

# Quarterly Financial Statements

For the Quarter Ended March 31, 2021



## Bashundhara Paper Mills Ltd.



Plot# 125/A, Road# 2,  
Block# A, Bashundhara  
R/A, Dhaka-1229,  
Bangladesh



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## BASHUNDHARA PAPER MILLS LIMITED

### Statement of financial position

As at 31 March 2021

	Notes	31-Mar-21	30-Jun-20
Amount in Taka			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment, net		17,760,925,725	17,200,941,398
Intangible Assets, net		15,799,793,982	15,407,776,066
Right-of-use assets		151,591,229	158,794,592
Capital work-in-progress		28,567,126	41,169,020
Investment		1,515,973,387	1,328,201,720
		265,000,000	265,000,000
<b>Current assets</b>		<b>12,829,190,160</b>	<b>10,343,421,434</b>
Inventories		8,680,772,958	7,464,742,402
Trade and other receivables		2,277,504,505	1,404,774,156
Advances, deposits and prepayments		877,358,528	708,955,164
Advance income tax		401,496,293	483,959,470
Cash and bank equivalents		592,057,878	280,990,242
<b>Total assets</b>		<b>30,590,115,885</b>	<b>27,544,362,832</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital	2	1,737,914,410	1,737,914,410
Share premium	3	1,739,583,292	1,739,583,292
Revaluation reserve	4	2,058,109,453	2,072,945,223
Retained earnings	5	2,365,850,685	2,176,583,610
<b>Liabilities</b>			
<b>Non-current Liability</b>			
Long term borrowings		14,100,098,498	12,713,532,431
Lease Liabilities		12,608,769,378	11,181,370,158
Deferred tax liability	6	240,213,804	343,036,876
		1,251,115,316	1,189,125,397
<b>Current liabilities</b>		<b>8,588,559,547</b>	<b>7,103,803,866</b>
Long term borrowings-current portion		1,970,045,826	1,974,333,458
Short term borrowings		5,153,201,238	3,126,622,374
Trade and other payables		1,024,597,537	1,576,257,948
Provision for expenses		280,400,407	110,078,848
Income tax provision		160,314,539	316,511,236
<b>Total liabilities</b>		<b>22,688,658,045</b>	<b>19,817,336,297</b>
<b>Total equity and liabilities</b>		<b>30,590,115,885</b>	<b>27,544,362,832</b>
<b>Net Asset Value Per Share</b>	10	<b>44.59</b>	<b>43.55</b>

*The annexed notes form an integral part of these financial statements.*

Sd/-  
Chief Financial Officer

Sd/-  
Company Secretary

Sd/-  
Managing Director

Sd/-  
Director

Sd/-  
Chairman

# BASHUNDHARA PAPER MILLS LIMITED

## Statement of profit or loss and other comprehensive income

for the period ended 31 March 2021

	Notes	01-Jul-2020 to	01-Jul-2019 to	01-Jan-2021 to	01-Jan-2020 to
		31-Mar-2021	31-Mar-2020	31-Mar-2021	31-Mar-2020
Amount in Taka					
Revenue, net		7,132,035,125	7,271,720,726	2,754,920,746	2,566,612,883
Cost of sales		(5,746,740,617)	(5,820,232,724)	(2,302,508,883)	(2,178,366,459)
<b>Gross profit</b>		<b>1,385,294,508</b>	<b>1,451,488,002</b>	<b>452,411,863</b>	<b>388,246,423</b>
Other income		63,522,750	55,312,954	21,678,279	23,457,387
Administrative expenses		(274,235,561)	(253,310,552)	(114,156,905)	(75,237,618)
Selling & distribution expenses		(139,480,813)	(148,102,861)	(42,806,737)	(23,082,766)
Finance costs		(774,090,699)	(798,548,539)	(271,928,116)	(259,985,619)
<b>Profit before distribution of WPP &amp; WF</b>		<b>261,010,186</b>	<b>306,839,004</b>	<b>45,198,384</b>	<b>53,397,808</b>
Workers' profit participation & welfare fund		(13,050,509)	(15,341,950)	(2,259,919)	(2,669,890)
<b>Profit before tax</b>		<b>247,959,676</b>	<b>291,497,054</b>	<b>42,938,465</b>	<b>50,727,917</b>
<b>Income tax expenses</b>	7	<b>(47,486,705)</b>	<b>(116,514,416)</b>	<b>30,034,081</b>	<b>(28,088,894)</b>
Current tax expense		14,503,214	(43,640,153)	40,768,697	(15,406,916)
Deferred tax (expense)/income		(61,989,919)	(72,874,263)	(10,734,616)	(12,681,979)
<b>Profit after tax</b>		<b>200,472,971</b>	<b>174,982,638</b>	<b>72,972,546</b>	<b>22,639,023</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified subsequently to profit or loss</i>		-	-	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>		-	-	-	-
<b>Total Comprehensive Income for the period</b>		<b>200,472,971</b>	<b>174,982,638</b>	<b>72,972,546</b>	<b>22,639,023</b>
<b>Earnings per share</b>					
<b>Basic earnings per share (per value of Tk. 10)</b>	8	<b>1.15</b>	<b>1.01</b>	<b>0.42</b>	<b>0.13</b>

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

Sd/-  
Chief Financial Officer

Sd/-  
Company Secretary

Sd/-  
Managing Director

Sd/-  
Director

Sd/-  
Chairman

## BASHUNDHARA PAPER MILLS LIMITED

### Statement of changes in equity for the period ended 31 March 2021

	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
	Amount in Taka				
Balance as on 01 July 2019	1,737,914,410	1,739,583,292	2,092,726,250	1,910,028,348	7,480,252,300
Transfer to retained earnings	-	-	(14,835,770)	14,835,770	-
Payment of cash dividend	-	-	-	(39,062,499)	(39,062,499)
Total Comprehensive Income for the period	-	-	-	174,982,638	174,982,638
<b>Balance as at 31 March 2020</b>	<b>1,737,914,410</b>	<b>1,739,583,292</b>	<b>2,077,890,480</b>	<b>2,060,784,256</b>	<b>7,616,172,438</b>
Balance as at 01 July 2020	1,737,914,410	1,739,583,292	2,072,945,224	2,176,583,610	7,727,026,535
Transfer to retained earnings	-	-	(14,835,770)	14,835,770	-
Payment of cash dividend	-	-	-	(26,041,666)	(26,041,666)
Total Comprehensive Income for the period	-	-	-	200,472,971	200,472,971
<b>Balance as at 31 March 2021</b>	<b>1,737,914,410</b>	<b>1,739,583,292</b>	<b>2,058,109,453</b>	<b>2,365,850,685</b>	<b>7,901,457,840</b>

Sd/-  
Chief Financial Officer

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Company Secretary

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Managing Director

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Director

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Chairman

## BASHUNDHARA PAPER MILLS LIMITED

### Statement of cash flows

for the period ended 31 March 2021

	Notes	01-Jul-2020 to 31-Mar-2021	01-Jul-2019 to 31-Mar-2020
Amount in Taka			
<b>A) Cash flows from operating activities</b>			
Receipts from customers		6,759,434,758	7,936,243,305
Receipts from other income		47,902,841	28,355,622
		6,807,337,599	7,964,598,927
Payment to suppliers, employees & others		(6,953,015,081)	(5,771,456,997)
Cash generated from operations		(145,677,482)	2,193,141,930
VAT paid		(467,259,519)	(352,104,183)
SD Paid		(17,250,553)	(20,658,364)
Income taxes paid		(59,240,397)	(51,152,276)
Bank charges and commission		(3,933,794)	(10,301,878)
<b>Net cash (used in)/ generated by operating activities</b>		<b>(693,361,745)</b>	<b>1,758,925,229</b>
<b>B) Cash flows from investing activities</b>			
Payments for property, plant and equipment		(324,161,700)	16,095,001
Adjustment/ transfer of intangible assets		-	5,703,750
Adjustment/ transfer for property, plant and equipment		955,629	292,951
Receipts/ transfer of capital work-in-progress		(1,223,033,356)	(1,755,134,318)
<b>Net cash (used in)/ generated by investing activities</b>		<b>(1,546,239,427)</b>	<b>(1,733,042,616)</b>
<b>C) Cash flows from financing activities</b>			
Received/ (repayment) of short term borrowings		2,026,578,863	(388,349,274)
Payments of Bank interest and other charges		(770,156,906)	(789,828,405)
Payments of dividends to owners of the company		(26,041,666)	(39,062,499)
Received/ (repayment) of lease liabilities		(102,823,072)	401,637,015
Received/ (repayment) of long term borrowings		1,423,111,588	(341,577,393)
<b>Net cash (used in)/ generated by financing activities</b>		<b>2,550,668,808</b>	<b>(1,157,180,556)</b>
<b>D) Net increase in cash and cash equivalents (A+B+C)</b>		<b>311,067,636</b>	<b>(1,131,297,944)</b>
<b>E) Cash and cash equivalents at the beginning</b>		<b>280,990,242</b>	<b>1,336,654,791</b>
<b>F) Cash and cash equivalents at the end (D+E)</b>		<b>592,057,878</b>	<b>205,356,847</b>
<b>Net Operating Cash Flows per share</b>	11	<b>(3.99)</b>	<b>10.12</b>

*The annexed notes form an integral part of these financial statements.*

Sd/-  
Chief Financial Officer

Sd/-  
Company Secretary

Sd/-  
Managing Director

Sd/-  
Director

Sd/-  
Chairman

# Bashundhara Paper Mills Limited

## Notes to the financial statements

As at and for the quarter ended 31 March 2021

01.00	SELECTED EXPLANATORY NOTES	Amount in Taka	
		31-Mar-21	30-Jun-20

These financial statements have been prepared in line with Accounting Policies as adopted in the preparation of financial statements for the period ended from 01 July 2020 to 31 March 2021. The basis of preparation and significant accounting policies governing the quarterly statutory reporting has not been changed from the last reporting date. Hence no policy related general notes are being provided for Q3, 2020-2021 accounts. This interim financial report includes only those selected explanatory notes as were deemed appropriate for better understanding of unaudited financial statements. Certain figures for the Q3, 2019-2020 have been rearranged wherever considered necessary, to ensure better comparability with the current period's financial and to comply with relevant IASs and IFRSs.

### 02.00 SHARE CAPITAL

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

#### Authorized share capital:

500,000,000 nos. ordinary shares of Taka 10 each. 5,000,000,000 5,000,000,000

#### Issued, subscribed & paid up:

173,791,441 nos. ordinary shares of Taka 10 each issued and fully paid-up in cash. 1,737,914,410 1,737,914,410

**Total** **1,737,914,410** **1,737,914,410**

#### 02.01 Movement of share capital:

**Opening balance** 1,737,914,410 1,737,914,410

Issuance of ordinary shares during the period - -

**Closing balance** **1,737,914,410** **1,737,914,410**

#### 02.02 Position of shareholding

##### 02.02.1 Percentage of Shareholders

Name of shareholders	31-Mar-21		30-Jun-20	
	Nos. of Shares	Percentages of holdings	Nos. of Shares	Percentages of holdings
Mr. Ahmed Akbar Sobhan	4,000,000	2.30%	4,000,000	2.30%
Mrs. Afroza Begum	5,885,200	3.39%	5,885,200	3.39%
Mr. Sadat Sobhan	8,203,000	4.72%	8,203,000	4.72%
Mr. Shafiat Sobhan	8,203,000	4.72%	8,203,000	4.72%
Mr. Sayem Sobhan	8,203,000	4.72%	8,203,000	4.72%
Mr. Safwan Sobhan	8,203,000	4.72%	8,203,000	4.72%
Mr. Md. Imrul Hassan	4,002,000	2.30%	4,002,000	2.30%
East West Property Development (Pvt.) Ltd. Represented by-Mr. Md. Nazmul Alam Bhuiyan	101,050,575	58.14%	101,050,575	58.14%
General public and institutions	26,041,666	14.98%	26,041,666	14.98%
<b>Total</b>	<b>173,791,441</b>	<b>100%</b>	<b>173,791,441</b>	<b>100%</b>

##### 02.02.2 Classification of shareholder's by holding range

	No of Share holders		No of shares	
	31-Mar-21	30-Jun-20	31-Mar-21	30-Jun-20
1-500 shares	8,756	10,990	1,228,464	1,488,280
501 to 5,000 shares	2,730	3,431	4,860,409	6,183,233
5,001 to 10,000 shares	322	402	2,386,088	2,968,122
10,001 to 20,000 shares	162	211	2,319,555	2,975,638
20,001 to 30,000 shares	91	91	2,215,053	2,228,692
30,001 to 40,000 shares	24	24	831,922	819,454
40,001 to 50,000 shares	22	24	1,020,763	1,096,164
50,001 to 100,000 shares	25	31	1,774,804	2,214,559
100,001 to 1,000,000 shares	37	30	8,166,319	6,067,524
1,000,001 to 1,000,000,000 shares	8	7	148,988,064	147,749,775
<b>Total</b>	<b>12,177</b>	<b>15,241</b>	<b>173,791,441</b>	<b>173,791,441</b>

		<i>Amount in Taka</i>	
		31-Mar-21	30-Jun-20
<b>03.00</b>	<b>SHARE PREMIUM</b>		
	Opening Balance	1,739,583,292	1,739,583,292
	<b>Add:</b> Addition during the period	-	-
	<b>Less:</b> Adjustment during the period	-	-
	<b>Closing Balance</b>	<b>1,739,583,292</b>	<b>1,739,583,292</b>

03.01 In the year 2017-18 the Company issued 26,041,666 ordinary shares, from which 60% i.e. 15,625,000 ordinary shares for Eligible Investors (EIs) at cut-off price of Tk. 80.00 at a premium Tk. 70 and remaining 40% i.e. 10,416,667 ordinary shares at a 10% discounted from the cut-off price of Tk. 72.00 per share at a premium Tk. 62 for General Public including NRB and Others totaling Tk. 2,000,000,000 (approx.)

		<i>Amount in Taka</i>	
		31-Mar-21	30-Jun-20
<b>04.00</b>	<b>REVALUATION RESERVE</b>		
	Opening Balance	2,072,945,223	2,092,726,250
	<b>Add:</b> Increase arising on revaluation of properties	-	-
	<b>Less:</b> Transferred to retained earnings	(14,835,770)	(19,781,027)
	<b>Closing Balance</b>	<b>2,058,109,453</b>	<b>2,072,945,223</b>

		<i>Amount in Taka</i>	
		31-Mar-21	30-Jun-20
<b>05.00</b>	<b>RETAINED EARNINGS</b>		
	Opening balance	2,176,583,610	1,910,028,347
	<b>Add:</b> Profit attributable to the owners of the Company	200,472,971	285,836,735
	Transferred from properties revaluation reserve	14,835,770	19,781,027
	<b>Less:</b> Adjustment for current tax of prior years	-	-
	Payment of dividend	(26,041,666)	(39,062,499)
	<b>Closing balance</b>	<b>2,365,850,685</b>	<b>2,176,583,610</b>

#### **06.00 DEFERRED TAX (ASSETS) / LIABILITIES**

Deferred tax assets and liabilities have been recognized and measured in accordance with the provisions of IAS 12: Income Taxes. The following is the analysis of deferred tax (assets)/liabilities presented in the statement of financial position:

		<i>Amount in Taka</i>	
		31-Mar-21	30-Jun-20
	<b>Opening balance</b>	<b>1,189,125,397</b>	<b>1,076,753,353</b>
	<b>Provided during the period:</b>	<b>61,989,919</b>	<b>112,372,044</b>
	Deferred tax income	-	-
	Deferred tax expense	61,989,919	112,372,044
	Adjustment made during the period	-	-
	<b>Closing balance</b>	<b>1,251,115,316</b>	<b>1,189,125,397</b>

#### **06.01 Temporary timing difference:**

As at March 31, 2021	Accounting base Carrying Amount	Tax base	Temporary Difference
Property, Plant and equipment	13,118,040,842	(7,977,806,471)	5,140,234,371
Right-of-use assets	28,567,126	(28,702,489)	(135,362)
Intangible assets	151,591,229	(114,810,713)	36,780,516
Pre-operating expenses	-	(53,999,288)	(53,999,288)
Unused tax loss carry forward	-	(1,015,825,314)	(1,015,825,314)
Difference for vehicle	-	(3,631,161)	(3,631,161)
<b>Net taxable temporary difference</b>	<b>13,298,199,198</b>	<b>(9,194,775,434)</b>	<b>4,103,423,763</b>
Applicable tax rate			25%
<b>Deferred tax liability-31 March 2021</b>			<b>1,025,855,941</b>
Deferred tax liability-30 June 2020			(963,866,022)
<b>Deferred tax expense/ (income) for the period</b>			<b>61,989,919</b>

As at June 30, 2020	Accounting base Carrying Amount	Tax base	Temporary Difference
Property, Plant and equipment	12,726,022,925	(8,004,050,536)	4,721,972,389
Right-of-use assets	41,169,020	(33,767,634)	7,401,386
Intangible assets	158,794,592	(124,129,432)	34,665,160
Pre-operating expenses	-	(56,841,355)	(56,841,355)
Unused tax loss carry forward	-	(847,461,539)	(847,461,539)
Difference for vehicle	-	(4,271,954)	(4,271,954)
<b>Net taxable temporary difference</b>	<b>12,925,986,537</b>	<b>(9,070,522,450)</b>	<b>3,855,464,087</b>
Applicable tax rate			25%
<b>Deferred tax liability-30 June 2020</b>			<b>963,866,022</b>
<b>Less: Deferred tax liability-30 June 2019</b>			<b>(851,493,978)</b>
<b>Deferred tax expense/ (income) for the year</b>			<b>112,372,044</b>

#### 07.00 INCOME TAX EXPENSE

Amount in Taka	
2020-2021	2019-2020

In compliance with the requirements of Para 79 of IAS-12: Income Tax, the major components of tax expenses are given below:

**a. Current tax expense:**

Current tax expense in respect of the current period  
Adjustments recognized in the current year in relation to the current tax of prior year's

<b>(14,503,214)</b>	<b>43,640,153</b>
42,795,029	43,640,153
(57,298,243)	-

**b. Deferred tax expense/ (income):**

Deferred tax expenses recognized in the period  
Adjustments to deferred tax attributable to changes in tax rates and laws

<b>61,989,919</b>	<b>72,874,263</b>
61,989,919	72,874,263
-	-

**c. Total income tax expense recognized in the current period (a+b)**

<b>47,486,705</b>	<b>116,514,416</b>
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#### 07.01 The income tax expense for the year can be reconciled to the accounting profit as follows:

In compliance with the requirements of para-81 (c) of IAS-12: (Income tax), the reconciliation of tax expense and product of accounting profit are given below:

Accounting profit for the period	247,959,676	291,497,054
Less: Share of profit of equity	-	-
	<b>247,959,676</b>	<b>291,497,054</b>
Tax on accounting profits @ 25%	61,989,919	72,874,263
Effect of income that is exempt from taxation	-	-
Effect of expenses that are not deductible in determining taxable profit	-	-
Effect of concessions (research and development and other allowances)	-	-
Impairment losses on goodwill that are not deductible	-	-
Effect of minimum tax	42,795,029	43,640,153
Effect of unused tax losses and tax offsets not recognized as deferred tax assets	-	-
Effect of previously unrecognized and unused tax losses and deductible temporary differences now recognized as deferred tax assets	-	-
Effect of different tax rates of subsidiaries operating in other jurisdictions	-	-
Effect on deferred tax balances due to the change in income tax rate	-	-
Effect of unused tax credits	-	-
	<b>104,784,948</b>	<b>116,514,416</b>
Adjustments recognized in the current year in relation to the current tax of prior years	(57,298,243)	-
<b>Income tax expense recognized in profit or loss</b>	<b>47,486,705</b>	<b>116,514,416</b>

		<i>Amount in Taka</i>	
		2020-2021	2019-2020
<b>08.00</b>	<b>EARNINGS PER SHARE (EPS)</b>		
<b>08.01</b>	<b>Basic Earnings per Share</b>		
	Profit attributable to the Ordinary Shareholders	200,472,971	174,982,638
	Weighted Average Number of shares	173,791,441	173,791,441
	<b>Basic Earnings Per Share</b>	<b>1.15</b>	<b>1.01</b>

### 09.00 RELATED PARTY TRANSACTIONS

Balances and transactions between the Company and its sister concern, and shareholders, which are related parties of the company, have been eliminated are not disclosed in this note. Details of transactions between the Company and other related parties are disclosed below:

#### 09.01 Loans to/from related parties:

Name of related Companies	Relationship	Nature of transaction	31-Mar-21	Compensation
East West Property Development (Pvt.) Ltd.	Shareholder & Sister Concern	Long term Loan	(729,381,919)	Market Price
East West Media Group Ltd.	Sister Concern	Short term Loan	140,442,846	Market Price
Bashundhara Steel and Engineering Ltd.	Sister Concern	Short term Loan	57,390,293	Market Price
Bashundhara Multi-Paper Industries Ltd.	Sister Concern	Short term Loan	62,760,000	Market Price
Bashundhara Infrastructure Development Ltd.	Sister Concern	Short term Loan	3,281,222	Market Price
Bashundhara Industrial Complex Ltd.	Sister Concern	Short term Loan	(164,966,492)	Market Price
Bashundhara Industrial Complex Ltd.	Sister Concern	Investment	265,000,000	Market Price
Bashundhara Cement Industries Ltd.	Sister Concern	Short term Loan	2,518,436	Market Price
Sundarban Industrial Complex Ltd.	Sister Concern	Short term Loan	7,367,465	Market Price
Bashundhara Food & Beverage Industries Lt	Sister Concern	Short term Loan	4,065,831	Market Price
Bashundhara Fine Paper Mills Ltd.	Sister Concern	Short term Loan	800,000	Market Price
Bashundhara Glass Industries Ltd.	Sister Concern	Short term Loan	1,371,500	Market Price
Bashundhara LP Gas Ltd.	Sister Concern	Short term Loan	(190,746,366)	Market Price
Bashundhara Airways Ltd.	Sister Concern	Short term Loan	167,443,646	Market Price
Bashundhara Amusement Park Ltd.	Sister Concern	Short term Loan	22,897,872	Market Price
Meghna Cement Mills Limited	Sister Concern	Short term Loan	54,363,621	Market Price
Bashundhara Industrial Economic Zone	Sister Concern	Short term Loan	112,989,776	Market Price
Bashundhara Chemical Industries Ltd.	Sister Concern	Short term Loan	23,040,000	Market Price
Toggi Services Ltd.	Sister Concern	Short term Loan	72,300,000	Market Price
Toggi Real Estate & Construction Ltd.	Sister Concern	Short term Loan	2,222,000	Market Price
Bashundhara Multi Steel Industries Ltd.	Sister Concern	Short term Loan	21,006,280	Market Price
Toggi Shipping & Logistics Ltd.	Sister Concern	Short term Loan	65,000,000	Market Price
Millennium Media Ltd.	Sister Concern	Short term Loan	20,000,000	Market Price
Bashundhara Multi Trading Ltd.	Sister Concern	Short term Loan	(18,371,760)	Market Price

#### 09.02 Compensation of key management personnel during the year as follows:

Short-term benefits	19,000,000	22,500,000
Post-employment benefits	-	-
Other long term benefits	-	-
Termination benefits	-	-
	<b>19,000,000</b>	<b>22,500,000</b>

#### 09.03 Disclosure requirements of IAS 24, Para 18 minimum disclosure shall include

a) The amount of transaction	19,000,000	22,500,000
b) The amount of outstanding balance, including commitments, and:	80,617,444	717,011,184
i) Their terms & condition, including whether they are secured, and the nature of the consideration to be provided in settlement; and	Remuneration, Working Capital Management	Remuneration, Working Capital Management
ii) details of any guarantee given or received	Nil	Nil
c) Provisions for doubtful debts related to the amount of outstanding balances; and	Nil	Nil
d) The expenses recognized during the period in respect of bad or doubtful debts due from related parties	Nil	Nil

**10.00 NET ASSET VALUE (NAV) PER SHARE**

	Amount in Taka	
	31-Mar-21	30-Jun-20
Total Assets	30,590,115,885	27,544,362,832
Less: Intangible Assets	(151,591,229)	(158,794,592)
Total Liabilities	(22,688,658,045)	(19,817,336,297)
<b>Net Asset Value (NAV)</b>	<b>7,749,866,611</b>	<b>7,568,231,943</b>
Weighted Average Number of Ordinary shares outstanding	173,791,441	173,791,441
<b>Net Asset Value (NAV) Per Share (per value Tk. 10 each)</b>	<b>44.59</b>	<b>43.55</b>

**11.00 NET OPERATING CASH FLOW (NOCFPS) PER SHARE**

	Amount in Taka	
	2020-2021	2019-2020
Net Operating Cash Flows	(693,361,745)	1,758,925,229
Weighted Average Number of Ordinary shares outstanding	173,791,441	173,791,441
<b>Net Operating Cash Flows per share (per value Tk. 10 each)</b>	<b>(3.99)</b>	<b>10.12</b>

**12.00 RECONCILIATION OF OPERATING CASH FLOW WITH NET PROFIT**

Total Comprehensive Income for the period	200,472,971	174,982,637
<b>Adjustment for:</b>		
Income tax expense recognized in profit and loss	47,486,705	116,514,416
Workers' profit participation & welfare fund	13,050,509	15,341,950
Amortization of intangible assets	7,203,362	5,710,097
Depreciation of non-current assets	974,104,694	884,267,754
	<b>1,242,318,242</b>	<b>1,196,816,855</b>
<b>Adjustment for separate consideration</b>		
Finance cost recognized in profit and loss	770,156,906	788,246,661
<b>Movements in working capital:</b>		
(Increase)/decrease in inventories	(1,216,030,555)	(158,112,432)
(Increase)/decrease in trade and other receivables	(872,730,349)	264,802,700
(Increase)/decrease in advance, deposit and prepayment	(159,614,927)	(329,933,308)
Increase/(decrease) in trade payables & other payables	(568,552,312)	(212,902,649)
Increase/(decrease) in provision for expense	170,321,558	261,159,678
<b>Cash generated from operations</b>	<b>(2,646,596,496)</b>	<b>(174,986,011)</b>
Income taxes paid	(59,240,397)	(51,152,276)
<b>Net cash (used in)/ generated by operating activities</b>	<b>(693,361,745)</b>	<b>1,758,925,229</b>

**13.00 SIGNIFICANT DEVIATIONS**

The consumption and the economic activities has been deteriorated due to the impact of COVID-19 started in December, 2019 in China. The influence is too profound to predict when the pandemic wanes or how the price trends of raw materials fluctuate or when the demands in our products recover. Regarding the new corona virus pandemic, we are assuming the huge impact on all kinds of Paper and Paper allied products business locally and internationally.

In the third quarter of the year has been marked by challenging harvesting conditions, decrease in sales price due to the Covid-19 pandemic. Lower prices and volumes during the quarter had a negative impact on sales and operational EBIT, compared to the third quarter of last year. Nevertheless, we have faced some logistical challenges and a major shutdown of operations in China due to COVID-19. From the very beginning we experienced a significant reduction of orders due to of the lockdown condition, demand of the certain products have been decreasing. Schools, offices, retailers and other business sectors locally and abroad are closed from middle of March 2020. Majority of products do not have any demand as they are largely used in School, College, Universities and Corporate Offices till now.

As a result, sales is decreased for the period ended on 31 march 2021 compared to previous period. In contrast, supply chain broke down, rendering our products distribution difficult and expensive then before pandemic. Sourcing of raw material become very hard and higher price too. Consequently, production costs and operational costs are increased. Despite very low sales, the Company is regularly paying salaries and other benefits to employees, utilities cost, rentals and other operational fixed costs.

13.01 *Earnings per share (EPS):*

Net profit before tax decreased same period of previous year. Decline in profit is driven by slashing the sales rate as result of lower sales volume, impact of COVID-19 pandemic, decrease in production volume, increase in utility costs and other fixed overhead costs, bank interest, increased in depreciation expenses as well. But profit after tax as well as EPS increased due to adjustments recognized in the current year in relation to the current tax of prior year's

13.02 *Net Operating cash flow per share (NOCFPS):*

Net Operating cash flow per share decreased from same period previous year because of increase in value of imported raw materials and decreased in collection of trade and other receivables.

#### **14.00** **EVENTS AFTER THE REPORTING PERIOD**

There are no other events identified after the date of the 3rd quarter statement of financial position which require adjustment or disclosure in the accompanying financial statements

#### **15.00** **IMPACT OF COVID19 AND GOING CONCERN STATEMENT**

A pandemic is unpredictable in nature and has the potential to affect our people, markets and operations in various ways. The pervasive impact of a pandemic means that it has the potential to affect various of our strategic, financial, operational and compliance risks in the long-term depending on how it evolves.

In December 2019, COVID-19 emerged and has subsequently spread worldwide. The World Health Organization has declared COVID-19 a pandemic resulting in governments offices, Service Providers and private and public entities mandating various restrictions, including travel restrictions, restrictions on public gatherings, stay at home orders and advisories and quarantining of people who may have been exposed to the virus. After close monitoring and responses and guidance from governments, in an effort to mitigate the spread of COVID-19, effective March 19, 2020, the Company closed its production due to lockdown at Narayangonj and its distribution centers and its offices with Associates working remotely where possible. The Company continues to monitor developments, including government requirements and recommendations at the national, state, and local level to evaluate possible extensions to all or part of such closures.

As a consequence of COVID-19, the Company may experience material and labour shortages, supply chain or operational interruptions, higher input costs and changes in demand for its products. As a result, that have a material adverse effect on the Company's business. In addition, we have taken several steps to further strengthen our financial position, and maintain financial liquidity and flexibility, including, reviewing operating expenses, evaluating raw materials purchases, reducing capital expenditures etc. Going into the 3rd quarter of 2020-2021, heightened uncertainties remain. Pricing across our key paper products is reduce. Demand for tissue and hygiene products remains robust.

The Board of Directors have reviewed the Company's current financial position and performance, including consideration of the anticipated impact of the COVID-19 pandemic and the other principal risks which may impact the Company's performance in the near term. They are confident that the Company will continue to demonstrate its resilience and remaining well-positioned when the recovery takes place.

Following its assessment, the directors have formed a judgement, at the time of approving the quarterly financial statements for the quarter ended March 31, 2021, that there are no material uncertainties that cast doubt on the Company's going concern status and that it is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Company continues to adopt the going concern basis in preparing the financial statements.