



**AHMED ZAKER & Co.**  
CHARTERED ACCOUNTANTS

# **Independent Auditors' Report**

**and**

## **Financial Statements**

**Of**

### **PAPER PROCESSING AND PACKAGING LTD**

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

**For the year ended 30 June 2022**

**Auditor:**



**Ahmed Zaker & Co.**

**Chartered Accountants**

**(An Independent Member Firm of Geneva Group International (GGi))**

Green City Edge (Level- 10), 89, Kakrail, Dhaka-1000, Bangladesh.

Tel: 88-2-8300504-8, Fax : 88-2-8300509

E-mail: azcbangladesh@ahmed-zaker.com Web: www.ahmed-zaker.com

## Table of Contents

Serial No.	Particulars	Page No.
1	Auditor's Report	1-7
2	Statement of Financial Position	8
3	Statement of Profit or Loss and other Comprehensive Income	9
4	Statement of Changes in Equity	10
5	Statement of Cash Flows	11
6	Notes to the Financial Statements	12-30
7	Schedule of Property, Plant & Equipment <b>(Annexure-A)</b>	31
8	Calculation of Deffered Tax <b>(Annexure-B)</b>	32
9	Schedule of Inventory <b>(Annexure-C)</b>	33





## **Independent Auditors' Report**

**To the shareholders of PAPER PROCESSING AND PACKAGING LTD.**

**Report on the Audit of the Financial Statements.**

### **Opinion**

We have audited the financial statements of **PAPER PROCESSING AND PACKAGING LTD.** ("the Company"), which comprise the Statement of Financial Position as at 30 June 2022, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion based on following emphasis of matter, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) where practicable, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the 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 matters**

Without qualifying our opinion, we draw attention on the matter as disclosed below:

1. The company reported BDT 2,941,098 (**Ref: Note No # 22.00**) as Payment for WPPF and Welfare Fund. The WPPF is yet to be recognized. The fund is to be divided in the ratio 80:10: 10 for employee, Government fund and welfare fund respectively. But we have been informed that full amount has been distribute among the employees.
2. As disclosed in **Note: 3.00** to the financial statements, property, plant and equipment of BDT 374,473,871 was reported in the statement of financial position. While we were checking fixed asset register all the information of individual assets like identification number, Purchase date were not found. The fixed assets register is need to be updated.
3. As referred to in **Note: 05.00** in the financial statement, closing inventories was carried at BDT 141,817,824 in the statement of financial position at the reporting date. While conducting physical verification of inventories, we observed that inventory record is being kept erratically so we could not confirm some of item of inventories.





4. The company has incurred land and land development cost (**Ref. Note No: 03**) and also had made advance (**ref. Note No: 07.01.02**) for the Construction and land development. The payments were made in cash. Some of the procedures incurring the development costs was not followed by the company.
5. The company has made advance of BDT 127,233,302 to its sister concerns. The amount is free of interest (**Ref: Note No: 8.00**). The company has received BDT 151,686,860 as advance from its sister concerns and Loan from Director which is also interest free (**Ref: Note No: 15.00 & 21.00**).

### 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 year. 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.

Risk	Our response to the risk
<b>Revenue recognition and Measurement</b>	
<p>During the year, the Company reported sales revenue of BDT 414,055,473 which has increased by BDT 244,510,015 as compared with previous year.</p> <p>Main sources of sales revenue comprise of sale of a range of Paper Processing and Packaging Ltd. is engaged in Manufacturing, converting and printing of Paper &amp; Paper Products and their marketing.</p> <p>Revenue is recognized based on point of delivery and when relevant performance obligations are met. The company adopted IFRS: 15 'Revenue from Contracts with Customers' during the year.</p> <p>We considered sales revenue as an item of significant audit areas during our audit because of its predominance in determining the financial performance of the Company.</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 step by step procedure.</li></ul> <p>Our substantive procedures in relation to revenue recognition and measurement comprise the following:</p> <ul style="list-style-type: none"><li>➤ Obtaining, understanding and documenting the process of revenue recognition and measurement followed by the Company.</li><li>➤ Tracing performance obligations stipulated and contract value in the contract with invoice and delivery challan issued to evaluate point of recognition and measurement.</li><li>➤ Testing occurrence and accuracy of sales revenue recognized by inspecting source documents such as contract made with the customer, delivery challan and VAT challan.</li></ul>







	<ul style="list-style-type: none"><li>➤ Assessing accuracy and comparing revenue recognized during the year with VAT returns submitted to VAT authority;</li><li>➤ Finally assessing the appropriateness and presentation of disclosure notes with IFRS 15: Revenue from contracts with customers.</li></ul> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards</p>
Refer to note no. 26.00 Revenue in the financial statements	
<b>Valuation of closing inventories</b>	
<p>Closing inventories aggregating to BDT 141,817,824 was recognized in the statement of financial position as on 30 June 2022. Compared with previous year, this has increased by BDT 47,782,545.</p> <p>Closing inventories were all held at factory premises of the Company. Since determining valuation of these inventories involves management judgements which results in estimation uncertainty, we considered this an area of significant audit attention to be emphasized during the audit.</p>	<p>As part of our audit testing against closing inventories, we performed the following audit procedures in response to the assessed risk of material misstatements:</p> <ul style="list-style-type: none"><li>➤ Evaluating the design and implementation of key inventory control operating across factory premises.</li><li>➤ Evaluating internal controls to monitor or keep track of inventory movement.</li><li>➤ Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories.</li><li>➤ Reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year.</li></ul> <p>Reassessing reasonableness and adequacy of provision required to write down the cost of inventories recognized to net realizable value against slow moving, obsolete and damaged items to test both accuracy and valuation of reported amount.</p>
Refer to note no. 5.00 Inventories in the financial statements	
<b>Property, plant and equipment</b>	
<p>Property, plant and equipment (PPE) was carried at BDT 374,473,871 representing over 41% of total assets of the company as on 30</p>	<p>Our audit procedures performed during the audit to address the risks identified consist of the following:</p>







<p>June 2022. The company reported addition to PPE of BDT 20,297,249 during the year.</p> <p>Since PPE comprised a significant portion of the company's total assets, it also involves management judgment to determine estimated useful lives to charge depreciation. Besides, PPE is also subject to impairment when any possible indicators exist warranting their impairment review. Based on these factors, we decided PPE to be emphasized during the audit.</p> <p>Development work (Note. 7.01.02) carrying previous year BDT 37,690,275 was made in cash. During this year BDT. 19,829,449 has been transferred to Land and Land Development. Carrying figure for construction and development is BDT. 17,860,826. It was mandatory for the company to pay such amount by cheque or Bank Transfer. The PPR procedures was not maintained properly. Applicable TDS &amp; VDS needs to be deducted.</p>	<ul style="list-style-type: none"><li>➤ Obtaining and documenting detailed understanding regarding procurement process of PPE and identified relevant control points and their implementation.</li><li>➤ Reviewing recognition, measurement and valuation basis of PPE in compliance with requirement of IAS 16: Property, plant and equipment.</li><li>➤ Inspecting supporting documents against the acquisition of PPE made during the year to test their accuracy, valuation and ownership in the financial statements.</li><li>➤ Reviewing and Assessing methods and assumptions used by the management in determining estimated useful lives and therefore reasonableness of rate of depreciation used.</li></ul> <p>Assessing the appropriateness of presentation and adequacy of disclosures with relevant IFRS.</p>
Refer note no. 3.00 Property, plant and equipment & 7.01.02 Advance against Work in the financial statements	
<b>Inter Company Account</b>	
<p>The Company has undertaken transactions with its related parties. At the year ended total receivable from sister concerns is amounting BDT. 127,233,302 and total payable to sister concerns and Director is amounting BDT. 151,686,860. The intercompany transactions were made in interest free.</p> <p>We identified related party transactions as a key audit matter due to significance of related party transactions regulatory compliances and risk of such transactions remaining disclosed in the financial statements.</p>	<p>Our substantive audit procedure adopted during the audit includes the following test or details</p> <ul style="list-style-type: none"><li>➤ Obtaining and read the company's policies processes and procedures in respect of identifying related parties obtaining approval recording and disclosure of related party transactions.</li><li>➤ Checking the minutes of Board meetings regarding company's assessment of related party transactions being in the ordinary course of business.</li><li>➤ Inspecting on a sample basis related party transactions and other supporting documents.</li><li>➤ Agreed the related party information disclosed in the financial statements with the</li></ul>







	underlying supporting documents on sample basis.
Refer to note no. 8.00 , 15.00, 21.00 to the financial statements for details	

### **Other Matter**

Due to the outbreak of global pandemic "Covid-19" declared by the World Health Organization (WHO) and subsequent spread of the virus resulting in deteriorating situation in Bangladesh during the conduct of audit at the company, our audit procedures were mainly tailored to the material areas of the financial statements with more emphasis placed on obtaining documentary evidence from the company and testing their accuracy using the online platforms and limited physical verification to avoid the risk of getting contacted the virus and safety of audit team members.

### **Other Information**

Management is responsible for the other information. The other information comprises all the information in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in circumstances.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluated 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.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial statements. We are solely responsible for our audit opinion.

We communicated 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 identified during our audit.

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







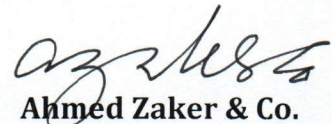
From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determined 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 and records as required by law have been kept by the Company so far as it appeared from our examination 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;
- d) The expenditures incurred were for the purposes of the Company's business.

Place: Dhaka  
Dated: 29 September 2022  
DVC:2210020478AS309782



**Ahmed Zaker & Co.**  
Chartered Accountants  
Z A Mridha FCA  
Partner  
Enroll no. 478

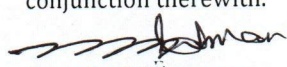


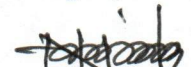


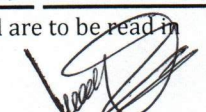
**Paper Processing and Packaging Ltd.**  
**Statement of Financial Position**  
**As at 30 June 2022**

Particulars	Notes	Amount in Taka	
		30 June 2022	30-June-2021
<b>Assets</b>			
<b>Non-Current Assets</b>		<b>374,558,571</b>	<b>364,177,873</b>
Property, Plant and Equipment	3.00	374,473,871	364,093,173
Investment in Share	4.00	84,700	84,700
<b>Current Assets</b>		<b>518,951,569</b>	<b>454,977,157</b>
Inventories	5.00	141,817,824	94,035,279
Trade Receivable	6.00	78,784,696	37,989,154
Advances, Deposits and Pre-Payments	7.00	125,147,981	73,484,344
Inter Company Account	8.00	127,233,302	215,689,950
Advance Income Tax	9.00	37,446,902	27,979,487
Cash and Cash Equivalents	10.00	8,520,864	5,798,943
<b>Total Assets</b>		<b>893,510,140</b>	<b>819,155,030</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>		<b>330,066,965</b>	<b>292,275,673</b>
Share Capital	11.00	104,496,000	104,496,000
Revaluation Reserve	12.00	90,353,873	90,398,407
Retained earnings	13.00	135,217,091	97,381,266
<b>Non-Current Liabilities</b>		<b>164,379,388</b>	<b>220,637,648</b>
Long Term Bank Loan	14.00	57,494,164	77,826,118
Long Term Liability	15.00	76,202,310	111,730,850
Deferred Tax Liability	16.00	30,682,914	31,080,680
<b>Current Liabilities</b>		<b>399,063,787</b>	<b>306,241,708</b>
Trade Payable and others payable	17.00	57,634,701	44,928,516
Liabilities for Expenses	18.00	7,304,663	7,479,947
Short Term Bank Loan	19.00	188,328,732	190,732,962
Long Term Bank Loan-Current Portion	20.00	25,028,666	5,699,352
Inter Company/Director Loan Account	21.00	75,484,550	24,570,264
Provision for WPPF and Welfare Fund	22.00	2,941,098	1,029,088
Provision for Income Tax	23.00	39,382,367	28,403,538
Un-paid Dividend	24.00	2,959,011	3,398,042
<b>Total Liabilities</b>		<b>563,443,175</b>	<b>526,879,357</b>
<b>Total Equity and Liabilities</b>		<b>893,510,140</b>	<b>819,155,030</b>
<b>Net Assets Value per share (NAV)</b>	<b>25.00</b>	<b>31.59</b>	<b>27.97</b>

The accompanying notes (01 to 39) form an integral part of these financial statements and are to be read in conjunction therewith.

  
Company Secretary

  
Chief Financial Officer

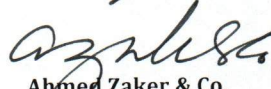
  
Director

  
Chairman

Place: Dhaka

Dated: September 28, 2022

DVC: 2210020478AS309782

  
**Ahmed Zaker & Co.**  
Chartered Accountants  
Z A Mridha, FCA  
Partner  
Enroll No: 478






**Paper Processing and Packaging Ltd.**  
**Statement of Profit or Loss and other Comprehensive Income**  
**For the Year ended 30 June 2022**


Particulars	Notes	Amount in Taka	
		Jul'21 -June'22	Jul'20 -June'21
Revenue	26.00	414,055,473	169,545,458
Cost of Goods Sold	27.00	(270,975,507)	(105,056,853)
<b>Gross profit</b>		<b>143,079,966</b>	<b>64,488,605</b>
<b>Operating expenses</b>		<b>(48,993,574)</b>	<b>(12,520,562)</b>
Office and Administrative Expenses	28.00	(22,927,961)	(5,455,074)
Marketing and Distribution Expenses	29.00	(26,065,612)	(7,065,487)
<b>Profit from operation</b>		<b>94,086,392</b>	<b>51,968,043</b>
Financial Expenses	30.00	(32,387,575)	(30,389,431)
Non Operating Income	31.00	64,234	32,244
<b>Profit/(Loss) Before Tax &amp; WPPF</b>		<b>61,763,051</b>	<b>21,610,856</b>
Contribution to WPPF and Welfare Fund		(2,941,098)	(1,029,088)
<b>Net Profit before tax</b>		<b>58,821,954</b>	<b>20,581,768</b>
<b>Income Tax Expenses</b>		<b>(10,588,921)</b>	<b>(6,580,655)</b>
Current Tax	32.00	(10,978,829)	(4,532,406)
Deferred Tax	16.01	389,908	(2,048,249)
		<b>48,233,033</b>	<b>14,001,112</b>
<b>Earnings Per Share</b>	<b>33.00</b>	<b>4.62</b>	<b>1.34</b>

The accompanying notes (01 to 39) form an integral part of these financial statements and are to be read in conjunction therewith.

  
Company Secretary

  
Chief Financial Officer

  
Director

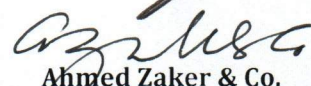
  
Managing Director

  
Chairman

Place: Dhaka

Dated: September 28, 2022

DVC: 2210020478AS309782

  
**Ahmed Zaker & Co.**  
Chartered Accountants  
Z A Mridha, FCA  
Partner  
Enroll No: 478






**Paper Processing and Packaging Ltd.**  
**Statement of Changes in Equity**  
**As at 30 June 2022**

Particulars	Amount in Taka			
	Share Capital	Revaluation Reserve	Retained Earnings	Total
<b>Balance as on 01.07.2021</b>	104,496,000	90,398,407	97,381,266	292,275,673
Net profit after tax	-		48,233,033	48,233,033
10% Cash Dividened			(10,449,600)	(10,449,600)
Transfer from Deferred Tax to revaluation surplus		7,859		7,859
Transfer of Revaluation depreciation to Retained Earnings	-	(52,392)	52,392	-
<b>Balance as at 30.06.2022</b>	<b>104,496,000</b>	<b>90,353,873</b>	<b>135,217,091</b>	<b>330,066,965</b>

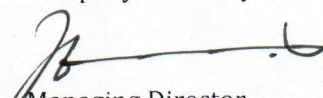
**As at 30 June 2021**

Particulars	Amount in Taka			
	Share Capital	Revaluation Reserve	Retained Earnings	Total
<b>Balance as on 01.07.2020</b>	33,600,000	90,444,607	158,114,277	282,158,884
Net profit after tax	-		14,001,112	14,001,112
11% Stock Dividend (2019-2020)	3,696,000		(3,696,000)	-
200% Stock Dividend (2017-2018)	67,200,000		(67,200,000)	-
11% Cash Dividend (2019-2020)			(3,696,000)	(3,696,000)
Transfer from Deferred Tax to revaluation surplus		8,153		8,153
Transfer of Revaluation depreciation to Retained Earnings	-	(54,353)	54,353	-
Adjustment for Short Provision			(1,649,784)	(1,649,784)
Adjustment for Defferd Tax	-		1,453,308	1,453,308
<b>Balance as on 30.06.2021</b>	<b>104,496,000</b>	<b>90,398,407</b>	<b>97,381,266</b>	<b>292,275,673</b>

  
Company Secretary

  
Chief Financial Officer

  
Director

  
Managing Director

  
Chairman

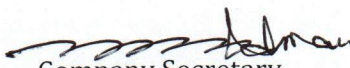
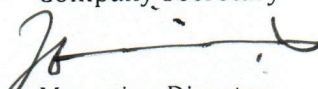
Place: Dhaka  
Dated: September 28, 2022





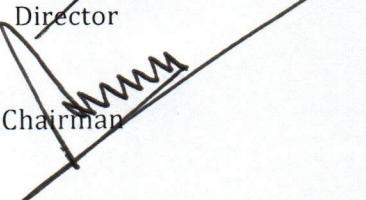


**Paper Processing and Packaging Ltd.**  
**Statement of Cash Flows**  
**For the Year ended 30 June 2022**

Particulars	Note	Amount in Taka	
		July 01, 2021 to June. 30, 2022	July 01, 2020 to June. 30, 2021
<b>Cash Flow from Operating Activities</b>			
Cash Received from Customer and Others		373,324,165	166,210,739
Less: Paid to Suppliers and Others		(334,549,461)	(126,847,687)
Less: Financial Expenses		(19,419,181)	(6,916,889)
Adjustment for Short Tax Provision		-	1,649,784
Less: Income Tax Paid		(9,467,415)	(5,215,288)
<b>Net Cash Provided by Operating Activities (A)</b>		<b>9,888,108</b>	<b>28,880,659</b>
<b>Cash Flow from Investing Activities</b>			
Acquisition of Property, Plant and Equipment		(20,297,249)	(67,173,553)
Advance/Construction Work		(76,415,831)	(29,291,211)
<b>Net Cash Used by Investing Activities (B)</b>		<b>(96,713,080)</b>	<b>(96,464,764)</b>
<b>Cash Flow from Financing Activities</b>			
Receipts/ (Payments) of Term Loan		(1,002,640)	(133,906)
Receipts/ (Payments) of Short Term Loan		(2,404,230)	50,139,888
Inter Company /Director Loan Account		103,842,394	12,336,380
Dividend Paid		(10,888,631)	(735,353)
<b>Net Cash Provided by Financing Activities (C)</b>		<b>89,546,893</b>	<b>61,607,009</b>
<b>Net Cash inflow/ outflow during the year ( A+B+C)</b>		<b>2,721,921</b>	<b>(5,977,096)</b>
Cash and Cash equivalents at the beginning of the year		5,798,943	11,776,040
<b>Closing Cash and Cash equivalents at the end of the year</b>		<b>8,520,864</b>	<b>5,798,943</b>
<b>Net Operating Cash Flows per share(NOCF)</b>	<b>34.00</b>	<b>0.95</b>	<b>2.76</b>

  
 Company Secretary  
  
 Managing Director

  
 Chief Financial Officer

  
 Director  
  
 Chairman

Place: Dhaka  
 Dated: September 28, 2022







# **Paper Processing and Packaging Ltd.**

## **Notes to the Financial Statements**

**As at and for the year ended June 30, 2022**

### **1.00 The Company and its Operations**

#### **1.01 Background**

Paper Processing and Packaging Ltd. (C-18233(87)/89) is a Public Limited Company registered with the Registrar of Joint Stock Companies and Firms on 6th February, 1989. In 1990, the Company issued its share for public subscription and the Shares of the Company are listed in the Dhaka Stock Exchange Ltd.

#### **1.02 Registered Office and Factory Place**

The Registered office of Paper Processing and Packaging Ltd. 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 Nature of Principal Activities**

Paper Processing and Packaging Ltd. is engaged in Manufacturing, Converting and Printing of Paper & Paper Products and their Marketing.

### **2.00 Significant Accounting Policies**

#### **2.01 Compliance with Local Laws**

The financial statements have been prepared in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh. The Companies Act 1994, The Securities and Exchange Rules 1987, Income Tax Ordinance & Rules 1984, The Value Added Tax Act & Rules 1991, The Customs Act 1969 and other relevant local laws as applicable.

#### **2.02 Applicable Accounting Standards**

The Company's status of compliance with applicable Financial Reporting Standards is as under:

<b>IAS &amp; IFRS</b>	<b>Accounting Standards</b>	<b>Remarks</b>
IAS-1	Presentation of financial statements	Complied
IAS-2	Inventories	Complied
IAS-7	Statement of Cash Flows	Complied
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
IAS-10	Events after the Reporting Period	Complied
IAS-12	Income Taxes	Complied
IAS-16	Property, Plant & Equipment	Complied
IAS-23	Borrowing Costs	Complied
IAS-24	Related Party Disclosures	Complied
IAS-32	Financial Instrument: Presentation	Complied
IAS-33	Earnings per share	Complied
IAS-36	Impairment of Assets	Complied
IAS-37	Provisions, Contingent Liabilities and Contingent Assets	Complied
IFRS-7	Financial Instruments: Disclosures	Complied
IFRS-13	Fair Value Measurement	Complied
IFRS-15	Revenue from Contracts with Customers	Complied

#### **2.03 Accounting Policies**

The accounts have been prepared under historical cost convention except revaluation of Property, Plant & Equipment and going concern basis in accordance with applicable disclosure and presentational requirements of the International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh.

#### **2.04 Workers Profit Participation Fund**

Provision for Workers Profit Participation Fund (WPPF) has been made @ 5% on net profit as per provisions of the Bangladesh Labour Law, 2006.





## **2.05 Earnings Per Share (EPS)**

Basic earning per share has been calculated in accordance with IAS-33 "Earnings per Share" which has been shown on the face of the Statement of Profit or Loss and Other Comprehensive Income. This has been calculated by dividing the net profit after Tax & WPPF by the weighted average number of ordinary shares outstanding during the year.

## **2.06 Basis of Measurement**

The financial statements have been prepared on historical cost Basis.

## **2.07 Use of Estimates and Judgment**

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.

## **2.08 Advances, Deposits and Prepayments**

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.

Deposits are measured at payment value.

Prepayments are recognized to the extent of cash disbursed for the items.

## **2.09 Property, Plant and Equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation less impairment loss, if any. The company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when the cost is incurred, it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repair and maintenance is normally charged off as revenue expenditure in the period in which it is incurred.

## **2.10 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 for whole year irrespective of their date of acquisition and no depreciation has been charged on fixed assets ceases irrespective of their 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	Remarks
Land and Land Development	-	
Building and Construction	2.50%	
Plant and Machineries	7%	
Furniture and Fixtures	10%	
Electrical Equipment	10%	
Office Equipment	10%	
Motor Vehicle	20%	

## **Revaluation of Property, Plant and Equipment**

Financial statement of the company have been prepared on historical cost price basis. However, the prices of assets have been increased substantially during the last few years due to high inflationary trend. In this circumstance, management of Paper Processing and Packing Limited has decided to determine fair market value of the assets through revaluation. The company revaluated its land and land development as on 31 December 2015 by Malek Siddiqui Wali, Chartered Accountants and the revaluation surplus has been incorporated in the financial statement as on 30 June 2016.





#### **2.11 Depreciation Charged on Revaluated Assets**

Fixed assets have been revalued and depreciated on reducing balance method. Difference between accounting carrying value and revalued assets have been shown as revaluation reserve. Depreciated value of revalued assets subsequently adjusted in the financial statements every year.

#### **2.12 Creditors and Accrued Expenses**

These are recognized for amounts to be paid in the future for goods and services received, whether or not billed by the suppliers.

#### **2.13 Revenue Recognition**

In compliance with the requirements of "IFRS-15 "Revenue from Contracts with Customers". Revenue receipts from customers against sales are 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, and there is no continuing management involvement with the goods. Sales are recorded at net of VAT.

#### **2.14 Income Tax**

##### **i) Current Tax:**

Provision for Current income Tax has been made at the rate of 20% as prescribed in the Finance Act, 2022 on the accounting profit ,where as company required provision should be as per Income Tax Ordinance 1984, since the company retained Cumulative loss.

##### **ii) Deferred Tax**

Deferred tax arises due to temporary difference deductible or taxable for the events of transaction which is recognized in the Statement of Profit or Loss and other Comprehensive Income. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount/ reported amount in the Financial Statements. Deferred tax assets or liability is the amount of income tax recoverable or payable in future periods recognized in the current period.

Deferred tax has been recognized during the period and the deferred tax of previous years has been adjusted with retained earnings during the period as per IAS-8 Accounting Policies, Changes in Accounting Estimates and Errors.

#### **2.15 Inventories**

Inventories comprise of Raw materials, Packing Materials and Stores & Spares and Finished goods. Raw materials, Packing Materials and Stores & Spares have been valued at average cost. Finished goods have been valued at lower of net realizable value and total of cost of material and other production Overhead attributable to bringing the goods to the state of sale under the convention of IAS-2 "Inventories".

#### **2.16 Impairment**

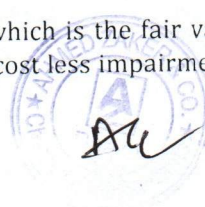
In Accordance with the Provision of IAS-36 "Impairment of Assets". The carrying amount of non financial assets other than inventories are reviewed to determine whether there is any indication of impairment. No such indication of impairment has been raised till date of audit.

#### **2.17 Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand, cash at banks which are held and available for use by the Company without any restriction.

#### **2.18 Accounts Receivable**

Accounts receivable is 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 due to uncollectibility of any amount so recognized.







## 2.19 Statements of Cash Flows

Statement of Cash Flows has been prepared in accordance with IAS-7 "Statements of Cash Flows" and the Cash flow from operating activities has been presented under direct method.

## 2.20 Related Party Disclosures

During the year, the Company carried out a number of transactions i.e. with units companies with related parties in the normal course of business and these transactions were recorded in the books of accounts as per IAS- 24 "Related Party Disclosures". The following statement represent the balance sheet date figure.

### Name of the Companies

**June 30, 2022**

#### i) Investment in Share

Bangladesh Monospool Paper Mfg.Co.Ltd.

**84,700**

#### ii) Inter Company Account (Current Assets)

BDG Foundation

2,449,360

Bangladesh Development Group Ltd.

8,523,805

BDG-Magura Group Ltd.

2,059,836

BD.News & Entertainment Ltd.

29,392,185

Intermediate and Secondary Books Publications Ltd

515,795

Madrassa Prokashana Ltd

677,560

Prathamik Pustak Prokashana Ltd

629,940

Millennium Spinning & Knitting Factory Ltd

8,228,178

Progressive Marketing Ltd

9,835,358

Magura Paper Mills Ltd.

63,066,470

Magura Recycled Paper Ind. Ltd.

1,350,000

Pearl Paper and Board Mills Ltd

4,815

International Eng. Construction Co. Ltd.(IECC)

500,000

#### Total:

**127,233,302**

#### iii) Long Term Liability

Bangladesh Monospool Paper Mfg.Co.Ltd.

**76,202,310**

#### iv) Inter Company/Director Loan Account (Current Liability)

Kores Bangladesh Limited

18,806,219

Bangladesh Development Co. Ltd.

1,608,137

Magura Group Limited

34,899,224

Shukran Foods Ltd.

1,650,000

Mr. Mustafa Kamal Mohiuddin (Chairman)

18,520,970

#### Total:

**75,484,550**

#### v) Receivables due from companies under same management

Magura Paper Mills Ltd.

**24,558,175**

#### vi) Advance against Salary

Uttam Kumar debnath Debnath

1,015,000

Shafiqul Azam Khan

4,000

Mokbul Hossain

18,000

#### Total:

**1,037,000**

## 2.21 Going Concern

During the year ended on June 30, 2022 the entity had achieved net profit after tax of **Tk. 4,82,33,033/-** from the earnings of profit it is the likely that the company can run s a going concern in the foreseeable future.

## 2.22 Events after the reporting period

There is no material event that had occurred after the reporting period to the date of issue of these financial statements, which could affect the figures stated in the financial statements in compliance with the requirements of "IAS 10" Events after the reporting period".

### Following events occurred since the balance date:

The board of directors recommended 8% Cash & 7% Stock dividend at the 171th Board meeting held on September 28, 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.





**2.23 Date of Authorization**

The Board of Directors has authorized these financial statements on **September 28, 2022**.

**2.24 Reporting Currency**

The figures in the financial statements represent Bangladeshi Taka Currency.

**2.25 Comparative**

Comparative information have been disclosed in respect of the previous years 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.

**Re-arrangement**

Previous year's figure has been re-arranged whenever considered necessary to ensure better comparability with the current year's presentation without causing any impact on the profit and value of assets and liability as reported in the Financial Statement.

**2.26 General**

(i) All calculation in Accounts have been rounded off to the nearest Taka.

(ii) For comparison, previous year's figure have been re-classified where necessary.







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

### 3.00 Property Plant and Equipment: Tk. 374,473,871

This is made up as follows:

#### Particulars

Opening Balance	320,512,246	253,338,693
Add: Addition during the year	20,297,249	67,173,553
	<b>340,809,495</b>	<b>320,512,246</b>
Less: Opening Accumulated Depreciation	62,770,141	52,220,450
Less: Current period Depreciation	9,864,159	10,549,691
<b>Written Down Value (Cost)</b>	<b>268,175,195</b>	<b>257,742,105</b>
<u>Re-Valuation:</u>		
Opening Balance	111,492,720	111,492,720
Add: Addition during the year	-	-
<b>Sub-Total</b>	<b>111,492,720</b>	<b>111,492,720</b>
Less: Opening Accumulated Depreciation	5,141,652	5,087,299
Less: Current period Depreciation	52,392	54,353
<b>Written Down Value (Revaluation)</b>	<b>106,298,676</b>	<b>106,351,068</b>
<b>Total Written Down Value (Cost+Revaluation):</b>	<b>374,473,871</b>	<b>364,093,173</b>

The details Schedule of Property, Plant and Equipment are shown in (Annexure- A).

### 4.00 Investment in Share: Tk. 84,700

This is made up as follows:

#### Particulars

Bangladesh Monospool Paper Mfg.Co.Ltd.	84,700	84,700
<b>Total</b>	<b>84,700</b>	<b>84,700</b>

### 5.00 Inventories: Tk. 141,817,824

This is made up as follows:

#### Particulars

Raw Materials	83,147,285	58,411,631
Packing Materials and Store & Spare Parts	6,934,645	4,053,031
Finished Goods	51,735,894	31,570,617
<b>Closing Balance:</b>	<b>141,817,824</b>	<b>94,035,279</b>

The details Schedule of Inventories are shown in (Annexure- C).

### 6.00 Trade Receivable: Tk. 78,784,696

This is made up as follows:

#### Particulars

Receivable from parties	78,784,696	37,989,154
<b>Total</b>	<b>78,784,696</b>	<b>37,989,154</b>

a) Ageing of the above receivables is given Below:

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

1 to 3 Months	4 to 6 Months	7 to 12 Months	Total	Total
75,106,258	3,678,439	-	<b>78,784,696</b>	<b>37,989,154</b>
i) Receivables considered good & secured			78,784,696	37,989,154
ii) Receivables considered good without security			-	-
iii) Receivables considered doubtful or Bad			-	-
iiii) Receivables due by Directors or other Officers			-	-
iv) Receivables due from companies under same management			24,558,175	-





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

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 of as bad debt and no debt was considered as doubtful to provide for.

#### 7.00 Advances, Deposits and Pre-Payments: Tk. 125,147,981

This is made up as follows:

##### Particulars

Advances	Note: 7.01	121,807,240	70,700,431
Security Deposit	Note: 7.02	2,595,051	1,797,223
VAT Current Account		732,014	742,014
Prepaid Group Insurance		13,676	15,643
Prepaid Insurance		-	229,033
<b>Closing Balance:</b>		<b>125,147,981</b>	<b>73,484,344</b>

a) All Advances & Deposits are considered good and recoverable by the management.

b) There is no amount due from Directors or officers of the Company.

c) There is no advances due by or to within the common management of the company.

#### 7.01 Advances: Tk. 121,807,240

This is made up as follows:

##### Particulars

Advance against Purchases	Note: 7.01.01	101,759,414	32,053,825
Advance against Works	Note: 7.01.02	19,010,826	38,421,606
Advance against Salary	Note: 7.01.03	1,037,000	225,000
<b>Closing Balance:</b>		<b>121,807,240</b>	<b>70,700,431</b>

#### 7.01.01 Advance against Purchases: Tk. 101,759,414

This is made up as follows:

##### Particulars

Advance against Local Material	86,932,477	25,313,341
L/C # 1202200020045	-	5,168,000
L/C # 120221010332	-	1,153,200
Al Noor Paper and Board Mills	14,826,937	30,242
Gazipur Paper House	-	293,933
Base Paper	-	95,109
<b>Total :</b>	<b>101,759,414</b>	<b>32,053,825</b>

#### 7.01.02 Advance against Works: Tk. 19,010,826

This is made up as follows:

##### Particulars

Abdul Hai	-	50,331
AAA Finance and Investment	650,000	650,000
Prime Bank Investment Ltd.	300,000	-
ICB Capital Management	200,000	-
Constraction & Development work	17,860,826	37,690,275
PNS Machinery	-	31,000
<b>Total :</b>	<b>19,010,826</b>	<b>38,421,606</b>







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

**7.01.03 Advance against Salary: Tk.1,037,000**

This is made up as follows:

**Particulars**

Uttam Kumar debnath Debnath

Shafiqul Azam Khan

Mokbul Hossain

**Total :**

1,015,000	175,000
4,000	16,000
18,000	34,000
<b>1,037,000</b>	<b>225,000</b>

**7.02 Security Deposits: Tk.2,595,051**

This is made up as follows:

**Particulars**

Earnest Money Deposit

Bank Guarantee

Performance Guarantee

**Total :**

205,550	87,000
1,246,015	380,906
1,143,486	1,329,317
<b>2,595,051</b>	<b>1,797,223</b>

**8.00 Inter Company Account: TK. 127,233,302**

This is made up as follows:

**Particulars**

Bangladesh Development Co. Ltd.

BDG Foundation

Bangladesh Development Group Ltd.

BDG-Magura Group Ltd.

BD.News & Entertainment Ltd.

Intermediate and Secondary Books Publications Ltd

Madrassa Prokashana Ltd

Prathamik Pustak Prokashana Ltd

Millennium Spinning & Knitting Factory Ltd

Progressive Marketing Ltd

Magura Paper Mills Ltd.

Magura Recycled Paper Ind. Ltd.

Pearl Paper and Board Mills Ltd

International Eng. Construction Co. Ltd.(IECC)

**Total:**

-	100,811,463
2,449,360	2,449,360
8,523,805	8,523,805
2,059,836	2,059,836
29,392,185	26,242,185
515,795	515,795
677,560	677,560
629,940	629,940
8,228,178	8,228,178
9,835,358	9,835,358
63,066,470	53,866,470
1,350,000	1,350,000
4,815	-
500,000	500,000
<b>127,233,302</b>	<b>215,689,950</b>

**9.00 Advance Income Tax: Tk. 37,446,902**

This is made up as follows:

**Particulars**

Opening Balance

**Add:** Addition during the year

**Less:** Adjustment during the year

**Closing Balance**

27,979,487	56,326,294
9,467,415	5,215,288
-	(33,562,095)
<b>37,446,902</b>	<b>27,979,487</b>







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

**10.00 Cash and Cash Equivalents: Tk. 8,520,864**

This is made up as follows:

**Particulars**

Cash in Hand

Cash at Banks

**Total**

**Note 10.01**

3,716,959	1,667,749
4,803,905	4,131,194
<b>8,520,864</b>	<b>5,798,943</b>

**10.01 Cash at Banks: Tk. 4,803,905**

This is made up as follows:

**Particulars**

AB Bank Ltd., Principal BR, A/C # 4005-219312-000

Basic Bank Ltd., Bashundhara Br., A/C # 01-0000027

First Security Islami Bank -A/C #017711100000233

IBBL-Kalampur Br. A/C # 20500160900000608

Meghna Bank Ltd. -A/C # 1101110000729

NCC Bank Ltd, Bashundhara Br., A/C # 325000044

Premier Bank Ltd. -A/C #0155111000000319

Janata Bank Ltd. Local Office A/C # 0100220245203

SIBL, Principal BR, A/C # 0021330060499

SIBL. Bashundhura Branch #077136001197

SIBL. Bashundhura Branch #07713600624

SIBL. Bashundhura Branch #07713600635

SIBL. Bashundhura Branch #07713600646

SIBL. Bashundhura Branch #0771360001963

SIBL. Bashundhura Branch #0771360000501

UCB Ltd., Bashundhara Br., A/C # 132-00000073

Union Bank-A/C # 0131010001131

**Total:**

189,896	279,866
81,365	81,365
3,560	4,710
19,939	21,089
-	672
691,084	732,402
36,680	64,325
28,261	29,468
335,133	152,463
862,292	2,660,423
430	-
430	-
430	-
2,450,142	-
363	-
101,488	101,194
2,413	3,218
<b>4,803,905</b>	<b>4,131,195</b>





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

**11.00 Share Capital: Tk. 104,496,000**

This is made up as follows:

**Particulars**
**Authorized Capital :**

600,00,000 Ordinary Shares of Tk. 10/- each

**600,000,000**
**250,000,000**
**Issued, Subscribed, Called-up & Paid-up Capital :**

104,49,600 Ordinary Shares of Tk. 10/- each fully issued &amp; paid-

**104,496,000**
**104,496,000**

Classification	No. of Share	Face Value (Tk)	Value (Tk)
<b>Group-A</b>			
Sponsor and Director	4,393,360	10.00	43,933,600
<b>Group-B</b>			
Financial Institutions	56,430	10.00	564,300
<b>Group-C</b>			
General Public	5,999,810	10.00	59,998,100
<b>Total</b>	<b>10,449,600</b>		<b>104,496,000</b>

Classification of Shareholders and Their Share Holding Position are as follows:

Name of Shareholder	Position	No. of Shares	Percentage of Share held	Amount
Mr. Mustafa Kamal Mohiuddin	Chairman	1,309,716	12.53%	13,097,160
Mr. Mostafa Jamal Mohiuddin	Director	296,072	2.83%	2,960,720
Bangladesh Development Group Ltd. Represented by Mr. Ali Hossain Munir	Director	990,970	9.48%	9,909,700
Magura Group Ltd. Represented by Mr. Md. Mobarok Hossain	Managing Director	821,306	7.86%	8,213,060
Advocate Md. Golam Kibria	Independent	-	0.00%	-
Dr. Md. Rafiqul Islam	Independent	-	0.00%	-
Dr. Md. Abul Kalam Azad	Independent	-	0.00%	-
Mr. Mohiuddin Ahmed	Shareholder	870,800	8.33%	8,708,000
Mr. Abu Baker Siddique	Shareholder	78,372	0.75%	783,720
Abirbhab Multimedia Ltd.	Shareholder	8,708	0.08%	87,080
Investment Consultants & Share Management Ltd.	Shareholder	17,416	0.17%	174,160
Financial Institutions	Shareholder	56,430	0.54%	564,300
General Public	Shareholder	5,999,810	57.42%	59,998,100
<b>Total</b>		<b>10,449,600</b>	<b>100.00%</b>	<b>104,496,000</b>

Classification of shareholders according to number of share Holdings are as follows:

Holding Range	No. of share holders	No. of share	Percentage
1- 15000 shares	6,286	4,082,653	39.07%
15001- 150000 shares	42	1,254,228	12.00%
150001- 300000 shares	1	296,072	2.83%
300001- 600000 shares	0	-	0.00%
600001- 900000 shares	2	1,692,106	16.19%
900001- 1200000 shares	2	1,916,105	18.34%
1200001- 1500000 shares	1	1,208,436	11.56%
<b>Total</b>	<b>6,334</b>	<b>10,449,600</b>	<b>100.00%</b>





Note No.	Particulars	Sub-Note	Amount in Taka	
			30-June, 2022	30-June, 2021

**12.00 Revaluation Reserve: Tk. 90,353,873**

This is made up as follows:

**Particulars**

Opening Balance	90,398,406	90,444,606
Add: Current period Re-valuation	-	-
Less: Adjustment during the year	(52,392)	(54,353)
Less: Adjustment during the year as Deferred Tax	7,859	8,153
<b>Closing Balance:</b>	<b>90,353,873</b>	<b>90,398,407</b>

This represent the value added to Non-Current Assets (Note-03) upon revaluation hereof by Malek Siddiqui Wali, Chartered Accountants vide their letter dated 24 May 2016.

**13.00 Retained Earnings: Tk. 135,217,091**

This is made up as follows:

**Particulars**

Opening Balance	97,381,266	158,114,277
Add: Profit/(Loss) during the year	48,233,033	14,001,112
Add: Depreciation charged on revalued amount	52,392	54,353
Add: Adjustment for Defferd Tax	-	1,453,308
Less: 11% Stock Dividend Transferred From Retained	-	(3,696,000)
Less: 200% Stock Dividend Transferred From	-	(67,200,000)
Less: 10% Cash Dividend 2020-2021	(10,449,600)	(3,696,000)
Less: Short Provision of Income tax expenses up to	-	(1,649,784)
<b>Closing Balance:</b>	<b>135,217,091</b>	<b>97,381,266</b>

**14.00 Long Term Bank Loan: Tk. 57,494,164**

This is made up as follows:

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

**Particulars**

HPSM Loan A/C # 0023220003518	15,664,871	17,185,638
HPSM Loan A/C # 0023570000615	13,631,627	16,005,817
HPSM Loan A/C # 23570000323/21	1,084,717	4,985,809
HPSM Loan A/C # 0023600000089/23	673,970	2,330,393
HPSM Loan A/C # 0023600000091 /34	2,587,689	6,367,642
HPSM Loan A/C # 0023420000045	4,918,077	6,512,603
HPSM Loan A/C # 0023420000067	18,933,214	23,665,102
HPSM Loan A/C # 0023400000019	-	773,114
<b>Total:</b>	<b>57,494,164</b>	<b>77,826,118</b>

**15.00 Long Term Liability: TK. 76,202,310**

This is made up as follows:

**Particulars**

Bangladesh Monospool Paper Mfg.Co.Ltd.	76,202,310	111,730,850
<b>Total:</b>	<b>76,202,310</b>	<b>111,730,850</b>





Note No.	Particulars	Sub-Note	Amount in Taka	
			30-June, 2022	30-June, 2021

**16.00 Deferred Tax Liability: Tk. 30,682,914**

This is made up as follows:

**Particulars**

Opening Balance		31,080,680	30,493,892
Deferred Tax Expenses during the period	16.01	(389,908)	2,048,249
		<b>30,690,772</b>	<b>32,542,141</b>
Add/(Less): Deferred Tax Expenses/(Income) on		(7,859)	(8,153)
Add/(Less): Previous year adjustment		-	(1,453,308)
<b>Closing Balance:</b>		<b>30,682,914</b>	<b>31,080,680</b>

**16.01 Deferred tax expenses during the period : Tk. -389,908**

WDV as per Accounts (Other than land)		161,846,152	171,242,511
Carrying Amount as per Tax Law		88,155,597	104,006,869
<b>Taxable Temporary Difference</b>		<b>73,690,555</b>	<b>67,235,642</b>
Applicable Tax Rate		20.0%	22.5%
<b>Total Deferred Tax Liability as on June 30, 2022</b>		<b>14,738,111</b>	<b>15,128,019</b>
Add/(Less): Previous year adjustment		-	1,453,308
Less: Opening deferred tax liabilities/(assets)-at cost		(15,128,019)	(14,533,077)
<b>Deferred tax expenses /(income) during the period</b>		<b>(389,908)</b>	<b>2,048,249</b>

**17.00 Trade and Other Payables Tk.57,634,701**

This is made up as follows:

**Particulars**

Trade Payables	17.01	3,183,797	3,446,006
Interest Payable	17.02	54,450,904	41,482,510
<b>Total</b>		<b>57,634,701</b>	<b>44,928,516</b>

**17.01 Trade Payable: Tk. 3,183,797**

This is made up as follows:

**Particulars**

Kishoregong Paper House	570,400	1,070,400
Zeeshan International agency	1,075,862	1,325,862
Bhai Bhai Enterprise	95,171	-
Newaj Traders	154,389	154,389
New Jamuna Ink	298,700	348,700
New A. S. Traders	290,255	407,255
S.B Enterprise	89,400	139,400
Presstech Trading Corporation	374,620	-
Sail Corporation	235,000	-
<b>Total:</b>	<b>3,183,797</b>	<b>3,446,006</b>

**17.02 Interest Payable: Tk.54,450,904**

This is made up as follows:

**Particulars**

Social Islami Bank Ltd.	54,450,904	41,482,510
<b>Total</b>	<b>54,450,904</b>	<b>41,482,510</b>





Note No.	Particulars	Sub-Note	Amount in Taka	
			30-June, 2022	30-June, 2021

**18.00 Liabilities for Expenses: Tk. 7,304,663**

This is made up as follows:

**Particulars**

AJA Bangladesh Limited	-	11,000
Audit Fees (Ahmed Zaker & Co.)	201,250	201,250
Bangladesh Advance Technologies Ltd	-	125,000
Credit Rating Agency Of Bangladesh.	-	45,000
Jharna Engineering Works	301,852	220,852
Link 3 Technology	15,000	9,000
Metro net Bangladesh Ltd	20,000	15,000
Mosharrof Thai	-	167,838
RFL Plastics Limited	852,700	852,700
Robi Axiata Ltd	2,912	1,992
Grameen Phone	1,912	1,107
M/S New Mollah & Sons Transport Agency.	72,000	-
Two Star Catterring Service	3,690	-
TetraHost Bangladesh.	3,000	-
Raima Golpo Book Binding.	62,008	-
Rini Book Binding- Cr.	50,312	-
Others Payable	43,889	-
Dhaka Palli bidyut samity 3	357,159	545,397
Salary, Wages, OT, & Subsidy allowance	5,316,979	5,283,811
<b>Total</b>	<b>7,304,663</b>	<b>7,479,947</b>

**19.00 Short Term Bank Loan : Tk. 188,328,732**

This is made up as follows:

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

**Baim Commercial:**

BIAM (Com) # 0023140004926	-	4,881,199
BIAM (Com) # 0023140004948	-	2,965,139
BIAM (Com) # 0023140004961	-	3,395,139
BIAM (Com) # 0023140004972	-	5,000,000
BIAM (Com) # 0023140005343	-	4,000,000
BIAM (Com) # 0023140005354	-	3,100,000
BIAM (Com) # 0023140005409	-	6,000,000
BIAM (Com) # 0024280000017	-	11,000,000
BIAM (Com) # 0023140005321	10,000,000	10,000,000
BIAM (Com) # 0023140005398	10,000,000	10,000,000
BIAM (Com) # 0023140005411	420,247	650,000
BIAM (Com) # 0023130013238	5,000,000	5,000,000
BIAM (Com) # 0023130014847	5,000,000	-
BIAM (Com) # 0024500000062	11,000,000	-
BIAM (Com) # 0023140006355	4,720,000	-
BIAM (Com) # 0023140006366	3,134,000	-
BIAM (Com) # 0023140006377	6,000,000	-
BIAM (Com) # 0023140006388	1,990,000	-
BIAM (Com) # 0023140006399	3,500,000	-
BIAM (Com) # 0023140006401	3,500,000	-
BIAM (Com) # 0023140006412	3,400,000	-
BIAM (Com) # 0023140006434	3,300,000	-
BIAM (Wages Bill) # 0023930021912	14,100,000	-







Note No.	Particulars	Sub-Note	Amount in Taka	
			30-June, 2022	30-June, 2021
	<b><u>Baim Work - Order:</u></b>			
	BIAM (W.O) # 0023990002298		33,600,000	33,600,000
	BIAM (W.O) # 0023990002399		56,182,765	56,182,765
	<b><u>Loan against Trust Receipt for L/C:</u></b>			
	Provision for Deffered L/C (For Art Card)		-	21,477,000
	LTR # 0023240000236		13,481,720	13,481,720
	<b>Total</b>		<b>188,328,732</b>	<b>190,732,962</b>

## 20.00 Long Term Bank Loan-Current Portion Tk.25,028,666

Details of Social Islami Bank Ltd. (SIBL) Loan-Current Portion are as Follows:

HPSM Loan A/C # 0023220003518	3,058,993	1,538,226
HPSM Loan A/C # 0023570000615	3,119,019	744,829
HPSM Loan A/C # 23570000323/21	4,195,065	293,973
HPSM Loan A/C # 0023600000089 /23	1,600,261	125,562
HPSM Loan A/C # 0023600000091/34	4,123,342	343,389
HPSM Loan A/C # 0023420000045	1,865,199	270,673
HPSM Loan A/C # 00232200067	7,066,786	2,334,898
HPSM Loan A/C # 23570000299/19	-	47,802
<b>Total</b>	<b>25,028,666</b>	<b>5,699,352</b>

## 21.00 Inter Company/Director Loan Account: TK. 75,484,550

This is made up as follows:

### **Particulars**

Kores Bangladesh Limited	18,806,219	3,546,219
Monospool Paper Mfg. Co Ltd.	-	6,028,860
Pearl Paper and Board Mills Ltd	-	14,995,185
Bangladesh Development Co. Ltd.	1,608,137	-
Magura Group Ltd.	34,899,224	-
Shukran Foods Ltd.	1,650,000	-
Mr. Mustafa Kamal Mohiuddin (Chairman)	18,520,970	-
<b>Total</b>	<b>75,484,550</b>	<b>24,570,264</b>

## 22.00 Provision for WPPF and Welfare Fund: Tk.2,941,098

This is made up as follows:

### **Particulars**

Opening Balance	1,029,088	1,848,861
Less: Payment made during the year	(1,029,088)	(1,848,861)
Add: Interest during the year	-	-
<b>Available Balance</b>	<b>-</b>	<b>-</b>
Add: Addition during the year	2,941,098	1,029,088
<b>Closing Balance:</b>	<b>2,941,098</b>	<b>1,029,088</b>

## 23.00 Provision for Income Tax: Tk. 39,382,367

This is made up as follows:

### **Particulars**

Opening Balance	28,403,538	55,783,443
Add: Short Provision up to 2020-2021	-	1,649,784
Add: During the period	10,978,829	4,532,406
<b>Total</b>	<b>39,382,367</b>	<b>61,965,633</b>
Less: Adjustment During the year	-	(33,562,095)
<b>Closing Balance</b>	<b>39,382,367</b>	<b>28,403,538</b>







Note No.	Particulars	Sub-Note	Amount in Taka	
			30-June, 2022	30-June, 2021

**24.00 Un-paid Dividend: Tk. 2,959,011**

This is made up as follows:

**Particulars**

Opening Balance

Add: Declared during the period

**Total**

Less: Paid during the year

**Closing Balance**

3,398,042	437,395
10,449,600	3,696,000
<b>13,847,642</b>	<b>4,133,395</b>
(10,888,631)	(735,353)
<b>2,959,011</b>	<b>3,398,042</b>

Un-paid Dividend and are classified as follows:

Group-A Sponsor and Director

Group-B Financial Institutions

Group-C General Public

**Total**

748,757	1,576,221
216,931	79,917
1,993,323	1,741,904
<b>2,959,011</b>	<b>3,398,042</b>

**25.00 Net Assets Value per share (NAV):Tk.31.59**

This is made up as follows:

**Particulars**

Shareholders Equity

No. of Share

**Total:**

330,066,965	292,275,673
10,449,600	10,449,600
<b>31.59</b>	<b>27.97</b>







Note No.	Particulars	Sub-Note	Amount in Taka			
			Under Section 82 (C)	Other than under Section 82 (C)	July 01, 2021 to June 30, 2022	July 01, 2020 to June 30, 2021

**26.00 Revenue: Tk. 414,055,473**

This is made up as follows:

**Particulars**

Text Book/Exam Khata/Brochures /  
Register Khata /Diary/ Training  
Materials/ Others Printing Work  
**Total**

132,489,492	281,565,981	414,055,473	169,545,458
<b>132,489,492</b>	<b>281,565,981</b>	<b>414,055,473</b>	<b>169,545,458</b>

**27.00 Cost of Goods Sold: Tk. 270,975,507**

This is made up as follows:

**Particulars**

Raw materials Consumed 27.01  
Add: Factory Overhead 27.02  
**Cost of Production**  
Add: Opening Work-In-Progress  
**Total Goods In Process**  
Less: Closing Work-In-Progress  
**Cost of Goods Manufactured**  
Add: Opening finished goods  
**Cost of Goods Available for Sale**  
Less: Closing finished goods  
**Cost of Goods Sold:**

249,722,623	82,202,029
41,418,162	25,217,097
<b>291,140,784</b>	<b>107,419,126</b>
<b>291,140,784</b>	<b>107,419,126</b>
<b>291,140,784</b>	<b>107,419,126</b>
31,570,617	29,208,344
<b>322,711,401</b>	<b>136,627,470</b>
51,735,894	31,570,617
<b>270,975,507</b>	<b>105,056,853</b>

**27.01 Raw Materials Consumed: Tk.249,722,623**

This is made up as follows:

**Particulars**

Opening stock  
Add: Purchase during the year  
**Available for use**  
Less: Closing stock  
**Consumption during the year**

62,464,662	61,833,884
277,339,890	82,832,807
<b>339,804,552</b>	<b>144,666,691</b>
90,081,930	62,464,662
<b>249,722,623</b>	<b>82,202,029</b>

**27.02 Factory Overhead: Tk. 41,418,162**

This is made up as follows:

**Particulars**

Salary, wages and other allowance  
Travelling and Conveyance  
Repairs and Maintenance  
Entertainment  
Stationary Expenses  
Medical Exp. Factory  
Insurance Expense  
Loading, Unloading Expense  
Power Fuel and Lubricant  
Depreciation at cost  
Depreciation at revaluation  
Electricity Bill  
**Total**

23,551,943	12,295,630
62,790	46,130
177,570	241,155
289,136	152,909
30,485	36,560
2,355	2,177
229,033	195,317
28,500	26,000
61,750	32,500
8,384,535	8,967,237
44,533	46,200
8,555,531	3,175,282
<b>41,418,162</b>	<b>25,217,097</b>







Note No.	Particulars	Sub-Note	Amount in Taka			
			Under Section 82 (C)	Other than under Section 82 (C)	July 01, 2021 to June 30, 2022	July 01, 2020 to June 30, 2021

**28.00 Office and Administrative Expenses: Tk. 22,927,961**

This is made up as follows:

**Particulars**

Salary and Other Allowances	6,462,835	13,734,782	20,197,617	3,189,448
Board Meeting Expense	140,436	298,453	438,889	45,000
Audit/Professional Fees	73,995	157,255	231,250	448,500
AGM Expenses	36,798	78,202	115,000	22,176
Car Running and Maintenance	14,079	29,921	44,000	45,000
Phone ,Fax, Mobile and Internet	117,526	249,765	367,291	188,456
Entertainment/Cattering Bill	16,242	34,518	50,760	131,070
Insurance Expenses	2,848	6,053	8,901	66,576
Stationary Expenses	3,094	6,576	9,670	28,017
Registration and Renewal Fees	89,946	191,154	281,100	84,654
Travel and Conveyance	445	945	1,390	10,490
Power,Fuel,Oil, etc	23,199	49,301	72,500	62,692
Form Fee and Licence	86,966	184,821	271,787	110,561
Postage and Stamp	-	-	-	19,680
Cleaning and Sanitation	1,689	3,591	5,280	84,513
Repair and Maintenance	28,409	60,376	88,785	111,460
Depreciation at cost	236,725	503,087	739,812	791,227
Depreciation at revaluation	1,257	2,672	3,929	4,077
Mineral Water	-	-	-	11,478
<b>Total:</b>	<b>7,336,490</b>	<b>15,591,471</b>	<b>22,927,961</b>	<b>5,455,074</b>

**29.00 Marketing and Distribution Expenses: Tk. 26,065,612**

This is made up as follows:

**Particulars**

Salary and Other Allowances	7,841,705	16,665,152	24,506,857	5,553,965
Fuel, Lubricant and Car Maintenance	12,918	27,454	40,372	4,941
Entertainment	864	1,836	2,700	2,900
Telephone , Fax, Mobile and Telex	7,030	14,939	21,969	9,000
Stationary Expenses	8,113	17,242	25,355	13,865
Travel and Conveyance	15,045	31,975	47,020	36,276
Carriage Outward	105,186	223,542	328,728	291,252
Tender Schedule	83,777	178,043	261,820	322,155
Postage and Stamp	22,151	47,074	69,225	13,980
Depreciation at cost	236,725	503,087	739,812	791,227
Depreciation at revaluation	1,257	2,672	3,929	4,077
GSM Test/Survey expense	5,704	12,121	17,825	21,850
<b>Total:</b>	<b>8,340,476</b>	<b>17,725,136</b>	<b>26,065,612</b>	<b>7,065,487</b>

**30.00 Financial Expenses: Tk. 32,387,575**

This is made up as follows:

**Particulars**

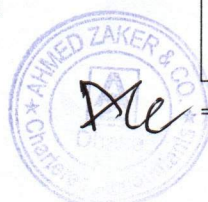
Interest on SIBL BAIM Loan	6,011,826	22,406,311	28,418,137	18,264,876
Interest on SIBL HPSM Loan	974,769	2,071,575	3,046,344	10,384,831
Bank Charges & Commission	295,372	627,722	923,094	1,739,724
<b>Total:</b>	<b>7,281,967</b>	<b>25,105,608</b>	<b>32,387,575</b>	<b>30,389,431</b>

**31.00 Non-Operating Income: Tk. 64,234**

This is made up as follows:

**Particulars**

Bank Interest Received	-	17,586	17,586	18,385
Dividend Income	-	8,758	8,758	-
Scrap Sales	-	37,890	37,890	13,859
<b>Total:</b>	<b>-</b>	<b>64,234</b>	<b>64,234</b>	<b>32,244</b>







Note No.	Particulars	Sub-Note	Amount in Taka			
			Under Section 82 (C)	Other than under Section 82 (C)	July 01, 2021 to June 30, 2022	July 01, 2020 to June 30, 2021

**32.00 Current Tax: Tk. 10,978,829**

This is made up as follows:

**Particulars**

Profit before Tax	46,447,167	12,374,787	58,821,954	20,581,768
Add: Accounting base depreciation	-	9,864,159	9,864,159	10,549,691
Less: Tax base depreciation	-	(16,319,073)	(16,319,073)	(19,653,021)
<b>Taxable Profit for Current Tax</b>	<b>46,447,167</b>	<b>5,919,873</b>	<b>52,367,040</b>	<b>11,478,437</b>
Applicable Tax Rate	20.0%	20.0%	20.0%	22.5%
<b>Current Tax Expenses</b>	<b>9,289,433</b>	<b>1,183,975</b>	<b>10,473,408</b>	<b>2,582,648</b>
<b>Provision for Income tax</b>				
Advance tax paid	9,289,433	177,982	9,467,415	3,994,470
20% on Profit before Tax	9,289,433	1,183,975	10,473,408	3,994,470
0.6% on gross receipt	794,937	1,689,396	2,484,333	537,936
<b>Provision for Income tax (Wichever is higher)</b>	<b>9,289,433</b>	<b>1,689,396</b>	<b>10,978,829</b>	<b>4,532,406</b>

**33.00 Earnings Per Share(Basic): Tk. 4.62**

This is made up as follows:

**Particulars**

Net Profit after Taxes	48,233,033	14,001,112
No. of Share	10,449,600	10,449,600
<b>Total:</b>	<b>4.62</b>	<b>1.34</b>

**34.00 Net Operating Cash Flows per share(NOCF): Tk. 0.95**

This is made up as follows:

**Particulars**

Net Cash Provided by Operating Activities	9,888,108	28,880,659
No. of Share	10,449,600	10,449,600
<b>Total:</b>	<b>0.95</b>	<b>2.76</b>

**34.01 Reconciliation of net profit/(loss) after tax with cash flows from operating activities under indirect method:**

This is made up as follows:

Net Profit/(Loss) After Tax	48,233,033	14,001,112
<b>Adjustments to reconcile net income to net cash</b>		
Depreciation	9,916,551	10,604,044
Finance Expenses	32,387,575	30,389,431
Provision for WPPF	2,941,098	1,029,088
Income Tax Expenses	10,978,829	4,532,406
Deferred Tax Liability	(389,908)	2,048,249
<b>Changes in operating assets and liabilities:</b>		
Stock of Inventories	(47,782,545)	(2,993,051)
Trade Debtors	(40,795,542)	(3,366,963)
Advance, Deposit & Prepayments	24,752,194	(7,208,690)
Trade Creditors	(262,209)	(5,861,364)
Liability for Expenses	(175,284)	(312,566)
WPPF Paid	(1,029,088)	(1,848,861)
Income Tax Paid	(9,467,415)	(5,215,288)
Bank Interest & Charge Paid	(19,419,181)	(6,916,889)
<b>Net Cash flows from Operating Activities</b>	<b>9,888,108</b>	<b>28,880,659</b>





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

Particulars	Amount in Taka			
	Under Section 82 (C)	Other than under Section 82 (C)	July 01, 2021 to June 30, 2022	July 01, 2020 to June 30, 2021
Sales Revenue	132,489,492	281,565,981	414,055,473	169,545,458
Cost of Goods Sold	(60,761,034)	(210,214,473)	(270,975,507)	(105,056,853)
<b>Gross profit</b>	<b>71,728,458</b>	<b>71,351,508</b>	<b>143,079,966</b>	<b>64,488,605</b>
<b>Operating expenses</b>	<b>(15,676,966)</b>	<b>(33,316,607)</b>	<b>(48,993,574)</b>	<b>(12,520,562)</b>
Office and Administrative Expenses	(7,336,490)	(15,591,471)	(22,927,961)	(5,455,074)
Marketing and Distribution Expenses	(8,340,476)	(17,725,136)	(26,065,612)	(7,065,487)
<b>Profit from operation</b>	<b>56,051,492</b>	<b>38,034,900</b>	<b>94,086,392</b>	<b>51,968,043</b>
Financial Expenses	(7,281,967)	(25,105,608)	(32,387,575)	(30,389,431)
Non Operating Income	-	64,234	64,234	32,244
<b>Profit/(Loss) Before Tax &amp; WPPF</b>	<b>48,769,525</b>	<b>12,993,526</b>	<b>61,763,051</b>	<b>21,610,856</b>
Contribution to WPPF	(2,322,358)	(618,739)	(2,941,098)	(1,029,088)
<b>Net Profit before tax</b>	<b>46,447,167</b>	<b>12,374,787</b>	<b>58,821,954</b>	<b>20,581,768</b>
<b>Income Tax Expenses</b>	<b>(9,289,433)</b>	<b>(1,299,488)</b>	<b>(10,588,921)</b>	<b>(6,580,655)</b>
Current Tax	(9,289,433)	(1,689,396)	(10,978,829)	(4,532,406)
Deferred Tax	-	389,908	389,908	(2,048,249)
<b>Net profit after tax</b>	<b>37,157,734</b>	<b>11,075,299</b>	<b>48,233,033</b>	<b>14,001,112</b>

**36.00 Disclosure as per requirement of Schedule XI, Part II of The Company Act 1994**
**36.01 Employee Position of the Company as per requirement of schedule XI, part II, Para 3**

Salary Range (Monthly)	Total Employee	Officer & Staff		Worker & Employee	
Particulars		Head Office	Factory	Head Office	Factory
Below 5,300	-	-	-	-	-
Above 5,300	329	8	4	2	315

**36.02 Production capacity**

Particulars	30-June-2022	30-June-2021
Normal Capacity	600,000,000	500,000,000
Production	414,055,473	169,545,458
<b>Capacity Utilized(%)</b>	<b>69%</b>	<b>34%</b>

**37.00 Capital expenditure commitment**

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

**38.00 Contingent Liabilities**

The company has no Contingent liability as on 30 June 2022

**39.00 Events after the reporting period**

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

The board of directors recommended 8% Cash & 7% Stock dividend at the 171th Board meeting held on September 28, 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.



## Paper Processing and Packaging Ltd.

### Schedule of Property, Plant and Equipment

For the Year ended 30 June 2022

Annexure-A										
Particulars	Cost				Rate of Dep. (%)	Depreciation			Amount in Taka	
	As on July 01, 2021	Addition during the Year	Disposal during the Year	Balance as at 30.06.2022		As on July 01, 2021	Charged during the Year	Adjuatment during the Year	Balance as at 30.06.2022	Written Down Value as at 30.06.2022
Cost										
Land and Land Development	86,499,594	19,829,449	-	106,329,043	0%	-	-	-	-	106,329,043
Building and Construction	59,296,294	-	-	59,296,294	2.5%	5,713,811	1,339,562	-	7,053,374	52,242,920
Plant and Machinery	161,844,786	401,300	-	162,246,086	7%	49,790,182	7,871,913	-	57,662,095	104,583,991
Furniture and Fixture	4,493,199	-	-	4,493,199	10%	2,329,908	216,329	-	2,546,237	1,946,962
Electrical Equipment	1,573,877	-	-	1,573,877	10%	725,954	84,792	-	810,746	763,131
Office Equipment	3,148,589	66,500	-	3,215,089	10%	1,409,294	180,579	-	1,589,874	1,625,215
Motor Vehicle	3,655,907	-	-	3,655,907	20%	2,800,991	170,983	-	2,971,974	683,933
Sub Total as on 30.06.2022	320,512,246	20,297,249	-	340,809,495		62,770,141	9,864,159	-	72,634,300	268,175,195
Sub Total as on 30.06.2021	253,338,693	67,173,553	-	320,512,246		52,220,450	10,549,691	-	62,770,141	257,742,105
Revaluation										
Land and Land Development	104,575,669	-	-	104,575,669	-	-	-	-	-	104,575,669
Building and Construction	3,224,642	-	-	3,224,642	2.5%	1,627,177	39,937	-	1,667,113	1,557,529
Plant and Machinery	2,197,572	-	-	2,197,572	7%	2,019,639	12,455	-	2,032,094	165,478
Furniture and Fixture	260,318	-	-	260,318	10%	260,318	-	-	260,318	-
Electrical Equipment	346,354	-	-	346,354	10%	346,354	-	-	346,354	-
Office Equipment	3,661	-	-	3,661	10%	3,661	-	-	3,661	-
Motor Vehicle	884,504	-	-	884,504	20%	884,504	-	-	884,504	-
Sub Total as on 30.06.2022	111,492,720	-	-	111,492,720		5,141,652	52,392	-	5,194,044	106,298,676
Sub Total as on 30.06.2021	111,492,720	-	-	111,492,720		5,087,299	54,353	-	5,141,652	106,351,068
Grand total as on 30.06.2022	432,004,966	20,297,249	-	452,302,215		67,911,793	9,916,551	-	77,828,344	374,473,871
Grand total as on 30.06.2021	364,831,413	67,173,553	-	432,004,966		57,307,749	10,604,044	-	67,911,793	364,093,173

#### Allocation of depreciation Charge:

Sl.No.	Particulars	% of allocation	Depreciation at Cost	Depreciation at Revaluation	Total
1	Factory Overhead	85%	8,384,535	44,533.18	8,429,069
2	Administrative Overhead	7.5%	739,812	3,929	743,741
3	Selling and distribution Overhead	7.5%	739,812	3,929	743,741
	<b>Total (1+2+3)</b>	<b>100%</b>	<b>9,864,159</b>	<b>52,392</b>	<b>9,916,551</b>







## Paper Processing and Packaging Ltd.

### Statement of Tax Depreciation

Assessment Year 2022-2023

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

SL. No	Assets	Opening assets at cost	Addition	Disposal	Closing Balance at cost	% of Depreciation	Depreciation at cost	Annexure-B Closing Balance
1	Land and Land Development	86,499,594	19,829,449	-	106,329,043	0%	-	106,329,043
2	Building	41,472,654	-	-	41,472,654	10%	4,147,265	37,325,389
3	Plant & Machinery	57,176,936	401,300	-	57,578,236	20%	11,515,647	46,062,589
4	Furniture	2,163,571	-	-	2,163,571	10%	216,357	1,947,214
5	Electric Equipments	629,096	-	-	629,096	15%	94,364	534,731
6	Motor Vehical	823,275	-	-	823,275	20%	164,655	658,620
7	Office Equipments	1,741,338	66,500	-	1,807,838	10%	180,784	1,627,054
	<b>Total:</b>	<b>190,506,463</b>	<b>20,297,249</b>	<b>-</b>	<b>210,803,712</b>		<b>16,319,073</b>	<b>194,484,640</b>

#### Particulars:

#### The details of Deferred Tax Liability is as under:

WDV as per 3rd Schedule ITO 1984 (Other than land)

WDV as per Accounts (Other than land)

#### Temporary Difference

Applicable Tax Rate

#### Closing Balance:

Add/(Less): Previous year adjustment

#### Opening Balance

Expenses during the period

Current Year DT

Depreciation as per 3rd Schedule ITO 1984 (Other than land)

Depreciation as per Accounts (Other than land)

#### Temporary Difference

Applicable Tax Rate

#### Expenses during the period

Revaluation surplus-PPE

Tax on capital gain

Closing deferred tax liabilities/(assets)-at revaluation

Opening deferred tax liabilities/(assets)-at revaluation

**Deferred tax expense/(income)-at revaluation**

Total (Tk.)

88,155,597

161,846,152

73,690,555

20.00%

14,738,111

(15,128,019)

(389,908)

16,319,073

9,864,159

6,454,913

20.00%

1,290,983

106,298,676

15%

15,944,801

(15,952,660)

(7,859)





**Paper Processing and Packaging Ltd.**  
**Schedule of Inventories**  
**As at June 30, 2022**

**Annexure-C**

Items Name	Unit	Opening as on 01 July 2021		Procurement		Total		Consumption		Closing as on 30 June 2022	
		Qty.	Value (Tk.)	Qty.	Value (Tk.)	Qty.	Value (Tk.)	Qty.	Value (Tk.)	Qty.	Value (Tk.)
Raw Materials:											
White Printing/Writing Paper	MT	813.92	52,713,453	1,579	104,189,738	2,392.55	156,903,191	1,208.96	79,283,547	1,183.59	77,619,644
Cartridge Paper/Ledger Paper /Art Paper	MT	36.06	2,883,139	1,410	155,060,484	1,446	157,943,624	1,420.40	155,179,797	25.30	2,763,827
Printing Materials	Lbs	3,676.00	2,815,039	7,130	7,843,200	10,806.18	10,658,239	8,004.00	7,894,425	2,802.18	2,763,814
Total Raw Materials:			58,411,631		267,093,422		325,505,054		242,357,769		83,147,285
Packing Materials and Store & Spare Parts:											
Store, Spares and Others	Tk.	-	3,716,007		9,693,873	-	13,409,880	-	6,662,975	-	6,746,905
Lubricant	Ltr	942.00	337,024	-	552,595	942	889,619		701,879	942.00	187,740
Total Packing Materials and Store & Spare Parts:			4,053,031		10,246,468		14,299,499		7,364,854		6,934,645
Total Raw Materials, Packing Materials and Store & Spare Parts:			62,464,662		277,339,890		339,804,552		249,722,623		90,081,930
Work-in-Progress:											
Work-in-Progress	Tk.	-	-	-	-	-	-	-	-	-	-
Total Work-in-Progress:			-		-		-		-		-
Finished Goods:											
Items Name	Unit	Opening as on 01 July 2021		Production		Total		Delivery		Closing as on 30 June 2022	
		Qty.	Value (Tk.)	Qty.	Value (Tk.)	Qty.	Value (Tk.)	Qty.	Value (Tk.)	Qty.	Value (Tk.)
Text Book/Exam Khata/ Register Khata/ Brochures/Diary/ Posters/ Training Materials/Others											
	PCS		31,570,617	-	291,140,784	-	322,711,401	-	270,975,507		51,735,894
Total Finished Goods:			31,570,617		291,140,784		322,711,401		270,975,507		51,735,894
Closing Stock as on 30 June 2022:											141,817,824

