  
**Mohan Adhikari, FCA**  
**Partner**  
ICAB Enroll no: 1729  
**Pinaki & Company**  
Chartered Accountants

**DVC:2210031729AS146598**

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Statement of Changes in Equity**  
For the year ended 30 June 2022

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total
Balance as at 01.07.2021	93,888,256	188,924,473	96,804,155	379,616,883
Net Profit/(Loss) after Tax	-	-	51,155,310	51,155,310
10% Cash Dividend	-	-	(9,388,826)	(9,388,826)
Transferred From Deferred Tax provision to Revaluation Reserve	-	161,447	-	161,447
Previous year adjustment for Defferd Tax	-	(170,162)	-	(170,162)
Transfer from Revaluation Reserve to Retained Earnings	-	(1,076,315)	1,076,315	-
<b>Balance as at 31.06.2022</b>	<b>93,888,256</b>	<b>187,839,443</b>	<b>139,646,954</b>	<b>421,374,652</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Statement of Changes in Equity**  
For the year ended 30 June 2021

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total
Balance as at 01.07.2020	30,483,200	189,693,526	162,729,589	382,906,315
Net Profit/(Loss) after Tax	-	-	11,511,679.21	11,511,679
8% Stock Dividend	2,438,656	-	(2,438,656)	-
200% Stock Dividend	60,966,400	-	(60,966,400)	-
9 % Cash Dividend of 2019-2020	-	-	(2,743,488)	(2,743,488)
Transferred From Deferred Tax provision to Revaluation Reserve	-	335,907	-	335,907
Previous year adjustment for Defferd Tax	-	-	798,560	798,560
Adjustment for Short Provision	-	-	(13,192,090)	(13,192,090)
Transfer from Revaluation Reserve to Retained Earnings	-	(1,104,960)	1,104,960	-
<b>Balance as at 30.06.2021</b>	<b>93,888,256</b>	<b>188,924,473</b>	<b>96,804,155</b>	<b>379,616,883</b>

  
**Company Secretary**

  
**Chief Financial Officer**

  
**Director**

  
**Managing Director**

  
**Chairman**

Dhaka, Bangladesh

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Statement of Cash Flows**  
For the Year ended 30 June 2022

Particulars	Notes	Amount in Taka	
		June 30, 2022	June 30, 2021
<b><u>A. Cash Flow from Operating Activities:</u></b>			
Cash Received from Customer and Others		625,588,050	305,746,799
Less: Paid to Suppliers and Others		(514,811,155)	(253,480,254)
Less: Financial Expense		(31,763,467)	(15,386,466)
Adjustment for Short Tax Provision		-	13,192,090
Less: Income Tax Paid		(11,496,216)	(9,678,891)
<b>Net Cash flows from Operating Activities (A)</b>		<b>67,517,213</b>	<b>40,393,278</b>
<b><u>B. Cash Flow from Investing Activities:</u></b>			
Acquisition of Property, Plant and Equipment		(68,060,711)	(90,377,961)
Advance against land purchases		(55,250,000)	-
<b>Net Cash used in Investing Activities (B)</b>		<b>(123,310,711)</b>	<b>(90,377,961)</b>
<b><u>C. Cash Flow from Financing Activities:</u></b>			
Long Term Loan Received/(Paid)		13,152,219	(1,180,705)
Short Term Loan Received/(Paid)		(3,882,733)	58,502,979
Received/(Payments) of others debt		72,346,818	(16,028,380)
Dividend Paid		(8,955,924)	(468,382)
<b>Net Cash flows from/(Used by) Financing Activities (C)</b>		<b>72,660,380</b>	<b>40,825,512</b>
<b>Net Increase/(Decrease) in Cash and Bank Balance</b>		<b>16,866,882</b>	<b>(9,159,171)</b>
Cash and Bank Balance at the opening of the year		6,725,835	15,885,005
<b>Cash and Bank Balance at the end of the year</b>		<b>23,592,717</b>	<b>6,725,834</b>
<b>Net Operating Cash Flows per share (NOCFPS)</b>	<b>38.00</b>	<b>7.19</b>	<b>4.30</b>

  
**Company Secretary**

  
**Chief Financial Officer**

  
**Director**

  
**Managing Director**

  
**Chairman**

Dhaka, Bangladesh

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
For the year ended June 30, 2022

**1.00 Significant Accounting Policies and other Material Information:**

**1.01 Legal form of the Enterprise:**

Bangladesh Monospool Paper Manufacturing Company Ltd. is a Public Limited Company registered with the Registrar of Joint Stock Companies and Firms on 23rd January, 1988. In 1989, the company issued its share for public subscription. The Shares of the Company are listed in the Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd.

**1.02 Registered Office of the Company:**

The Registered Office is situated at BDG Corporate Building, Plot No. 314/A, Block-E, Road No. 18, Bashundhara R/A, Dhaka-1229 and the Factory is located at Sreerampur, Dhamrai, Dhaka.

**1.03 Principal activities and nature of the business:**

Bangladesh Monospool Paper Manufacturing Company Ltd. is engaged in Converting and Printing of Paper & Paper Products and their Marketing.

**2.00 Basis of Financial Statements Preparation and Presentation:**

**2.01 Statement of Compliance:**

The Financial Reporting Act, 2015 (FRA) was enacted in 2015. The Financial Reporting Council (FRC) under the FRA has been formed in 2017 but the Financial Reporting Standards (FRS) under this council are yet to be issued for public interest entities such as listed entities.

As the FRS is yet to be issued by FRC hence as per the provisions of the FRA (section-69), the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the Companies Act, 1994. The title and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirement of the Companies Act, 1994. However, such differences are not material and in the view of management, IFRS format gives a better presentation to the shareholders.

Bangladesh Monospool Paper Mfg. Co. Ltd. complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

- a) The Income Tax Ordinance 1984
- b) The Income Tax Rules 1984
- c) The Value Added Tax and Supplementary Duty Act 2012
- d) The Value Added Tax and Supplementary Duty Rules 2016
- e) The Securities and Exchange Rules 1987
- f) The Customs Act 1969
- g) The Labour Act 2006 (as amended in 2013)

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
For the year ended June 30, 2022

**2.02 Authorization date for issuing Financial Statements:**

The financial statements were authorized by the Board of Directors on **September 28, 2022**.

**2.03 Reporting period:**

The financial statements cover one year from **01 July 2021 to 30 June 2022**.

**2.04 Preparation and Presentation of Financial Statements of the Company:**

The Board of Directors of Bangladesh Monospool Paper Manufacturing Company Ltd. is responsible for the preparation and presentation of financial statements of the Company.

**2.05 Going Concern:**

The company has adequate resources to continue in operation for foreseeable future. For this reason, the directors continued to adopt going concern basis in preparing the Financial Statements. The current credit facilities and resources of the company provide sufficient fund to meet the present requirements of its existing businesses and operations.

**2.06 Comparative and Reclassification:**

Comparative information has been disclosed for all numerical, narrative and descriptive information where it is relevant for understanding of the current year financial statements. Comparative figures have been rearranged/reclassified wherever considered necessary, to ensure better comparability with the current year financial statements and to comply with relevant IFRSs.

**2.07 Functional and Presentation Currency:**

These financial statements are presented in Bangladeshi Taka (Taka/TK/BDT) which is the Company's functional currency. All amounts have been rounded off to the nearest Taka, unless otherwise indicated.

**2.08 Corporate Accounting Standards Practiced:**

The financial statements have been prepared in compliance with requirement of IASs (International Accounting Standards) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as applicable in Bangladesh. The following IFRSs are applied to the financial statements for the year under audit:

IAS-1	Presentation of Financial Statements;
IAS-2	Inventories;
IAS-7	Statement of Cash Flows;
IAS-8	Accounting Policies, Changes in Accounting Estimates & Errors;
IAS-10	Events after the Reporting Period;
IAS-12	Income Taxes;
IAS-16	Property, Plant & Equipment;
IAS-19	Employee Benefits;
IAS-21	The Effects of Changes in Foreign Exchange Rates
IAS-24	Related Party Disclosures;

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
For the year ended June 30, 2022

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;
IAS-39	Financial Instruments: Recognition and Measurement;
IFRS-5	Non-Current Assets Held for Sale and Discontinued Operations
IFRS-7	Financial Instruments Disclosures;
IFRS-8	Operating Segments;
IFRS-9	Financial Instruments;
IFRS-13	Fair Value Measurement
IFRS-15	Revenue from Contracts with Customers;
IFRS-16	Leases

**2.09 Measurement Bases Used in Preparing the Financial Statements:**

The financial statements have been prepared on "Historical Cost" convention basis, which is one of the most commonly adopted base provided in "the framework for the preparation and presentation of financial statements" issued by the International Accounting Standard Committee (IASC).

**2.10 Functional and Presentation Currency:**

The financial statements are expressed in Bangladesh Taka. The figures of financial statements have been rounded off to the nearest Taka.

**2.11 Components of the Financial Statements:**

According to IAS-1 "presentation of the Financial Statements" the complete set of financial statement includes the following components:

- a) Statement of Financial Position as at June 30, 2022.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended June 30, 2022.
- c) Statement of Changes in Equity for the year ended June 30, 2022.
- d) Statement of Cash Flows for the year ended June 30, 2022.
- e) Accounting Policy Notes to the financial statements for the year ended June 30, 2022.

**2.12 Use of Estimates and Judgments:**

The preparation of these financial statements is in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of 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 accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
For the year ended June 30, 2022

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Note: 4	Property, Plant and Equipment
Note: 9	Trade and Other Receivables
Note: 19	Trade and Other Payables
Note: 20	Liabilities for Expenses

**3.00 Significant Accounting Policies:**

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

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.

**3.01 Property, Plant and Equipment:**

**3.01.01 Recognition of Property, Plant & Equipment:**

Cost includes expenditure that is directly attributable to the acquisition of asset. The cost of self-constructed asset includes the cost of material and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

**3.01.02 Revaluation of Property, Plant & Equipment:**

The management of the company revalued its Property, Plant & Equipment by Malek Siddiqui Wali, Chartered Accountants and the revaluation surplus has been incorporated in the financial statement as on June 30, 2016.

**3.01.03 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 economic benefits 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 the profit and loss account as incurred.

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
For the year ended June 30, 2022

**3.01.04 Impairment of Assets:**

Impairment of assets (IAS-36), at each balance sheet date, the company assess whether there is any indication that the carrying amount of an asset exceeds its recoverable amount. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired and an impairment loss is recognized as an expense in the profit and loss statement unless the asset is carried at revalued amount in accordance with International Accounting Standard (IAS) 16 - Property, Plant and Equipment, in which case any impairment loss of a revalued asset should be treated as a revaluation decrease under that Accounting Standard. No fact and circumstances indicate that company's assets including property, plant and equipment may be impaired. Hence, no evaluation of recoverability of assets was performed.

**3.01.05 Depreciation:**

Depreciation on fixed assets is charged on reducing balance method. Depreciation continues to be charged on each item of fixed assets until the written down value of such fixed assets is reduced to Taka one. Depreciation on addition to fixed assets is charged from the date of acquisition and no depreciation has been charged on fixed of the date of disposal. The residual value, if not insignificant, is reassessed annually.

Rates of depreciation on various classes of fixed assets are as under:

Category	Rate of Depreciation
Building and Other Construction	2.50%
Plant and Machinery	7.00%
Furniture and Fixture	10.00%
Electrical Installation	10.00%
Link Road	20.00%
Office Equipment	10.00%
Motor Vehicle	20.00%

**3.02 Inventories:**

Inventories are assets held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process. Inventories are stated at the lower of cost and net realizable value in compliance to the requirements of Para 21 and 25 of IAS-2. Costs including an appropriate portion of fixed and variable overhead expenses are assigned inventories by the method most appropriate to the particular class of inventory. Net realizable value represents the estimated selling price for the inventories less all estimated cost of completion and cost necessary to make the sale. Item wise valuation is as follows:

Category of Inventories	Basis of Valuation
Raw & Packing Materials	At Weighted Average Cost or net realizable value whichever is lower
Finished Goods	At cost or net realizable value whichever is lower

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
For the year ended June 30, 2022

**3.03 Financial Assets:**

The company initially recognizes receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the trade date, which is the date the company becomes a party to the contractual provisions of the instrument.

The company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets include Short Term Investments; Trade & Other Receivables; Advances, Deposits; Cash and Bank balance etc.

**3.03.01 Investment in FDR:**

Investment in FDR includes fixed deposit in Banks. The fixed deposits are renewed upon maturity at the option of the company.

**3.03.02 Trade and Other Receivables:**

Trade and other receivables are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition, these are carried at cost less impairment losses, if any, due to un-collectability of any amount so recognized.

**3.03.03 Advances, Deposits:**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment, inventory or expenses.

**3.03.04 Deposits:**

Deposits are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to Statement of Profit or Loss and other Comprehensive Income.

**3.03.05 Cash and Cash Equivalents:**

Cash and cash equivalents include cash in hand, deposits and other short/ fixed term deposits with banks and non-banking financial institutions which are held and available for use by the company without any restriction.

**3.04 Financial Liabilities:**

The company recognizes all financial liabilities on the trade date which is the date the company becomes a party to the contractual provisions of the instrument. The company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Financial liabilities include loans and borrowings, trade & other payables and other current liabilities.

## Bangladesh Monospool Paper Manufacturing Company Ltd.

### Notes to the Financial Statements

For the year ended June 30, 2022

#### **3.04.01 Trade Payables and Other Liabilities:**

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 company of resources embodying economic benefits.

The entity 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 company of resources embodying economic benefits.

#### **3.04.02 Loans and Borrowing:**

Principal amounts of loans and borrowings are stated at their outstanding amount. Borrowings repayable after twelve months from the reporting date are classified as non-current liabilities whereas the portion payable within twelve months, unpaid interest and other charges are classified as current liabilities.

#### **3.05 Statement of Cash Flows:**

Statement of Cash Flows is prepared in accordance with IAS-7 “Statement of Cash Flows”. The cash flows from the operating activities have been presented under Direct Method as prescribed by the Securities and Exchange Rules 1987 and considering the provisions of Paragraph 18(b) of IAS-7 which provides that “Enterprises are encouraged to report cash flows from the operating activities using the Direct Method”.

#### **3.06 Statement of Changes in Equity:**

The Statement of Changes in Equity reflects information about the increase or decrease in net assets or wealth.

#### **3.07 Provisions:**

The preparation of financial statements in conformity with International Accounting Standards IAS-37 Provisions, Contingent Liabilities and Contingent Assets requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

#### **3.08 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 or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognized 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 recognized 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.

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
For the year ended June 30, 2022

**3.09 Contingent Assets:**

A provision is recognized in the Statement of Financial Position when the company has a legal or contractual obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingencies arising from claims, litigations, assessments, fine, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Contingent assets are not recognized.

**3.10 Taxation:**

Income tax comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income

**3.10.01 Current Tax**

Income Tax is calculated and provision is made in accordance with IAS-12 'Income taxes' and Income Tax Ordinance, 1984. Provision for income tax has been made at the rate of 20% on operational income.

**3.10.02 Deferred Tax**

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted at the reporting date. Deferred tax asset or liability does not create a legal recovery / liability from or to the income tax authority.

**3.11 Share Capital**

Paid-up-capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Incremental costs directly attributable to the issue of ordinary shares are recognized as expenses as and when incurred. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders. Creditors are fully entitled to any proceeds of liquidation before all shareholders.

**3.12 Capital Management**

For the purpose of the company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

## **Bangladesh Monospool Paper Manufacturing Company Ltd.**

### **Notes to the Financial Statements**

For the year ended June 30, 2022

To maintain or adjust capital structure, the Company may adjust the amount of dividend, return on capital, issue new share or obtain long term-debt. All major investment and financing decisions, as a part of its capital management, are evaluated and approved by its Board of Directors.

No changes were made in the objectives, policies or processes for managing capital during the year ended 30 June 2022.

#### **3.13 Employee Benefit**

##### **Workers' Profit Participation & Welfare Fund**

The Worker's profit participation & welfare fund yet to be established as per the requirement of Labor Act 2006 (As amended 2013).

#### **3.14 Revenue Recognition**

The Company has initially applied IFRS 15 Revenue from contracts with customers. The Company recognizes 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, IFRS 15 establishes a five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognizes 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 those goods. Revenue from contracts with customers against sales is recognized when products are dispatched to customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably.

#### **3.15 Finance Income and Expense**

##### **3.15.01 Finance Income**

Interest income from bank deposits are recognized on accrual basis following specific rate of interest in agreement with banks.

##### **3.15.02 Finance Expenses**

Finance expenses comprise interest expenses on loan, overdraft and bank charges. All borrowing costs are recognized in the profit and loss account using effective interest method except to the extent that they are capitalized during constructions period of the plants in accordance with IAS-23 Borrowing cost.

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
For the year ended June 30, 2022

**3.16 Earnings per Share (EPS)**

The Company calculates Earning per Share (EPS) in accordance with IAS-33: “Earnings per Share”, which has been shown on the face of Statement of Profit or Loss and other Comprehensive Income.

**3.16.01 Basic Earnings**

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

**3.16.02 Weighted average number of ordinary shares outstanding during the year**

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of shares issued during the year multiplied by a time-weighting factor. The time weighting factor is the numbers of days the specific shares are outstanding as a proportion of the total number of days in the year.

**3.16.03 Basic earnings per share**

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding for the year.

**3.16.04 Diluted earnings per share**

No diluted earnings per share are required to be calculated per year as there was no scope for dilution during the year.

**3.17 Events after the reporting period**

In compliance with the requirements of IAS-10 Events after the reporting period, post financial statements events that provide additional information about the company's position at the reporting date are reflected in the financial statements and events after the financial statements date that are not adjusting events are disclosed in the notes when material.

**Following events occurred since the balance date:**

The board of directors recommended 10% cash and 10% Stock dividend at the 184<sup>th</sup> Board meeting held on 28 September, 2022 for the year ended June 30, 2022. This dividend is subject to final approval by the shareholders at the forthcoming Annual General Meeting (AGM) of the company.

**3.18 Comparative Information**

Comparative information has been disclosed in respect of the previous year for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
For the year ended June 30, 2022

Previous year figure has been re-arranged whenever considered necessary to ensure comparability with the current year presentation as per IAS-8 “Accounting Policies, Changes in Accounting Estimates and Errors”.

### **3.19 Related Party Transactions**

The objective of IAS-24 'Related Party Disclosures' is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions.

A party is related to an entity if: [IAS-24] directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the entity has an interest in the entity that gives it significant influence over the entity, has joint control over the entity, the party is a member of the key management personnel of the entity or its parent, the party is a close member of the family of any individual, the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual and the party is a post-employment benefit plan for the benefit of employees of the entity.

The Company transacts with related parties and recognize as per IAS-24 'Related Party Disclosures'. Related party transactions have been disclosed under Note - 39.

### **3.20 General**

- i) Figures appearing in these accounts have been rounded off to the nearest taka.
- ii) Prior year's figures have been rearranged wherever considered necessary to ensure comparability with the current year.
- iii) Bracket figures denote negative.

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
As at 30 June 2022

Note No.	Particulars	Amount in Taka	
		30 June 2022	30 June 2021

**4.00 Property, Plant and Equipment: Tk. 498,076,718**

This is made up as follows:

**Particulars**

Balance as at 01.07.2021	298,222,440	207,844,479
Add: Addition made during the Year	63,522,631	90,377,961
<b>Balance as at 30.06.2022</b>	<b>361,745,071</b>	<b>298,222,440</b>
<b>Accumulated Depreciation</b>		
Balance as at 01.07.2021	79,545,479	74,038,241
Add: Charged during the Year	5,110,454	5,507,239
<b>Balance as at 30.06.2022</b>	<b>84,655,933</b>	<b>79,545,479</b>
Cost Less Accumulated Depreciation	277,089,138	218,676,961
Add: Revaluation of Assets	220,987,580	222,063,895
<b>Total Written Down Value as at 30.06.2022</b>	<b>498,076,718</b>	<b>440,740,856</b>

**5.00 Insurance Claim Receivable: Tk. 0**

This is made up as follows:

**Particulars**

Claim against Goods	-	3,155,079
<b>Total</b>	<b>-</b>	<b>3,155,079</b>

In September 2004 factory premises was flooded. Insurance claim with Bangladesh Co-Operative Insurance Company Ltd. was made for an amount of Tk. 53,237,607.80. Claim agreed by the insurer was Tk. 23,154,549 on November 19, 2009. Out of this remaining amount of Tk. 31,55,079 has been realized with in June 30,2022.

**6.00 Capital Work-in-Progress: Tk. 28,794,366**

This is made up as follows:

**Particulars**

Balance as at 01.07.2021	24,256,286	24,256,286
Add: Addition made during the Year	4,538,080	-
<b>Balance as at 30.06.2022</b>	<b>28,794,366</b>	<b>24,256,286</b>

**7.00 Long Term Investment: Tk.320,125,226**

The details of Long Term Investment are as follows:

**Name of Company:**

BD.News & Entertainment	6,448,841	6,448,841
Magura Paper Mills Ltd	-	7,807,959
Pearl Paper and Board Mills Ltd.	237,474,075	266,393,141
Paper Processing & Packaging Ltd.	76,202,310	111,730,850
<b>Total</b>	<b>320,125,226</b>	<b>392,380,790</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
As at 30 June 2022

Note No.	Particulars	Amount in Taka	
		30 June 2022	30 June 2021

**8.00 Inventories: Tk. 186,985,573**

This is made up as follows:

**Particulars**

Raw Materials in Stock	Note:8.01	143,729,870	118,198,785
Finished Goods	Note:8.02	43,255,703	33,130,253
<b>Total</b>		<b>186,985,573</b>	<b>151,329,038</b>

*Details of Raw Materials are shown in Annexure-C.*

**8.01 Raw Materials in Stock : Tk. 143,729,870**

**Particulars**

Opening balance	118,198,785	101,011,190
Add: Purchase during the year	424,682,871	123,298,252
<b>Total available Raw Materials</b>	<b>542,881,655</b>	<b>224,309,442</b>
Less: Consumption during the year	(399,151,785)	(106,110,657)
<b>Closing balance</b>	<b>143,729,870</b>	<b>118,198,785</b>

**8.02 Finished Goods: Tk. 43,255,703**

**Particulars**

Opening balance	33,130,253	42,630,253
Add: Cost of goods produced during the year	447,631,934	132,068,127
<b>Cost of goods available for sale during the year</b>	<b>480,762,187</b>	<b>174,698,380</b>
Less: Cost of goods sold during the year	(437,506,484)	(141,568,127)
<b>Closing balance</b>	<b>43,255,703</b>	<b>33,130,253</b>

**9.00 Trade Receivables : Tk. 138,661,858**

This is made up as follows:

**Particulars**

Trade Receivable	138,661,858	96,802,561
	<b>138,661,858</b>	<b>96,802,561</b>

a) Ageing of Trade Receivables

(Disclosure as per Schedule-XI, Part-I, of The Companies Act, 1994)

Due within 3 months	128,047,233	91,404,560
Due over 3 months but within 6 months	10,614,625	5,398,001
Due over 6 months	-	-
<b>Total</b>	<b>138,661,858</b>	<b>96,802,561</b>

i) Receivable considered Good & secured	138,661,858	96,802,561
ii) Receivable considered Good without security	-	-
iii) Receivable considered doubtful or Bad	-	-
iv) Receivable due by Directors or other Officers	-	-
v) Receivable due from companies under same management	35,604,193	-

b) Trade receivable have been stated at their nominal value. Trade receivable are accrued in the ordinary course of business. These are carried at invoice amount. All receivable have been considered as good and realizable. Therefore, no amount was written off as bad debt and no debt was considered as doubtful to provide for.

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
As at 30 June 2022

Note No.	Particulars	Amount in Taka	
		30 June 2022	30 June 2021

**10.00 Inter Company Account: TK. 91,791,178**

This is made up as follows:

**Name of Company:**

Magura Group Ltd	4,711,634	4,711,634
Bangladesh Development Co. Ltd.	9,195,930	
Kores Bangladesh Ltd.	-	30,084,411
World of Textile	4,000,000	4,000,000
Progressive Marketing Ltd	1,320,050	1,320,050
BD.News & Entertainment	12,999,000	11,499,000
Magura Paper Mills Ltd	59,314,559	56,306,600
Paper Processing & Packaging Ltd.	-	6,028,860
Bangladesh Press Holding	39,500	39,500
Intermediate and Secondary Books Publication.	38,225	38,225
Madrasha Prokashana Ltd.	95,205	95,205
Prathamik Pustak Prokashona Ltd.	77,075	77,075
	<b>91,791,178</b>	<b>114,200,560</b>

**11.00 Short Term Investment: Tk. 591,502**

This is made up as follows:

**Particulars**

SIBL FDR A/C NO. 0025330050855	591,502	561,197
<b>Total</b>	<b>591,502</b>	<b>561,197</b>

**12.00 Advances, Deposits and Prepayments: Tk. 171,579,549**

This is made up as follows:

**Particulars**

Advances	Note- 12.01	107,837,677	55,652,197
Deposits	Note-12.02	8,236,320	8,560,129
Advance against land purchases		55,250,000	-
Capital Work-in-Progress		-	63,522,631
Prepayments	Note-12.03	255,552	213,489
<b>Total</b>		<b>171,579,549</b>	<b>127,948,446</b>

**12.01 Advances: Tk.107,837,677**

This is made up as follows:

**Particulars**

Advance against Works	Note- 12.01.01	1,803,538	1,234,685
Advance against Salary and Wages	Note- 12.01.02	863,300	838,300
Advance against Purchases	Note- 12.01.03	105,170,839	53,579,213
<b>Total</b>		<b>107,837,677</b>	<b>55,652,197</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
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**12.01.01 Advance against Works: Tk.1,803,538**

This is made up as follows:

**Particulars**

Nazmul hasan Sakil Transport Officer	-	38,385
AAA Finance & Investment	650,000	650,000
Abdul Hai	-	67,546
ICB Capital management Ltd	200,000	200,000
Rasel Engineering Works	630,000	-
Rajdip	323,538	42,907
R.I Enterprise	-	134,347
PNS Industrial machinery	-	101,500
<b>Total</b>	<b>1,803,538</b>	<b>1,234,685</b>

**12.01.02 Advance against Salary and Wages: Tk.863,300**

This is made up as follows:

**Particulars**

Mr Rasedul Haque	-	50,000
Mr Mizanur Rahman	-	4,000
Md.Hossain (PS-1 to Chairman)	43,500	79,500
Md.AI-Amin Mollah	-	2,000
Md Altaf Hossain	3,500	9,500
Sohel howlader	20,000	-
Najmul Haque	20,000	11,000
Md. Faruk	7,800	8,800
Mobarok Hossain	360,000	540,000
Rashed Talukder	25,000	-
Khalid Hasan	29,500	35,500
Md Abdus Sobhan	74,000	98,000
Mr. Ataur Rahman	280,000	-
<b>Total</b>	<b>863,300</b>	<b>838,300</b>

**12.01.03 Advance against Purchases: Tk.105,170,839**

This is made up as follows:

**Particulars**

Advance against Local Material	98,601,021	41,655,547
Base Paper Ltd	-	19,320
M M Shah Trading	-	1,925
Amber Super Paper Ltd.	-	46,117
Creative Paper Mills Ltd	-	18,859
Partex Paper Mills Limited-	60,143	652,876
Sonali Paper and Board Mills	-	191,887
Younus Fine Paper Mills Ltd.	-	3,100
RFL Plastics Ltd.	105,764	-
Insaf Paper House	33,220	-
Meghna Pulp & Paper Mills Ltd	18,653	-
Zeeshan International Agencies Pvt Ltd	2,674,777	-

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
As at 30 June 2022

Note No.	Particulars	Amount in Taka	
		30 June 2022	30 June 2021
	FTT # 15/0075	-	249,283
	L/C No# 120221010227	-	2,101,623
	L/C No# 120221010262	-	816,012
	L/C No# 120221020018	-	811,815
	L/C No# 120221020019	-	795,818
	L/C No# 120221020030	-	3,783,372
	L/C No# 120220020100	-	2,086,000
	L/C No# "120222010081	139,830	-
	L/C No# "120222010144	610,054	-
	L/C No# "120222010220	1,189,332	-
	L/C No# "120222010223	396,956	-
	L/C No# "120222010234	513,470	-
	L/C No# "120222010278	827,619	-
	L/C No# 120221010114	-	345,659
	<b>Total</b>	<b>105,170,839</b>	<b>53,579,213</b>

**12.02 Deposits: Tk.8,236,320**

This is made up as follows:

Particulars

Earnest Money	3,591,554	4,083,075
Enlistment money	110,000	110,000
Bank Guarantee	151,163	180,107
Performance Guarantee	286,676	90,020
Other Security Deposits	4,096,927	4,096,927
<b>Total</b>	<b>8,236,320</b>	<b>8,560,129</b>

**12.03 Prepayments: Tk.255,552**

This is made up as follows:

Particulars

Prepaid Insurance	255,552	213,489
<b>Total</b>	<b>255,552</b>	<b>213,489</b>

- i) All the advances, deposit and prepayment amount are considered good and recoverable.  
ii) There is no amount due from directors or officers of the company other than advance against salary & wages to employees.

**13.00 Advance Income Tax: Tk.41,506,921**

This is made up as follows:

Particulars

Opening Balance	30,010,705	94,414,360
Add: Addition during the Year	11,496,216	9,678,891
Less: Adjustment During the year	-	(74,082,546)
<b>Closing Balance</b>	<b>41,506,921</b>	<b>30,010,705</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
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Note No.	Particulars	Amount in Taka	
		30 June 2022	30 June 2021

**14.00 Cash and Cash Equivalents: Tk. 23,592,717**

This is made up as follows:

**Particulars**

Cash at Bank

Cash in Hand

**Total**

Note- 14.01

	6,590,907	5,136,964
	17,001,811	1,588,872
	<b>23,592,717</b>	<b>6,725,835</b>

**14.01 Cash-at-Bank: Tk. 6,590,907**

This is made up as follows:

**Particulars**

Sonali Bank Ltd., Local Office Br.33008364

A.B. Bank Ltd., Principal Br..208507430

Agrani Bank Ltd.-10180101

SIBL, Bashundhara Br-0771330002408

Basic Bank Ltd., Bashundhara Br.4910-01-000389

SIBL, Principal Br-0021330009899.

Shahjalal Islami Bank Ltd.,-Mitijheel Br.110003488

UCBL, Bashundhara Br.0099-132-0000067

Shahjalal Islami Bank Ltd.,-F.Ex.Br.4014-13100001071

Islami Bank Bangladesh Limited-Kalampur Branch 00709

First Security Islami Bank #017711100000231

Meghna Bank Ltd. #11011100000730

SIBL, Bashundhura Br-0771360001186.

SIBL, Bashundhura Br-(WPPF)077136000591.

SIBL, Bashundhura Br-(WPPF)077136000602

SIBL, Bashundhura Br-(WPPF)077136000613

SIBL Motijheel -PB Br-002360003444

SIBL, Bashundhura Br-(Dividend Payment)0771360001873

Shimanto Bank Ltd. # 1002241000113

The Premier Bank Ltd.-0155111-00000320

Brac Bank Ltd. 150520230668201

**Total**

	51,716	52,061
	313,909	622,449
	8,677	9,655
	1,105	295
	23,838	24,528
	2,807,536	2,153,936
	-	606
	41,465	41,957
	1,279	2,404
	19,824	21,089
	3,560	4,710
	30,544	3,104
	578,709	170,247
	430	-
	430	-
	430	-
	1,541	2,691
	2,359,660	-
	7,240	7,240
	332,371	2,013,350
	6,642	6,642
	<b>6,590,907</b>	<b>5,136,964</b>

**15.00 Share Capital: Tk. 93,888,256**

**Authorized Capital: Tk.500,000,000**

5,00,00,000 Ordinary Shares @ Tk.10.00 each.

500,000,000

500,000,000

**500,000,000**

**500,000,000**

**Issued, Called and Paid-up Capital: Tk.93,88,826**

93,88,826 Ordinary Shares @ Tk.10.00 each

93,888,256

93,888,256

**93,888,256**

**93,888,256**

Paid-up Capital and are classified as follows:

Classification	No. of Share	Face value (Tk)	Total Value (Tk)
<b>Group-A</b> : Sponsor and Director	4,879,616	10	48,796,160
<b>Group-B</b> : Financial Institutions	32,860	10	328,600
<b>Group-C</b> : General Public	4,476,349	10	44,763,490
<b>Total :</b>	<b>9,388,825</b>		<b>93,888,250</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
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		30 June 2022	30 June 2021

**Classification of Shareholders and their Share Holding Position are as follow:**

Name of Shareholder	Position	No. of Share Held	Percentage of Share Held
Mr. Mustafa Kamal Mohiuddin	Chairman	2,040,000	21.73%
Mr. Mostafa Jamal Mohiuddin	Managing Director	512,638	5.46%
Bangladesh Development Group Ltd. Represented by Abu Nasir Ahmed Md. Mobarok Hossain	Director	1,316,949	14.03%
BDG-Magura Group Limited Represented by Md. Amir Hossain		803,972	8.56%
Pearl Paper and Board Mills Ltd.	Shareholder	63,526	0.68%
Mr. Muhammad Enayet Ali	Independent Director	-	0.00%
Dr. Md. Mahbul Alam Joarder		-	0.00%
Dr. Ataur Rahman		-	0.00%
Mr. Ashfaqu Islam	Sponsor Shareholder	40,656	0.43%
Mr. M.U. Ahmed		1,694	0.02%
Mr. Mohiuddin Ahmed		6,335	0.07%
Miah Md. Rezaul Haque		40,656	0.43%
Mr. Md. Mobarok Hossain	Shareholder	18,701	0.20%
Abrirbhab Multi Media Limited		10,164	0.11%
Investment Consultants and Share Management Ltd.		15,855	0.17%
Paper Processing and Packaging Ltd.		8,470	0.09%
Financial Institutions		32,860	0.35%
General Public		4,476,349	47.68%
<b>Total</b>		<b>9,388,825</b>	<b>100%</b>

**Distribution of each Class of equity, setting out the number of holders and percentage, in the following categories:**

Holding Range	No. of Shareholders	Total Holdings	In Percentage
01-----3000	4099	1,339,326	14.27%
3001-----15000	211	1,302,525	13.87%
15001-----30000	16	329,804	3.51%
300001-----300000	9	853,901	9.09%
300001-----1500000	4	3,523,269	37.53%
1500001-----1800000	0	-	0.00%
1800001-----2100000	1	2,040,000	21.73%
	<b>4340</b>	<b>9,388,825</b>	<b>100.00%</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
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Note No.	Particulars	Amount in Taka	
		30 June 2022	30 June 2021
<b>16.00</b>	<b>Revaluation Reserve: Tk.187,839,443</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Opening Balance	188,924,473	189,693,526
	Deffered Tax provision on re-valuation surplus	161,447	335,907
	Previous year adjustment for Defferd Tax	(170,162)	-
	Adjustment of Depreciation on Re-valued Assets.	(1,076,315)	(1,104,960)
	<b>Total</b>	<b>187,839,443</b>	<b>188,924,473</b>
<b>17.00</b>	<b>Retained Earnings: Tk. 139,646,954</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Opening Balance	96,804,155	162,729,589
	Profit/(Loss) during the year	51,155,310	11,511,679
	8% Stock Dividend	-	(2,438,656)
	9 % Cash Dividend	-	(2,743,488)
	200% Stock Dividend	-	(60,966,400)
	10 % Cash Dividend	(9,388,826)	-
	Adjustment Short Provision up to 2018-2019	-	(13,192,090)
	Adjustment of Depreciation on Re-valued Assets	1,076,315	1,104,960
	Previous year adjustment for Defferd Tax	-	798,560
	<b>Closing Balance</b>	<b>139,646,954</b>	<b>96,804,155</b>
<b>18.00</b>	<b>Deffered Tax Liabilities : Tk. 40,215,812</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Opening Balance	40,902,848	41,460,930
	Add/(Less): Previous year adjustment	170,162	(798,560)
	Add/(Less): Deferred Tax Expenses/(Income) on cost	(695,751)	576,385
	Add/(Less): Deferred Tax Expenses/(Income) on revaluation	(161,447)	(335,907)
	<b>Total</b>	<b>40,215,812</b>	<b>40,902,848</b>
<b>19.00</b>	<b>Long Term Loan: Tk.619,986,775</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Social Islami Bank Ltd.	19.01 15,551,069	21,702,613
	Phoneix finance and Investment Ltd.	19.02 604,435,705	523,730,768
	<b>Total</b>	<b>619,986,775</b>	<b>545,433,381</b>
<b>19.01</b>	<b>Social Islami Bank Ltd.: Tk.15,551,069</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	HPSM#0023600000078	711,587	2,016,622
	HPSM#0023600000102	2,255,520	5,688,705
	HPSM#0023600000181	1,853,718	3,377,851
	HPSM#0023600000282	8,280,571	8,555,715
	<b>Principal Outstanding</b>	<b>13,101,396</b>	<b>19,638,893</b>
	Add: Interest Outstating	2,449,673	2,063,720
	<b>Total</b>	<b>15,551,069</b>	<b>21,702,613</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
As at 30 June 2022

Note No.	Particulars	Amount in Taka	
		30 June 2022	30 June 2021

**19.02 Phoneix finance and Investment Ltd. :Tk.604,435,705**

This is made up as follows:

**Particulars**

PFIL/SME/TL-64/2017	114,128,610	102,242,490
PFIL/SME/TL-57/17	315,101,544	307,297,949
<b>Principal Outstanding</b>	<b>429,230,154</b>	<b>409,540,439</b>
Add: Interest Outstatnding	175,205,551	114,190,329
<b>Total</b>	<b>604,435,705</b>	<b>523,730,768</b>

**20.00 Trade Payables Tk.1,961,365**

This is made up as follows:

**Particulars**

Arafat Traders	234,950	55,520
Bhai bhai enterprise	294,095	147,576
M/S Aleya Enterprise	178,889	122,509
Nafi Trading	-	71,820
Newaj Traders	147,026	359,793
M/S. New A.S. Traders	-	81,388
Sahanoor Printing & Packaging Ltd	262,606	357,606
S.B. Enterprise	-	78,820
Souimate Packaging & Accessories Ltd.	843,799	218,739
<b>Total</b>	<b>1,961,365</b>	<b>1,493,771</b>

**21.00 Liabilities for Expenses:Tk.8,235,100**

This is made up as follows:

**Particulars**

Bangladesh Advance Technologies Ltd	49,000	86,000
Chittagong Stock Exchange Ltd	245,000	445,000
Dhaka Stock Exchange Ltd	-	1,312
Grameen Phone	13,241	10,852
Jannatul Ferdus	-	46,360
Jharna Engineering Works	238,440	168,700
Link 3 Technologies	32,300	32,300
Metro Net Bangladesh Ltd	15,000	10,000
Pinaki & Co.	201,250	201,250
Pinnacle Power Ltd	-	39,824
Raima Golpo Book Binding	429,394	254,719
Robi Axiata Ltd	9,292	14,209
Rini Book Binding	543,641	369,266
Two Star Catering	32,130	-
Tetra Host Bangladesh	6,000	6,000
Others Payable	46,111	-
Vat Current Account	682,315	1,026,235
Wages, Salary and Allowance	5,691,986	6,432,357
<b>Total</b>	<b>8,235,100</b>	<b>9,144,384</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
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Note No.	Particulars	Amount in Taka	
		30 June 2022	30 June 2021

**22.00 Short Term Loan: Tk.278,267,464**

This is made up as follows:

Details of Social Islami Bank Ltd. (SIBL) Short Term Loan are as Follows:

**Particulars**

Bai Muazzal (Commercial)	22.01	94,482,528	82,959,134
Bai Muazzal Work Order	22.02	52,234,850	46,982,888
Bai Muazzal (Trust Receipt)	22.03	120,719,086	112,662,961
UPAS Deffered L/C	22.04	10,831,000	10,746,000
<b>Total</b>		<b>278,267,464</b>	<b>253,350,984</b>

**22.01 Bai Muazzal (Commercial): Tk.94,482,528**

This is made up as follows:

**Particulars**

BIAM# 0023120149161		38,100,000	38,100,000
BIAM# 0023120154302		-	5,335,000
BIAM# 0023120154324		-	4,200,000
BIAM# 0023120154335		4,400,000	4,400,000
BIAM# 0023120154695		5,055,882	10,000,000
BIAM# 0023120154739		7,300,000	7,300,000
BIAM# 0023120167611		3,500,000	-
BIAM# 0023120167622		4,000,000	-
BIAM# 0023120167756		4,000,000	-
BIAM# 0023120167767		3,600,000	-
BIAM# 0023120154741		-	650,000
BIAM LOAN# 002310013227		5,000,000	5,000,000
BIAM # 0023130014836		5,000,000	-
<b>Principal Outstanding</b>		<b>79,955,882</b>	<b>74,985,000</b>
Add: Interest Outstatnding		14,526,646	7,974,134
<b>Total</b>		<b>94,482,528</b>	<b>82,959,134</b>

**22.02 Bai Muazzal Work Order: Tk.52,234,850**

This is made up as follows:

**Particulars**

BIAM LOAN# 00239900002309		39,418,752	39,418,752
Add: Interest Outstatnding		12,816,098	7,564,136
<b>Total</b>		<b>52,234,850</b>	<b>46,982,888</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
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Note No.	Particulars	Amount in Taka	
		30 June 2022	30 June 2021

**22.03 Bai Muazzal (Trust Receipt):Tk.120,719,086**

This is made up as follows:

**Particulars**

LTR #0023110049348	-	4,990,354
LTR #0023110049539	-	1,129,847
LTR #0023110050248	-	7,858,323
LTR #0023110050441	-	3,756,237
LTR #0023110050676	160,754	3,341,094
LTR# 0023110051295	1,061,869	1,061,869
LTR# 0023110051306	3,286,015	3,286,015
LTR# 0023110051317	4,748,143	4,748,143
LTR# 0023110051543	428,810	428,810
LTR# 0023110051879	15,750,000	15,750,000
LTR# 0023110051881	-	809,853
LTR# 0023110052781	3,977,082	3,977,082
LTR# 0023110052858	6,171,459	6,171,459
LTR# 0023110054669	2,540,918	2,540,918
LTR# 0023110055121	4,151,014	4,151,014
LTR# 0023110055931	1,260,711	1,260,711
LTR# 0023110058236	3,810,173	-
LTR # 0023110058811	2,834,269	-
LTR#0023110058844	6,951,426	-
LTR#0023110059002	185,000	-
LTR#0023110059463	5,217,524	-
LTR#0023110059507	2,115,000	-
LTR#0023110059619	1,500,207	-
LTR#0023110059665	3,801,216	-
LTR# 0023110054175	8,081,137	8,081,137
LTR# 0024290000018	5,254,405	5,355,487
LTR# 0024290000029	1,942,892	1,942,892
LTR# 0024290000031	6,530,291	6,530,291
LTR# 0024290000042	4,271,484	4,271,484
LTR# 0024290000132	3,095,752	3,095,752
LTR# 0024290000142	3,795,000	3,795,000
<b>Principal Outstanding</b>	<b>102,922,551</b>	<b>98,333,772</b>
Add: Interest Outstanding	17,796,536	14,329,189
<b>Total</b>	<b>120,719,086</b>	<b>112,662,961</b>

**22.04 UPAS Deffered L/C :Tk.10,831,000**

This is made up as follows:

**Particulars**

L/C No# 120221020018	3,824,000	3,853,000
L/C No# 120221020019	7,007,000	6,893,000
<b>Total</b>	<b>10,831,000</b>	<b>10,746,000</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
As at 30 June 2022

Note No.	Particulars	Amount in Taka	
		30 June 2022	30 June 2021
<b>23.00</b>	<b>Long Term Bank Loan-Current Portion Tk.70,661,204</b>		
	This is made up as follows:		
	Details of Long Term Bank Loan-Current Portion are as Follows:		
	<b>Particulars</b>		
	SIBL- HPSM#0023600000078	1,425,512	120,477
	SIBL- HPSM#0023600000102	3,522,909	368,830
	SIBL- HPSM#0023600000181	1,613,433	185,369
	SIBL- HPSM#0023600000282	1,119,429	844,285
	PFIL/SME/TL-64/17	8,697,835	20,583,955
	PFIL/SME/TL-57/17	54,282,087	62,085,682
	<b>Total</b>	<b>70,661,204</b>	<b>84,188,598</b>
<b>24.00</b>	<b>Inter Company/Directors Loan Account: TK.11,387,183</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Pearl Paper and Board Mills Ltd.	-	12,946,416
	Bangladesh Development Co. Ltd.	-	20,758,895
	Magura Recycle Paper Ind. Ltd.	500,000	-
	Kores Bangladesh Ltd.	2,800,000	-
	Magura Group Ltd	5,000,000	-
	Mr. Mustafa Kamal Mohiuddin (Chairman)	3,087,183	-
	<b>Total</b>	<b>11,387,183</b>	<b>33,705,311</b>
<b>25.00</b>	<b>Un-paid Dividend: Tk. 2,729,786</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Opening Balance	2,296,884	21,778
	Add: Declared during the Period	9,388,826	2,743,488
	<b>Total</b>	<b>11,685,710</b>	<b>2,765,266</b>
	Less: Paid during the Year	(8,955,924)	(468,382)
	<b>Closing Balance</b>	<b>2,729,786</b>	<b>2,296,884</b>
	<b>Un-paid Dividend and are classified as follows:</b>		
	Group-A Sponsor and Director	819,559	1,472,521
	Group-B Financial Institutions	62,850	31,988
	Group-C General Public	1,847,378	792,355
	<b>Total :</b>	<b>2,729,786</b>	<b>2,296,864</b>
<b>26.00</b>	<b>Workers Profit Participation Fund: Tk.3,129,052</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Balance as at 01.07.2021	6,342,573	6,587,566
	Less: Payment made during the year	(6,342,573)	(1,794,270)
	<b>Available Fund</b>	<b>-</b>	<b>4,793,296</b>
	Add: Interest applied during the year	-	575,195
	<b>Total Available Fund</b>	<b>-</b>	<b>5,368,491</b>
	Add: Profit apportioned for the year	3,129,052	974,082
	<b>Closing Balance as on 30.06.2022</b>	<b>3,129,052</b>	<b>6,342,573</b>

The company has not recognized Worker's Profit Participation Fund (WPPF) and outstanding payable will be

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
As at 30 June 2022

Note No.	Particulars	Amount in Taka	
		30 June 2022	30 June 2021

**27.00 Provision for Income Tax: Tk.43,757,214**

This is made up as follows:

**Particulars**

Opening Balance	31,635,736	85,132,625
Add: Short Provision up to 2018-2019	-	13,192,090
Current Year Tax	12,121,478	7,393,567
<b>Sub-Total</b>	<b>43,757,214</b>	<b>105,718,282</b>
Less: Tax adjustment during the year	-	(74,082,546)
<b>Closing Balance</b>	<b>43,757,214</b>	<b>31,635,736</b>

**28.00 Net Assets Value per share(NAV): Tk. 44.88**

This is made up as follows:

**Particulars**

Shareholders Equity	421,374,652	379,616,883
No. of Share	9,388,825	9,388,825
<b>Total</b>	<b>44.88</b>	<b>40.43</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
As at 30 June 2022

Note No.	Particulars	Amount in Taka		
		Under Section 82 (C)	Other than under Section 82 (C)	1st July, 2021 to 30th June, 2022

**29.00 Revenue: Tk.663,987,441**

This is made up as follows:

**Particulars**

Computer Paper(W/P)	22,537,258	-	22,537,258	53,664,223
Computer Paper (NCR)	45,324,370	-	45,324,370	70,255,615
Cheque Books & Other Security Products	68,281,439	-	68,281,439	100,913,527
Photocopy Paper/Wast Paper	9,838,600	479,671,839	489,510,439	30,233,606
ATM Roll	11,646,334	-	11,646,334	24,045,212
TP Roll	6,526,201	-	6,526,201	9,575,519
Khata	20,161,400	-	20,161,400	11,131,617
<b>Total</b>	<b>184,315,602</b>	<b>479,671,839</b>	<b>663,987,441</b>	<b>299,819,319</b>

**30.00 Cost of Goods Sold: Tk437,506,484**

This is made up as follows:

**Particulars**

Materials Consumed	30.01	399,151,785	106,110,657
Factory Overhead	30.02	48,480,149	25,957,470
<b>Cost of Manufactured</b>		<b>447,631,934</b>	<b>132,068,127</b>
Opening Work-in-Process		-	-
		<b>447,631,934</b>	<b>132,068,127</b>
Closing Work-in-Process		-	-
<b>Cost of Production</b>		<b>447,631,934</b>	<b>132,068,127</b>
Opening Finished Goods		33,130,253	42,630,253
		<b>480,762,187</b>	<b>174,698,380</b>
Closing Finished Goods		43,255,703	33,130,253
<b>Total</b>		<b>437,506,484</b>	<b>141,568,127</b>

**30.01 Raw Materials Consumed: Tk.399,151,785**

This is made up as follows:

**Particulars**

Opening Raw Materials	118,198,785	101,011,190
Purchase during the year	424,682,871	123,298,252
<b>Raw Materials Available</b>	<b>542,881,655</b>	<b>224,309,442</b>
Closing Raw Materials	143,729,870	118,198,785
<b>Raw Materials Consumed</b>	<b>399,151,785</b>	<b>106,110,657</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
As at 30 June 2022

Note No.	Particulars	Amount in Taka			
		Under Section 82 (C)	Other than under Section 82 (C)	1st July, 2021 to 30th June, 2022	1st July, 2020 to 30th June, 2021
<b>30.02</b>	<b>Factory Overhead: Tk.48,480,149</b>				
	This is made up as follows:				
	<b>Particulars</b>				
	Wages, Salary and Allowance			41,887,348	19,621,923
	Depreciation on at Cost			4,343,886	4,681,153
	Depreciation on at Revaluation			914,868	939,216
	Insurance Expenses			386,412	329,825
	Fuel and Lubricant & Gas			1,234	17,550
	Entertainment			273,719	127,544
	Loading and Unloading Expenses			62,350	57,440
	Repair, Maintenance and Others			465,835	129,389
	Medical Expenses			20,100	17,049
	Stationery and Others			42,050	1,800
	Travelling and Conveyance			82,347	34,581
	<b>Total</b>			<b>48,480,149</b>	<b>25,957,470</b>

**31.00 Administrative Expenses: Tk.20,744,678**

This is made up as follows:

**Particulars**

Salary and Allowance	4,958,697	12,904,754	17,863,451	8,414,168
Audit /Consultancy/Professional fee	69,744	181,506	251,250	237,250
AGM Expenses	18,043	46,957	65,000	20,495
Board Meeting Fee	127,999	333,112	461,111	36,000
Car Running & Maintenances	33,547	87,306	120,853	123,038
Cleaning and Sanitation	7,181	18,689	25,870	25,634
Depreciation on at Cost	170,233	443,022	613,254	660,869
Depreciation on at Revaluation	35,853	93,305	129,158	132,595
Enlistment Fees	22,528	58,628	81,156	279,437
Entertainment	80,410	209,262	289,672	184,703
Form, Fees and License	21,232	55,256	76,488	146,036
Insurance Expenses	3,789	9,862	13,651	75,402
Registration and Renewals	22,999	59,853	82,852	101,301
Stationery and Others	11,242	29,258	40,500	128,517
Service Charge Catering	55,587	144,663	200,250	99,450
Travelling and Conveyance	8,683	22,597	31,280	36,975
Telephone, Fax and Internet	110,725	288,157	398,882	602,328
Wasa, Gas and Electricity	-	-	-	257,385
<b>Total</b>	<b>5,758,494</b>	<b>14,986,184</b>	<b>20,744,678</b>	<b>11,561,583</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
As at 30 June 2022

Note No.	Particulars	Amount in Taka			
		Under Section 82 (C)	Other than under Section 82 (C)	1st July, 2021 to 30th June, 2022	1st July, 2020 to 30th June, 2021

**32.00 Selling and Distribution Expenses: Tk.31,924,860**

This is made up as follows:

**Particulars**

Salary and Allowance	8,357,509	21,749,986	30,107,495	14,403,441
Books, News Paper and Periodicals	28,858	75,101	103,959	11,488
Carriage Outward	84,387	219,613	304,000	321,000
Depreciation on at Cost	42,558	110,755	153,314	165,217
Depreciation on at Revaluation	8,963	23,326	32,289	33,149
Entertainment	28,488	74,138	102,626	59,532
CNG, Fuel, Lubricant and Others	75,539	196,588	272,127	205,484
Loading and Unloading Expenses	71,183	185,250	256,433	366,505
Postage and Stamp	5,203	13,542	18,745	29,309
Repairs and Maintenance	4,314	11,226	15,540	9,540
Stationery Expenses	14,227	37,024	51,251	61,570
Telephone, Mobile & Internet etc.	40,882	106,394	147,276	6,524
Travelling and Conveyance	51,740	134,650	186,390	158,888
Tender Schedule Expenses	48,138	125,277	173,415	145,104
<b>Total</b>	<b>8,861,990</b>	<b>23,062,870</b>	<b>31,924,860</b>	<b>15,976,751</b>

**33.00 Financial Expense: Tk.108,436,462**

This is made up as follows:

**Particulars**

Bank Loan Interest (SIBL)	11,815,190	15,977,632	27,792,822	26,115,180
Interest Expenses of PFIL	34,058,310	46,056,912	80,115,222	84,607,410
Bank Charges and Others	146,683	381,735	528,418	838,572
Interest on WPP Fund	-	-	-	575,195
<b>Total</b>	<b>46,020,183</b>	<b>62,416,279</b>	<b>108,436,462</b>	<b>112,136,357</b>

**34.00 Other Income: Tk.335,132**

This is made up as follows:

**Particulars**

Bank Interest Received	-	38,256	38,256	36,678
Wastage Sale	-	296,876	296,876	231,534
Factory Rent	-	-	-	1,611,000
<b>Total</b>	<b>-</b>	<b>335,132</b>	<b>335,132</b>	<b>1,879,212</b>

**35.00 Current Tax: Tk.12,121,478**

This is made up as follows:

**Particulars**

Profit before Tax	44,375,115	18,205,922	62,581,037	19,481,631
Add: Accounting base depreciation	-	5,110,454	5,110,454	5,507,239
Less: Tax base depreciation	-	(7,084,101)	(7,084,101)	(8,068,949)
<b>Taxable Profit for Current Tax</b>	<b>44,375,115</b>	<b>16,232,274</b>	<b>60,607,390</b>	<b>16,919,921</b>
Applicable Tax Rate	20.00%	20.00%	20.00%	22.50%
<b>Provision for Income tax</b>	<b>8,875,023</b>	<b>3,246,455</b>	<b>12,121,478</b>	<b>3,806,982</b>
Advance tax paid for 82( C)	8,875,023	2,621,193	11,496,216	7,393,567
20% on Profit before Tax	8,875,023	3,246,455	12,121,478	3,806,982
0.6% on gross receipt for 82( C)	1,105,894	2,878,031	3,983,925	1,798,916
<b>Current Tax (Whichever is higher)</b>	<b>8,875,023</b>	<b>3,246,455</b>	<b>12,121,478</b>	<b>7,393,567</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Notes to the Financial Statements**  
As at 30 June 2022

Note No.	Particulars	Amount in Taka			
		Under Section 82 (C)	Other than under Section 82 (C)	1st July, 2021 to 30th June, 2022	1st July, 2020 to 30th June, 2021

**35.01 Deferred tax expenses during the period : Tk. -695,751**

This is made up as follows:

**Particulars**

Carrying Amount as per Company Policy	-	76,942,675	76,942,675	82,053,129
Carrying Amount as per Tax Law	-	41,604,300	41,604,300	47,549,013
Taxable Temporary Difference	-	<b>35,338,376</b>	<b>35,338,376</b>	<b>34,504,116</b>
Applicable Tax Rate	20.0%	20.0%	20.0%	22.5%
<b>Total Deferred Tax Liability as on June 30, 2022</b>	<b>-</b>	<b>7,067,675</b>	<b>7,067,675</b>	<b>7,763,426</b>
Add / (Less) Previous Year Adjustment	-	-	-	798,560
Less: Opening deferred tax	-	(7,763,426)	(7,763,426)	(7,985,602)
<b>Deferred tax expenses /(income)</b>	<b>-</b>	<b>(695,751)</b>	<b>(695,751)</b>	<b>576,384</b>

**36.00 Earning Per Share (Basic): Tk.5.45**

This is made up as follows:

**Particulars**

Net Profit after Tax	35,500,092	15,655,218	51,155,310	11,511,679
Number of Ordinary Shares	9,388,825	9,388,825	9,388,825	9,388,825
<b>Total</b>	<b>3.78</b>	<b>1.67</b>	<b>5.45</b>	<b>1.23</b>

**37.00 Allocation of Comprehensive Income (based on Section-82C and other Than 82C):**

Revenue	184,315,602	479,671,839	663,987,441	299,819,319
Cost of Goods Sold	(77,081,065)	(360,425,420)	(437,506,484)	(141,568,127)
<b>Gross Profit</b>	<b>107,234,537</b>	<b>119,246,419</b>	<b>226,480,957</b>	<b>158,251,192</b>
<b>Operating Expenses</b>	<b>(14,620,484)</b>	<b>(38,049,054)</b>	<b>(52,669,538)</b>	<b>(27,538,334)</b>
Administrative Expense	(5,758,494)	(14,986,184)	(20,744,678)	(11,561,583)
Selling and Distribution Expense	(8,861,990)	(23,062,870)	(31,924,860)	(15,976,751)
<b>Operating Profit</b>	<b>92,614,054</b>	<b>81,197,365</b>	<b>173,811,419</b>	<b>130,712,858</b>
Financial Expense	(46,020,183)	(62,416,279)	(108,436,462)	(112,136,357)
<b>Profit before other income</b>	<b>46,593,871</b>	<b>18,781,086</b>	<b>65,374,957</b>	<b>18,576,501</b>
Other Income	-	335,132	335,132	1,879,212
<b>Profit/(Loss) Before Tax and WPPF</b>	<b>46,593,871</b>	<b>19,116,218</b>	<b>65,710,089</b>	<b>20,455,713</b>
Provision for WPPF	(2,218,756)	(910,296)	(3,129,052)	(974,082)
<b>Profit/(Loss) Before Tax</b>	<b>44,375,115</b>	<b>18,205,922</b>	<b>62,581,037</b>	<b>19,481,631</b>
<b>Income Tax Expenses</b>	<b>(8,875,023)</b>	<b>(2,550,704)</b>	<b>(11,425,727)</b>	<b>(7,969,951)</b>
Current Tax Charge	(8,875,023)	(3,246,455)	(12,121,478)	(7,393,567)
Deferred Tax	-	695,751	695,751	(576,384)
<b>Net Profit/(Loss) After Tax</b>	<b>35,500,092</b>	<b>15,655,218</b>	<b>51,155,310</b>	<b>11,511,680</b>
<b>Earnings Per Share (EPS)</b>	<b>3.78</b>	<b>1.67</b>	<b>5.45</b>	<b>1.23</b>

Note No.	Particulars	Amount in Taka	
		30 June 2022	30 June 2021

### 38.00 Net Operating Cash Flows per share(NOCF): Tk.7.19

This is made up as follows:

#### Particulars

Net Cash flows from Operating Activities	38.01	67,517,213	40,393,278
No. of Share		9,388,825	9,388,825
<b>Total</b>		<b>7.19</b>	<b>4.30</b>

### 38.01 Reconciliation of net profit/(loss) after tax with cash flow from operating activities under indirect

This is made up as follows:

#### Particulars

Net Profit/(Loss) After Tax		51,155,310	11,511,679
<b>Adjustments to reconcile net income to net cash</b>			
Depreciation		6,186,769	6,612,199
Finance Expenses		108,436,462	112,136,357
Insurance Claim Receivable		3,155,079	1,000,000
Provision for WPPF		3,129,052	974,082
Income Tax Expenses		12,121,478	7,393,567
Deffered Tax Liability		(695,751)	576,385
<b>Changes in operating assets and liabilities:</b>			
Stock of Inventories		(35,656,535)	(7,687,595)
Trade Debtors		(41,859,297)	3,077,020
Investment in FDR		(30,305)	(28,752)
Advance, Deposit & Prepayments		11,618,897	(64,607,149)
Trade Creditors		467,594	(711,731)
Liability for Expenses		(909,285)	(2,993,159)
Income Tax Paid		(11,496,216)	(9,678,891)
WPPF Paid		(6,342,573)	(1,794,270)
Bank Charge Paid		(31,763,467)	(15,386,466)
<b>Net Cash flows from Operating Activities</b>		<b>67,517,213</b>	<b>40,393,278</b>

### 39.00 Related party transactions

During the period the company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Names of those related parties, nature of those transactions and their value have been set out in accordance with the provisions of IAS-24: Related party disclosure.

Sl. No.	Name of the Related Parties	Nature of Transactions	Balance as at 30-June-2022
1	Md.Hossain (PS-1 to Chairman)	Advance against Salary	43,500
2	Md Altaf Hossain		3,500
3	Sohel howlader		20,000
4	Najmul Haque		20,000
5	Md. Faruk		7,800
6	Mobarok Hossain		360,000
7	Rashed Talukder		25,000
8	Khalid Hasan		29,500
9	Md Abdus Sobhan		74,000
10	Mr. Ataur Rahman		280,000
11	BD.News & Entertainment	Long Term Investment	6,448,841
12	Pearl Paper and Board Mills Ltd.		237,474,075
13	Paper Processing & Packaging Ltd.		76,202,310

14	Magura Group Ltd		4,711,634
15	Bangladesh Development Co. Ltd.		9,195,930
16	World of Textile		4,000,000
17	Progressive Marketing Ltd		1,320,050
18	BD.News & Entertainment	Inter Company Account (Current Assets)	12,999,000
19	Magura Paper Mills Ltd		59,314,559
20	Bangladesh Press Holding		39,500
21	Intermediate and Secondary Books Publication.		38,225
22	Madrasha Prokashana Ltd.		95,205
23	Prathamik Pustak Prokashona Ltd.		77,075
24	Magura Recycle Paper Ind. Ltd.	Inter Company/Directors Loan Account	500,000
25	Kores Bangladesh Ltd.		2,800,000
26	Magura Group Ltd		5,000,000
27	Mr. Mustafa Kamal Mohiuddin (Chairman)		3,087,183

**39.01 Disclosure of Key Management Personnel Benefits in total and for each of the following categories**

During the year, the amount of compensation paid to key management personnel including Board of Directors is as under (as per 17 of IAS-24)

Sl. No.	Particulars	30 June 2022	30 June 2021
01	Short term employee benefits:	9,579,123	8,968,260
02	Post-employment benefits;	582,456	144,200
03	Other long-term benefits	-	-
04	Termination benefits; and	-	-
05	Share-based payment	-	-
06	<b>Total (1+....+5)</b>	<b>10,161,579</b>	<b>9,112,460</b>

**40.00 Disclosure as per requirement of Schedule XI, Part II of The Company Act 1994**

**40.01 Employee Position of the Company as per requirement of schedule XI, part II, Para 3**

For the year ended 30 June 2022		Officer & Staff		Worker & Employee	
Salary Range (Monthly)	Total Employee	Head Office	Factory	Head Office	Factory
Below 5,300	-	-	-	-	-
Above 5,300	423	25	8	9	381

**40.02 Production/Sales capacity (BDT)**

Particulars	2022	2021
Normal Capacity	850,000,000	850,000,000
Production/Sales	663,987,441	299,819,319
<b>Capacity Utilized(%)</b>	<b>78.12%</b>	<b>35.27%</b>

**41.00 Capital expenditure commitment**

Details of capital expenditure commitment are shown in Annexure-"A"

**42.00 Contingent Liabilities**

The company has no Contingent liability as on 30 June 2022.

**43.00 Events after the reporting period**

The Board of Directors of the Company has recommended 10% cash and 10% Stock dividend for all shareholders in its 184th Board meeting held on September 28, 2022 for the year ended June 30, 2022.

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Schedule of Property, Plant and Equipment**  
For the year ended 30 June 2022  
Annexure-A

Particulars	Cost (Amount in Taka)		Depreciation (Amount in Taka)			Written Down Value as at 30.06.2022	
	Balance as at 01.07.2021	Addition /Adjustment	Balance as at 30.06.2022	Rate	Balance as at 01.07.2021		Charge during the Period
Land and Land Development	136,623,831	63,522,631	200,146,462	0%	-	-	200,146,462
Building and Construction	34,121,341	-	34,121,341	2.5%	13,596,455	513,122	14,109,577
Plant and Machinery	100,589,733	-	100,589,733	7%	48,241,736	3,664,360	51,906,096.06
Electrical Installation	5,352,749	-	5,352,749	10%	2,228,926	312,382	2,541,308
Furniture and Fixture	2,857,871	-	2,857,871	10%	1,743,800	111,407	1,855,208
Link Road	912,987	-	912,987	20%	862,479	10,102	872,580
Office Equipment	13,561,009	-	13,561,009	10%	8,768,130	479,288	9,247,418
Motor Vehicle	4,202,919	-	4,202,919	20%	4,103,953	19,793	4,123,746
<b>Total :</b>	<b>298,222,440</b>	<b>63,522,631</b>	<b>361,745,071</b>		<b>79,545,479</b>	<b>5,110,454</b>	<b>84,655,933</b>

Particulars	Revaluation (Amount in Taka)		Depreciation (Amount in Taka)			Cost Less Depreciation as at 30.06.2022	
	Balance as at 01.07.2021	Addition /Adjustment	Balance as at 30.06.2022	Rate	Balance as at 01.07.2021		Charge during the Period
Land and Land Development	179,548,069	-	179,548,069	-	-	-	179,548,069
Building and Construction	50,598,825	-	50,598,825	2.5%	8,378,538	1,055,507	9,434,045
Plant and Machinery	3,268,320	-	3,268,320	7%	2,976,795	20,407	2,997,201
Electrical Installation	465,819	-	465,819	10%	461,805	401	462,207
Furniture and Fixture	20,587	-	20,587	10%	20,587	-	20,587
Office Equipment	18,214	-	18,214	10%	18,214	-	18,214
Motor Vehicle	94,159	-	94,159	20%	94,159	-	94,159
<b>Total :</b>	<b>234,013,993</b>	<b>-</b>	<b>234,013,993</b>		<b>11,950,098</b>	<b>1,076,315</b>	<b>13,026,413</b>
<b>Balance as on June 30, 2022</b>	<b>532,236,433</b>	<b>63,522,631</b>	<b>595,759,064</b>		<b>91,495,577</b>	<b>6,186,769.34</b>	<b>97,682,347</b>

**Allocation of depreciation charged during the year**

Particulars	% of Allocation	Depreciation at Cost	Depreciation at Revaluation	Total
Factory Expenses	85.00%	4,343,886	914,868	5,258,754
Administrative Expenses	12.00%	613,254	129,158	742,412
Selling and Distribution Expenses	3.00%	153,314	32,289	185,603
<b>Total</b>	<b>100%</b>	<b>5,110,454</b>	<b>1,076,315</b>	<b>6,186,769</b>

**Bangladesh Monospool Paper Mfg. Co.Ltd**  
**Statement of Tax Depreciation**  
**Calculation of Deferred Tax**

Assessment Year 2022-2023  
For the Year from 01-07-21 to 30-06-2022

Annexure-B									
SL. No	Assets	Opening Balance	Addition	Closing Balance at cost	% of Depreciation	Depreciation at cost	Depreciation on Revaluation	Total Depreciation	Closing Balance
1	Land & Land Development	136,646,229	63,522,631	200,168,860	-	-	-	-	200,168,860
2	Building & Construction	14,386,768	-	14,386,768	5%	719,338	-	719,338	13,667,430
3	Plant & Machinery	25,689,135	-	25,689,135	20%	5,137,827	-	5,137,827	20,551,308
4	Electrical Installation	2,014,519	-	2,014,519	20%	402,904	-	402,904	1,611,615
5	Furniture & Fixture	1,080,948	-	1,080,948	10%	108,095	-	108,095	972,853
6	Link Road	192,621	-	192,621	10%	19,262	-	19,262	173,359
7	Office Equipment	3,682,066	-	3,682,066	10%	368,207	-	368,207	3,313,859
8	Motor Vehicle	1,642,344	-	1,642,344	20%	328,469	-	328,469	1,313,875
	<b>Total:</b>	<b>185,334,630</b>	<b>63,522,631</b>	<b>248,857,261</b>	<b>-</b>	<b>7,084,101</b>	<b>-</b>	<b>7,084,101</b>	<b>241,773,160</b>

Carrying Amount	Tax Base	Taxable/Deductible
76,942,675	41,604,300	35,338,376
		20.00%
		7,067,675
		(7,763,426)
		<b>(695,751)</b>

**Deferred Tax Liabilities as at 30 June 2022**

Property, Plant & Equipment except land at cost  
Tax on business income  
Closing deferred tax liability/(assets)-at cost  
Opening deferred tax liabilities/(assets)-at cost  
Deferred tax expenses/(income)-at cost

Revaluation surplus  
Tax on capital gain  
Closing deferred tax liabilities/(assets)-at revaluation  
Opening deferred tax liabilities/(assets)-at revaluation  
**Deferred tax expense/(income)-at revaluation**

220,987,580	15%	33,148,137
		(33,309,584)
		<b>(161,447)</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Schedule of Inventories**

As at 30 June 2022

Annexure-C

Items Name	Unit	Opening Balance as on July 01, 2021		Procurement		Total		Consumption		Closing Balance as on June 30, 2022	
		Quantity	Value (Tk.)	Quantity	Value (Tk.)	Quantity	Value (Tk.)	Quantity	Value (Tk.)	Quantity	Value (Tk.)
<b>Import</b>											
CBS-1 Paper Foreign	MT	35	8,808,115	230.77	56,097,924	265.53	64,906,039	219.48	49,007,392	46.06	15,898,647
NCR Paper-Foreign	MT	5	778,817	69.7	12,990,233	74.87	13,769,050	70.44	11,466,251	4.43	2,302,799
Thermal Paper Foreign	MT	21	2,165,319	59.2	10,869,723	79.81	13,035,042	58.28	9,549,558	21.53	3,485,484
Printing Ink & Glue	Lbs	-	-	200	1,091,768	200.00	1,091,768	200	1,091,768	-	-
<b>Local</b>											
NCR Paper-Local	MT	52	7,455,493	127.8	18,587,753	179.88	26,043,246	130.79	21,932,632	49.09	4,110,614
White Printing Paper	MT	1,215	77,749,886	258	22,749,828	1,472.60	100,499,714	413.55	53,285,561	1,059.05	47,214,153
West Paper			-		290,555,503	-	290,555,503		239,063,942	-	51,491,561
Oil & Lubricants	Ltr		40,751		715,524		756,275		674,237		82,038
Packing Materials	Tk.		13,193,655		7,009,679		20,203,334		8,528,801		11,674,533
Store, Spares & Others	Tk.		4,813,720		2,264,910		7,078,630		2,649,583		4,429,047
Printing, Stationeries & Others	Tk.		3,193,028		1,750,026		4,943,054		1,902,060		3,040,994
<b>Total</b>			<b>118,198,785</b>		<b>424,682,871</b>		<b>542,881,655</b>		<b>399,151,785</b>		<b>143,729,870</b>

**Finished Goods:**

Items Name	Unit	Opening Balance as on July 01, 2021		Production		Total		Delivery		Closing Balance as on June 30, 2022	
		Quantity	Value (Tk.)	Quantity	Value (Tk.)	Quantity	Value (Tk.)	Quantity	Value (Tk.)	Quantity	Value (Tk.)
Computer Paper(W/P)	Box	10,675	9,455,674	32,945	42,285,561	43,620	51,741,235	30,258	38,836,445	13,362	12,904,790
Computer Paper (NCR)	Box	1,898	3,169,245	18,234	44,136,226	20,132	47,305,471	17,820	43,133,488	2,312	4,171,983
Cheque Books & Other Security Products	Box	1,575	7,724,644	918	57,840,304	2,493	65,564,947	1,259	59,369,221	1,234	6,195,726
Photocopy Paper/Wast Paper	Box	-	3,755,704		270,640,328	-	274,396,031		270,108,278	-	4,287,753
ATM and TP Roll	Roll	12,100	512,236	176,095	10,725,965	188,195	11,238,201	128,946	7,854,121	59,249	3,384,080
Khata	Khata		8,512,751	-	22,003,551	-	30,516,302		18,204,931	-	12,311,371
<b>Total</b>			<b>33,130,253</b>		<b>447,631,934</b>		<b>480,762,187</b>		<b>437,506,484</b>		<b>43,255,703</b>
<b>Total Closing Stock as on 30.06.22</b>											<b>186,985,573</b>



**BANGLADESH MONOSPOOL PAPER MANUFACTURING COMPANY LTD.**

(Registered Office: BDG Corporate Building, Plot No.-314/A, Road No. 18,  
Block- E, Bashundhara R/A, Dhaka-1229)

**PROXY FORM**

I/We \_\_\_\_\_  
of \_\_\_\_\_  
being Member of **Bangladesh Monospool Paper Manufacturing Company Ltd.**, hereby appoint Mr/Mrs.  
\_\_\_\_\_ of \_\_\_\_\_  
as my /our proxy to attend and vote for me/us and on my/our behalf in the 35<sup>th</sup> Annual General Meeting of  
the Company to be held on Monday, November 07, 2022 at 11:00 a.m. and/or at any adjournment thereof.

As witness I/We put my/our hand this \_\_\_\_\_ day of \_\_\_\_\_ 2022.

\_\_\_\_\_  
Signature of Proxy

\_\_\_\_\_  
Signature of the Shareholder

Affix  
Revenue  
Stamp

No of shares held: \_\_\_\_\_

Folio/BO No: \_\_\_\_\_

*Note: A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The proxy form duly completed must be deposited at the registered office of the Company not later than 48 hours before the time fixed for the meeting.*

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**BANGLADESH MONOSPOOL PAPER MANUFACTURING COMPANY LTD.**

(Registered Office: BDG Corporate Building, Plot No.-314/A, Road No. 18,  
Block- E, Bashundhara R/A, Dhaka-1229)

**ATTENDANCE**

I hereby record my attendance in the 35<sup>th</sup> Annual General Meeting being held on Monday,  
November 07, 2022 at 11:00 a.m. at **Digital Platform**.

**Name of member/proxy**

**Mr/Mrs** \_\_\_\_\_

Folio/BO No: \_\_\_\_\_

Signature: \_\_\_\_\_