



# ANNUAL REPORT

## 2020 - 2021

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34<sup>TH</sup> ANNUAL GENERAL MEETING

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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

### Our Vision

To be the leader in paper products industry sector- a company dedicated to providing superior value to the customers, employees and stakeholders.

### Our Mission

Our target is to be the number one manufacturer of value added paper products. We will achieve this target through innovative products, superior knowledge on our customers' needs and modern, efficient manufacturing. We will accomplish this aspiration while maintaining the highest ethical standards with regard to our employees, customers, suppliers, the environment and our community.

### Our Core Values

- ✓ Best Quality
- ✓ Customers Satisfaction
- ✓ Fairness
- ✓ Intelligibility
- ✓ Continuous enhancement
- ✓ Innovation





## Transmittal Letter

December 02, 2021

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, 2021**

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 2021, Statement of Comprehensive Income, Cash flows and Changes in Equity and other relevant Statements for the year ended 30 June 2021.

Yours sincerely,

**Md. Mustafizur Rahman**  
Company Secretary



## **Notice of the 34<sup>th</sup> Annual General Meeting**

Notice is hereby given that the 34th Annual General Meeting (AGM) of **Bangladesh Monospool Paper Manufacturing Company Ltd.** will be held on Monday, December 27, 2021 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 2021 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 2021 as recommended by the Board of Directors;
3. To Elect/Re-Elect Directors of The Company;
4. To approve the Appointment of Independent Directors;
5. To appoint Statutory Auditors for the year 2021-2022 and fix their remuneration;
6. To appoint Compliance Auditors for the year 2021-2022 and fix their remuneration.

By Order of the Board of Directors

**Md. Mustafizur Rahman**  
Company Secretary

Place: Dhaka

Date: November 13, 2021

### **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. December 06, 2021, 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 (27 December, 2021 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 2020-2021 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.

## 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. Mustafizur Rahman

### CHIEF FINANCIAL OFFICER

Mr. Naimul Islam

### HEAD OF INTERNAL AUDIT

Mr. Md. Shakhawat Hossain

### 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

## Milestones

<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>31 December, 2020</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 been 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 is the Chairman of Audit Committee as well as Nomination and Remuneration Committee of the company. He has more than two decades of practical experience in implementation and management activities of different Paper Projects.

### **MD. AMIR HOSSAIN**

#### **Director**

Md. Amir Hossain is a Nominee Director of Bangladesh Monospool Paper Manufacturing Company Limited, 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. to protect its investment in share.

**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.

**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.

**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.

**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.

## **Board of Directors**



**Mustafa Kamal Mohiuddin  
Chairman**



**Md. Mobarok Hossain  
Director**



**Advocate Md. Golam Kibria  
Director**



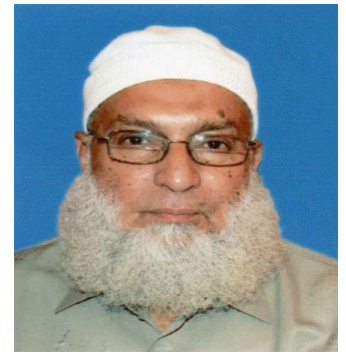
**Md. Amir Hossain  
Director**



**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

HONORABLE SHAREHOLDERS,

Assalamu Alikum.

It is an immense pleasure for me to welcome you in the 34<sup>th</sup> Annual General Meeting of Bangladesh Monospool Paper Manufacturing Company Ltd. (MPMC).

You are aware that the company was in the OTC market for long 12 years from October, 2009 till June 12, 2021. On review of the satisfactory business performance of the company during the period from 2009 to 2021, Bangladesh Securities and Exchange Commission accorded approval to re-list the Securities of the company in the Regular Market of Dhaka Stock Exchange and Chittagong Stock Exchange in February, 2021. After getting approval of BSEC the company submitted application to DSE in February, 2021 to relist the securities and approve trading of the securities in the regular market. As per instruction of BSEC, DSE authority conducted special audit and reviewed the entire affairs of the company and finding all parameters in order re-listed the company in the Regular Market on June 10, 2021 and approved trading of the shares in the main market of DSE with effect from June 13, 2021. Chittagong Stock Exchange Ltd. also approved re-listing and trading of the shares of the company from June 13, 2021 in CSE bourse. This is the combined achievement of the esteemed shareholders and the management of the company. With this long cherished achievement you are now shareholders of a reputed listed company.

It is to be noted that in spite of COVID pandemic situation the company has succeeded in earning profit in the financial year 2020-2021. Resultantly, the company kept its commitments to its shareholders through recommending payment of 10% Cash dividend to the Shareholders for the financial year 2020-2021.

Bangladesh Monospool Paper Manufacturing Company Ltd. is well recognized for its transparency in corporate Governance, due diligence in regulatory and legal stances. It is one of our fundamentals to comply with the regulatory obligations with integrity and transparency. A clearly defined vision and business policy have enabled the company to act to uphold the interest of the stakeholders.

I would like to express sincere gratitude to Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. for extending their support and co-operation to the company in upgrading its status from OTC to a Regular listed Enterprise.

In this context, I would like to convey my best wishes to the Board Members, Management Team and the employees of the company for their relentless effort and contribution towards achievement of business goals that enabled the company to emerge as a sound business entity.



**Mustafa Kamal Mohiuddin**  
Chairman



## Directors' Report

**DEAR VALUED SHAREHOLDERS,**

Assalam Alaikum.

It is our great pleasure to welcome all of you in the 34<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, 2021. 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.

### **INDUSTRY OUTLOOK AND FUTRE DEVELOPMENT:**

The people of Bangladesh, like elsewhere in the world are in an 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 2020-21 net sales of the company was Tk. 29,98,19,319/- compared to Tk.42,90,55,455/- in the year 2019-20. Gross profit of the company was Tk. 15,82,51,192/- as on 30-06-2021 in comparison to Tk. 18,52,13,434/- in the last year. During the year under review net profit after tax was Tk. 1,15,11,679/- which was Tk. 1,69,42,762/- in the last year. Earnings per share stood at Tk. 1.23 compared to Tk. 1.80 in the last year.

### **RELISTING OF THE SECURITIES OF THE COMPANY:**

With the approval of BSEC and Dhaka Stock Exchange Ltd. the securities of the company have been re-listed in the main market of DSE on June 10, 2021 with trading

approval of its securities from June 13, 2021. Since then the shares are being traded in the Regular market of DSE with satisfactory turnover.

#### **DIVIDEND:**

The Board of Directors recommended 10% cash dividend for the year ended on 30-06-2021 for approval in the 34<sup>th</sup> Annual General Meeting convened on 27-12-2021.

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

COGS of the company was Tk. 14,15,68,127/- in the current year compared to Tk. 24,38,42,012/- in the previous year. COGS to sales ratio was 47.22%. Gross profit stood at Tk. 15,82,51,192/- compared to Tk. 18,52,13,434/- in the last year. Net profit margin was 3.84% in the year 2020-21 compared to 3.95% in the year 2019-20.

#### **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 38.00. Details of related party transaction are disclosed in the note 38 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. 27.00 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 decreased to Tk. 29.98 crore from Tk. 42.90 crore of the last year registering a negative growth of 30.30%. As a consequence of Covid-19 pandemic the whole country was under lock down situation and the company experienced a considerable fall in the sales of paper products. Net Operating Cash Flow per share (NOCFPS) was Tk. 4.30 during the year under review as compared to Tk. 6.05 in the last year. The reason behind this negative variance was more expenditure on the inventory as compared to last year.

**KEY OPERATING AND FINANCIAL DATA:**

The summarized key operating and financial data for the five years is set out at page 20 of the Annual Report.

**BOARD AND COMMITTEE MEETINGS AND ATTENDANCE:**

During the year 2020-2021 total eight 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 22 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, 2021 and other related information are provided at page no. 21 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. 1,67,16,462/-.

#### **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. Md. Mobarok Hossain and Advocate Md. Golam Kibria 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. Mahbulul Alam Joarder, Dr. Aatur Rahman and Engineer Md. Enayet Ali. Appointment of Dr. Mahbulul Alam Joarder and Dr. Aatur Rahman need post facto approval of the shareholders which has been placed as an agenda in this Annual General Meeting.

#### **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 30-31.

## **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 39 of this report.

## **APPOINTMENT OF STATUTORY AUDITOR:**

As per section 210 of the Companies Act 1994, the Company's statutory auditors Ahmed Zakir & Co. retired at the 34<sup>th</sup> Annual General Meeting as auditors of the Company. As per Bangladesh Securities & Exchange Commission (BSEC) order no. SEC/CMRRCD/2009-193/104/admin dated July 27, 2011, the retiring auditors Ahmed Zakir & Co., Chartered Accountants being eligible for re-appointment expressed their willingness to be re-appointed for the year 2021-2022.

The audit committee of the Company recommended to appoint Ahmed Zakir & Co., Chartered Accountants as the auditors of the Company for the year 2021-2022. The Board of Directors endorsed the recommendation of the Audit Committee for appointment of Ahmed Zakir & Co., Chartered Accountants as the statutory auditors of the Company for the year 2021-2022 subject to approval of the shareholders in the 34<sup>rd</sup> Annual General Meeting.

## **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/CMRRCD/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. Huda Hossain & 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. Huda Hossain & Co. Chartered Accountants in Practice, to issue "Corporate Governance compliance certificate" of Bangladesh Monospool Paper Manufacturing Company Ltd. for the year



2021-2022 subject to approval of the shareholders of the Company in the 34<sup>th</sup> Annual General Meeting.

### **EMPLOYEES:**

The total strength of BMPMC employees stood at 216 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.

### **ETHICAL CODE OF CONDUCT:**

Performance with integrity is central to operating at BMPMC. The Board of Directors of the company has adopted a statement of ethical code of conduct that was circulated among the employees. All employees are required to abide by the ethical code of conduct in relation to business and regulations.

### **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 promise that we will continue our journey towards a prospective future. We look forward to your continued support in 2021-22 and the days to come.

For and on behalf of the Board of Directors,

**Mostafa Jamal Mohiuddin**  
Managing Director

**Mustafa Kamal Mohiuddin**  
Chairman



## Key Operating and Financial Data

Particulars	2020-2021 (Tk.)	2019-2020 (Tk.)	2018-2019 (Tk.)	2017-2018 (Tk.)	2016-2017 (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	3,04,83,200	3,04,83,200	3,04,83,200	3,04,83,200
Revenue	29,98,19,319	42,90,55,445	64,41,52,286	50,45,78,771	36,53,00,647
Gross Profit	15,82,51,192	18,52,13,434	23,62,04,842	18,88,04,181	11,49,49,893
Profit/(Loss) before Tax	1,94,81,631	3,58,85,391	8,99,87,063	7,64,23,715	5,14,96,348
Net Profit/(Loss) after Tax	1,15,11,679	1,69,42,762	6,74,90,297	5,73,17,786	3,86,22,261
Non-Current Assets	86,05,33,011	77,77,67,249	77,59,64,157	72,12,46,513	47,17,32,269
Current Assets	52,75,78,341	52,44,66,311	43,61,33,962	33,62,58,675	24,35,92,463
Total Assets	138,81,11,353	130,22,33,560	121,20,98,119	1,05,75,05,189	71,53,24,732
Shareholders' Equity	37,96,16,883	38,29,06,315	36,57,93,390	29,81,28,385	24,06,31,215
Current Liabilities	53,84,12,290	44,75,06,279	38,88,75,426	29,70,52,859	25,24,99,745
Total Liabilities	100,84,94,469	91,93,27,245	84,63,04,729	75,93,76,804	47,46,93,517
Earnings Per Share (EPS)	1.23	1.80	22.14	18.80	12.67



## SHAREHOLDING PATTERN

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

<b>Pattern of Shareholding as on June 30, 2021</b>			
<b>Name of the Shareholders</b>	<b>Status</b>	<b>Shares held</b>	<b>%</b>
<b>(a) Parent/Subsidiary/Associated companies and other related parties (Name wise details)</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	20,58,684	21.93
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	8.57
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. Naimul Islam	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. Md. Sahidur Rahman	AGM (Tax & VAT)	-	-
Mr. Md. Shakhawat Hossain	Head of Internal Audit	-	-
<b>(d) Shareholders holding ten percent (10%) or more voting interest in the Company</b>			
Mr. Mustafa Kamal Mohiuddin	Chairman	20,58,684	21.93
Bangladesh Development Group Ltd.	Shareholder	13,16,949	14.03

A detailed presentation on shareholding pattern is also disclosed in Note No. 14.00 of the Audited Financial Statements.

## Directors Meeting & Attendance of Bangladesh Monospool Paper Manufacturing Company Ltd. Board Meeting

Name of Directors	Designation	Total Meeting	Meeting Attended
Mr. Mustafa Kamal Mohiuddin	Chairman	08	08
Mr. Mostafa Jamal Mohiuddin	Managing Director	08	08
Mr. Md. Mobarok Hossain	Director	08	08
Advocate Md. Golam Kibria	Director	08	07
Mr. Md. Amir Hossain	Director	08	08
Engr. Muhammad Enayet Ali	Independent Director	08	08
Prof. Dr. Md. Mahbulul Alam Joarder	Independent Director	After re-listing of the Company in the Regular Market on 10-06-2021 the nominated Independent Directors are attending the Board Meetings from August 2021.	
Prof. Dr. Ataur Rahman	Independent Director		

### Audit Committee Meeting

Name of Directors	Designation	Total Meeting	Meeting Attended
Engr. Muhammad Enayet Ali	Independent Director	04	04
Mr. Md. Mobarok Hossain	Director	04	04
Mr. Md. Amir Hossain	Director	04	04

### 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	8/8	750/-	-	-	6,000/-
Mr. Mostafa Jamal Mohiuddin Managing Director	8/8	750/-	-	-	6,000/-
Mr. Md. Mobarok Hossain Director	8/8	750/-	4/4	1/1	6,000/-
Advocate Md. Golam Kibria Director	7/8	750/-	-	-	5,250/-
Mr. Md. Amir Hossain Director	8/8	750/-	4/4	1/1	6,000/-
Engr. Muhammad Enayet Ali Independent Director	8/8	750/-	4/4	1/1	6,000/-

\*\* 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 2021

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. Mustafizur Rahman, 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:

- To review the quarterly and annual financial statements before submission to the Board for approval, adequacy of internal audit functions.
- 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

- Conflicts of interests,
- Suspected or presumed fraud or irregularity or material defect in the internal control system,
- Suspected infringement of laws, including securities related laws, rules and regulations,
- 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. Mustafizur Rahman 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 POLICIS 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, 2021.

## COMPARATIVE ANALYSIS OF FINANACIAL PERFORMAMACE

Particulars	01 July 2000 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	01 July 2016 to 30 June 2017
Revenue	29,98,19,319	42,90,55,445	64,41,52,286	50,45,78,771	36,53,00,647
Gross Profit	15,82,51,192	18,52,13,434	23,62,04,842	18,88,04,181	11,49,49,893
Net Profit Before Tax	1,94,81,631	3,58,85,391	8,99,87,063	7,64,23,715	5,14,96,348
Net Profit After Tax	1,15,11,679	1,69,42,762	6,74,90,297	5,73,17,786	3,86,22,261
Total Asset	138,81,11,353	130,22,33,560	121,20,98,119	1,05,75,05,189	71,53,24,732
Total Current Assets	52,75,78,341	52,44,66,311	45,39,19,072	33,62,58,675	24,35,92,463
Shareholders' Equity	37,96,16,883	38,29,06,315	36,57,93,390	29,81,28,385	24,06,31,215
Current Liabilities	53,84,12,290	44,75,06,279	38,88,75,426	29,70,52,859	25,24,99,745
EPS	1.23	1.80	22.14	18.80	12.67
NAV per share	40.43	40.78	120.00	97.80	78.94
NOCFPS	4.30	6.05	20.11	9.08	8.90

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 bellow:

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>
Business Risk	<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>
Marketing Risk	<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>

## 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

A handwritten signature in black ink, appearing to read 'Mostafa Jamal Mohiuddin'.

**Mostafa Jamal Mohiuddin**  
Managing Director

**Annexure - A**

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

**November 13, 2021**

**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 2021**

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/ 2006-158/207/Admin/80 dated 03 June, 2018 under section 2CC of 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, 2021 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 2021 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**



Naimul Islam  
**Chief Financial Officer (CFO)**



# BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No:

CM-2021/236

Date of issue : June 17, 2021

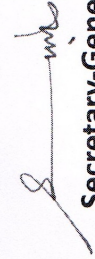
**BAPLC**

## 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 2021.*



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 34<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. Naimul Islam as Chief Financial Officer, Mr. Md. Mustafizur Rahman as Company Secretary and Mr. Md. Shakhawat Hossain 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 2020-21. 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. Mustafizur Rahman**  
Company Secretary



**HUDA HOSSAIN & CO.**  
CHARTERED ACCOUNTANTS

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**REF-12/21/485/1**

### **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, 2021. 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.

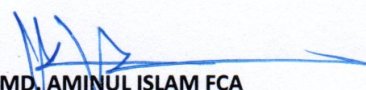
This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards 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: December 01, 2021



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



**ANNEXURE – C**

[As per condition No. 1(5)(xxvii)]

**Bangladesh Monospool Paper Manufacturing Company Ltd.  
Corporate Governance Compliance Report  
For the year ended 30<sup>th</sup> June, 2021**

Status of compliance with the conditions imposed by the Commission’s Notification No. SEC/CMRRCD/ 2006-158/207/Admin/80 dated 3 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	
<b>1</b>	<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).	✓		
<b>1.2</b>	<b>Independent Directors:</b>			
1.2 (a)	Independent Directors: At least 1/5th (We have four Directors and One 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 one of themselves from nonexecutive			No such event occurred

	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			N/A



	effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;			
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;			Will complied with from next year
1.5 (xxv)e)	Briefly explain the financial and economic scenario of the country and the globe;			Will be explaining from next year
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	✓		
<b>1.7</b>	<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			Under Process

	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.			
<b>2</b>	<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
<b>3</b>	<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>			
<b>3.1</b>	<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.	✓		
<b>4</b>	<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</b>	<b>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</b>	<b>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</b>	<b>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			N/A

	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:			
<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> ] Under Process
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).			
<b>9</b>	<b>REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:</b>			

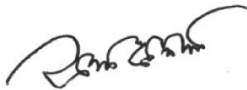
9.1	The company shall obtain a certificate from a practicing professional Accountant or Secretary (Chartered Accountant or Cost & Management Account or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code 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: November 13, 2021

**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 30-06-2021.



Abu Nasir Ahmed  
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 2021, 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 2021, 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:

Taking into consideration the non existences of going concern threats and conversion of an Over-The-Counter (OTC) to relisting market faze, without qualifying our opinion, we draw attention on the matters disclosed as under:

1. The investment under land and land development and advance against capital work-in- progress (CWIP) amounting to Tk. 83,579,792 and 63,522,631 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 no repayment of loan from sister concern during the year. Moreover the company incurred Tk. 110,722,590 as interest to that effect.

3. There still appeared dues of Tk. 447,535 in terms of dividend payment as at the date of our reporting.
4. The company made a payment of Tk. 1,794,270 under Workers Profit Participate Fund (WPPF) in cash which represent awaiting of due compliance in this regards.
5. The total fixed assets amount of Tk. 440,740,856 deserves maintenance of proper fixed assets register to avoid loss of any items their on in future.
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>299,819,319</b> at the year ended on 30 June 2021.</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 25 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>➤ Making inquiries of appropriate</li> </ul>

		<p>personnel within the Company to obtain explanations as to the fall in sales revenue as compared with last year and corroborate with other documentary evidence.</p> <ul style="list-style-type: none"> <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>
<b>Key Audit Matters (KAM)</b>		
<p><b>Measurement of deferred tax liabilities:</b> The deferred tax liabilities amounting to BDT Tk. <b>40,902,848</b> were shown in the financial statements as at 30 June 2021.</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 17 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>
<b>Key Audit Matters (KAM)</b>		
<p><b>Overall Documentation Process of the Company:</b> The documentation process of transaction are maintained in separate</p>	<p>As part of our risk assessment, we identified the following significant judgments and estimates which could give rise to</p>	<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> </ul>



<p>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>material misstatement or management bias: The information of the financial statements may be misstated in case of error posting, absent of original sources documents, etc</p>	<p>➤ Collecting the sufficient and appropriate audit evidence.</p> <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>
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### 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.

### Other Matter:

The financial statement of Bangladesh Monospool Paper Manufacturing Company Ltd. for the year ended 30 June 2020 were audited by Mahfel Haq & Co. Chartered Accountants who expressed an unmodified opinion on those statements on 08 December 2020.

### 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 functions 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;

Dhaka.

Dated: 13 November 2021

**Mohan Adhikari, FCA**  
Partner  
ICAB Enroll. No. 1729  
**Pinaki & Company**  
Chartered Accountants

<b>DVC:</b>	<b>2111161729AS837287</b>
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# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Statement of Financial Position

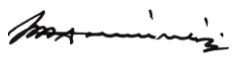
As at 30 June 2021

Particulars	Notes	Amount in Taka	
		30 June 2021	30 June 2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>860,533,011</b>	<b>777,767,249</b>
Property, Plant and Equipment	4.00	440,740,856	356,975,094
Insurance Claim Receivable	5.00	3,155,079	4,155,079
Capital Work-in-Progress	6.00	24,256,286	24,256,286
Long Term Investment	7.00	392,380,790	392,380,790
<b>Current Assets</b>		<b>527,578,341</b>	<b>524,466,311</b>
Inventories	8.00	151,329,038	143,641,443
Trade and Other Receivables	9.00	211,003,121	206,651,761
Investment in FDR	10.00	561,197	532,445
Advances, Deposits and Prepayments	11.00	127,948,446	63,341,297
Advance Income Tax	12.00	30,010,705	94,414,360
Cash and Cash Equivalents	13.00	6,725,835	15,885,005
<b>TOTAL ASSETS</b>		<b>1,388,111,353</b>	<b>1,302,233,560</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>		<b>379,616,883</b>	<b>382,906,315</b>
Share Capital	14.00	93,888,256	30,483,200
Revaluation Reserve	15.00	188,924,473	189,693,526
Retained Earnings	16.00	96,804,155	162,729,589
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>		<b>470,082,180</b>	<b>471,820,967</b>
Deferred Tax Liabilities	17.00	40,902,848	41,460,930
Long Term Loan	18.00	429,179,332	430,360,037
<b>Current Liabilities</b>		<b>538,412,290</b>	<b>447,506,279</b>
Trade and Other Payables	19.00	181,320,590	94,457,624
Un-paid Dividend	20.00	2,296,884	21,778
Liabilities for Expenses	21.00	9,144,384	12,137,543
Worker's Profit Participation Fund	22.00	6,342,573	6,587,566
Short Term Loan	23.00	307,672,122	249,169,143
Provision for Income Tax	24.00	31,635,736	85,132,625
<b>Total Liabilities</b>		<b>1,008,494,469</b>	<b>919,327,246</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,388,111,353</b>	<b>1,302,233,561</b>
<b>Net Assets Value Per Share (NAVPS)</b>	33.00	<b>40.43</b>	<b>40.78</b>

  
**Company Secretary**

  
**Chief Financial Officer**

  
**Director**

  
**Managing Director**

  
**Chairman**

Dhaka, Bangladesh  
 Date: 13 November 2021

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


**DVC : 2111161729AS837287**

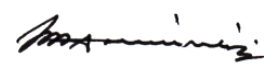
# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Statement of Profit or Loss and other Comprehensive Income

For the year ended 30 June 2021


Particulars	Notes	Amount in Taka	
		2020 - 2021	2019 - 2020
Revenue	25.00	299,819,319	429,055,445
Cost of Goods Sold	26.00	(141,568,127)	(243,842,012)
<b>Gross Profit</b>		<b>158,251,192</b>	<b>185,213,434</b>
<b>Operating Expenses</b>		<b>(27,538,334)</b>	<b>(42,237,582)</b>
Administrative Expense	27.00	(11,561,583)	(13,492,726)
Selling and Distribution Expense	28.00	(15,976,751)	(28,744,856)
<b>Operating Profit</b>		<b>130,712,858</b>	<b>142,975,851</b>
Financial Expense	29.00	(112,136,357)	(107,298,283)
<b>Profit before other income</b>		<b>18,576,500</b>	<b>35,677,568</b>
Other Income	30.00	1,879,212	2,002,093
<b>Profit/(Loss) Before Tax and WPPF</b>		<b>20,455,712</b>	<b>37,679,661</b>
Provision for WPPF		(974,082)	(1,794,270)
<b>Profit/(Loss) Before Tax</b>		<b>19,481,631</b>	<b>35,885,391</b>
<b>Income Tax Expenses</b>		<b>(7,969,952)</b>	<b>(18,942,630)</b>
Current Tax Charge	31.00	(7,393,567)	(18,243,501)
Deferred Tax		(576,385)	(699,129)
<b>Net Profit/(Loss) After Tax</b>		<b>11,511,679</b>	<b>16,942,762</b>
<b>Earnings Per Share (EPS)</b>	32.00	<b>1.23</b>	<b>1.80</b>

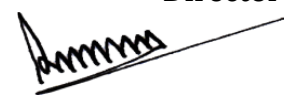
  
**Company Secretary**


  
**Managing Director**

Dhaka, Bangladesh  
 Date: 13 November 2021

  
**Chief Financial Officer**

  
**Director**

  
**Chairman**

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

**DVC : 2111161729AS837287**

**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	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>379,616,884</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**


**Statement of Changes in Equity**

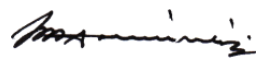
For the year ended 30 June 2020


Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total
Balance as at 01.07.2019	30,483,200	190,657,783	144,652,407	365,793,390
Net Profit/(Loss) after Tax	-	-	16,942,762	16,942,762
Transferred From Deferred Tax provision to Revaluation Reserve	-	170,163	-	170,163
Transfer from Revaluation Reserve to Retained Earnings	-	(1,134,420)	1,134,420	-
<b>Balance as at 30.06.2020</b>	<b>30,483,200</b>	<b>189,693,526</b>	<b>162,729,589</b>	<b>382,906,315</b>

  
**Company Secretary**

  
**Chief Financial Officer**

  
**Director**

  
**Managing Director**

  
**Chairman**



# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Statement of Cash Flows

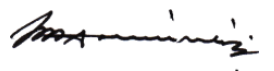
For the year ended 30 June 2021


Particulars	Notes	Amount in Taka	
		2020 - 2021	2019 - 2020
<b><u>A. Cash Flow from Operating Activities:</u></b>			
Cash Received from Customer and Others		305,746,799	414,752,084
Less: Paid to Suppliers and Others		(253,480,254)	(300,641,875)
Less: Financial Expense		(15,386,466)	(75,327,397)
Less: Income Tax Paid		3,513,199	(20,331,814)
<b>Net Cash flows from Operating Activities (A)</b>		<b>40,393,278</b>	<b>18,450,998</b>
<b><u>B. Cash Flow from Investing Activities:</u></b>			
Acquisition of Property, Plant and Equipment		(90,377,961)	(9,063,960)
<b>Net Cash used in Investing Activities (B)</b>		<b>(90,377,961)</b>	<b>(9,063,960)</b>
<b><u>C. Cash Flow from Financing Activities:</u></b>			
Long Term Loan Received/(Paid)		(1,180,705)	13,862,698
Short Term Loan Received/(Paid)		58,502,979	23,558,605
Dividend Paid		(468,382)	-
Repayments of other debt		(16,028,380)	(32,248,906)
<b>Net Cash flows from/(Used by) Financing Activities (C)</b>		<b>40,825,512</b>	<b>5,172,397</b>
Net Increase/(Decrease) in Cash and Bank Balance		(9,159,170)	14,559,434
Cash and Bank Balance at the opening of the year		15,885,005	1,325,571
<b>Cash and Bank Balance at the end of the year</b>		<b>6,725,835</b>	<b>15,885,005</b>
<b>Net Operating Cash Flows per share (NOCFPS)</b>	<b>34.00</b>	<b>4.30</b>	<b>6.05</b>

  
Company Secretary

  
Chief Financial Officer

  
Director

  
Managing Director

  
Chairman

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

As at 30 June 2021

Note No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020
<b>4.00</b>	<b>Property, Plant and Equipment: Tk. 440,740,856</b>		
	This is made up as follows:		
	<u>Particulars</u>		
	Balance as at 01.07.2020	207,844,479	205,251,695
	Add: Addition made during the Year	90,377,961	2,592,784
	<b>Balance as at 30.06.2021</b>	<b>298,222,440</b>	<b>207,844,479</b>
	<b>Accumulated Depreciation</b>		
	Balance as at 01.07.2020	74,038,241	68,611,793
	Add: Charged during the Year	5,507,239	5,426,448
	<b>Balance as at 30.06.2021</b>	<b>79,545,479</b>	<b>74,038,241</b>
	Cost Less Accumulated Depreciation	218,676,961	133,806,238
	Add: Revaluation of Assets	222,063,895	223,168,855
	<b>Written Down Value as at 30.06.2021</b>	<b>440,740,856</b>	<b>356,975,094</b>
<b>5.00</b>	<b>Insurance Claim Receivable: Tk. 3,155,079</b>		
	This is made up as follows:		
	<u>Particulars</u>		
	Claim against Goods	3,155,079	4,155,079
	<b>Total</b>	<b>3,155,079</b>	<b>4,155,079</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. 21,154,549 on November 19, 2009. Out of this, till 30 June, 2021 total amount of Tk.17,999,470 has been collected.		
<b>6.00</b>	<b>Capital Work-in-Progress: Tk. 24,256,286</b>		
	This is made up as follows:		
	<u>Particulars</u>		
	Balance as at 01.07.2020	24,256,286	17,785,110
	Add: Addition made during the Year	-	6,471,176
	<b>Balance as at 30.06.2021</b>	<b>24,256,286</b>	<b>24,256,286</b>
<b>7.00</b>	<b>Long Term Investment: Tk.392,380,790</b>		
	The details of Long Term Investment are as follows:		
	<u>Name of Company:</u>		
	BD.News & Entertainment	6,448,841	6,448,841
	Magura Paper Mills Ltd	7,807,959	7,807,959
	Pearl Paper and Board Mills Ltd.	266,393,141	266,393,141
	Paper Processing & Packaging Ltd.	111,730,850	111,730,850
	<b>Total</b>	<b>392,380,790</b>	<b>392,380,790</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

As at 30 June 2021

Note No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020

In the 145th meeting of the Board of Directors of Bangladesh Monospool Paper Manufacturing Company Limited held on 24 April, 2018, Directors proposed to convert inter company loans amount into long term investment. To consider and approve related party transaction pursuant to the BSEC Notification No BSEC/CMMRRCD/2009-193/2/admin/103 dated February 05, 2020 by 33rd Annual General Meeting held on Thursday, December 31, 2020 at 10.30 am in Digital Platform.

### 8.00 Inventories: Tk. 151,329,038

This is made up as follows:

Particulars

Raw Materials in Stock	Note: 8.01	118,198,785	101,011,190
Finished Goods	Note: 8.02	33,130,253	42,630,253
		<b>151,329,038</b>	<b>143,641,443</b>

### 8.01 Raw Materials in Stock : Tk. 118,198,785

This is made up as follows:

Particulars

Opening balance	101,011,190	108,996,508
Add: Purchase during the year	123,298,252	186,069,114
<b>Total available Raw Materials</b>	<b>224,309,442</b>	<b>295,065,622</b>
Less: Consumption during the year	106,110,657	194,054,432
<b>Closing balance</b>	<b>118,198,785</b>	<b>101,011,190</b>

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

### 8.02 Finished Goods: Tk. 33,130,253

This is made up as follows:

Particulars

Opening balance	42,630,253	45,751,374
Add: Cost of goods produced during the year	132,068,127	240,720,891
Cost of goods available for sale during the year	<b>174,698,380</b>	<b>286,472,265</b>
Less: Cost of goods sold during the year	141,568,127	243,842,012
<b>Closing balance</b>	<b>33,130,253</b>	<b>42,630,253</b>

*Details of Finished Goods are shown in Annexure-B.*

### 9.00 Trade and Other Receivables : Tk. 211,003,121

This is made up as follows:

Particulars

Trade Receivable		96,802,561	99,879,581
Other Receivables	9.01	114,200,560	106,772,180
		<b>211,003,121</b>	<b>206,651,761</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

As at 30 June 2021

Note No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020
	a) Ageing of Trade and Other Receivables (Disclosure as per Schedule-XI, Part-I, of The Companies Act, 1994)		
	Due within 3 months	91,404,559	93,826,878
	Due over 3 months but within 6 months	5,398,001	6,052,703
	Due over 6 months	114,200,560	106,772,180
	<b>Total</b>	<b>211,003,121</b>	<b>206,651,762</b>

i) Receivable considered Good & secured	211,003,121	206,651,761
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	114,200,560	106,772,180

b) Trade and other receivable have been stated at their nominal value. Trade and other 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.

### 9.01 Other Receivables: Tk.114,200,560

The details of Inter Company Balance are as follows:

Name of Company:

BDG-Magura Group Ltd	4,711,634	4,711,634
Kores Bangladesh Ltd.	30,084,411	29,684,411
World of Textile	4,000,000	4,000,000
Progressive Marketing Ltd	1,320,050	1,320,050
BD.News & Entertainment	11,499,000	10,519,000
Magura Paper Mills Ltd	56,306,600	55,206,600
Paper Processing & Packaging Ltd.	6,028,860	1,080,480
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>Total</b>	<b>114,200,560</b>	<b>106,772,180</b>

### 10.00 Short Term Investment: Tk. 561,197

This is made up as follows:

Particulars

SIBL FDR A/C NO. 0025330050855	561,197	532,445
<b>Total</b>	<b>561,197</b>	<b>532,445</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

As at 30 June 2021

Note No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020
<b>11.00</b>	<b>Advances, Deposits and Prepayments: Tk. 127,948,446</b>		
	This is made up as follows:		
	<u>Particulars</u>		
	Advances	Note- 11.01	
	Deposits	Note- 11.02	
	Capital Work-in-Progress		
	Prepayments	Note- 11.03	
	<b>Total</b>		
		<b>127,948,446</b>	<b>63,341,297</b>
<b>11.01</b>	<b>Advances: Tk.55,652,197</b>		
	This is made up as follows:		
	<u>Particulars</u>		
	Advance against Works	Note- 11.01.01	
	Advance against Salary and Wages	Note- 11.01.02	
	Advance against Purchases	Note- 11.01.03	
	<b>Total</b>		
		<b>55,652,197</b>	<b>49,759,147</b>
<b>11.01.01</b>	<b>Advance against Works: Tk.1,234,685</b>		
	This is made up as follows:		
	<u>Particulars</u>		
	Mr.Waliul Islam	-	8,950
	Mr.Nazrul Islam	-	163,216
	Wadud khan	-	75,700
	Nazmul hasan Sakil Transport Officer	38,385	38,385
	AAA Finance & Investment	650,000	650,000
	Md Amir Hossain	-	154,100
	Abdul Hai	67,546	132,480
	Mr.Nazrul Islam (Eng.)	-	51,335
	ICB Capital management Ltd	200,000	200,000
	Mohammed Ali Amzad Hossain (DM)	-	500,000
	DHL Worldwide Express (BD) Pvt Ltd.	-	14,280
	Falguni Trade International	-	670,500
	Falguni Traders	-	32,000
	Rajdip	42,907	374,600
	Prime Clearing House	-	305,927
	R.I Enterprise	134,347	134,347
	PNS Industrial machinery	101,500	196,000
	<b>Total</b>		
		<b>1,234,685</b>	<b>3,701,819</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

As at 30 June 2021

Note No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020
<b>11.01.02</b>	<b>Advance against Salary and Wages: Tk.838,300</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Mr Rasedul Haque	50,000	5,000
	Mr Mizanur Rahman	4,000	10,000
	Md.Hossain (PS-1 to Chairman)	79,500	115,500
	Md.Al-Amin Mollah	2,000	2,000
	Md Altaf Hossain	9,500	14,500
	Naimul Islam	-	80,000
	Sohel howlader	-	2,000
	Najmul Haque	11,000	-
	Md. Faruk	8,800	-
	Mobarok Hossain	540,000	-
	Khalid Hasan	35,500	-
	Md Abdus Sobhan	98,000	-
	Md.Shah Alam	-	7,000
	Tohidul Islam	-	19,400
	Mr. Ataur Rahman	-	70,000
	<b>Total</b>	<b>838,300</b>	<b>325,400</b>
<b>11.01.03</b>	<b>Advance against Purchases: Tk.53,579,213</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Advance against Local Material	41,655,547	33,655,547
	Base Paper Ltd	19,320	19,320
	M M Shah Trading	1,925	1,925
	Amber Super Paper Ltd.	46,117	46,117
	Creative Paper Mills Ltd	18,859	18,859
	Partex Paper Mills Limited-	652,876	740,628
	Sonali Paper and Board Mills	191,887	-
	Younus Fine Paper Mills Ltd.	3,100	620,000
	FTT # 54/20	-	161,656
	FTT # 67/20	-	312,929
	FTT # 15/0075	249,283	-
	L/C No# 120219010-433		356,673
	L/C No# 120220010009		2,283,835
	L/C No# 120220010031		2,814,618
	L/C No# 120220010061		423,710
	L/C No# 120220010121		4,276,111
	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# 120221010114	345,659	-
	<b>Total</b>	<b>53,579,213</b>	<b>45,731,928</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

As at 30 June 2021

Note No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020
<b>11.02</b>	<b>Deposits: Tk.8,560,129</b>		
	This is made up as follows:		
	<u>Particulars</u>		
	Earnest Money	4,083,075	5,322,175
	Enlistment money/Saving Letter	110,000	110,000
	Bank Guarantee	180,107	738,931
	Performance Guarantee	90,020	2,401,435
	Other Security Deposits	4,096,927	4,065,927
	<b>Total</b>	<b>8,560,129</b>	<b>12,638,468</b>
<b>11.03</b>	<b>Prepayments: Tk.213,489</b>		
	This is made up as follows:		
	<u>Particulars</u>		
	VAT Current A/C	-	678,950
	Prepaid Insurance	213,489	264,733
	<b>Total</b>	<b>213,489</b>	<b>943,683</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.		
<b>12.00</b>	<b>Advance Income Tax: Tk.30,010,705</b>		
	This is made up as follows:		
	<u>Particulars</u>		
	Opening Balance	94,414,360	74,082,546
	Add: Addition during the Year	9,678,891	20,331,814
	Less: Adjustment During the year	(74,082,546)	-
	<b>Closing Balance</b>	<b>30,010,705</b>	<b>94,414,360</b>
<b>13.00</b>	<b>Cash and Cash Equivalents: Tk. 6,725,835</b>		
	This is made up as follows:		
	<u>Particulars</u>		
	Cash at Bank	5,136,964	13,872,385
	Cash in Hand	1,588,872	2,012,620
	<b>Total</b>	<b>6,725,835</b>	<b>15,885,005</b>
	<b>Note- 13.01</b>		



# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

As at 30 June 2021

Note No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020

**13.01 Cash-at-Bank: Tk. 5,136,964**

This is made up as follows:

Particulars

Sonali Bank Ltd., Local Office Br.33008364	52,061	52,866
A.B. Bank Ltd., Principal Br..208507430	622,449	86,095
Agrani Bank Ltd.-10180101	9,655	-
SIBL, Bashundhara Br-0771330002408	295	985
Basic Bank Ltd., Bashundhara Br.4910-01-000389	24,528	25,218
SIBL, Principal Br-0021330009899.	2,153,936	6,018,032
Shahjalal Islami Bank Ltd.,-Mitijheel Br.110003488	606	1,296
UCBL, Bashundhara Br.0099-132-0000067	41,957	42,126
Shahjalal Islami Bank Ltd.,-F.Ex.Br.4014-13100001071	2,404	3,507
Islami Bank Bangladesh Limited-Kalampur Branch 00709	21,089	22,009
First Security Islami Bank #017711100000231	4,710	6,320
Meghna Bank Ltd. #11011100000730	3,104	3,793
SIBL, Bashundhura Br-0771360001186.	170,247	7,579,962
SIBL, Bashundhura Br-(WPPF)077136000591.	-	-
SIBL, Bashundhura Br-(WPPF)077136000602	-	-
SIBL, Bashundhura Br-(WPPF)077136000613	-	-
SIBL Motijheel -PB Br-002360003444	2,691	3,766
Shimanto Bank Ltd. # 1002241000113	7,240	8,620
The Premier Bank Ltd.-0155111-00000320	2,013,350	11,148
Brac Bank Ltd. 150520230668201	6,642	6,642
<b>Total</b>	<b>5,136,964</b>	<b>13,872,385</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

As at 30 June 2021

Note No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020
<b>14.00</b>	<b>Share Capital: Tk. 93,888,256</b>		
	<b><u>Authorized Capital: Tk.500,000,000</u></b>		
	5,00,00,000 Ordinary Shares @ Tk.10.00 each.	500,000,000	500,000,000
		<b><u>500,000,000</u></b>	<b><u>500,000,000</u></b>
	<b><u>Issued, Called and Paid-up Capital: Tk.93,88,826</u></b>		
	93,88,826 Ordinary Shares @ Tk.10.00 each	93,888,256	30,483,200
		<b><u>93,888,256</u></b>	<b><u>30,483,200</u></b>

Paid-up Capital and are classified as follows:

Classification	No. of Share	Face value (Tk)	Total Value (Tk)
<b><u>Group-A</u></b>			
Sponsor and Director	5,053,300	10	50,533,000
<b><u>Group-B</u></b>			
Financial Institutions	40,656	10	406,560
<b><u>Group-C</u></b>			
General Public	4,294,869	10	42,948,690
<b>Total :</b>	<b>9,388,825</b>		<b>93,888,250</b>

**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	2,058,684	21.93%
Mr. Mostafa Jamal Mohiuddin	Managing Director	512,638	5.46%
Bangladesh Development Group Ltd. Represented by Abu Nasir Ahmed	Director Director	1,316,949	14.03%
Md. Mobarok Hossain BDG-Magura Group Limited Represented by Md.Amir Hossain	Director	803,972	8.56%
Pearl Paper and Board Mills Ltd.	Shareholder	218,526	2.33%
Mr.Muhammad Enayet Ali	Independent Director	-	0.00%
Dr. Md. Mahbulul Alam Joarder	Independent Director	-	0.00%
Dr. Ataur Rahman	Independent Director	-	0.00%
Mr. Ashfaqu Islam	Sponsor Shareholder	40,656	0.43%
Mr. M.U. Ahmed	Sponsor Shareholder	1,694	0.02%
Mr. Mohiuddin Ahmed	Sponsor Shareholder	6,335	0.07%
Miah Md. Rezaul Haque	Sponsor Shareholder	40,656	0.43%
Mr. Md. Mobarok Hossain	Shareholder	18,701	0.20%
Abirbhab Multi Media Limited	Shareholder	10,164	0.11%
Investment Consultants and Share Management Ltd.	Shareholder	15,855	0.17%
Paper Processing and Packaging Ltd.	Shareholder	8,470	0.09%
Financial Institutions	Shareholder	40,656	0.43%
General Public	Shareholder	4,294,869	45.74%
<b>Total</b>		<b>9,388,825</b>	<b>100.00%</b>

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

<b>Holding Range</b>	<b>No. of Shareholder</b>	<b>Total Holdings</b>	<b>In Percentage</b>
01-----3000	1753	328,586	3.50%
3001-----15000	67	433,283	4.61%
15001-----30000	21	444,096	4.73%
300001-----300000	14	1,326,885	14.13%
300001-----1500000	6	4,797,291	51.10%
1500001-----1800000	0	-	0%
1800001-----2100000	1	2,058,684	21.93%
	<b>1862</b>	<b>9,388,825</b>	<b>100.00%</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

As at 30 June 2021

Note No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020
<b>15.00</b>	<b>Revaluation Reserve: Tk.188,924,473</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Opening Balance	189,693,526	190,657,783
	Deffered Tax provision on re-valuation surplus	335,907	170,163
	Adjustment of Depreciation on Re-valued Assets.	(1,104,960)	(1,134,420)
	<b>Total</b>	<b>188,924,473</b>	<b>189,693,526</b>
<b>16.00</b>	<b>Retained Earnings: Tk. 96,804,155</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Opening Balance	162,729,589	144,652,407
	Profit/(Loss) during the year	11,511,679	16,942,762
	8% Stock Dividend	(2,438,656)	-
	9 % Cash Dividend	(2,743,488)	-
	200% Stock Dividend	(60,966,400)	-
	Adjustment Short Provision up to 2018-2019	(13,192,090)	-
	Adjustment of Depreciation on Re-valued Assets	1,104,960	1,134,420
	Previous year adjustment for Defferd Tax	798,560	-
	<b>Closing Balance</b>	<b>96,804,155</b>	<b>162,729,589</b>
<b>17.00</b>	<b>Deffered Tax : Tk. 40,902,848</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Opening Balance	41,460,930	40,931,964
	Add/(Less): Previous year adjustment	(798,560)	-
	Add/(Less): Deferred Tax Expenses/(Income) on cost	576,385	699,129
	Add/(Less): Deferred Tax Expenses/(Income) on revaluation	(335,907)	(170,163)
	<b>Total</b>	<b>40,902,848</b>	<b>41,460,930</b>
<b>18.00</b>	<b>Long Term Loan:Tk.429,179,332</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Social Islami Bank Ltd.	18.01 19,638,893	20,819,598
	Phoneix finance and Investment Lt	18.02 409,540,439	409,540,439
	<b>Total</b>	<b>429,179,332</b>	<b>430,360,037</b>
<b>18.01</b>	<b>Social Islami Bank Ltd.:Tk.19,638,893</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	HPSM#0023600000078	2,016,622	2,215,400
	HPSM#0023600000102	5,688,705	6,670,632
	HPSM#0023600000181	3,377,851	3,377,851
	HPSM#0023600000282	8,555,715	8,555,715
	<b>Total</b>	<b>19,638,893</b>	<b>20,819,598</b>
<b>18.02</b>	<b>Phoneix finance and Investment Ltd. :Tk.409,540,439</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	PFIL/SME/2020/069	102,242,490	102,242,490
	PFIL/SME/2019/975	307,297,949	307,297,949
	<b>Total</b>	<b>409,540,439</b>	<b>409,540,439</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

As at 30 June 2021

Note No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020
<b>19.00</b>	<b>Trade and Other Payables Tk.181,320,590</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Trade Payables	19.01 1,493,771	2,205,501
	Interest Payable	19.02 146,121,508	49,946,812
	Other Payable	19.03 33,705,311	42,305,311
	<b>Total</b>	<b>181,320,590</b>	<b>94,457,624</b>
<b>19.01</b>	<b>Trade Payables: Tk.1,493,771</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Arafat Traders	55,520	155,520
	Bhai bhai enterprise	147,576	-
	Brothers Trade International-	-	40,260
	Diamond CTP House	-	54,500
	Fascinate Shipping Lines Ltd. (C&F Agent)	-	133,020
	Fourmax Printing & Packaging BD Ltd.	-	147,026
	Graphic System (Pvt) Ltd.	-	26,487
	M/S Helal Electric Co.	-	40,708
	M/S. New A.S. Traders	81,388	323,833
	M/S Aleya Enterprise	122,509	122,509
	Nafi Trading	71,820	67,400
	Newaj Traders	359,793	131,235
	Rahman Brothers Pvt.Ltd	-	19,090
	Ridowan Electric House	-	42,265
	Sonam Enterprise	-	5,515
	Sahanoor Printing & Packaging Ltd	357,606	687,272
	S.B. Enterprise	78,820	107,684
	Super Graphics	-	24,709
	Souimate Packaging & Accessories Ltd.	218,739	-
	Zeeshan International Agencies Pvt Ltd-	-	76,468
	<b>Total</b>	<b>1,493,771</b>	<b>2,205,501</b>
<b>19.02</b>	<b>Interest Payable: Tk.146,121,508</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	PFIL/SME/2020/069	84,594,683	26,433,650
	PFIL/SME/2019/975	29,595,646	8,403,249
	Social Islami Bank Ltd.	31,931,179	15,109,913
	<b>Total</b>	<b>146,121,508</b>	<b>49,946,812</b>
	i) All trade and other payables were incurred as usual in business operation		
<b>19.03</b>	<b>Other Payable: Tk.33,705,311</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Bangladesh Development Co. Ltd.	20,758,895	21,858,895
	Pearl Paper and Board Mills Ltd.	12,946,416	20,446,416
	<b>Total</b>	<b>33,705,311</b>	<b>42,305,311</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

As at 30 June 2021

Note No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020

### 20.00 Un-paid Dividend: Tk. 2,296,884

This is made up as follows:

#### **Particulars**

Opening Balance	21,778	21,778
Add: Declared during the year	2,743,488	-
<b>Total</b>	<b>2,765,266</b>	<b>21,778</b>
Less: Paid during the year	468,382	-
<b>Closing Balance</b>	<b>2,296,884</b>	<b>21,778</b>

#### **Un-paid Dividend and are classified as follows:**

Group-A Sponsor and Director	1,472,521	-
Group-B Financial Institutions	31,988	-
Group-C General Public	792,355	21,778
<b>Total :</b>	<b>2,296,864</b>	<b>21,778</b>

### 21.00 Liabilities for Expenses: Tk. 9,144,384

This is made up as follows:

#### **Particulars**

Bangladesh Advance Technologies Ltd	86,000	37,000
Central Depository Bangladesh Ltd.- Cr.	-	31,000
Credit Rating Agency of Bangladesh Ltd.-Cr	-	63,000
Chittagong Stock Exchange Ltd	445,000	-
Dhaka Stock Exchange Ltd	1,312	100,000
Grameen Phone	10,852	10,307
Jannatul Ferdus	46,360	-
Jharna Engineering Works	168,700	93,400
Link 3 Technologies	32,300	64,600
Mahfel Huq & Co.	-	115,000
Metro Net Bangladesh Ltd	10,000	10,000
Millenium Swing & Cutting House	-	60,000
Pinaki & Co.	201,250	-
Pinnacle Power Ltd	39,824	-
Raima Golpo Book Binding	254,719	431,499
Robi Axiata Ltd	14,209	22,769
Rini Book Binding	369,266	409,266
Tetra Host Bangladesh	6,000	3,000
Vat Current Account	1,026,235	-
Wages, Salary and Allowance	6,432,357	10,686,702
<b>Total</b>	<b>9,144,384</b>	<b>12,137,543</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

As at 30 June 2021

Note No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020

### 22.00 Workers Profit Participation Fund: Tk.6,342,573

This is made up as follows:

**Particulars**

Balance as at 01.07.2020	6,587,566	8,779,081
Less: Payment made during the year	(1,794,270)	(4,499,353)
<b>Available Fund</b>	<b>4,793,296</b>	<b>4,279,728</b>
Add: Interest applied during the year	575,195	513,567
<b>Total Available Fund</b>	<b>5,368,491</b>	<b>4,793,296</b>
Add: Profit apportioned for the year	974,082	1,794,270
<b>Closing Balance as on 30.06.2021</b>	<b>6,342,573</b>	<b>6,587,566</b>

The company has not recognized Worker's Profit Participation Fund (WPPF) and outstanding payable will be disbursed within 2021-2022 financial year.

### 23.00 Short Term Loan: Tk.307,672,122

This is made up as follows:

**Particulars**

Social Islami Bank Ltd. (SIBL)	23.01	223,483,524	164,980,545
Current Portion of Long Term Loan	23.02	84,188,598	84,188,598
<b>Total</b>		<b>307,672,122</b>	<b>249,169,143</b>

### 23.01 Social Islami Bank Ltd. Tk.223,483,524

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

**Particulars**

**BIAM (Commercial):**

BIAM# 0023120149161	38,100,000	38,100,000
BIAM# 0023120154302	5,335,000	-
BIAM# 0023120154324	4,200,000	-
BIAM# 0023120154335	4,400,000	-
BIAM# 0023120154695	10,000,000	-
BIAM# 0023120154739	7,300,000	-
BIAM# 0023120154741	650,000	-
BIAM# 0023120149655	-	4,000,000
BIAM# 0023120149666	-	4,000,000
BIAM# 0023120149677	-	3,900,000
BIAM LOAN# 002310013227	5,000,000	5,000,000
<b>Sub-Total</b>	<b>74,985,000</b>	<b>55,000,000</b>

**BIAM (Work Order):**

BIAM LOAN# 00239900002309	39,418,752	39,418,752
<b>Sub-Total</b>	<b>39,418,752</b>	<b>39,418,752</b>



# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

As at 30 June 2021

Note No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020
	<b>LTR:</b>		
	LTR #0023110048516	-	3,372,423
	LTR #0023110049348	4,990,354	6,789,501
	LTR #0023110049539	1,129,847	1,129,847
	LTR #0023110050248	7,858,323	7,858,323
	LTR #0023110050441	3,756,237	3,756,237
	LTR #0023110050676	3,341,094	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	809,853
	LTR# 0023110052781	3,977,082	3,977,082
	LTR# 0023110052858	6,171,459	6,171,459
	LTR# 0023110054669	2,540,918	-
	LTR# 0023110055121	4,151,014	-
	LTR# 0023110055931	1,260,711	-
	LTR# 0023110054175	8,081,137	8,081,137
	LTR# 0024290000018	5,355,487	-
	LTR# 0024290000029	1,942,892	-
	LTR# 0024290000031	6,530,291	-
	LTR# 0024290000042	4,271,484	-
	LTR# 0024290000132	3,095,752	-
	LTR# 0024290000142	3,795,000	-
	<b>Sub-Total</b>	<b>98,333,772</b>	<b>70,561,793</b>
	<b>UPAS Deffered L/C</b>		
	L/C No# 120221020018	3,853,000	-
	L/C No# 120220020100	6,893,000	-
	<b>Sub-Total</b>	<b>10,746,000</b>	<b>-</b>
	<b>Grand Total</b>	<b>223,483,524</b>	<b>164,980,545</b>

### 23.02 Current Portion of Long Term Loan.84,188,598

Details are as Follows:

#### **Particulars**

SIBL- HPSM#0023600000078	120,477	120,477
SIBL- HPSM#0023600000102	368,830	368,830
SIBL- HPSM#0023600000181	185,369	185,369
SIBL- HPSM#0023600000282	844,285	844,285
PFIL/SME/2019/975	20,583,955	20,583,955
PFIL/SME/2020/069	62,085,682	62,085,682
<b>Sub-Total</b>	<b>84,188,598</b>	<b>84,188,598</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

As at 30 June 2021

Note No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020

**24.00 Provision for Income Tax: Tk.31,635,736**

This is made up as follows:

**Particulars**

Opening Balance	85,132,625	66,889,124
Add: Short Provision up to 2018-2019	13,192,090	-
Current Year Tax	7,393,567	18,243,501
<b>Sub-Total</b>	<b>105,718,282</b>	<b>85,132,625</b>
Less: Tax adjustment during the year	(74,082,546)	-
<b>Closing Balance</b>	<b>31,635,736</b>	<b>85,132,625</b>

Note: Income tax assessment year up to 2019-2020 has been completed and 2020-2021 has not been finalized due to appeal decision.

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

For the year ended 30 June 2021

Note No.	Particulars	2020 - 2021	2019 - 2020
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**25.00 Revenue: Tk.299,819,319**

This is made up as follows:

**Particulars**

Computer Paper(W/P)	53,664,223	64,883,618
Computer Paper (NCR)	70,255,615	27,581,085
Cheque Books & Other Security Products	100,913,527	65,232,526
Photocopy Paper	30,233,606	20,830,697
ATM Roll	24,045,212	29,082,832
TP Roll	9,575,519	5,411,577
Khata	11,131,617	216,033,111
<b>Total</b>	<b>299,819,319</b>	<b>429,055,445</b>

**26.00 Cost of Goods Sold: Tk.141,568,127**

This is made up as follows:

**Particulars**

Materials Consumed	26.01	106,110,657	194,054,432
Factory Overhead	26.02	25,957,470	46,666,459
<b>Cost of Manufactured</b>		<b>132,068,127</b>	<b>240,720,891</b>
Opening Work-in-Process		-	-
		<b>132,068,127</b>	<b>240,720,891</b>
Closing Work-in-Process		-	-
<b>Cost of Production</b>		<b>132,068,127</b>	<b>240,720,891</b>
Opening Finished Goods		42,630,253	45,751,374
		<b>174,698,380</b>	<b>286,472,264</b>
Closing Finished Goods		33,130,253	42,630,253
<b>Total</b>		<b>141,568,127</b>	<b>243,842,012</b>

**26.01 Raw Materials Consumed: Tk.106,110,657**

This is made up as follows:

**Particulars**

Opening Raw Materials	101,011,190	108,996,508
Purchase during the year	123,298,252	186,069,114
<b>Raw Materials Available</b>	<b>224,309,442</b>	<b>295,065,622</b>
Closing Raw Materials	118,198,785	101,011,190
<b>Raw Materials Consumed</b>	<b>106,110,657</b>	<b>194,054,432</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

For the year ended 30 June 2021

Note No.	Particulars	2020 - 2021	2019 - 2020
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**26.02 Factory Overhead: Tk.25,957,470**

This is made up as follows:

**Particulars**

Wages, Salary and Allowance	19,621,923	39,555,204
Carriage Inward	-	29,531
Depreciation on at Cost	4,681,153	4,612,481
Depreciation on at Revaluation	939,216	964,257
Electricity Bill	-	249,944
Insurance Expenses	329,825	774,117
Fuel and Lubricant & Gas	17,550	4,909
Entertainment	127,544	260,093
Loading and Unloading Expenses	57,440	21,640
Repair, Maintenance and Others	129,389	115,420
Medical Expenses	17,049	15,945
Stationery and Others	1,800	10,842
Telephone, Fax and Internet	-	-
Travelling and Conveyance	34,581	52,076
<b>Total</b>	<b>25,957,470</b>	<b>46,666,459</b>

**27.00 Administrative Expenses: Tk.11,561,583**

This is made up as follows:

**Particulars**

Salary and Allowance	8,414,168	10,534,959
Audit /Consultancy/Professional fee	237,250	115,000
AGM Expenses	20,495	39,700
Board Meeting Fee	36,000	44,250
Car Running & Maintenances	123,038	178,313
Cleaning and Sanitation	25,634	63,603
Depreciation on at Cost	660,869	651,174
Depreciation on at Revaluation	132,595	136,130
Enlistment Fees	279,437	60,000
Entertainment	184,703	224,269
Form, Fees and License	146,036	93,812
Insurance Expenses	75,402	20,081
Registration and Renewals	101,301	109,094
Stationery and Others	128,517	65,757
Service Charge Catering	99,450	112,240
Travelling and Conveyance	36,975	61,129
Telephone, Fax and Internet	602,328	547,785
Wasa, Gas and Electricity	257,385	435,430
<b>Total</b>	<b>11,561,583</b>	<b>13,492,726</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

For the year ended 30 June 2021

Note No.	Particulars	2020 - 2021	2019 - 2020
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**28.00 Selling and Distribution Expenses: Tk.15,976,751**

This is made up as follows:

**Particulars**

Salary and Allowance	14,403,441	25,576,333
Books, News Paper and Periodicals	11,488	6,134
Carriage Outward	321,000	577,500
Depreciation on at Cost	165,217	162,793
Depreciation on at Revaluation	33,149	34,033
Entertainment	59,532	67,683
CNG, Fuel, Lubricant and Others	205,484	947,120
Loading and Unloading Expenses	366,505	434,635
Office Rent	-	226,672
Postage and Stamp	29,309	55,747
Repairs and Maintenance	9,540	29,954
Stationery Expenses	61,570	132,173
Telephone, Mobile & Internet etc.	6,524	33,552
Travelling and Conveyance	158,888	236,657
Tender Schedule Expenses	145,104	179,955
WASA and Electricity	-	43,915
<b>Total</b>	<b>15,976,751</b>	<b>28,744,856</b>

**29.00 Financial Expense: Tk.112,136,357**

This is made up as follows:

**Particulars**

Bank Loan Interest (SIBL)	26,115,180	26,530,438
Bank Loan Interest (Meghna Bank)	-	642,557
Interest Expenses of PFIL	84,607,410	78,631,183
Bank Charges and Others	838,572	980,538
Interest on WPP Fund	575,195	513,567
<b>Total</b>	<b>112,136,357</b>	<b>107,298,283</b>

**30.00 Other Income: Tk.1,879,212**

This is made up as follows:

**Particulars**

Bank Interest Received	36,678	48,786
Wastage Sale	231,534	342,307
Factory Rent	1,611,000	1,611,000
<b>Total</b>	<b>1,879,212</b>	<b>2,002,093</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

For the year ended 30 June 2021

Note No.	Particulars	2020 - 2021	2019 - 2020
<b>31.00</b>	<b>Current Tax: Tk. 7,393,567</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Profit before Tax	19,481,631	35,885,391
	Add: Accounting base depreciation	5,507,239	5,426,448
	Less: Tax base depreciation	(8,068,949)	(8,222,965)
	<b>Taxable Profit for Current Tax</b>	<b>16,919,921</b>	<b>33,088,874</b>
	Applicable Tax Rate	22.5%	25%
	<b>Current Tax Expenses</b>	<b>3,806,982</b>	<b>8,272,219</b>
	Advance tax paid for 82( C)	7,393,567	18,063,520
	22.5% on Profit before Tax	3,806,982	8,719,482
	0.6% on gross receipt for 82( C)	1,798,916	2,394,352
	<b>A. Provision for Income tax (Whichever is higher) on 82( C)</b>	<b>7,393,567</b>	<b>18,063,520</b>
	22.5% on Profit before Tax	-	(447,263)
	0.6% on gross receipt for other than 82( C)	-	179,981
	<b>B. Provision for Income tax (Wichever is</b>	<b>-</b>	<b>179,981</b>
	<b>Total (A+B) Provision for Income tax (Wichever is higher)</b>	<b>7,393,567</b>	<b>18,243,501</b>
<b>32.00</b>	<b>Earning Per Share (Basic): Tk. 1.23</b>		
	This is made up as follows:		
	<b>Particulars</b>		
	Net Profit after Tax	11,511,679	16,942,762
	Number of Ordinary Shares	9,388,825	9,388,825
	<b>Total</b>	<b>1.23</b>	<b>1.80</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

For the year ended 30 June 2021

Note No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020

### 33.00 Net Assets Value per share(NAV): Tk. 40.43

This is made up as follows:

#### Particulars

Shareholders Equity

No. of Share

**Total**

379,616,884	382,906,315
9,388,826	9,388,826
<b>40.43</b>	<b>40.78</b>

### 34.00 Net Operating Cash Flows per share(NOCF): Tk. 4.30

This is made up as follows:

#### Particulars

Net Cash Provided by Operating Activities

No. of Share

**Total**

40,393,278	18,450,998
9,388,826	9,388,826
<b>4.30</b>	<b>1.97</b>

Cost was allocated based on actual basis.

### 35.00 Capital expenditure commitment

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

### 36.00 Contingent Liabilities

The company has no Contingent liability as on 30 June 2020.

### 37.00 Events after the reporting period

The Board of Directors of the Company has recommended 10% cash dividend for all shareholders in its 179th Board meeting held on November 13, 2021 for the year ended June 30, 2021.



# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

For the year ended 30 June 2021

### 38.00 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-2021 (Taka)	
1	Nazmul hasan Sakil Transport Officer	Advance against Works	38,385	
2	Abdul Hai		67,546	
3	Pearl Paper and Board Mills Ltd.	Purchases of Raw Materials	31,908,667	
4	Mr Rasedul Haque	Salary Advance	50,000	
5	Mr Mizanur Rahman		4,000	
6	Md.Hossain (PS-1 to Chairman)		79,500	
7	Md Altaf Hossain		9,500	
8	Najmul Haque		11,000	
9	Md. Faruk		8,800	
10	Mobarok Hossain		540,000	
11	Khalid Hasan		35,500	
12	Md Abdus Sobhan		98,000	
13	BD.News & Entertainment		Long Term Investment	6,448,841
14	Magura Paper			7,807,959
15	Pearl Paper and			266,393,141
16	Paper	111,730,850		
17	BDG-Magura	Other Receivables	4,711,634	
18	Kores Bangladesh Ltd.		30,084,411	
19	World of Textile		4,000,000	
20	Progressive Marketing Ltd		1,320,050	
21	BD.News &		11,499,000	
22	Magura Paper		56,306,600	
23	Paper		6,028,860	
24	Bangladesh Press Holding		39,500	
25	Intermediate and Secondary Books Publication.		38,225	
26	Madrasha Prokashana Ltd.		95,205	
27	Prathamik Pustak Prokashona Ltd.		77,075	
28	Pearl Paper and Board Mills Ltd.	Other Payables	20,758,895	
29	Bangladesh Development Co. Ltd.		12,946,416	

### 38.01 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 2021	30 June 2020
01	Short term employee benefits:	8,968,260	9,300,970
02	Post-employment benefits;	144,200	158,760
03	Other long-term benefits	-	-
04	Termination benefits; and	-	-
05	Share-based payment	-	-
06	<b>Total (1+....+5)</b>	<b>9,112,460</b>	<b>9,459,730</b>

# Bangladesh Monospool Paper Manufacturing Company Ltd.

## Notes to the Financial Statements

For the year ended 30 June 2021

### 39.00 Disclosure as per requirement of Schedule XI, Part II of The Company Act 1994

#### 39.01 Employee Position of the Company as per requirement of schedule XI, part II, Para 3

Salary Range (Monthly)	Total Employee	Officer & Staff		Worker & Employee	
		Head Office	Factory	Head Office	Factory
For the year ended 30 June 2021					
Below 5,300	-	-	-	-	-
Above 5,300	216	18	15	9	174

#### 39.02 Production capacity (BDT)

Particulars	2021	2020
Normal Capacity	850,000,000	850,000,000
Production	299,819,319	429,055,445
Capacity Utilized(%)	35.27%	50.48%

**Bangladesh Monospool Paper Manufacturing Company Ltd.**  
**Schedule of Property, Plant and Equipment**  
For the year ended 30 June 2021

**Cost Value:**

**Annexure-A**

Particulars	Cost (Amount in Taka)			Rate	Depreciation (Amount in Taka)			Written Down Value as at 30.06.2021
	Balance as at 01.07.2020	Addition /Adjustment	Balance as at 30.06.2021		Balance as at 01.07.2020	Charge during the Period	Balance as at 30.06.2021	
Land and Land Development	53,044,040	83,579,792	136,623,831	0%	-	-	-	136,623,831
Building and Construction	34,121,341	-	34,121,341	2.5%	13,070,176	526,279	13,596,455	20,524,886
Plant and Machinery	93,791,564	6,798,169	100,589,733	7%	44,301,565	3,940,172	48,241,736	52,347,997
Electrical Installation	5,352,749	-	5,352,749	10%	1,881,834	347,091	2,228,926	3,123,823
Furniture and Fixture	2,857,871	-	2,857,871	10%	1,620,015	123,786	1,743,800	1,114,071
Link Road	912,987	-	912,987	20%	849,852	12,627	862,479	50,508
Office Equipment	13,561,009	-	13,561,009	10%	8,235,587	532,542	8,768,130	4,792,879
Motor Vehicle	4,202,919	-	4,202,919	20%	4,079,212	24,741	4,103,953	98,966
<b>Total :</b>	<b>207,844,479</b>	<b>90,377,961</b>	<b>298,222,440</b>		<b>74,038,241</b>	<b>5,507,239</b>	<b>79,545,479</b>	<b>218,676,961</b>

**Revaluation Value :**

Particulars	Revaluation (Amount in Taka)			Rate	Depreciation (Amount in Taka)			Cost Less Depreciation as at 30.06.2021
	Balance as at 01.07.2020	Addition /Adjustment	Balance as at 30.06.2021		Balance as at 01.07.2020	Charge during the Period	Balance as at 30.06.2021	
Land and Land Development	179,548,069	-	179,548,069	-	-	-	-	179,548,069
Building and Construction	50,598,825	-	50,598,825	2.5%	7,295,967	1,082,571	8,378,538	42,220,287
Plant and Machinery	3,268,320	-	3,268,320	7%	2,954,852	21,943	2,976,795	291,525
Electrical Installation	465,819	-	465,819	10%	461,359	446	461,805	4,014
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>10,845,138</b>	<b>1,104,960</b>	<b>11,950,098</b>	<b>222,063,895</b>

<b>Balance as on June 30, 2021</b>	<b>441,858,472.36</b>	<b>90,377,961</b>	<b>532,236,433</b>	<b>84,883,378</b>	<b>6,612,199</b>	<b>91,495,577</b>	<b>440,740,856</b>
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**Allocation of depreciation charged during the year**

Particulars	% of Allocation	Depreciation at Cost	Depreciation at Revaluation	Total	June 30, 2021
Factory Expenses	85.00%	4,681,153	939,216	5,620,369	6,390,832
Administrative Expenses	12.00%	660,869	132,595	793,464	902,235
Selling and Distribution Expenses	3.00%	165,217	33,149	198,366	225,559
<b>Total</b>	<b>100%</b>	<b>5,507,239</b>	<b>1,104,960</b>	<b>6,612,199</b>	<b>7,518,626</b>

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

Assessment Year 2022-2023

Annexure-B

For the Year from 01-07-20 to 30-06-2021

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	52,991,487	-	52,991,487	-	-	-	-	52,991,487
2	Building & Construction	16,120,705	-	16,120,705	3%	483,621.15	-	483,621	15,637,084
3	Plant & Machinery	25,313,539	6,798,169	32,111,708	20%	6,422,341.56	-	6,422,342	25,689,366
4	Electrical Installation	2,518,148	-	2,518,148	20%	503,629.66	-	503,630	2,014,519
5	Furniture & Fixture	1,201,053	-	1,201,053	10%	120,105.33	-	120,105	1,080,948
6	Link Road	214,024	-	214,024	10%	21,402.38	-	21,402	192,621
7	Office Equipment	3,452,323	-	3,452,323	15%	517,848.45	-	517,848	2,934,475
	<b>Total:</b>	<b>101,811,279</b>	<b>6,798,169</b>	<b>108,609,448</b>	<b>-</b>	<b>8,068,949</b>	<b>-</b>	<b>8,068,949</b>	<b>100,540,499</b>

**Deferred Tax Liabilities as at 30 June 2021**

	Carrying Amount	Tax Base	Taxable/ Deductible
Property, Plant & Equipment except land at cost	82,053,129	47,549,013	34,504,117
Tax on business income			22.50%
Closing deferred tax liability/(assets)-at cost			7,763,426
Add/(Less): Previous year adjustment			798,560
Opening deferred tax liabilities/(assets)-at cost			(7,985,602)
Deferred tax expenses /(income)-at cost			576,385
Revaluation surplus			222,063,895
Tax on capital gain			15%
Closing deferred tax liabilities/(assets)-at revaluation			33,309,584
Opening deferred tax liabilities/(assets)-at revaluation			(33,645,491)
<b>Deferred tax expense/(income)-at revaluation</b>			<b>(335,907)</b>

**Bangladesh Monospool Paper Manufacturing Company Ltd.**

**Schedule of Inventories**

As at 30 June 2021

Annexure-C

**Raw Materials:**

Items Name	Unit	Opening Balance as on July 01, 2020		Procurement		Total		Consumption		Closing Balance as on June 30, 2021	
		Quantity	Value (Tk.)	Quantity	Value (Tk.)	Quantity	Value (Tk.)	Quantity	Value (Tk.)	Quantity	Value (Tk.)
<b>Import</b>											
CBS-1 Paper Foreign	MT	66	13,970,999	168.48	45,432,423	234.48	59,403,421.86	199.72	50,595,307	34.77	8,808,115
NCR Paper-Foreign	MT	30	4,985,620	91.3	13,436,069	121	18,421,689	116	17,642,871	5.12	778,817
Tharmal Paper Foreign	MT	6	1,146,278	94.3	9,426,852	101	10,573,130	80.11	8,407,811	20.63	2,165,319
Printing Ink & Glue	Lbs	6,898	6,243,285	11,604	2,113,745	18,502	8,357,030	11,357	5,129,614	4,333	3,227,416
<b>Local</b>											
NCR Paper-Local	MT	11	1,481,518	108.5	15,641,541	120	17,123,060	68	9,667,567	52.06	7,455,493
White Printing Paper	MT	763	58,131,754	590	28,454,045.39	1,353	86,585,799	138	8,835,913	1,215	77,749,886
Oil & Lubricants	Ltr	206	201,954		720,546	206	922,500		881,749		40,751
Packing Materials	Tk.		9,022,971	112,561	2,833,731		11,856,702	-	1,890,463		9,966,239
Store, Spares & Others	Tk.		4,040,563		2,531,285		6,571,848	-	1,758,128		4,813,720
Printing, Stationeries & Others	Tk.		1,786,248		2,708,014		4,494,262	-	1,301,234		3,193,028
<b>Total</b>			<b>101,011,190</b>		<b>123,298,252</b>		<b>224,309,442</b>		<b>106,110,657</b>		<b>118,198,785</b>

**Finished Goods:**

Items Name	Unit	Opening Balance as on July 01,		Production		Total		Delivery		Closing Balance as on June 30,	
		Quantity	Value (Tk.)	Quantity	Value (Tk.)	Quantity	Value (Tk.)	Quantity	Value (Tk.)	Quantity	Value (Tk.)
Computer Paper(W/P)	Box	19,281	17,079,068	14,679	13,002,099	33,960	30,081,167	23,285	20,625,492	10,675	9,455,674
Computer Paper (NCR)	Box	2,934	4,899,339	18,839	31,456,267	21,773	36,355,606	19,875	33,186,361	1,898	3,169,245
Cheque Books & Other Security Products	Box	-	-	13,364	65,548,625	13,364	65,548,625	11,789	57,823,981	1,575	7,724,644
Photocopy Paper	Box	9,740	10,318,805	7,285	7,718,225	17,025	18,037,030	13,480	14,281,326	3,545	3,755,704
ATM and TP Roll	Roll	4,091	173,186	282,732	11,969,044	286,823	12,142,230	274,723	11,629,995	12,100	512,236
Khata	Khata	2,343,281	10,159,855	560,499	2,430,178	2,903,780	12,590,033	2,903,780	4,077,282		8,512,751
<b>Total</b>			<b>42,630,253</b>		<b>132,124,438</b>		<b>174,754,691</b>		<b>141,624,437</b>		<b>33,130,253</b>
<b>Total Closing Stock as on 30.06.21</b>											<b>151,329,038</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 34<sup>th</sup> Annual General Meeting of  
the Company to be held on Monday, December 27, 2021 at 11:00 a.m. and/or at any adjournment thereof.

As witness I/We put my/our hand this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

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

Affix  
Revenue  
Stamp

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

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 34<sup>th</sup> Annual General Meeting being held on Monday,  
December 27, 2021 at 11:00 a.m. at **Digital Platform**.

**Name of member/proxy**

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

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

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