



Information Document

of

Sonali Paper & Board Mills Limited



Vetted
[Signature]
Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd

51, Central Road, Dhanmondi, Dhaka-1205

Telephone: 58610056-59, 9677781, Fax: +88-02-58613965

E-mail: spshare@younusgroup.com; Website: www.spbmlbd.com

Name and Address of Issue Management Company: Exempted as per BSEC letter (SEC/SRMIC/94-44/866 dated November 27, 2019)

Amount and type of securities being issued: Sonali Paper & Board Mills Limited (SPBML) is a listed Company & its' shares are being traded in the OTC market. The company has applied for the trading of its' shares from existing OTC market to the Main market of DSE (Dhaka Stock Exchange Ltd.) & CSE (Chittagong Stock Exchange Ltd.) Therefore, the company is not issuing any new securities.

Listed with DSE: In the year 1985, Re-listing Date: June 15, 2020

Listed with CSE: December 21, 1996, Re-listing Date: June 15, 2020

Date of Information Document: June 17, 2020

“THE MONEY (PROCEEDS) AGAINST SALE OF SHARES THROUGH THIS INFORMATION DOCUMENT WILL BELONG TO THE SPONSORS/SHAREHOLDERS CONCERNED. THE COMPANY WILL NOT GET THIS MONEY.” Exempted as per BSEC letter (SEC/SRMIC/94-44/866 dated November 27, 2019)

“If you have any queries about this document, you may consult the issuer and the issue manager”

Exempted as per BSEC letter (SEC/SRMIC/94-44/866 dated November 27, 2019)

“APPROVAL OF LISTING OF THE DHAKA& CHITTAGONG STOCK EXCHANGE LIMITED HAS BEEN OBTAINED FOR DISPOSAL OF SHARES UNDER THE DHAKA& CHITTAGONG STOCK EXCHANGE (LISTING) REGULATIONS, 2015. Exempted as per BSEC letter (SEC/SRMIC/94-44/866 dated November 27, 2019)

IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS APPROVAL, THE EXCHANGE DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY, ANY OF ITS PROJECTS OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER, ISSUE MANAGER AND/OR AUDITOR.”

[Signature]

Chief Financial Officer
Sonali Paper & Board Mills Limited

[Signature]

Company Secretary
Sonali Paper & Board Mills Ltd.

[Signature]

MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD



Availability of Information Document

This Information Memorandum is available and to be collected from the Issuer Company and Dhaka Stock Exchange Ltd.

Names, addresses, telephone numbers, fax numbers, website addresses and e-mail addresses and names of contact persons of the institutions where the Information Document and abridged version of Information Document are available in hard and soft forms;

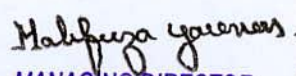
Name & Address	Contact Person	Telephone & Fax Number	Web Address & E-mail
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Information Document will also be available on the web sites of the Bangladesh Securities & Exchange Commission (BSEC) (www.sec.gov.bd), Dhaka Stock Exchange Ltd. (www.dsebd.org), Chittagong Stock Exchange Ltd. and Public Reference Room of the SEC for reading and studying.

If you have any queries about this document, you may contact the issuers' contact person as mentioned above.


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.


MANAGING DIRECTOR
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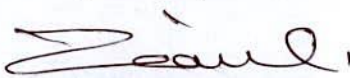


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27/5/15
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** As per annexure-10 of Schedule-A of Dhaka & Chittagong Stock Exchange (Listing) Regulations, 2015


Chief Financial Officer
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Sonali Paper & Board Mills Ltd.


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(3) DISPOSAL OF SHARES

Exempted as per BSEC letter (SEC/SRMIC/94-44/866 dated November 27, 2019)

(4) Risk Factors and Management's Perception of the Risks:

a) Interest rate risk:

Interest rate risk is associated with the fluctuations in market interest rates which cause a company's cost of debt to increase. Changes in the Government's monetary policy also tend to increase interest rates. The high rate of interest may adversely affect the operating results and financial performance of the Company with additional financial charges and squeezes the profit of the company.

Management perception:

The management of the Company is always aware of the interest rates at which the debts of The Company are being financed. Management finances both long-term & short-term funds at competitive rates. The Company has been repaying borrowed funds on a continuous basis to reduce such interest rate risk.

b) Exchange rate risk:

Most of the raw materials used by SPBML are imported from abroad against payment of foreign currency. Unfavorable volatility or fluctuations of foreign currency to the BDT exchange rate may have an impact on the cost structure and profitability of the company.

Management perception:

The risk of foreign exchange cannot be eliminated fully as we require importing raw materials. However, the management is always alert in minimizing the negative impact of currency fluctuation cost by looking for new sources of raw materials and constantly negotiating with suppliers in reducing the price. It always takes steps to hedge all major currency dealings to safeguard the interest of the company.

c) Industry risks:

i. **Market demand:** The company's sales and revenues are depended on the aggregate demand for its products. Any economic recession, changes in requirements, national income and other related factors may cause to decline in the market demand of the Company products.

Management perception: The world's top-class raw materials, best quality, attractive price, strong brand loyalty of the company's products to its customers has enabled the Company to capture significant market share in the sector. The Company is continuously penetrating the market and upgrading the quality of the products to minimize market risks.

ii. **Raw materials and energy costs:** Instability in raw materials and energy costs may hamper the profitability of The Company significantly. A recent government decision regarding the escalation of electricity prices will put huge pressure on the product cost of the local business.

Management perception: Our management believes that efficient management of inventories, proper sourcing & timing, economic order quantity and efficient handling of credit facilities can reduce the cost of procurement. For power and electricity, SPBML has own power generator for uninterrupted production. The electricity cost is the same for all other competitors so it will be adjusted with price accordingly.

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Company Secretary
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Mohiyeza Yasmin
MANAGING DIRECTOR
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d) Market and technology-related risks:

Market risks refer to the risk of adverse market conditions affecting the sales and profitability of the company. Such as, shortage in raw material supplies, inefficient labor supplies, fall in product demand, etc. which signifies the adverse external and internal business environment. Those types of risks may hamper the success of the business. Technological development may make the old machinery obsolete which may hamper the profitability of The Company's overall business.

Management perceptions have own research for market and new products to retain the existing market and to attract new customers. It has a plan for required BMRE/ expansion regularly if required. It will continuously upgrade its machines and technology as required and any new one comes. So, the risk of the market and obsolescence of technology is minimum for the Company.

e) Potential or existing Government regulations:

The Company operates under the Companies Act, Taxation policy adopted by NBR, Bangladesh Securities and Exchange Commission (BSEC)'s Rules and Rules adopted by other regulatory bodies. Any abrupt changes in the policies formed by those bodies will impact the business of The Company adversely.

Management perception: The economy of Bangladesh has been developing over the decades because of business-friendly Rules and Regulations adopted by the various regulatory bodies of the country. Unless any adverse policies are taken, which may materially affect the industry as a whole, the business of The Company will not be affected. The government emphasizes the growth of the local industry to meet the local need. Yet the promoters and the sponsors have endeavored to convince the policymakers for adopting favorable terms and conditions, which will eventually help the industry to compete with the low-cost locations in the global arena and to save foreign currency.

f) Potential or existing changes in global or national policies: Changes in the existing global or national policies can have either positive or negative impacts on the company. Any scarcity or price hike or global or national policy change may hamper the profitability.

Management perception: Political turmoil and the disturbance are bad for the economy and so for the company. The Company can prosper in the situation of political stability and a congenial business environment. The management of SPBML is always concerned about the prevailing and upcoming future changes in the global or national policy and shall response appropriately and timely to safeguard its interest.

g) History of Non-Operation: Due to continuous loss the previous management was failed to provide financial statements and to hold AGM (Annual General Meeting) for the consecutive years from 1998 to 2006. Subsequently, the management of the Company was bound to close its production. They could not run the Company well due to insufficient business policy. Besides they did not comply with the provisions of the Bangladesh Securities & Exchange Commission (BSEC), Listing Regulations of the Dhaka & Chittagong Stock Exchanges, and other necessary obligations of various regulatory authorities. On those periods the Company did not hold AGMs, declare dividend, make proper books of accounts and so on. Under these circumstances, they intended to sell the entire share of the Company to Mr. Mohammed Younus and his family. Mr. Younus finally took over the Company through buying the entire shareholding in the year 2005 and successfully started commercial operation in the year 2007 with necessary renovation.

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0161



h) Operational Risk:

Operational Risk is the prospect of loss resulting from inadequate or failed procedures, systems or policies, Employee errors, Systems failures, Fraud or other criminal activity. Any event that disrupts business processes.

Management perception: To reduce the operational risk the management of SPBML has been monitoring a few sections regularly. Apart from those, routine checks and proper maintenance of the equipment also reduce and eliminate the operational risk.

(5) Description of Business

(a) Particular of the Issuer:

Sonali paper & Board mills limited was incorporated in Bangladesh in the year 1977 under companies Act, 1913 & 1994 as a public limited company. The present owner took over all the shares of the company in 2005. Before that, the company was out of operation for a long time. After taking over the charge the management brought the company into operation on March 11, 2007. Its' principal activities are the manufacturing and marketing of Media, Liner, Simplex, Duplex paper board, and quality writing Papers. The corporate office of the Company is located at 51, Central Road, Dhanmondi, Dhaka-1205. The industrial units are situated at Jatramura, Tarabo, Rupgonj, Narayanganj.

Issuer	Sonali Paper & Board Mills Limited
Date of Incorporation	September 6, 1977
Date of Commercial Operation	March 11, 2007 (Under new Management)
Converted to public limited Company	In the year 1985
Floataion of shares	In the year 1985
Listed in DSE	In the year 1985
Listed in CSE	December 21, 1996
De-listed from the main market	In the year 2009

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(b) Nature of Business

Sonali Paper & Board Mills Limited (SPBML) started its business for the manufacturing and marketing of Media, Liner, Simplex, Duplex paper board, and quality writing Papers.

(i) Principal Product & Services rendered by the Company and the markets for such products or services:

SPBML manufacturing and marketing of media, liner, simplex, duplex paper board, and quality writing papers. The market for those products is the local market.

(ii) If the company have more than one product; relative contribution to sales and income of each product that accounts for more than 10% of total revenue:

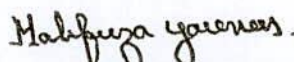
There is no product of more than 10% contribution to the sales or income of the company.

(iii) Name of any Associate/Subsidiary/Related holding company and their core area of business:

Sonali Paper & Board Mills Limited doesn't have any associates, subsidiary or holding company.


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
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(iv) Distribution of Products/Services:

Distribution involves the physical distribution of the company's products to the sub-distributor or directly to the customer base. Typically, this is a combined transport and warehousing operation, responsible for storing and delivering products to meet the customer's needs. Again this combined activity will often be placed with a 3rd party service provider who will control and implement the processes.

The Company supplies its products from its own factory premises to its customers at the risk of customers against delivery order.

(v) Competitive conditions in the business:

There is a huge demand & supply gap for the product of the company in the Bangladeshi market. The Company earned a good name & fame in the local market of the country for its quality products. The following are the major paper producers in Bangladesh:

- *Bashundhara Paper Mills Ltd.*
- *Asia Paper and Board Mills Ltd.*
- *Hakkani Pulp & Paper Mills Ltd.*
- *Pioneer Paper & Board Mills Ltd.*
- *Karnaphuli Paper Mills, Chittagong*
- *Magura Paper Mills Ltd.*
- *Khulna Printing & Packing Limited*
- *T. K. Paper Products Ltd.*
- *Maq Paper Industries, Narayanganj, Bangladesh*

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(vi) Sources and availability of Raw materials and the names of the Principal Suppliers:

The major raw materials of SPBML are imported from overseas, mainly from Singapore, UAE, Indonesia & Hong Kong. Suppliers are evaluated periodically on supply reliability, quality and prices with new suppliers being added after they meet the required quality and reliability benchmarks through supplier appraisals and track record.

The names of Principal suppliers are mentioned below:

Sl	Supplier Name	Items	Address
1	April International Enterprise Pte Ltd	Pulp	80 Raffles Place, # 50-01 UOB Plaza 1, Singapore
2	Zenath Paper Traders	Pulp	Dubai, UAE
3	Ekman Pulp and Paper Limited	Waste Paper	30 Harbour Road, Wanchai, Hong Kong

(vii) Sources of, and the requirement for, Power, Gas and Water:

All required utility facilities are available at the project site and those are stated below:

Power	Source: Bangladesh Rural Electrification Board & PDB
Water	Source: Deep tube well & River Water
Gas	Source: Titas Gas Transmission & Distribution Co. Ltd.

(viii) Name of any customers who purchase 10% or more of the company's products:

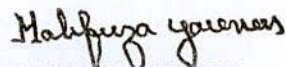
The Company's products are sold to various customers and no single customer provides 10% or more of the Company's total revenue.

(ix) Description of any contract of the company with its principal suppliers/customers:

The Company's products are purchased from various suppliers and no single supplier provides 10% or more of the Company's total supply of raw materials.


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Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.


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(x) Description of any material patents, trademarks, licenses or royalty agreements:

The Company neither obtained any Patent Right/Trademarks nor signed any royalty agreement with any party. However, it has several regulatory licenses and certificate in order to continue its operation which is incorporated in the table below:

Certificate/ License Name	Providing Authority	Certificate/ License No.	Validity
Trade License	Tarabo Pourashava	1930	30.06.2020
TIN Certificate	Companies Circle 24, Taxes Zone 2.	123794615546	N/A
Import Registration Certificate	Office of the Chief Controller Import & Export	260326120271420	30.06.2020
Fire License	Fire Service & Civil Defense	13397/08	30.06.2020
Environment Clearance Certificate	Deputy Director, Environment Directorates, Narayanganj	Under Process	30.06.2020
Board of Investment Certificate	Bangladesh Investment Development Authority (BIDA)	L-48010611042-H	N/A
Acid Usage License	N/A	N/A	N/A
BERC License	N/A	N/A	N/A
Factory Inspection License	Department of Inspection for Factories and Establishments	18194/Narayanganj	30.06.2020
Boiler Certificate	Office of the Chief Inspector of Boiler	BA:BO:443	24.01.2021
BSTI	Bangladesh Standard and Testing Institution	19971/G-9/2016	30.06.2020
ISO	N/A	N/A	N/A
Forest Stewardship Council-FSC Certificate	N/A	N/A	N/A

(xi) The number of employees:

As of June 30, 2019, the total number of employees in the company (Head Office & Factory) is 455 persons. The categories of the employees are given below:

- A. An employee with full-time car facilities: 11 persons
- B. Permanent Employee : 251 persons
- C. Contractual Employee : 193 persons

❖ The detailed information of all the employees is given in separate sheets.

(xii) Production capacity and current utilization:

The production capacity and capacity utilization as on June 30, 2019 is as follows:

Particulars	Capacity (MT)	Actual Production (MT)	Utilization (%)
Writing Paper	14,935	13,578	90.92%
Board Paper	23,565	21,425	90.92%
Total	38,500	35,003	90.92%

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MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.



(6) DESCRIPTION OF PROPERTY

Property Plant & Equipment:

The written down value of land, building, principal plants and other property of the company as per audited accounts as at June 30, 2019 are stated as below:

Particulars	Written down value (BDT) As at 30 June' 2019
Land & Land Development	5,175,047,500
Building & Godown	53,754,628
Labor Shed	1,338,466
Plant, Machinery & Boiler	381,711,846
Electric Equipment's & Others	30,529,241
Generator & 5 MW Power Station	113,913,527
Weighting & Road Scale	2,630,377
Electric & Gas Installation	4,460,630
Motor Vehicles	15,945,323
Fax Machine	8,474
PABX & Telephone Set	383,805
Computer	3,235,552
ETP	847,923
Fire Fitting Equipment's	975,736
Crane, Trolley & Fork Lift	5,249,461
Workshop & Loose Tools	261,425
Furniture & Fixture	1,181,064
Balance	5,791,474,979

(a) Location and condition of the Principal plant and property:

Corporate & Registered Office	51, Central Road, Dhanmondi, Dhaka-1205
Factory Location	Jatramura, Tarabo, Rupgonj, Narayanganj

• Land:

Dist	: Narayanganj
P.S	: Rupgonj
S.R.O	: Rupgonj
Mouza	: Tarabo
Khatian No	: Given in separate Sheets.
Dag No	: Given in separate Sheets.
Location	: Jatramura (Dhaka-Sylhet Road), Tarabo, Rupgonj, Narayanganj
Area of the Land	: 1,150 Decimal

Vetted
[Signature]
Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd.

[Signature]
Chief Financial Officer
Sonal Paper & Board Mills Limited

[Signature]
Company Secretary
Sonal Paper & Board Mills Ltd.

[Signature]
MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.



• **Building & Godown:**

SI No	Description	Measurement of floor Area
01	Main Factory Building (2 Storied)	37,642.00 Sft
02	Machine foundation shed	17,047.10 Sft
03	Boundary Wall	9,274.80 Rft
04	Tower chest	1,814.42 Sft
05	Scale Room	193.76 Sft
06	Security Room	327.63 Sft
07	Boiler Store Room	5,079.32 Sft
08	Generator Room	2,076.87 Sft
09	Workshop	3,426.00 Sft
10	Office Room	372.78 Sft
11	Store Room	572.85 Sft
12	Stock Room	17,562.00 Sft
13	Pulper	13,582.08 Sft
14	Finished Godown	9,721.60 Sft
15	D.C. Motor Room	1,096.52 Sft
16	Chemical Stock Room	1,124.28 Sft
17	Grounding Room	2,082.24 Sft
18	Godown (11 Nos)	21,609.64 Sft
19	Godown (Shuttle)	899.47 Sft
20	Labor Dining Room	2,267.72 Sft

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Assistant General Manager
Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd.

b) Whether the property is owned by the company or taken on lease:

All the assets of the Company have purchased assets in its own name and none of the assets were taken on lease.

c) If the property is owned by the company, whether there is a mortgage or other type of lien on the property:

The property, plant, and equipment of the company have been pledged as security against the loan with Islami Bank Bangladesh Limited, Chawk Mugoltolly Branch, Dhaka and Modhumoti Bank Limited, Aganagar Branch, Keraniganj, Dhaka.

d) If the property is taken on lease, the expiration date of the lease:

No Property is taken by the Company under the lease agreement.

(7) Plan of Operation and Discussion of Financial Condition:

(a) Internal and External Sources of Cash:

Particulars	As at June 30, 2019	As at June 30, 2018	As at June 30, 2017	As at June 30, 2016	As at June 30, 2015
Internal Sources of Cash:					
Collection against Sales	1,890,499,083	1,558,203,608	1,484,093,932	1,543,763,241	1,058,225,938
Sub-Total	1,890,499,083	1,558,203,608	1,484,093,932	1,543,763,241	1,058,225,938
External Sources of Cash:					
Sub-Total	-	-	-	-	-
Grand Total	1,890,499,083	1,558,203,608	1,484,093,932	1,543,763,241	1,058,225,938

Chief Financial Officer
Sonali Paper & Board Mills Limited

Company Secretary
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MANAGING DIRECTOR
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b) Any material commitments for capital expenditure and expected sources of funds for such expenditure;

The Company has no material commitment for capital expenditure except the normal course of business.

c) Causes for any material changes from period to period in revenues, cost of goods sold, other operating expenses and net income;

Particulars	Year ended June 30, 2019	Year ended June 30, 2018	Year ended June 30, 2017	Year ended June 30, 2016	Year ended June 30, 2015
Turnover (Gross)	1,976,480,866	1,628,212,865	1,479,135,733	1,535,265,250	1,049,142,667
Less: Value Added Tax	140,012,241	139,642,842	131,348,835	117,700,399	93,971,954
Turnover (Net)	1,836,468,625	1,488,570,023	1,347,786,898	1,417,564,851	955,170,713
Less: Cost of Sales	1,532,434,322	1,241,587,572	1,123,619,788	1,181,789,780	747,280,905
Gross profit	304,034,303	246,982,451	224,167,110	235,775,071	207,889,808
Less: Operating Expense	141,608,178	138,975,009	140,621,733	145,171,057	118,714,628
Operating Profit	162,426,125	108,007,442	83,545,377	90,604,014	89,175,180
Less: Financial Expenses	73,541,349	64,106,634	45,855,987	60,076,227	62,401,344
Add: Non- Operating Income	139,009	128,493	398,949	-	-
Profit/(Loss) before WPPF	89,023,784	44,029,301	38,088,339	30,527,787	26,773,836
Less: Provision for WPPF	4,451,189	2,201,465	-	-	-
Profit/(Loss) before Tax	84,572,595	41,827,836	38,088,339	30,527,787	26,773,836
Less: Income Tax Expense	21,143,149	11,041,047	9,522,085	7,631,946	6,693,459
Profit/(Loss) after Tax	63,429,447	30,786,789	28,566,254	22,895,841	20,080,377

Reason for Material Changes:

Revenue:

In the financial year, 2018-2019 the inclusion of manufacturing in the offset paper in the product basket of the company total turnover has been increased significantly which is around 19.02% increase from the last financial year.

Other Income:

There was no significant fluctuation in the other income during the last five years.

Total Income:

In the financial year 2018-2019, the inclusion of manufacturing in the offset paper in the product basket of the company total turnover has been increased significantly.

Cost of Goods Sold (COGS):

In the financial year 2018-2019 the inclusion of manufacturing in the offset paper in the product basket of the company we have imported a huge quantity of virgin pulp which increased the cost of goods sold.

Finance Cost:

There was no significant fluctuation in the finance cost during the last five years. Finance cost has, however, decreased over the years due to a decrease in interest rates and the gradual settlement of term loan obligations.

Chief Financial Officer
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Assistant General Manager
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Dhaka Stock Exchange Ltd
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Other Expenses:

Another expense is consistent over the last five years. However, it may change due to the increase/decrease in salary of manpower, some accidental losses, an increase in promotional activities, etc.

Changes of Inventory:

There is no significant change in inventory over the last five years. Some seasonal aspects of inventory need to maintain a substantial amount. Political unrest in 2013 and 2014 is also hampered the production as a result inventory at that time was higher at the end of the said years.

d) Any seasonal aspects of the issuer's business:

The requirement of Paper Products is all around the year in almost the same volume, since the demand remains more or less the same in all seasons. Therefore, the company's business is not significantly affected by the seasonal aspect. But November to January period is the busiest time for paper products especially white paper and notebooks since the start of new sessions of students across the country.

e) Any known trends, events or uncertainties that may have a material effect on the issuer's future business:

Though there are no known trends, events and/or uncertainties that shall have a material impact on the company's future business, the business operation of the Company may be affected by the following events:

- a. Political unrest
- b. Natural disaster
- c. The entrance of new technology
- d. Increased competition
- e. Increased production cost

f) Any assets of the company used to pay off any liabilities:

None of the operating assets of the company has been disposed of to liquidate any liabilities of the company.

g) Any loans taken by the issuer from its holding company or subsidiary company or loans given to aforesaid companies:

The company did not take or give any loan from or to its subsidiary or holding companies during the last five years.

h) Any future contractual liabilities the company might enter into in the future, and the impact it would have on the financial fundamentals:

The Company has no plan to enter into any contract creating future liabilities for the company except for those which are created in the normal course of business activities.

i) The estimated amount, where applicable, of future capital expenditure:

The Company as of to this date has not any plan to make any future capital expenditure.

j) Any VAT, income tax, customs duty or other tax liability which is yet to be paid, including any contingent liabilities stating why the same was not paid prior to the issuance of the Information Document:

1. Value Added Tax (VAT): There are no VAT liabilities of the Company.

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Company Secretary
Sonal Paper & Board Mills Ltd.

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2. Income Tax: The company has made full provision for income tax to date. Therefore, there is no “unaccounted for” income-tax liability of the Company.

Income year	Assessment Year	Provision	Tax Liabilities	Remarks
2014-2015	2015-2016	7,700,874	7,700,874	Completed
2015-2016	2016-2017	7,631,947	7,631,947	Completed
2016-2017	2017-2018	9,522,085	9,522,085	Completed
2017-2018	2018-2019	11,041,047	11,041,047	Completed
2018-2019	2019-2020	21,143,149	-	Under Process

3. Customs Duty: The Company has paid all customs-related duties at import stages regularly.

Therefore, no liability is outstanding except contingent liability for customs duty on June 30, 2019.

4. Other Tax Liability: There is no other Tax liability as of June 30, 2019.

Contingent Liability:

The contingent liability as regards to pending NBR case for customs duty Tk. 19,09,14,362.26, Titas Gas case for due bills Tk. 12,37,89,344.35 and interest on due bills of Titas Gas Tk. 1,20,36,006.39, total amounting Tk 32,67,39,704.00 only.

k) Source from which these VAT, Income Tax, Customs Duty and other Tax liabilities are to be paid;

The Company did not have any pending VAT, Customs duty except contingent liabilities. The company has made full provision for income tax to date.

l) Details of any operating lease the company has entered into during the five years preceding the publication of the Information Document, clearly indicating terms of the lease and how the company proposes to liquidate such lease;

Sonali Paper & Board Mills Limited did not enter into any operating lease in the previous five years.

m) Any financial commitment, including lease commitment, the company had entered into during the past five years, giving details as to how the liquidation was or is to be affected:

Sonali Paper & Board Mills Limited did not make any financial commitment in the previous five years.

n) Details of all personnel-related schemes for which the company has to make provision for in future years;

Sonali Paper & Board Mills Limited considers its human resources as the most valuable assets of the company and has been continuing to train, equip and groom fresh recruits for building a strong foundation. In order to enhance and advance the professional ability and knowledge of the employees, regular training programs are organized at different professional institutions. SPBML provides a standard monthly salary package to its employees. In addition to that there is an arrangement of following benefits for its employee:

i) Provident Fund: The Company has been maintaining a Provident fund A/c for the permanent employees. The contribution rate of an employee is 10% of the basic salary & the contribution of employer and employee is the same. The amount deposited to the provident fund can be drawn by the respective employee after completion of his five years' service in the company.

ii) Bonus: In each Eid, employees are given a festival bonus equivalent to one month's basic salary.

iii) Workers Profit Participation Fund: The Company has introduced the Workers Profit Participation Fund in accordance with chapter 15 under the Labour Act 2006 as amended in 2013.

Chief Financial Officer
Sonali Paper & Board Mills Limited

Company Secretary
Sonali Paper & Board Mills Ltd.

MANAGING DIRECTOR
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Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd



o) Break down of all expenses related to the direct listing/re-listing of securities;

The breakdown of all expenses related to Relisting of securities is estimated as under:

Particulars	Amount in TK.	Remarks
Application Fees to DSE	50,000.00	Submitted
Application Fees to CSE	50,000.00	Submitted
Annual Listing Fees to DSE	3,04,712.00	Paid up to 2020
Annual Listing Fees to CSE	7,04,785.00	Paid up to 2020
Publication of Abridge version of information document in two daily newspapers	10,00,000.00	Estimated
Miscellaneous Expenses	3,86,552.00	Estimated
Total	24,96,049.00	

p) If the issuer has revalued any of its assets, the name, qualification, and experiences of the valuer and the reason for the revaluation, showing the value of the assets prior to the revaluation separately for each asset revalued in a manner which shall facilitate comparison between the historical value and the amount after revaluation and giving a summary of the valuation report along with basis of pricing and certificates required under the revaluation guideline of the Commission;

SPBML made a revaluation of its land property in the year 2016 that was reflected in the Financial Statements of the same year. Particulars of the valuer and summary of the report are as follows:

Particulars	Revaluation
Name of the Valuer	S.H. Khan & Co. Chartered Accountants
Valuer's Qualification	A category Audit firm as per Bangladesh Bank List dated December 31, 2013
Valuer's Address	Raz Bhaban (1 st Floor), 29, Dilkusha C/A, Dhaka-1000.
The cut-off date of Revaluation	
Basis of valuation	The basis of value is market value, location, Commercial Importance, Demand of the Assets, Size of the Land
Value of Fixed Assets before revaluation	40,553,142
Value of Fixed Assets after revaluation	5,175,000,000
Revaluation Surplus	5,134,446,858
Value of current Assets before/after revaluation (same)	-
Value of Liabilities before/After revaluation (Same)	-
Reason for revaluation	To determine the fair value of Assets and Liabilities/net worth of the company
Nature of Revalued Assets	Fixed Assets (Land and Land Development)
Methods Used	Market Value Approach

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Assistant General Manager
Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd

Summary of revaluation reserve report made at cut-off date as on May 18, 2016

As per Audited Accounts of June 30, 2016

Particulars	Historical Cost (BDT)	Current Cost (BDT)	Revaluation Reserve (BDT)
Land and Land Development	40,553,142	5,175,000,000	5,134,446,858

Chief Financial Officer
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**AUDITOR'S ADDITIONAL DISCLOSURE ON REVALUATION
OF LAND AND LAND DEVELOPMENT**

SONALI PAPER & BOARD MILLS LTD

This is to certify that revaluation of Land and Land Development of **Sonali Paper & Board Mills Limited** as at May 18, 2016, carried out by independent **S.H. Khan & Co.**, Chartered Accountants have been made and the report has been prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and other applicable laws, rules, regulations, and guidelines. We also certify that proper accounting treatments, including provisions, tax, and other liabilities have been made, revaluation reserve has been created in the financial statements to consider the valuation as per applicable rules and standards.

Place: Dhaka
Dhaka: May 18, 2016

S.H. Khan & Co.
Chartered Accountants

q) Where the issuer is a holding/subsidiary company, full disclosure about the transactions, including its nature and amount, between the issuer and its subsidiary or holding company, including transactions which had taken place within the last five years of the issuance of the prospectus or since the date of incorporation of the issuer, whichever is later, clearly indicating whether the issuer is a debtor or a creditor:

The Company has no subsidiary nor it is operated under any holding company nor does it have any associate company. Hence, no transaction has taken place.

r) Where the issuer is a banking company, insurance company, non-banking financial institution, a declaration by the board of directors shall be included in the prospectus stating that all requirements as specified in ব্যাংক কোম্পানী আইন, ১৯৯১ (১৯৯১ সনের ১৪ নং আইন), বীমা আইন, ২০১০ (২০১০ সনের ১৩ নং আইন), আর্থিক প্রতিষ্ঠান আইন, ১৯৯৩ (১৯৯৩ সনের ২৭ নং আইন) have been adhered to;

Sonali Paper & Board Mills Limited is a board paper quality writing paper manufacturing Company.

s) Auditors report regarding any allotment of shares to promoters or sponsors shareholders for any consideration other than for cash;

Auditors Certificate

We certify that based on our examination of Share Register and its underlying documents, the paid-up capital of Sonali Paper & Board Mills Limited as at 30 June 2019 stands at Tk 151,263,500 consisting of 15,126,350 Ordinary Shares of Tk 10 each, as follows: -

Date	Particulars	Consideration	No of Securities	Face Value	Issue Price
At the time of Incorporation		Cash	9,195,000	Tk. 10 each	91,950,000
February 05, 2012	First Allotment	Bonus Share	551,700	Tk. 10 each	5,517,000
February 03, 2013	Second Allotment	Bonus Share	584,802	Tk. 10 each	5,848,020
January 15, 2014	Third Allotment	Bonus Share	1,033,150	Tk. 10 each	10,331,500
February 02, 2015	Fourth Allotment	Bonus Share	1,136,465	Tk. 10 each	11,364,650
February 02, 2016	Fifth Allotment	Bonus Share	1,250,111	Tk. 10 each	12,501,110
February 18, 2017	Sixth Allotment	Bonus Share	1,375,122	Tk. 10 each	13,751,220
	Total		1,51,26,350 (at TK. 10 each)		151,263,500

Dated, Dhaka
20 October, 2019

Chief Financial Officer
Sonali Paper & Board Mills Limited

Company Secretary
Sonali Paper & Board Mills Ltd.

Fames & R
Chartered Accountants

MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD

Vetted
Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd



t) Any material information, which is likely to have an impact on the affairs of the company or change the terms and conditions under which the listing to be accepted;

There is no other material information having an impact on the affairs of the Company.

8. DIRECTORS AND OFFICERS

(a) Name, ages and positions of all Directors, Alternate Directors of the company and any person nominated to be a Director, showing the period for which, the nomination has been made and the name of the organization which has nominated him;

Name	Age	Position	Name of the institutions and Duration for Nominated Director
Mohammed Younus	62	Chairman	N/A
Mahfuza Younus	57	Managing Director	N/A
Mohammed Javed Noman	35	Director	N/A
Kazi Aslam Hossain	71	Independent Director	N/A
A.K.M. Nurul Fazal Bulbul	59	Independent Director	N/A
Ashim Kumar Roy	72	Independent Director	N/A


(b) In the case of a director or alternate director, the date on which he first became a director and the date on which his current term of office shall expire;

Name of Directors	Position	Date of first joining	Date of Retirement & Re-election	Date of Retirement
Mohammed Younus	Chairman	25.06.2005	16.01.2020	15.01.2021
Mahfuza Younus	Managing Director	25.06.2005	16.01.2020	15.01.2021
Mohammed Javed Noman	Director	25.06.2005	16.01.2020	15.01.2021
Kazi Aslam Hossain	Independent Director	22.02.2015	21.02.2018	20.02.2021
A.K.M. Nurul Fazal Bulbul	Independent Director	20.01.2016	19.01.2019	18.01.2022
Ashim Kumar Roy	Independent Director	04.10.2007	27.10.2019	26.10.2022

(c) If any director or alternate director is also a director of another company or owner or partner of any other concern, the names of such organizations;

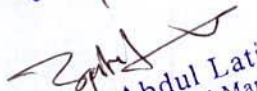
Name of Directors	Position in Sonali Paper & Board Mills Ltd.	Directorship/Sponsorship/Ownership in other Company
Mohammed Younus	Chairman	Shown in separate sheet-1
Mahfuza Younus	Managing Director	Shown in separate sheet - 2
Mohammed Javed Noman	Director	Shown in separate sheet - 3
Kazi Aslam Hossain	Independent Director	N/A
A.K.M. Nurul Fazal Bulbul	Independent Director	Shown in separate sheet - 4
Ashim Kumar Roy	Independent Director	N/A

Vetted


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.


Mahfuza Younus
MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD


Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd



- (d) If any director or alternate director is also a director of another listed company or owner or partner of any other concern, the names of such organizations, position in the market in terms of dividend and category;

Name of Directors	Position in Sonali Paper & Board Mills Ltd.	Directorship/Sponsorship/Ownership in other listed Company; and related information	Category at DSE
Mohammed Younus	Chairman	Shahjalal Islami Bank Ltd.	A
Mahfuza Younus	Managing Director	N/A	N/A
Mohammed Javed Noman	Director	N/A	N/A
Kazi Aslam Hossain	Independent Director	N/A	N/A
A.K.M. Nurul Fazal Bulbul	Independent Director	Export-Import (Exim) Bank of Bangladesh Ltd.	A
Ashim Kumar Roy	Independent Director	N/A	N/A

- (e) Any family relationships among directors, alternate directors, nominees, and officers;

Name of Directors	Position	Relationship with other Directors
Mohammed Younus	Chairman	Husband of Mahfuza Younus
Mahfuza Younus	Managing Director	Wife of Mohammed Younus
Mohammed Javed Noman	Director	Son of Mohammed Younus
Kazi Aslam Hossain	Independent Director	N/A
A.K.M. Nurul Fazal Bulbul	Independent Director	N/A
Ashim Kumar Roy	Independent Director	N/A

- (f) Short bio-data of each director;

Mr. Mohammed Younus

Mr. Mohammed Younus was born in a Muslim family at Tongibari, Munshigonj in the year 1958. Later He has brought up and educated himself at Govt. Titumir College in Dhaka. Now He is the Chairman of Sonali Paper & Board Mills Limited. He is the Managing Director of 35 different types of Industrial Units and Sponsor Director of Shahjalal Islami Bank Ltd. He was a member of NCID (National Council for Industrial Development). Honorable Prime Minister is the Chairperson of this committee. He has been awarded “DeshBandhuChittaranjan Das” Gold Medal for Industrialization in our country and this Medal was handed over by the Honorable President of People’s Republic of Bangladesh in the year 1993. He is the Member of Kurmitola Golf Club, Dhaka. He is a life member of the SAARC Chamber of Commerce and Industries. He was elected as a member, Executive Committee of FBCCI (Federation of Bangladesh Chambers of Commerce and Industries) and Chairman, Standing Committee on Petro-Chemical & Pharmaceutical Industry. He is a member of the Aviation Operating Association of Bangladesh. He is a Director of Athena Venture & Equities Limited and a member of the Board of Trustee of Fareast International University. He was also the President of Bangladesh PVC Pipe Manufacturer’s Association and Bangladesh Nylon Yarn Manufacturer’s Association. He is a member of the Executive Committee of Bangladesh Cold Storage Association. He was the President of the Lions Club of New Eskaton Garden, Dhaka. He was the President of Sarnagram R.N. High School, Tongibari, Munshigonj. Mr. Younus widely traveled around the world for business as well as personal tour. On several occasions, he also visited as a member of the Delegation of the Government of Bangladesh.


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Dhaka Stock Exchange



Mrs. Mahfuza Younus

Mrs. Mahfuza Younus was born on October 04, 1963. She is the Managing Director of Sonali Paper & Board Mills Limited. She is a widely traveled woman. She engaged herself in the business for a long time and gathered huge knowledge and experience in the arena of business. She is also the honorable Director of Express Insurance Limited, Bikrampur Potato Flakes Industries Limited and 30 more concerns of Younus Group of Industries.

Mohammed Javed Noman

Director of SPBML was born in the year 1983 in a respectable Muslim family. He is the eldest son of Mr. Mohammed Younus & Mahfuza Younus. He has completed his Bachelor of Business in Accounting from Monash University, Melbourne, Australia in 2008. He is very much skilled in speaking English and Bengali. He has played an important role in establishing Bikrampur Potato Flakes Industries Limited a sister concern of Younus Group of Industries and playing the role of Managing Director there. He is also in the Advising Committee of Younus Group on strategic issues and developing international Business.

Kazi Aslam Hossain

Kazi Aslam Hossain is an Independent Director of the Company. He was born and raised, along with four siblings, in Dhaka. After completing his schooling and college education in Dhaka, he obtained his Master of Business Administration (M.B.A.) from the Institute of Business Administration (I.B.A.) and Diploma in Journalism, both from Dhaka University. After appearing in the competitive examination conducted by the Public Service Commission (P.S.C.), he joined the Taxation Cadre of the Bangladesh Civil Service [B.C.S. (Taxation)] in February 1977. He worked as Assistant Commissioner of Taxes (A.C.T.) and Deputy Commissioner of Taxes (D.C.T.) in different taxes Circles, Joint Commissioner of Taxes (J.C.T.) and Additional Commissioner of Taxes (Addl.C.T.) in different Appeal and Inspecting and Ranges, Commissioner of Taxes (C.T.) in Rajshahi Zone, Taxes Zone - 7, Dhaka and Taxes Zone - 1 Dhaka and Member of the Taxes Appellate Tribunal (T.A.T.), Dhaka. Finally, he worked at the apex body of Revenue Administration, the National Board of Revenue (N.B.R.), Dhaka as Member (Tax Administration & Monitoring) and retired from there in December 2006. He is a widely traveled person and is associated with different socio-cultural organizations in different fields. With vast and rich experience in Taxation, Accounts, Audit, Business Administration and other financial matters, Kazi Aslam Hossain is the present Chairman of the Audit Committee of the company.

A.K.M. Nurul Fazal Bulbul

A.K.M Nurul Fazal Bulbul born in 1960 at Wari in Dhaka is popularly known in Bangladesh society as a social and corporate Personality. He completed his Bachelor of Commerce (Honors) and Masters in Business Management from the University of Dhaka in 1985. Later on, he obtained LLB and enrolled in the Supreme Court Bar. He started his career as a Management and Tax Consultant. Then he started supply & trading business in 1991 and established Meena Printers & Packaging in 1995. He is the Co-founder of (1) EXIM Bank Ltd., (2) Sunlife Insurance Co., (3) Japan-Bangladesh Medical Associates, (4) Ei Floor Group, etc. He is Vice Chairman of Central Depository Bangladesh Ltd. (CDBI) and Director of Infrastructure Investment Facilitations Company (Govt. owned PPP service Provider Company) from 2011 and BCI Board. He is the Advisor of Japan-Bangladesh Hospital,

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Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd.


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.



Sunlife Insurance Co., AML Group and Doreen Power Generation Co., etc. He served as Founder Board Audit Chairman of EXIM Bank for more than a decade. He was the Director of FBCCI, SAARC Chamber, OIC Business Forum, Central Zakat Board and FBCCI Foundation. He is the Trustee of two reputed University of Bangladesh and Secretary of Research & Training, Bangladesh Association of Banks (An apex body of 38 private Banks of the country) Vice Chairman of Islamic Banks Consultative Forum (IBCF -An apex body of Islamic Banking Industry of the country). He is working as Secretary-General of Gulshan Central Mosque & Eidgah Society. The Government appointed him as "chief of Bangladesh Mission to London Olympic, 2012" and Delhi Commonwealth Games, 2010. He is the President of the Bangladesh Handball Federation since 2008. He widely visited more or less one hundred countries and cities in the world.

Ashim Kumar Roy

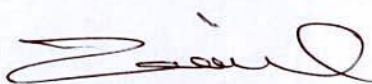
Ashim Kumar Roy is an Independent Director of Sonali Paper & Board Mills Ltd. He got his appointment on the 46th meeting of the Board of Directors held on 27th October 2016. He was born on April 10, 1947. He served in Agrani Bank as a probationary officer from 1973 to 1976. After qualifying in Bangladesh Civil Service (BCS), he joined the Taxation Cadre in 1977 and served as Asstt. Commissioner, Deputy Commissioner, Joint Commissioner, Addl. Commissioner and Commissioner of Taxes. In 2003, he joined the National Board of Revenue (The highest body of making tax policy in Bangladesh) as its' Member (Taxes). In 2004 after successful completion of tenure, he retired from Govt. Service. Later he established a tax Consultancy firm under the name "ADN Associated" in the year 2004 and rendering professional services as tax advisers of different financial institutions including Banks. Insurance Companies, NGO'S and large business houses.

(g) Neither the company nor any of its directors or shareholders who hold 5% or more shares in the paid-up capital of the issuer is loan defaulter in terms of the CIB Report of the Bangladesh Bank;

Neither the Company nor any of its' Directors or shareholders who hold 5% or more shares in the paid-up capital is loan defaulter in terms of the CIB report of Bangladesh Bank.

(h) Name, position, educational qualification, date of joining in the company, last five years' experience of the Chief Executive Officer, Chief Financial Officer, Company Secretary, Advisers, Consultants, Deputy Managing Directors and All Department Heads:

Sl	Name	Position	Educational Qualification	Date of Joining	Experience in the last five years
1	Mahfuza Younus	Managing Director & Chief Executive Officer	HSC	25.06.2005	Vast experience in Business
2	Mohammad Ziaul Haque	Chief Financial Officer	MBA	01.02.2007	Working as CFO for the last 6 years.
3	Md. Rashedul Hossain	Company Secretary	MBS	04.08.2011	Working as CS for the last 3 years
4	-	Advisers	N/A	N/A	N/A
5	-	Consultants	N/A	N/A	N/A
6	-	Deputy Managing Director	N/A	N/A	N/A


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Company Secretary
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Dhaka Stock Exchange



7	Shahudul Haque	Executive Director	BA	01.07.2006	Vast experience in Business
8	Md. Kawsar Azizur Rahman	Director Technical	B. Sc Engr. (Mechanical)	01.07.2006	Vast experience in Technical matters
9	Golam Zilani Bhuiyan	Director Marketing	MBA	01.06.2013	Vast experience in Marketing
10	Md. Kamrul Islam	Director Admin	BA	01.07.2006	Experienced in Admin related issues
11	Al- Mamun Parvez	Accounts GM	B. Com	06.01.1999	Experienced in Accounts & Finance
12	Md. Sayed Hassan	Head of Commercial	B. Com	02.05.1995	Vast experience in commercial matters
13	Md. Nurul Islam	Factory DGM	M. Com	01.08.1990	Experienced in Factory related issues
14	Md. Mahabub Alam	Head of Internal Audit	MBA, CA-P1	08.06.2014	Experienced in Export, Import & Business operation

(9) INVOLVEMENT OF OFFICERS AND DIRECTORS IN CERTAIN LEGAL PROCEEDINGS

(a) Any bankruptcy petition filed by or against any company of which any officer or director of the company filing the information document was a director, officer or partner at the time of the bankruptcy;

There is no such incident of bankruptcy petition filed by or against any company of which any officer or director of the company filing the information document was a director, officer or partner at the time of the bankruptcy.

(b) Any conviction of an officer, director in a criminal proceeding or any criminal proceeding pending against him;

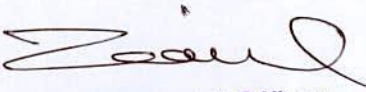
There is neither any conviction of an officer, director of the company in a criminal proceeding nor any criminal proceeding pending against them.

(c) Any order, judgment or decree of any court of competent jurisdiction against any officer, director permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any officer or director in any type of business, securities or banking activities;

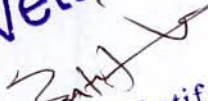
There is no such order, judgment or decree of any court of competent jurisdiction against any officer, director of the company; permanently or temporarily enjoining, barring, suspending or otherwise limiting their involvement in any type of business, securities or banking activities.

(d) Any order of the Bangladesh Securities and Exchange Commission, or other regulatory authority or foreign financial regulatory authority, suspending or otherwise limiting the involvement of any officer or director in any type of business, securities or banking activities.

There is no such order of the Bangladesh Securities and Exchange Commission, or other regulatory authority or foreign financial regulatory authority, suspending or otherwise limiting the involvement of any officer or director of the company in any type of business, securities or banking activities.


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Dhaka Stock Exchange Ltd.



(10) CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

a) Description of any transaction during the last two years, or any proposed transactions, between the issuer and any of the following persons involved in the transaction, their relationship to the issuer, the nature of their interest in the transaction and the amount of such interest, namely:

Name	Relationship	Nature of Transaction	Year ended June 30, 2019	Year ended June 30, 2018
Mohammed Younus	Chairman	Remuneration & Board Meeting Attendance fees	24,40,000	24,32,000
Mahfuza Younus	Managing Director	Remuneration & Board Meeting Attendance fees	6,40,000	6,32,000
Mohammed Javed Noman	Director	Remuneration & Board Meeting Attendance fees	8,80,000	8,72,000
Kazi Aslam Hossain	Independent Director	Board Meeting Attendance fees	40,000	40,000
A.K.M. Nurul Fazal Bulbul	Independent Director	Board Meeting Attendance fees	30,000	30,000
Ashim Kumar Roy	Independent Director	Board Meeting Attendance fees	30,000	30,000
Total			40,40,000	40,16,000

Apart from the above transactions the company does not have any other transactions with related parties or any proposed transactions with related parties.

(b) Any director or Officer:

None, except mention above (point a)

(c) Any person owning 5% or more of the outstanding stocks of the issuer:

None

(d) Any member of the immediate family (including spouse, parents, brothers, sisters, children, and in-laws) of any of the above person:

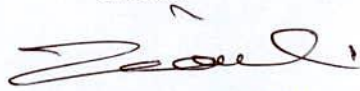
None, except mention above (point a)

(e) Any transaction or arrangement entered into by the issuer or its subsidiary for a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries/holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the publication of the information document;

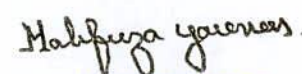
There is no Transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries/holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus except the transaction mentioned in the previous table.

(f) Any loans either taken or given from or to any director or any person connected with the director, clearly specifying details of such loan in the information document, and if any loan has been taken from any such person who did not have any stake in the issuer, its holding company or its associate concerns prior to such loan, rate of interest applicable, date of loan taken, date of maturity of loan;

The company hasn't taken from or given to any loans to any director or any person connected with the director.


Chief Financial Officer
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Company Secretary
Sonali Paper & Board Mills Ltd.


MANAGING DIRECTOR
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Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd



(g) Any director holding any position, apart from being a director in the issuer company, in any company, society, trust, organization, or proprietorship or partnership firm;

Name	Position	Directorship/Sponsorship/Ownership in other company, society, trust, organization, or proprietorship or partnership firm	Position
Mohammed Younus	Chairman	Fareast International University	Trustee
Mahfuza Younus	Managing Director	Fareast International University	Trustee
Mohammed Javed Noman	Director	N/A	N/A
Kazi Aslam Hossain	Independent Director	N/A	N/A
A.K.M. Nurul Fazal Bulbul	Independent Director	N/A	N/A
Ashim Kumar Roy	Independent Director	N/A	N/A

(h) All interests and facilities enjoyed by a director, whether pecuniary or non-pecuniary

The directors have not enjoyed any pecuniary or non-pecuniary except mentioned above (point a)

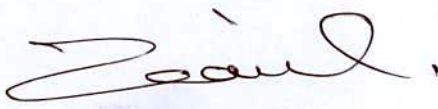
(11) EXECUTIVE COMPENSATION

(a) The amount of remuneration paid to each of the top ten salaried officers of the issuer in the last accounting year and the name and designation of each such officer;

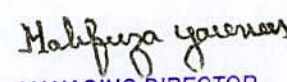
Sl	Name	Position	Salary as on June 30, 2019
1	Golam Zilani Bhuiyan	Director Marketing	19,38,246.00
2	Md. Kamrul Islam	Director Admin	18,33,978.00
3	Md. Kawsar Azizur Rahman	Director Technical	17,31,546.00
4	Shahudul Haque	Executive Director	13,89,140.00
5	Mohammad Ziaul Haque	Chief Financial Officer	14,12,136.00
6	Al- Mamun Parvez	Accounts GM	11,67,420.00
7	Md. Sayed Hassan	Head of Commercial	10,18,908.00
8	Md. Nurul Islam Khan	Factory DGM	8,87,538.00
9	Md. Mahabub Alam	Head of Internal Audit	4,87,080.00
10	Md. Rashedul Hossain	Company Secretary	4,56,156.00
Total			1,44,18,204.00

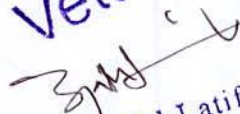
(b) The aggregate amount of remuneration paid to all of the officers and directors as a group during the last accounting year;

Sl	Particulars	Nature of Payment	Period ended June 30, 2019
1	Directors	Board Meeting Fees	2,20,000.00
2	Managing Director and Directors	Remuneration	38,40,000.00
3	Officers & Executives	Salary & Allowances	4,65,27,875.00
Total			5,05,87,875.00


Chief Financial Officer
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Assistant General Manager
Head of Listing Affairs
Dhaka Stock Exchange
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(c) The amount of remuneration paid to any director who was not an officer during the last accounting year;

No remuneration paid to any director who was not an officer during the last accounting year.

(d) Any contract with an officer or director providing for the payment of future compensation;

There is no such contract between the company and any of the directors or officers regarding any future compensation to be made to them.

(e) If the issuer intends to substantially increase the remuneration paid to its officers and directors in the current year-appropriate information regarding thereto.

The company has no plan for substantially increasing remuneration to its directors and/or officers except for those that are paid as an annual increment to their salaries.

(12) OPTIONS GRANTED TO OFFICERS, DIRECTORS, AND EMPLOYEES

Sonali Paper & Board Mills Ltd. did not grant any options to its Directors, officers and/or any other employees for the purpose of issuing shares.

(13) TRANSACTION WITH PROMOTERS

This information is not applicable for Sonali Paper & Board Mills Limited.

(14) TANGIBLE ASSETS PER SHARE

Net asset value per share

Particulars	Note	June 30, 2019 (BDT)
Share Capital as on June 30, 2019	A	151,263,500.00
Revaluation Reserve as on June 30, 2019	B	4,927,446,858.00
Retained Earnings as on June 30, 2019	C	17,427,178.00
Total Shareholders' Equity as on June 30, 2019	A+B+C	5,096,137,536.00
Number of Shares as on June 30, 2019	D	15,126,350.00
Net Asset Value (NAV) per share as on June 30, 2019		336.90

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Head of Listing Affairs Dept.
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(15) OWNERSHIP OF THE COMPANY SECURITIES

(a) Name and address of any person who owns, beneficially or of record, 5% or more of the securities of the issuer, indicating the number of securities owned, whether they are owned beneficially or of record and the percentage of the securities represented by such ownership;

Sl	Name of Shareholder	Address	Amount of Securities Owned	Value of Securities (TK 10/= each)	Type of Ownership	Shareholding by beneficially or of record ownership (%)
1	Mahfuza Younus	51, Central Road, Dhanmondi, Dhaka.	20,81,492	20,814,920	Director	13.76
2	Mohammed Younus	51, Central Road, Dhanmondi, Dhaka.	20,85,539	20,855,390	Director	13.79
3	Mohammed Javed Noman	51, Central Road, Dhanmondi, Dhaka.	67,29,766	67,297,660	Director	44.49
Total			1,08,96,797	108,967,970		72.03

(As on June 30, 2019)

[Signature]
Chief Financial Officer
Sonali Paper & Board Mills Limited

[Signature]
Company Secretary
Sonali Paper & Board Mills Ltd.

Mahfuza younus.
MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.



(b) Number of shares of the issuer's securities owned by each of the top ten salaried officers, each director, and all other officers as a group, indicating the percentage of outstanding shares represented by the shares owned

Sl No.	Name	Designation	No. of Share	Percentage of Holding
1	Golam Zilani Bhuiyan	Director Marketing	Nil	Nil
2	Md. Kamrul Islam	Director Admin	Nil	Nil
3	Md. Kawsar Azizur Rahman	Director Technical	Nil	Nil
4	Shahudul Haque	Executive Director	Nil	Nil
5	Mohammad Ziaul Haque	Chief Financial Officer	Nil	Nil
6	Al- Mamun Parvez	Accounts GM	Nil	Nil
7	Md. Sayed Hassan	Head of Commercial	Nil	Nil
8	Md. Nurul Islam Khan	Factory DGM	Nil	Nil
9	Md. Mahabub Alam	Head of Internal Audit	Nil	Nil
10	Md. Rashedul Hossain	Company Secretary	Nil	Nil
11	Mahfuza Younus	Managing Director	20,81,492	13.76%
12	Mohammed Younus	Chairman	20,85,539	13.79%
13	Mohammed Javed Noman	Director	67,29,766	44.49%
14	Kazi Aslam Hossain	Independent Director	Nil	Nil
15	A.K.M. Nurul Fazal Bulbul	Independent Director	Nil	Nil
16	Ashim Kumar Roy	Independent Director	Nil	Nil
17	Other officers as a Group	N/A	Nil	Nil

(16) DESCRIPTION OF SECURITIES OUTSTANDING OR BEING OFFERED

This information is not applicable for Sonali Paper & Board Mills Limited.

(17) DEBT SECURITIES: THE INFORMATION DOCUMENT SHALL:

The Company has not issued any debt securities.

(18) FINANCIAL STATEMENT REQUIREMENTS

(a) Auditors' report and Financial Statements

Vetted
Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD



Independent Auditor's Report

To the Shareholders
of

Sonali Paper & Board Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Sonali Paper & Board Mills Limited**, which comprise the statement of financial position as at 30 June 2019, and the statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity for the year then ended 30 June 2019, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2019, 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 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Going Concern

We draw attention to note # 2.03 to the financial statements describe the matters about Going Concern issue of the company where it has been mentioned that the credit facilities and resources of the company provides sufficient fund to meet the requirements of its business.

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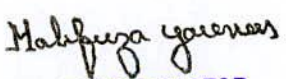
Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements 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. For each matter below our description of how our audit addressed the matters provided in that context.

Risk	Our response to the risk
Valuation of Inventory	
<p>Inventories are carried at the lower of cost and net realizable value. As a result, the Directors apply judgment in determining the appropriate values for slow-moving or obsolete items.</p> <p>Inventories are maintained by manual interfaces and inputs, there is a risk that inappropriate management override and/ or error may occur.</p>	<p>We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:</p> <ul style="list-style-type: none"> ➤ evaluating the design and implementation of key inventory controls operating across the company; ➤ attending inventory counts and reconciling the count results to the inventory listings to test the completeness of data; ➤ comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete; ➤ reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year.
<p>See note no 2.13 and 04 to the financial statements</p>	


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Impairment of Property, Plant and Equipment	
<p>The economic climate and levels of competition remain challenging for the Company. The Company has completed a Strategic Review and as a result has decided to close or curtail some of its operations. Therefore there is a risk that the impairment charge may be misstated.</p> <p>Determining the level of impairment involves forecasting and discounting future cash flows and estimation of recoverable amounts which are inherently uncertain. This is one of the key judgmental areas that our audit has concentrated on</p>	<p>Our audit procedures included, among others, considering the impairment risk associated with the following different types of asset:</p> <ul style="list-style-type: none"> ➤ We critically assessed and checked the company's impairment model. This included consideration of discounted cash flow forecast. ➤ We have also considered the adequacy of the company's disclosures about the degree of estimation involved in determining the amount of impairment and the sensitivity to key assumptions involved.
<p>See note no 2.12 and 03 to the financial statements</p>	
Measurement of Deferred Tax Liability	
<p>The company reports net deferred tax liability as at 30 June 2019. For which Significant judgment is required in relation to deferred tax liabilities as it is probable that taxable profit will be reduced against which the taxable temporary differences can be recognized over a number of years.</p>	<ul style="list-style-type: none"> ➤ We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group's key controls over the recognition and measurement of DTAs and the assumptions used in estimating the Group's future taxable income. ➤ We also assessed the completeness and accuracy of the data used for the estimations of future taxable income. ➤ We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTA's. <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p>
<p>See note no 11 to the financial statements</p>	

Vetted

 Md. Abdul Latif
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Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

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

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

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we 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.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

- a) We have obtained all the information and explanation 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 account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) The Company's statement of financial position and statement of profit or loss with by the report are in agreement with the books of account.
- d) The expenditure incurred was for the purpose of the Company's business.

Dated: Dhaka

20 October, 2019


FAMES & R

Chartered Accountants


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.



SONALI PAPER & BOARD MILLS LIMITED
Statement of Financial Position
As at 30 June, 2019

Particulars	Notes	Amount in Taka 30 June, 2019	Amount in Taka 30 June, 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipments	3	5,791,474,979	5,786,966,859
Current Assets			
Inventories	4	319,782,979	212,553,124
Trade and Other Receivables	5	166,184,770	80,202,987
Advances, Deposits & Prepayments	6	74,175,197	75,258,411
Cash and Cash Equivalents	7	36,717,385	45,224,744
TOTAL ASSETS		6,388,335,310	6,200,206,125
EQUITY AND LIABILITIES			
Share Holders' Equity			
Share Capital	8	151,263,500	151,263,500
Revaluation Reserve	9	4,927,446,858	4,927,446,858
Retained Earnings		17,427,178	(46,002,269)
Non-Current Liabilities			
Long Term Bank Loan (Secured)	10	68,162,379	127,411,335
Deferred Tax Liability	11	300,980,127	301,997,723
Current Liabilities			
Short Term Bank Loan (Secured)	12	785,323,792	615,821,259
Current Portion of Long Term Loan	10	73,210,788	66,826,272
Trade and Other Payables	13	64,520,689	55,441,447
TOTAL EQUITY AND LIABILITIES		6,388,335,310	6,200,206,125
Net Asset Value (NAV) Per Share	21	336.90	332.71

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 20 October, 2019 and were signed on its behalf by :

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Sd/-
Director

Sd/-
Managing Director

This is the Statement of Financial Position referred to in our separate report of even date.

Dated: 20 October, 2019

Place: Dhaka

Chief Financial Officer
Sonali Paper & Board Mills Limited

Company Secretary
Sonali Paper & Board Mills Ltd.

FAMES & R
Chartered Accountants

MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.

Vetted

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd



SONALI PAPER & BOARD MILLS LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June, 2019

Particulars	Notes	Amount in Taka 2018-2019	Amount in Taka 2017-2018
Revenue	14	1,836,468,625	1,488,570,023
Less: Cost of Goods Sold	15	(1,532,434,322)	(1,241,587,572)
Gross Profit		304,034,303	246,982,451
Less: Operating Expenses:		(141,608,178)	(138,975,009)
Administrative Expenses	16	(128,332,086)	(125,460,416)
Selling and Distribution Expenses	17	(13,276,092)	(13,514,593)
Profit from Operation		162,426,125	108,007,442
Less: Finance Cost	18	(73,541,349)	(64,106,634)
Add: Other Income	19	139,009	128,492
Profit before W.P.P.F		89,023,784	44,029,301
Less: Workers Profit Participation Fund @ 5%		(4,451,189)	(2,201,465)
Net Profit / (Loss) before Tax		84,572,595	41,827,836
Less: Provision for Income Tax	20	(21,143,149)	(11,041,047)
Net Profit after Tax		63,429,447	30,786,789
Earnings Per Share (EPS)	22	4.19	2.04

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 20 October, 2019 and were signed on its behalf by :

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Sd/-
Director

Sd/-
Managing Director

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our separate report of even date.

Dated: 20 October, 2019
Place: Dhaka

FAMES & R
Chartered Accountants

Vetted

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd

Chief Financial Officer
Sonal Paper & Board Mills Limited

Company Secretary
Sonal Paper & Board Mills Ltd.

MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.



SONALI PAPER & BOARD MILLS LIMITED

**Statement of Changes in Equity
For the year ended 30 June, 2019**

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total Taka
As at 30 June, 2018	151,263,500	4,927,446,858	(46,002,269)	5,032,708,089
Profit/(Loss) for the year	-	-	63,429,447	63,429,447
Balance at 30 June, 2019	151,263,500	4,927,446,858	17,427,178	5,096,137,536

SONALI PAPER & BOARD MILLS LIMITED

**Statement of Changes in Equity
For the year ended 30 June, 2018**

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total Taka
As at 30 June, 2017	151,263,500	4,927,446,858	(76,789,058)	5,001,921,300
Profit/(Loss) for the year	-	-	30,786,789	30,786,789
Balance at 30 June, 2018	151,263,500	4,927,446,858	(46,002,269)	5,032,708,089

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 20 October, 2019 and were signed on its behalf by:

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Sd/-
Director

Sd/-
Managing Director

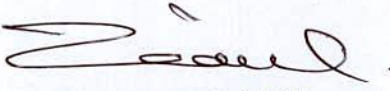
This is the Statement of Changes in Equity referred to in our separate report of even date.

Dated: 20 October, 2019
Place: Dhaka


FAMES & R
Chartered Accountants

Vetted

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd.


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.



SONALI PAPER & BOARD MILLS LIMITED

Statement of Cash Flows

As at and for the year ended 30 June, 2019

Particulars	Notes	Amount in Taka 2018-2019	Amount in Taka 2017-2018
A. Cash Flows from Operating Activities			
Cash received from customers		1,890,499,083	1,558,203,608
Paid to suppliers, payables and other expenses		(1,646,739,913)	(1,295,749,268)
Paid for administrative expenses		(67,724,242)	(66,225,869)
Paid for selling expenses		(13,276,092)	(13,514,593)
Advance, deposit & prepayments		2,477,670	(55,497,457)
VAT paid		(139,283,900)	(140,243,299)
Income tax paid		(12,579,756)	(10,403,218)
Net cash generated from operating activities		<u>13,372,850</u>	<u>(23,430,096)</u>
B. Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(65,115,964)	(59,041,024)
Bank interest income		<u>139,009</u>	<u>128,493</u>
Net cash used in investing activities		<u>(64,976,955)</u>	<u>(58,912,531)</u>
C. Cash Flows from Financing Activities			
Long term bank loan received/(refund)		(52,864,439)	(43,308,099)
Short term bank loan received/(refund)		169,502,534	200,254,235
Finance cost		<u>(73,541,349)</u>	<u>(64,106,634)</u>
Net cash generated in financing activities		<u>43,096,746</u>	<u>92,839,502</u>
D. Net cash inflow/(outflow) for the period (A+B+C)		(8,507,359)	10,496,877
E. Opening cash and cash equivalents		<u>45,224,744</u>	<u>34,727,867</u>
F. Closing Cash and Cash equivalents (D+E)		<u><u>36,717,385</u></u>	<u><u>45,224,744</u></u>
Net Operating Cash Flow Per Share	23	<u><u>0.88</u></u>	<u><u>(1.55)</u></u>

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 20 October, 2019 and were signed on its behalf by :


Sd/- Chief Financial Officer Sd/- Company Secretary Sd/- Director Sd/- Managing Director

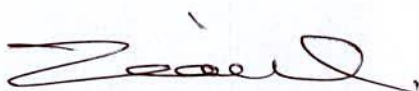
This is the Statement of Cash Flows referred to in our separate report of even date.

Dated: 20 October, 2019

Place: Dhaka


FAMES & R
Chartered Accountants

Vetted

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd.


Chief Financial Officer
Sonal Paper & Board Mills Limited


Company Secretary
Sonal Paper & Board Mills Ltd.


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.



SONALI PAPER & BOARD MILLS LIMITED

Notes to the Financial Statements as at and for the year ended 30 June, 2019

1.00 About the Company

1.01 Legal Form of the Company

Reporting Company: Sonali Paper & Board Mills Ltd. was incorporated vide registration no C-5576/134 in Bangladesh in the year 1978 under Companies Act, 1913 & 1994 as a Public Limited Company. The shares of the company are traded in Dhaka Stock Exchange of Bangladesh.

1.02 Address of the Registered Office and Factory

The registered office of the Company is Located at 51, Central Road, Dhanmondi, Dhaka-1205. The Industrial Unit is situated at Jatramura, Tarabo, Rugonj, Narayanganj.

1.03 Nature of Business Activities

Principal activities of the company are manufacturing & marketing of Media, Liner, Simplex, Duplex Board and Quality Writing Papers.

2.00 Significant Accounting Policies and Other Material Information.

2.01 Basis of Preparation and Presentation of Financial Statements

The financial statements have been prepared on going concern concept, historical cost convention and on accrual basis in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) and in compliance with the companies Act 1994, the Securities and Exchanges Rules 1987 and listing regulations of Dhaka Stock Exchange Ltd (DSE).

2.02 Authorization for Issue

The financial statements were approved by the Board of Directors of the company on 20 October, 2019.

2.03 Going Concern

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

2.04 Functional and Presentational Currency

These financial statements are prepared in Bangladeshi Taka (Taka/Tk.) which is the Company's functional currency. All financial information presented in Taka has been rounded off.

2.05 Use of Estimates and Judgments:

The preparation of Financial Statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses. Due to inherent uncertainties involved in making estimates actual results may differ from those estimates and under lying assumptions are reviewed on a going concern basis.

2.06 Comparative Information and Re-arrangement thereof

Comparative information has been disclosed in respect of the previous year for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements. Previous year's figures have been rearranged wherever considered necessary, to ensure better comparability with the current year's financial statements and to comply with relevant IASs.

2.07 Reporting Period

The Financial Statements covers twelve months from 1st July, 2018 to 30 June, 2019 consistently.

Chief Financial Officer
Sonali Paper & Board Mills Limited

Company Secretary
Sonali Paper & Board Mills Ltd.

MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.

Vetted
Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd.



2.08 Principal Accounting Policies

Specific accounting policies were selected and applied by the company's management for significant transaction and events that have material effect within the framework of IAS-1 ("Presentation of Financial Statements") in preparation and presentation of financial statements. The previous years figures were presented according to the same accounting principles. Changes made to the presentation are explained in the note for each respective item.

Accounting and valuation methods are disclosed for reasons of clarity. The company classified the expenses using the function of expenses method as per IAS-1.

2.09 Compliance with Bangladesh Accounting Standards (IASs)

IAS - 01 Presentation of Financial Statements
IAS - 02 Inventories
IAS - 07 Statement of Cash Flows
IAS - 08 Accounting Policies, Changes in Accounting Estimates and Errors
IAS - 10 Events After the Reporting Period
IAS - 12 Income Taxes
IAS - 16 Property, Plant and Equipment
IAS - 19 Employee Benefits
IAS - 21 The effects of Changes in Foreign Exchange Rates
IAS - 23 Borrowing Costs
IAS - 24 Related Party Disclosures
IAS - 33 Earnings Per Share
IAS - 32 Financial Instruments: Presentation
IAS - 36 Impairment of Assets
IAS - 37 Provisions, Contingent Liabilities and Assets
IFRS - 9 Financial Instruments
IFRS - 15 Revenue from contract with customers
The related BFRSs are also complied for the preparation of these financial statements.

2.10 Property, Plant and Equipment (PPE)

Recognition and Measurement:

Property, Plant and Equipments have been stated at cost and subsequent revaluation (only land) amount less accumulated depreciation. Accumulated historical cost and depreciation have been shown in the Financial Statements. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its state of intended use.

Subsequent Expenditure:

Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an addition to cost of the assets.

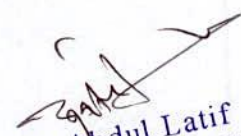
Disposal:

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized as non operating income and reflected in the Statement of Profit or Loss and Other Comprehensive Income.


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.


Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd



2.11 Depreciation

Depreciation on Property, Plant & Equipments other than Land and land development has been computed during the year using the reducing balance method so as to write off the assets over their expected useful life. Depreciation has been charged on additions on the basis of when it is available for use.

After considering the useful life of assets as per IAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

Sl No.	Non-Current Assets	Rate of Depreciation
01	Building & Godown	5%
02	Labour Shed	5%
03	Plant, Machinery & Boiler	10%
04	Electric Equipments & Others	10%
05	Generator & 5 M W Power Station	10%
06	Weighing & Road Scale	10%
07	Electric & Gas Installation	10%
08	Motor Vehicles	15%
09	Fax Machine	10%
10	PABX & Telephone Set	10%
11	Computer	10%
12	ETP	5%
13	Fire Fitting Equipments	5%
14	Crane, Trolley & Fork Lift	5%
15	Workshop & Loose Tools	5%
16	Furniture & Fixture	10%

Vetted

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange

2.12 Impairment of Assets

All assets have been reviewed according to IAS 36 and it was confirmed that no such assets have been impaired during the year and for this reason no provision has been made for impairment of assets.

2.13 Inventories

Inventories are measured at the lower of cost and net realizable value as prescribed by IAS-2. The cost of inventories is based on the FIFO method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the Case of manufactured inventories and work-in-progress, cost includes an appropriate allocation of production overheads based on normal operation capacity.

Nature of Inventories

Raw Materials
Work-in Progress
Finished Goods

Basis of valuation

FIFO Method
Material cost plus proportionate conversion cost based on percentage of completion.
Valued at cost or net realizable value whichever is lower.

Chief Financial Officer
Sonal Paper & Board Mills Limited

Company Secretary
Sonal Paper & Board Mills Ltd.

MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.



2.14 Income Taxes

Current Tax:

Current income tax expense represents the sum of the tax currently payable.

Deferred Tax

Deferred tax liabilities are the amount of income taxes payable in future years in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future years in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the financial statement date.

2.15 Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.15.1 Financial Assets

Financial assets of the company include cash and cash equivalents, equity instrument of another entity, trade receivable and other receivables. The company initially recognizes receivable on the date they are originated. All other financial assets are recognized initially on the date at which a contractual right is created to receive cash or another financial asset from another company. The company derecognizes a financial asset when and only when contractual rights or probabilities of receiving the cash flows from the assets expire or it transfer the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and reward of ownership of the financial assets are transferred.

Cash and Cash Equivalents

According to IAS 7 'Statement of Cash Flows' cash comprises of cash in hand, demand deposits and cash equivalents which are short term highly liquid investments that are readily convertible to cash and which are subject to an insignificant risk of changes in value. IAS 1 "Presentation of Financial Statements" provides that Cash and Cash Equivalents are not restricted in use. Considering the provision of IAS 7 & IAS 1, Cash in Hand & Bank Balances including FDR have been treated as Cash & Cash Equivalents.

Available for Sale of Financial Assets

During the year the company had no financial asset for sale.

Trade and other Receivables

Trade receivable are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amount at the period end.

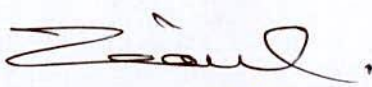
2.15.2 Financial Liabilities

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognises a financial liability when it's contractual obligations are discharged or cancelled or expired. Financial liabilities are recognised initially at fair value less any directly attributable transactions costs. Subsequently to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Financial liabilities include loan and borrowing, trade creditors, liabilities for expenses and liabilities for other finance.

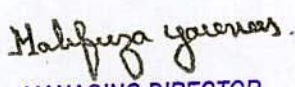
2.16 Employees Benefit Scheme

The Company has established an contributory provident fund scheme in accordance with IAS-19. A Board of trustees administers the fund. No part of the fund is included in the asset of the Company.

The Company has two group insurance schemes for its permanent employees, premium for which is being charged to Statement of Profit or Loss and Other Comprehensive Income.


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.

Vetted

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs D.
Dhaka Stock Exchange



2.17 Workers Profit Participation Fund

The company has introduced workers profit participation fund in accordance with chapter 15 under Labour Act 2006 as amended in 2013.

2.18 Revenue Recognition

Revenue has been recognized as per IFRS 15: Revenue from contract with customers under 05 (five) step approach of recognizing revenue. According to the core principal of IFRS 15, the entity has recognized revenue to depict the transfer of promise goods or service to custom in an amount that reflects the consideration (payment) to which the entity expects to be entitled in exchanging for those goods or services.

05 (five) step approach applied are as follows :

- i. Identify the contract
- ii. Identify the separate performance obligation
- iii. Determine the transaction price
- iv. Allocate the price to the performance obligations
- v. Recognize revenue.

Interest Income

It is recognized on time proportion basis.

2.19 Foreign Currency Transaction

Transactions in Foreign Currencies are translated into BDT at the rate of exchange ruling on date of transaction in accordance with IAS-21. Monetary assets and liabilities expressed in foreign currencies are translated into BDT at the rate of exchange ruling at the Statement of Financial Position date. Gains or losses resulting from foreign currency transactions are taken to the Statement of Profit or Loss and Other Comprehensive Income.

2.20 Statement of Cash Flows

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

2.21 Earnings Per Share

This has been calculated in compliance with the requirements of IAS 33: Earnings Per Share has been calculated by the profit attributable to ordinary equity holders of the company by the weighted average number of ordinary shares outstanding during the period.

2.22 Related Party Transaction

There was no related party transaction during the year other than Director Remuneration and Meeting Fees as disclosed in note-16 & 27.

2.23 Finance Cost

Finance cost (Borrowing Cost) incurred during the year was recognized as revenue expenses in accordance with IAS-23 "Borrowing Cost." Finance cost comprises interest on borrowings and bank commission & charges.

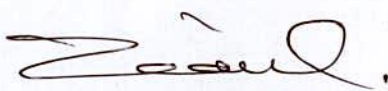
2.24 Provisions

In accordance with the guidelines as prescribed by IAS-37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

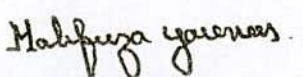
- a) when the company has an obligation (legal or constructive) as a result of past events;
- b) when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c) reliable estimates can be made of the amount of the obligation.

Vetted

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd


Chief Financial Officer
Sonal Paper & Board Mills Limited


Company Secretary
Sonal Paper & Board Mills Ltd.


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.



2.25 Segment Reporting

No segmental reporting is applicable for the company as required by IFRS 8: "Segment Reporting" as the company operates in a single industry segment and within a single geographical territory.

2.26 Events After the Reporting Period

Events after the reporting date that provide additional information about the Company's position at the reporting date are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes when material.

2.27 Contingent Liabilities

There are contingent Liabilities of Income Tax and with other departments of the Government estimated at Tk. 32,67,39,704 for cases pending in the courts and tribunals.

2.28 Components of Financial Statements


The Financial Statements comprise the followings;

- Statement of Financial Position as at 30 June, 2019;
- Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June, 2019;
- Statement of Change in Equity for the year ended 30 June, 2019;
- Statement of Cash Flows for the year ended 30 June, 2019; and
- Accounting Policies and explanatory notes to the Financial Statements for the year ended 30 June, 2019.

2.29 General

The Financial Statements are prepared and presented in Bangladeshi Currency (Taka) which is the Companies Functional currency. All financial informations presented have been rounded off to nearest Taka.

Vetted


Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd


Chief Financial Officer
Sonal Paper & Board Mills Limited


Company Secretary
Sonal Paper & Board Mills Ltd.


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.



3.00 Property Plant and Equipment

This is made up as follows:

Cost

Opening Balance

Addition during the year

Adjustment during the year

Closing Balance

Depreciation

Opening Balance

Charged during the year

Adjustment during the year

Closing Balance

Written Down Value

Tk. 5,791,474,979

Vetted
Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd

	Amount in Taka 2018-2019	Amount in Taka 2017-2018
Opening Balance	6,223,376,033	6,164,335,009
Addition during the year	65,115,964	59,041,024
Adjustment during the year	-	-
Closing Balance	6,288,491,997	6,223,376,033
Depreciation		
Opening Balance	436,409,174	377,174,627
Charged during the year	60,607,844	59,234,547
Adjustment during the year	-	-
Closing Balance	497,017,018	436,409,174
Written Down Value	5,791,474,979	5,786,966,859

Details of Property, Plant and Equipment alongwith depreciation charged thereon as on 30 June, 2019 has been shown in annexure -A. Full amount of depreciation has been charged to administrative expenses.

665.50 Decimal Land under Mouza: Tarabo, SRO: Rupgonj, District: Narayanganj and the property, plant and equipment of the company has been pledged as security against loan with Islami Bank Bangladesh Limited, Chawk Mugoltolly Branch, Dhaka.

4.00 Inventories

Tk.

319,782,979

The break-up is as below:

Raw Materials (Note 4.01)

Materials-In- Process (Note 4.02)

Finished Goods (Note 4.03)

Spare Parts (Note 4.04)

Total

Raw Materials (Note 4.01)	252,581,863	157,548,066
Materials-In- Process (Note 4.02)	9,750,360	9,583,686
Finished Goods (Note 4.03)	57,301,521	45,268,612
Spare Parts (Note 4.04)	149,235	152,760
Total	319,782,979	212,553,124

The basis of valuation is stated in note 2.13 Details of Inventories have been shown in Annexure "B".

The inventories of the company has been pledged as security against loan with Islami Bank, Bangladesh Limited, Chawk Mugoltolly Branch, and Modhumoti Bank Limited, Aganagar Branch.

4.01 Raw Materials

Particulars	Quantity (KG)	Quantity (KG)
Opening Balance	3,174,768	2,923,660
Add: Purchase & Import during the year	49,565,229	43,348,969
Available for use	52,739,997	46,272,629
Less: Consumption during the Year	43,317,129	43,097,861
Closing Balance	9,422,868	3,174,768

4.02 Materials-In- Process

Particulars	Quantity (KG)	Quantity (KG)
Opening Balance	152,122	179,479
Add: Input from Store during the year	43,317,129	43,097,861
Available for Production	43,469,251	43,277,340
Less: Production (Process Completed)	35,002,709	34,429,393
	8,466,542	8,847,947
Less: Closing Balance	143,387	152,122
Normal Process Loss	8,323,155	8,695,825
% of Normal Process Loss	23.78	25.26


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD



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4.03 Finished Goods

Particulars
Opening Balance
Add: Production during the year
Available for Sales
Less: Sales during the year
Closing Balance

Amount in Taka 2018-2019	Amount in Taka 2017-2018
-----------------------------	-----------------------------

Quantity (KG)	Quantity (KG)
776,751	597,102
35,002,709	34,429,393
35,779,460	35,026,495
35,054,965	34,249,744
724,495	776,751

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd

4.04 Spare Parts

Tk.

149,235

Particulars
Opening Balance
Add: Purchase during the year
Available for use
Less: Consumption (Machine Rep. & Maintenance)
Closing Balance

Amount in Taka	Amount in Taka
152,760	163,325
581,010	884,770
733,770	1,048,095
584,535	895,335
149,235	152,760

5.00 Trade and Other Receivables

Tk 166,184,770

(i) Trade and other receivables occurred in the ordinary course of business are insecure but considered good. This is arrived at as follows:

Opening balance	80,202,987	10,193,730
Add: Sales during the year	1,976,480,866	1,628,212,865
	2,056,683,853	1,638,406,595
Less: Realised during the year	1,890,499,083	1,558,203,608
Closing balance	166,184,770	80,202,987

Aging of Trade and other Receivables

Below 30 days	88,847,950	28,536,890
Within 31-60 days	56,623,115	39,218,714
Within 61-90 days	11,525,480	6,921,638
Above 90 days	9,188,225	5,525,745
Total	166,184,770	80,202,987

(ii) There was no amount due by the Directors (Including Managing Director), Managing Agent, Manager and other Officers of the Company and any of them severally or jointly with any other person.

Party wise schedule has been enclosed in Annexure-"C".

The classification of receivables as required by the schedule XI of the Companies Act, 1994 are given below:

Receivable considered good in respect of which the company is fully secured.	-	-
Receivable considered good in respect of which the company holds no security other than the debtor personal security.	166,184,770	80,202,987
Receivables considered doubtful bad.	-	-
Receivable to Directors.	-	-
Receivables due by common management.	-	-
The maximum amount of receivable due by any director or other officer of the company.	-	-
Total	166,184,770	80,202,987

[Signature]

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Sonali Paper & Board Mills Limited

[Signature]

Company Secretary
Sonali Paper & Board Mills Ltd.

[Signature]

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SONALI PAPER & BOARD MILLS LTD.




		Amount in Taka 2018-2019	Amount in Taka 2017-2018
6.00 Advances, Deposits & Prepayments Tk.	74,175,197		
Fixed Security Deposits (Electricity & Gas)		2,492,411	2,492,411
Advance Income Tax	Note-6.01	4,640,817	2,518,020
L/C Margin & Goods In Transit	Note-6.02	62,254,470	35,046,729
Advance VAT Deposit	Note-6.03	626,004	1,354,345
Salaries & Allowances		791,612	590,400
Security Deposits (CDBL)		200,000	200,000
Bank Guarantee Margin		1,005,919	1,005,919
MTDR (Lien with Islami Bank Bangladesh Ltd)		2,163,964	2,050,587
Fixed Deposit (Lien with Modhumoti Bank Ltd)		-	30,000,000
Total		74,175,197	75,258,411
6.01 Advance Income Tax:			
Opening Balance		2,518,020	2,220,976
Add: Addition for the year		4,640,817	2,518,020
		7,158,837	4,738,996
Less: Adjusted during the year		(2,518,020)	(2,220,976)
Total		4,640,817	2,518,020
Advance Income Tax amounting Tk 25,18,020 has been adjusted during the year for the Assessment year 2018-2019 and the balance of Tk. 46,40,817 is carried forward for the Assessment year 2019 - 2020.			
6.02 L/C Margin & Goods In Transit	Total	62,254,470	35,046,729
The entire amount was paid for Import of raw materials.			
6.03 Advance VAT Deposit			
This is made up as follows;			
Opening Balance		1,354,345	753,888
Add: Deposit during the Year		139,283,900	140,243,299
		140,638,245	140,997,187
Less: Adjusted during the Year		(140,012,241)	(139,642,842)
Total		626,004	1,354,345
7.00 Cash & Cash Equivalents	Tk.	36,717,385	
a) Cash at Bank:			
<u>Bank Name</u>	<u>Branch Name</u>	<u>Account No</u>	
Islami Bank Bangladesh Ltd	Chawk Mugoltolly	4766	2,898,651
Shahjalal Islami Bank Ltd.	Dhanmondi	8919	4,399,428
Al- Arafah Islami Bank Ltd.	New Elephant Road	2468	741,324
National Bank Ltd.	New Elephant Road	4464	5,207,852
Sonali Bank Ltd.	New Elephant Road	6338	4,973
Shahjalal Islami Bank Ltd.	Dhanmondi	1347	5,456
Dutch Bangla Bank Ltd.	Dhanmondi	2978	5,877,101
The Premier Bank Ltd.	Bangshal	8497	1,024,378
Modhumoti Bank Ltd.	Aganagar	0004	10,343,310
Marcantile Bank Ltd	Noyabazar	5618	2,092,752
			32,595,225
			37,209,622
b) Cash in hand			4,122,160
			8,015,122
Total		36,717,385	45,224,744

The Bank Balances have been reconciled where necessary and were agreed with the balance as per bank statements as on 30-06-2019. Cash in hand balance was duly certified.


Chief Financial Officer
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Company Secretary
Sonali Paper & Board Mills Ltd.

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Assistant General Manager
Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd



	Amount in Taka 2018-2019	Amount in Taka 2017-2018
8.00 Share Capital	Tk. 151,263,500	
a) Authorized Capital:		
500,00,000 ordinary shares of Tk.10 each	500,000,000	500,000,000
b) Issued, Subscribed and Paid-up Capital:		
1,51,26,350 ordinary shares of Tk.10 each.	151,263,500	151,263,500
Total 1,51,26,350 shares of Tk.10 each.	Total 151,263,500	151,263,500

Distribution Schedule Disclosures Under the Listing Regulation of Stock Exchanges:

The position of shareholders as on 30 June, 2019 is as follows:

Particulars of Investors	Number of Investors	Number of Shares	Percentage of Share Holding 2018-2019	Percentage of Share Holding 2017-2018
Sponsor	1	2809	0.02%	0.02%
Directors other than Sponsor	3	10896797	72.04%	69.28%
General Public	483	3221544	21.30%	9.57%
Suspense A/c	1	31889	0.21%	0.83%
Financial Institutes	3	957811	6.33%	20.30%
Private Corporate Institute	1	15500	0.10%	0.00%
Total	492	15126350	100.00%	100.00%

The distribution schedule showing the number of share holders and their share holdings in percentage has been disclosed below:

Range of Share Holdings	As per Folio		As per BO ID		Total Holding	Total Share	Percentage (%)
	Holders	Shares	Holders	Shares			
Less than 500	314	30,421	92	12,188	406	42,609	0.28
501 to 5,000	27	30,654	31	60,627	58	91,281	0.60
5001 to 10,000	1	5,752	4	30,950	5	36,702	0.24
10,001 to 20,000	-	-	2	34,678	2	34,678	0.23
20,001 to 30,000	-	-	-	-	-	-	-
30,001 to 40,000	-	-	1	31,889	1	31,889	0.21
40,001 to 50,000	-	-	-	-	-	-	-
50,001 to 100,000	-	-	-	-	-	-	-
100,001 to 1,000,000	-	-	12	3,992,394	12	3,992,394	26.39
Over 1,000,000	-	-	3	10,896,797	3	10,896,797	72.04
Total	342	66,827	145	15,059,523	487	15,126,350	100.00

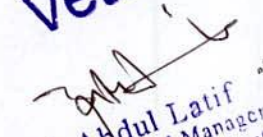
9.00 Revaluation Reserve	Tk. 4,927,446,858	
	Total	4,927,446,858

The company made revaluation of its fixed assets (only land) by an independent valuer M/s. S.H. Khan & Co., Chartered Accountants on 18 May 2016. Moreover the board of Directors approved at 45th meeting held on 30 May 2016.


Chief Financial Officer
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Company Secretary
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Assistant General Manager
Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd
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	Amount in Taka 2018-2019	Amount in Taka 2017-2018
10.00 Long Term Bank Loan Tk. 68,162,379		
Modhumoti Bank Limited. <u>(Aganagar Branch, Keranigonj, Dhaka)</u>		
Loan A/c NO # 00003	85,434,320	119,817,495
Loan A/c NO # 00006	55,938,847	71,114,354
	<u>141,373,167</u>	<u>190,931,849</u>
Islami Bank Bangladesh Limited <u>(Chawk Moghultoly Branch, Dhaka.)</u>		
HPSM NO # 43309	-	3,305,758
	<u>141,373,167</u>	<u>194,237,607</u>
Less: Current portion of long term loan	(73,210,788)	(66,826,272)
Total	68,162,379	127,411,335

The total long term bank loan is lying with Modhumoti Bank Limited, Aganagar Branch, Keranigonj, Dhaka.

11.00 Deferred Tax Liability Tk. 300,980,127		
Calculation of Deferred Tax :		
A. Temporary Difference:		
Written down value as per accounting base	5,791,474,979	5,786,966,859
Written down value as per tax base	5,415,554,472	5,406,975,966
Taxable temporary difference	<u>375,920,507</u>	<u>379,990,893</u>
Income Tax rate	25%	25%
Deferred Tax Liabilities at the end of the year	93,980,127	94,997,723
B. Revaluation:		
Carrying Valuc		
Land	5,175,000,000	5,175,000,000
Tax rate:		
Land	4%	4%
Deferred Tax Liabilities at the end of the year	207,000,000	207,000,000
Closing Deferred Tax Liabilities	207,000,000	207,000,000
Opening Deferred Tax Liabilities	207,000,000	207,000,000
Deferred Tax asset / liability:	-	-
Deffered Tax Liabilities at the end of the year (A+B)	Total 300,980,127	301,997,723


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Dhaka Stock Exchange Ltd



		Amount in Taka 2018-2019	Amount in Taka 2017-2018
12.00 Short Term Bank Loan	Tk.	785,323,792	
This is made up as follows:			
Islami Bank Bangladesh Limited (Chawk Moghultoly Branch, Dhaka.)			
Foreign Cash Bills (UPAS LC)		162,169,213	321,411,028
Murabaha TR		94,359,137	96,529,674
Modhumoti Bank Limited (Aganagar Branch, Keranigonj, Dhaka)			
(CC Hypo)		18,679,925	147,594,107
Foreign Cash Bills (UPAS LC)		510,115,517	50,286,450
Total		785,323,792	615,821,259

The above balances were in agreement with the balances as per respective bank loan statement as on 30-06-2019.
The above loan is secured against the Non-Current assets.

13.00 Trade and other Payables	Tk.	64,520,689	
Trade Payables:			
Raw Materials Supplier (Details are enclosed in Annexure "D")		4,339,456	2,216,261
Other Payables:			
Provision for Income Tax	Note-13.01	26,402,359	14,698,573
Audit Fees		86,250	86,250
Gas Bill		16,592,531	28,982,659
Electricity Bill		965,279	-
Internet Bill		79,252	134,000
Wages & Salaries		3,957,502	3,849,230
Salary & Allowances		3,734,922	1,447,934
Overtime Bill		3,871,432	1,661,693
Telephone & Fax Charges		40,517	36,132
Festival Bonus		-	127,250
Provision for W.P.P.F		4,451,189	2,201,465
Total		64,520,689	55,441,447

13.01 Provision for Income Tax:

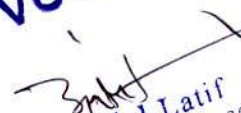
Opening Balance		14,698,573	12,518,358
Add: Addition for the year (Note: 20.00)		22,160,745	11,702,300
Add: Short provision for the assessment year 2018-2019		-	584,089
		36,859,318	24,804,747
Less: Adjusted during the year		(2,518,020)	(2,220,976)
Less: Payment during the year		(7,938,939)	(7,885,198)
Total		26,402,359	14,698,573

Provision for Income Tax amounting Tk. 25,18,020 was adjusted from advance income tax and Tk. 79,38,939 was paid for the assessment year 2018-2019. Tk. 2,21,60,745 was made new provision during the year for the assessment year 2019-2020.


Chief Financial Officer
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Company Secretary
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MANAGING DIRECTOR
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Dhaka Stock Exchange Ltd.



	Amount in Taka 2018-2019	Amount in Taka 2017-2018
14.00 Revenue (Including VAT) :	Total	
Less : VAT	1,976,480,866	1,628,212,865
	(140,012,241)	(139,642,842)
	1,836,468,625	1,488,570,023
Sales quantity:		
Writing Paper & Board Paper	35,055 MT	34,250 MT
15.00 Cost of Sales	Tk. 1,532,434,322	
Opening Stock of Raw Materials & Chemicals	157,548,066	142,663,899
Add: Local Purchase of Raw Materials & Chemicals	70,745,960	328,747,313
Add: Import of Raw Materials & Chemicals	1,349,868,695	724,779,989
Goods available for consumed	1,578,162,721	1,196,191,201
Less : Closing Stock of Raw Materials & Chemicals	(252,581,863)	(157,548,066)
Raw Materials Used	1,325,580,858	1,038,643,135
Add: Factory Overhead		
Wages & Salaries	45,832,013	45,184,621
Overtime Bill	22,523,962	22,404,453
Festival Bonus	4,550,406	4,446,928
Oil & Lubricant	5,959,923	4,409,184
Gas Bill	116,928,674	117,718,444
Electricity Bill	22,546,788	26,671,229
Workers Tiffin	126,746	136,374
Machine Repairs & Maintenance (Note 4.04)	584,535	895,335
	1,544,633,905	1,260,509,703
Add: Opening Stock of Material-In-Process	9,583,686	8,435,513
	1,554,217,591	1,268,945,216
Less: Closing stock of Material -In- Process	(9,750,360)	(9,583,686)
Cost of production	1,544,467,231	1,259,361,530
Add : Opening Stock of Finished Goods	45,268,612	27,494,654
	1,589,735,843	1,286,856,184
Less: Closing Stock of Finished Goods	(57,301,521)	(45,268,612)
Cost of Sales	Total 1,532,434,322	1,241,587,572

During the year the company has deducted Tk. 4,21,119 as tax at source from wages and salaries while making payment to employees and duly paid.


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Dhaka Stock Exchange Ltd



		Amount in Taka 2018-2019	Amount in Taka 2017-2018
16.00 Administrative Expenses:	Tk.	128,332,086	
Salaries & Allowances		42,159,858	41,589,835
Festival Bonus		3,038,251	2,893,806
Telephone & Fax Charges		550,855	484,650
Office Rent		240,000	240,000
Directors Meeting Attendance fees		220,000	176,000
Directors Remuneration		3,840,000	3,840,000
Travelling & Conveyance		1,188,110	769,029
AGM Expenses		474,750	485,750
Annual Listing fees		75,632	146,632
Entertainment		423,553	419,524
Spare parts for Motor Car		4,254,327	4,186,390
Oil & Fuel		2,274,423	2,187,449
Insurance Premium (Fire)		2,392,000	2,392,000
Staff Uniform		151,585	129,840
Office Maintenance		371,417	397,538
Internet Bill		664,608	804,000
Electrical Expenses		156,570	148,708
Stationeries		637,979	426,865
News Paper & Periodicals		7,780	9,885
Postage & Stamps		6,385	4,334
Medical Aid Expenses		37,590	74,119
Cafeteria Expenses		2,044,176	1,989,387
Rent, Rate & Renewal Fees		788,250	954,582
Miscellaneous Expenses		823,895	758,310
Audit Fees		150,490	86,250
Legal Fees & Expenses		15,250	92,000
Bank Charges		736,508	538,986
Depreciation Charges (Annexure - "A")		60,607,844	59,234,547
Total		128,332,086	125,460,416

Directors Meeting Attendance Fees Tk. 2,20,000

Directors Meeting Attendance fees amounting Tk. 2,20,000 was paid to six Directors from which a sum of Tk. 26,400 was deducted as VAT and Tk. 17,600 as Tax at source and was duly paid.

Directors Remuneration Tk. 38,40,000

During the year the above amount was paid as remuneration to three Directors from where a sum of Tk. 3,81,352 was deducted at source as tax and duly paid.

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MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD



	Amount in Taka 2018-2019	Amount in Taka 2017-2018
17.00 Selling and Distribution Expenses Tk. 13,276,092		
This is made up of the followings:		
Salaries & Allowances	4,368,017	4,063,613
Packing & Binding Expenses	2,051,360	2,913,200
Repairs & Maintenance	720,625	296,224
Business Promotion Expenses	1,183,000	661,500
Advertisement	172,242	318,813
Delivery, Load & Unload Expenses	1,856,320	2,772,664
Sales Promotion Expenses	1,506,168	1,236,250
Sample Expenses	1,418,360	1,252,329
Total	13,276,092	13,514,593

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Salaries & Allowances Tk. (4,21,59,858+43,68,017) = 4,65,27,875

During the year the company has deducted Tk. 19,83,881 as tax at source from salaries and allowances while making payment to employees and duly paid.

18.00 Finance Cost Tk. 73,541,349		
MTR (Islami Bank Bangladesh Ltd.)	15,398,039	17,307,517
HPSM (Islami Bank Bangladesh Ltd.)	40,758	473,758
UPAS (Islami Bank Bangladesh Ltd.)	13,879,578	10,436,428
CC Hypo (Modhumoti Bank Ltd.)	9,295,347	11,806,010
Term Loan (Modhumoti Bank Ltd.)	20,913,726	21,500,898
UPAS (Modhumoti Bank Ltd.)	14,013,901	2,582,023
Total	73,541,349	64,106,634

19.00 Other Income Tk. 139,009		
Bank Interest Income:		
MTDR A/C No: 838089/2839 (Islami Bank Bangladesh Ltd.)	102,642	94,696
MTDR A/C No: 838341/3089 (Islami Bank Bangladesh Ltd.)	34,273	31,724
STD A/C No: 1347 (Shahjalal Islami Bank Ltd.)	2,093	2,073
Total	139,009	128,493

20.00 Income Tax Expense Tk. 21,143,149		
<u>Current Tax</u>		
Net Profit / (Loss) before Tax	84,572,595	41,827,836
Add: Accounting depreciation	60,607,844	59,234,547
	145,180,440	101,062,383
Less: Tax base depreciation	56,537,458	54,253,184
Taxable income	88,642,981	46,809,199
Tax rate	25%	25%
	22,160,745	11,702,300
Short provision for the assessment year 2018-2019	-	584,089
	22,160,745	12,286,389
<u>Deferred Tax</u>		
Closing Deferred Tax Liabilities (Note: 11.00)	93,980,126	94,997,723
Opening Deferred Tax Liabilities	94,997,723	96,243,065
Deferred Tax (income) / expenses:	(1,017,597)	(1,245,341)
Total	21,143,149	11,041,047

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SONALI PAPER & BOARD MILLS LTD.



	Amount in Taka 2018-2019	Amount in Taka 2017-2018
21.00 Net Asset Value (NAV) Per Share with Revaluation		
Net Asset Value	5,096,137,536	5,032,708,089
Number of Shares	15,126,350	15,126,350
Net Asset Value Per Share	336.90	332.71
22.00 Earnings Per Share (EPS)		
Surplus for the year attributable to Shareholders (Net Income)	63,429,447	30,786,789
Number of shares	15,126,350	15,126,350
Earnings Per Share	4.19	2.04
23.00 Cash Flows Per Share from Operating Activities		
Operating cash inflow during the period	13,372,850	(23,430,096)
Number of shares	15,126,350	15,126,350
	0.88	(1.55)

24.00 Reconciliation of Profit/(Loss) after Tax with Cash Flows from Operating Activities

Net Profit/(Loss) after Tax	63,429,447	30,786,789
Add: Depreciation	60,607,844	59,234,547
Add: Finance Cost	73,541,349	64,106,634
Less: Non Operating Income	(139,009)	(128,493)
(Increase)/Decrease in Advance, Deposits and Prepayment	1,083,214	(55,497,457)
(Increase)/Decrease in Trade and Other Receivable	(85,981,783)	(70,009,257)
(Increase)/Decrease in Inventory	(107,229,856)	(33,795,733)
Increase/(Decrease) in Trade and Other Payables	9,079,242	(16,881,782)
Increase/(Decrease) in Deferred Tax for Temporary Difference	(1,017,597)	(1,245,341)
Total	13,372,850	(23,430,096)

25.00 Tax Assessment Status

Income tax return submitted by the company under income tax ordinance 1984. Income tax paid under section -74 basic of return.

Income year	Assessment Year	Provision	Tax Liabilities	Remarks
2014-2015	2015-2016	7,700,874	7,700,874	Completed
2015-2016	2016-2017	7,631,947	7,631,947	Completed
2016-2017	2017-2018	9,522,085	9,522,085	Completed
2017-2018	2018-2019	11,041,047	11,041,047	Completed
2018-2019	2019-2020	21,143,149	-	Under Process


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD

Vetted

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange



Amount in Taka 2018-2019	Amount in Taka 2017-2018
-----------------------------	-----------------------------

26.00 Salary Range: Salary range of the employees are given below

I	5,000 - 15,000	15 Person	18 Person
II	15,001 -25,000	15 Person	15 Person
III	25001- 50,000	21 Person	21 Person
IV	50,001-2,00,000	13 Person	12 Person
Total		64 person	66 person

27.00 Payment to Directors

Details in respect of payment to directors are given below.

Name of Board of Directors	Designation	No. of Meeting	Meeting Attending Fees	Total Meeting Fees	Directors Remuneration	Total (Taka)
Mohammed Younus	MD & CEO	4	10,000	40,000	2,400,000	2,440,000
Mahfuza Younus	Director	4	10,000	40,000	600,000	640,000
Mohammed Javed Noman	Director	4	10,000	40,000	840,000	880,000
A.K.M Nurul Fazal Bulbul	Director	3	10,000	30,000	-	30,000
Kazi Aslam Hossain	Director	4	10,000	40,000	-	40,000
Ashim Kumar Roy	Director	3	10,000	30,000	-	30,000
Total				220,000	3,840,000	4,060,000

During the year total 4 board meetings were held, the board meeting fee was Tk 10,000

- (a) No compensation was made to the Managing Director & CEO of the company except as stated above.
(b) No amount was spent by the company for compensating any member of the Board of Directors except as stated above.

28.00 Production Capacity and Utilization :

Major Products	Unit	Production Capacity	Actual production	Capacity Utilization %
Writing Paper & Board Paper (2018-2019)	MT	38,500	35,003	90.92
Writing Paper & Board Paper (2017-2018)	MT	38,500	34,429	89.43

29.00 Event After the Reporting Period

There was no significant event between the cut of date and report signing date which would require adjustments to, disclosure in, the financial statements or notes thereto.

30.00 Capital Expenditure Commitment

Contract for capital expenditure are being executed by the Contractors and the running bill are accounted for but the unfinished contracts has not been reflected in this Financial Statements. There was no material capital expenditure authorized by the board.

Vetted

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd

[Signature]

Chief Financial Officer
Sonali Paper & Board Mills Limited

[Signature]

Company Secretary
Sonali Paper & Board Mills Ltd.

Mahfuza Younus

MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD



31.00 Claim Acknowledgement

There was no claim against the Company not acknowledged as debt as on 30 June, 2019.

32.00 Credit Facility

There was no credit facility available to the Company under any contract other than bank credit facility and trade credit available in the ordinary course of business.

33.00 Financial Risk Management

The management of company has overall for the establishment and oversight of the company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risk for its use of financial instruments.

Credit Risk
Liquidity Risk
Market Risk

Credit Risk

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables. Management has a credit policy in place that is controlled and monitored on an ongoing basis. In monitoring credit risk, receivables are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Trade receivables are related to sale of Media, Liner, Simplex, Duplex Board and Quality Writing Papers. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. Risk exposures from other financial assets. i.e. Cash at bank and other receivables are nominal.

Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach in managing liquidity (cash and cash equivalents) is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses including financial obligation through preparation of the cash flow forecast with due consideration of time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

Market Risk

Market risk is the risk that any changes in market prices such as foreign exchange rates and interest will affect the company's income or the value of its holdings financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

(a) Currency Risk

Currency risk is the risk that arises due to changes in currency exchange rate. The company procures major part of raw materials from local markets and sells finished products in domestic markets which are not affected by changes in currency exchange rates. The company only procures machineries and immaterial part of raw materials from abroad which are not significantly affected changes in currency exchange rate.

(b) Interest Rate Risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. Local loans are, however, not significantly affected by fluctuations in interest rate risk. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

Sd/-
Chief Financial Officer

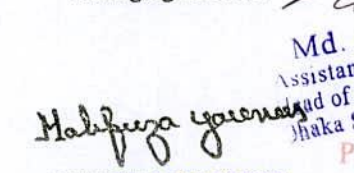

Chief Financial Officer
Sonali Paper & Board Mills Limited

Sd/-
Company Secretary


Company Secretary
Sonali Paper & Board Mills Ltd.

Sd/-
Director

Sd/-
Managing Director


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD

Vetted

Md. Abdul
Assistant General
Head of Listing At
Dhaka Stock Exch
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SONALI PAPER & BOARD MILLS LIMITED

Schedule of Property, Plant & Equipments
For the yearended 30 June, 2019

Annexure-"A"

SL. No.	Name of Assets	COST				Rate	DEPRECIATION				Written Down
		Balance as on 01 July, 2018	Addition During the Year	Adjustment During the Year	Balance as on 30 June, 2019		Balance as on 01 July, 2018	Charged During the Year	Adjustment During the Year	Balance as on 30 June, 2019	Value as on 30 June, 2019
1	Land & Land Development	5,175,000,000	47,500	-	5,175,047,500		-	-	-	-	5,175,047,500
2	Building & Godown	88,148,440	2,397,000	-	90,545,440	5%	34,056,240	2,734,573	-	36,790,813	53,754,628
3	Labour Shed	2,323,952	-	-	2,323,952	5%	915,040	70,446	-	985,486	1,338,466
4	Plant, Machinery & Boiler	642,529,605	31,374,802	-	673,904,407	10%	252,394,700	39,797,861	-	292,192,561	381,711,846
5	Electric Equipments & Others	60,256,580	1,637,950	-	61,894,530	10%	28,109,647	3,255,642	-	31,365,289	30,529,241
6	Gene. & 5 MW Power Station	180,118,357	28,787,882	-	208,906,239	10%	84,734,644	10,258,068	-	94,992,712	113,913,527
7	Weighting & Road Scale	6,201,610	52,000	-	6,253,610	10%	3,333,858	289,375	-	3,623,233	2,630,377
8	Electric & Gass Installation	12,777,243	-	-	12,777,243	10%	7,820,987	495,626	-	8,316,613	4,460,630
9	Motor Vehicles	35,248,739	-	-	35,248,739	15%	16,489,536	2,813,880	-	19,303,416	15,945,323
10	Fax Machine	30,000	-	-	30,000	10%	20,585	942	-	21,527	8,474
11	PABX & Telephone Set	971,082	21,490	-	992,572	10%	567,316	41,451	-	608,767	383,805
12	Computer	5,933,166	183,350	-	6,116,516	10%	2,531,644	349,320	-	2,880,964	3,235,552
13	ETP	1,569,181	-	-	1,569,181	5%	676,630	44,628	-	721,258	847,923
14	Fire Fitting Equipments	1,505,643	44,310	-	1,549,953	5%	524,028	50,188	-	574,217	975,736
15	Crane, Trolley & Fork Lift	6,978,483	554,680	-	7,533,163	5%	2,022,011	261,691	-	2,283,702	5,249,461
16	Workshop & Loose Tools	483,799	-	-	483,799	5%	208,614	13,759	-	222,374	261,425
17	Furniture & Fixture	3,300,153	15,000	-	3,315,153	10%	2,003,693	130,396	-	2,134,089	1,181,064
Balance as on 30 June, 2019		6,223,376,033	65,115,964	-	6,288,491,997		436,409,174	60,607,844	-	497,017,018	5,791,474,979
Balance as on 30 June, 2018		6,164,335,009	59,041,024	-	6,223,376,033		377,174,627	59,234,547	-	436,409,174	5,786,966,859

Note: Land and land development represents only land.

Vetted


Md. Abdul Latif
 Assistant General Manager
 Head of Listing Affairs Dept.
 Dhaka Stock Exchange Ltd.

Page 54 of 61
 Halimur Rahman
 MANAGING DIRECTOR
 SONALI PAPER & BOARD MILLS LTD.


 Company Secretary
 Sonali Paper & Board Mills Ltd.


 Chief Financial Officer
 Sonali Paper & Board Mills Limited





SONALI PAPER AND BOARD MILLS LIMITED

Schedule of Inventories

As on 30 June, 2019

Raw Materials:

Annexure - "B"

Particulars	30 June, 2019			30 June, 2018		
	Qty (Kg)	Rate	Taka	Qty (Kg)	Rate	Taka
a) Chemicals	314,949	75.11	23,654,900	180,587	82.00	14,808,134
b) Waste Paper	4,444,761	20.00	88,895,220	285,652	20.75	5,927,279
c) Waste Paper	2,539,724	17.00	43,175,308	128,953	16.80	2,166,410
d) Waste Paper	1,659,889	55.00	91,293,895	2,579,576	52.20	134,646,243
e) Waste Paper	463,545	12.00	5,562,540	-	-	-
Total	9,422,868		252,581,863	3,174,768		157,548,066

Material - in - Process:

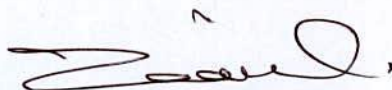
Particulars	Qty (Kg)	Rate	Taka	Qty (Kg)	Rate	Taka
a) Paper of Different Grades	143,387	68.00	9,750,360	152,122	63.00	9,583,686

Finished Goods:


Particulars	Qty (Kg)	Rate	Taka	Qty (Kg)	Rate	Taka
a) Paper of Different Grades	302,647	41.91	12,682,940	478,379	36.00	17,221,644
b) Paper of Different Grades	421,848	105.77	44,618,581	298,372	94.00	28,046,968
Total	724,495		57,301,521	776,751		45,268,612

Spare Parts:

Particulars	Qty (Kg)	Rate	Taka	Qty/Kg	Rate	Taka
a) Different Items	218	684.56	149,235	228	670	152,760
Total Taka			319,782,979			212,553,124


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.

Vetted

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd.
MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.
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SONALI PAPER & BOARD MILLS LIMITED

Statement of Trade and Other Receivables

AS at 30 June, 2019

Annexure - "C"

Sl. No	Name of the Party	Amount in Taka 30 June, 2019	Amount in Taka 30 June, 2018
1	B.N.N Packaging	3,023,981	3,315,930
2	Chittagong Mohanagar Packaging Ltd	1,181,325	2,736,072
3	Creative Paper Mills Ltd.	4,132,453	-
4	Dada Bobins Ltd.	3,262,296	-
5	G. C. Box Ltd.	2,367,276	-
6	Hasan Printing & Packaging Ind Ltd	2,270,035	-
7	H. A. Sattar Printing & Packaging Ind.	2,621,435	3,317,549
8	Interna Plastic Ind.	3,967,200	3,029,686
9	Kashpia Printing & Packaging Ind.	6,663,517	2,729,571
10	Modern Poly Industries	1,945,497	-
11	M/S. M.A.B Paper Products	3,642,165	-
12	Platinum Print & Packaging Ltd.	2,635,824	3,516,412
13	Royal Box	1,999,681	3,276,696
14	R.R Print & Packaging Ltd.	1,928,520	-
15	Vision Carton Accessories Ind Ltd	5,123,725	-
16	Chandpur Paper House	13,662,371	6,777,849
17	Ever Green	14,929,441	6,720,954
18	Mostafa Enterprise	-	6,510,000
19	Razu Traders	22,198,221	6,703,117
20	Alam & Sons	17,837,409	6,165,910
21	Ananda Paper House	16,260,494	6,236,585
22	Intergraphic Ltd.	11,411,792	-
23	MJ Paper	-	5,563,000
24	Rashedul Enterprise	23,097,912	6,896,855
25	Shahabuddin Enterprise	-	6,706,800
26	Udvas Academy	22,200	-
	Total Taka	166,184,770	80,202,987

Chief Financial Officer
Sonali Paper & Board Mills Limited

Company Secretary
Sonali Paper & Board Mills Ltd.

MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd

Vetted



SONALI PAPER & BOARD MILLS LIMITED

Statement of Trade and Other Payables

As at 30 June, 2019

Annexure - "D"

Sl. No	Name of the Party	Amount in Taka 30 June, 2019	Amount in Taka 30 June, 2018
1	Al Modina Enterprise	3,109,456	620,318
2	Howlader Enterprise	815,240	530,180
3	Javed Paper House	-	327,653
4	M/S. Babul Enterprise	414,760	317,510
5	Bismillah Enterprises	-	420,600
	Total Taka	4,339,456	2,216,261

Vetted

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd.

Chief Financial Officer
Sonali Paper & Board Mills Limited

Company Secretary
Sonali Paper & Board Mills Ltd.

MANAGING DIRECTOR

SONALI PAPER & BOARD MILLS LTD page 57 of 61




(a) Information as is required under section 186 of the Companies Act, 1994 (1994 m. 18 bs AvBb) relating to holding company; -Not Applicable

(b) Following selected ratios on liquidity, profitability and solvency for the last five years of the issuer.

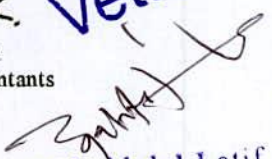
Name of Ratio	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
A. Liquidity Ratios					
(i) Current Ratio (Times)	0.65	0.56	0.46	0.55	0.33
(ii) Quick Ratio (Times)	0.22	0.21	0.09	0.12	0.11
B. Operating Ratios					
(i) Accounts Receivable Turnover Ratio (Times)	14.91	32.93	79.65	73.07	33.88
(ii) Inventory Turnover Ratio (Times)	5.76	6.35	5.28	7.39	10.40
(iii) Assets Turnover Ratio (Times)	0.29	0.24	0.22	0.20	0.12
C. Profitability Ratios					
(i) Gross Margin Ratio (%)	16.56%	16.59%	16.63%	16.63%	21.76%
(ii) Operating Income Ratio (%)	8.84%	7.26%	6.20%	6.39%	9.37%
(iii) Net Income Ratio (%)	3.45%	2.07%	2.12%	1.62%	2.10%
(iv) Return on Assets Ratio (%)	1.01%	0.50%	0.47%	0.33%	0.26%
(v) Return on Equity Ratio (%)	1.25%	0.61%	0.57%	0.38%	0.29%
(vi) Net Operating Cash Flow to Net Profit Ratio	0.21	(0.76)	7.83	0.06	6.56
D Stock Holder Ratios					
(i) Earning Per Share (EPS)	4.19	2.04	1.89	1.67	1.61
(ii) Price/Earning Ratio*	51.55	50.59	13.23	14.97	15.53
(iii) Dividend Yield Ratio*	-	-	0.04	0.04	0.04
(iv) Dividend Payout Ratio	-	-	-	-	-
E Solvency Ratios					
(i) Times Interest Earned Ratio (Times)	2.15	1.65	1.83	1.51	1.43
(ii) Debt to Equity Ratio (Times)	0.25	0.23	0.21	0.23	0.12
(iii) Bad Debt Ratio	-	-	-	-	-

We have examined the calculation of the above ratios of Sonali Paper & Board Mills Limited for the year ended 30 Jun 2015, 2016, 2017, 2018 and 2019 and found them correct.

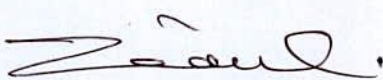
Dated : Dhaka
20 October, 2019


Fames & R
Chartered Accountants

Vetted


Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd.

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Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.



(c) Five years Comparative statements:

Revenue and Results from Operation:					
Particulars	30.06.2019	30.06.2018	30.06.2017	30.06.2016	30.06.2015
Revenue, net	1,836,468,625	1,488,570,023	1,347,786,898	1,417,564,851	955,170,713
Cost of sales	(1,532,434,322)	(1,241,587,572)	(1,123,619,788)	(1,181,789,780)	(747,280,905)
Gross profit	304,034,303	246,982,451	224,167,110	235,775,071	207,889,808
Other income	139,009	128,493	398,949	-	-
Administrative expenses	(128,332,086)	(125,460,416)	(124,198,330)	(124,478,549)	(101,536,282)
Selling & distribution expenses	(13,276,092)	(13,514,593)	(16,423,403)	(20,692,508)	(17,178,346)
Finance costs	(73,541,349)	(64,106,634)	(45,855,987)	(60,076,227)	(62,401,344)
Profit before distribution of WPP & WF	89,023,785	44,029,301	38,088,339	30,527,787	26,773,836
Workers' profit participation & welfare fund	(4,451,189)	(2,201,465)	-	-	-
Profit before tax	84,572,596	41,827,836	38,088,339	30,527,787	26,773,836
Income tax expenses	(21,143,149)	(11,041,047)	(9,522,085)	(7,631,947)	(6,693,459)
Current tax expense	22,160,745	12,286,389	12,518,358	10,968,096	6,693,459
Deferred tax expense	(1,017,597)	(1,245,341)	(2,996,273)	(3,336,149)	-
Profit for the year	63,429,447	30,786,789	28,566,254	22,895,841	20,080,377

Statement of Financial Position:

Particulars	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
ASSETS					
Non-current assets	5,791,474,979	5,786,966,859	5,787,160,382	5,798,466,328	7,648,034,142
Property, plant and equipment	5,791,474,979	5,786,966,859	5,787,160,382	5,798,466,328	7,648,034,142
Current assets	596,860,331	413,239,266	243,439,942	335,162,299	130,859,987
Inventories	319,782,979	212,553,124	178,757,391	246,483,912	73,331,715
Trade and other receivables	166,184,770	80,202,987	10,193,730	15,151,929	23,649,920
Advances, deposits and prepayments	74,175,197	75,258,411	19,760,954	17,356,388	15,977,685
Cash and bank balances	36,717,385	45,224,744	34,727,867	56,170,070	17,900,667
Total assets	6,388,335,310	6,200,206,125	6,030,600,324	6,133,628,627	7,778,894,129
EQUITY AND LIABILITIES					
Capital and reserves	5,096,137,536	5,032,708,089	5,001,921,300	4,973,355,046	7,105,687,441
Share capital	151,263,500	151,263,500	151,263,500	137,512,280	125,011,170
Share money deposit	-	-	-	-	-
Revaluation reserve	4,927,446,858	4,927,446,858	4,927,446,858	4,927,446,858	6,979,743,710
Retained earnings	17,427,178	(46,002,269)	(76,789,058)	(91,604,092)	932,561
Liabilities					
Non-current Liability	369,142,506	429,409,058	498,826,301	545,381,746	324,522,643
Long term borrowings	68,162,379	127,411,335	195,583,236	239,142,408	324,522,643
Deferred tax liability	300,980,127	301,997,723	303,243,065	306,239,338	-
Current liabilities	923,055,269	738,088,978	529,852,723	614,891,835	348,684,045
Long term borrowings-current portion	73,210,788	66,826,272	41,962,470	40,365,768	-
Short term borrowings	785,323,792	615,821,259	415,567,024	519,187,115	315,019,126
Trade and other payables	64,520,689	55,441,447	72,323,229	55,338,952	33,664,919
Total liabilities	1,292,197,775	1,167,498,036	1,028,679,024	1,160,273,581	673,206,688
Total equity and liabilities	6,388,335,310	6,200,206,125	6,030,600,324	6,133,628,627	7,778,894,129

Vetted

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd

[Signature]
Chief Financial Officer
Sonali Paper & Board Mills Limited

[Signature]
Company Secretary
Sonali Paper & Board Mills Ltd.

Mabfuza yeasmin
MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD



Statement of Changes in Equity:

Particulars	30.06.2019	30.06.2018	30.06.2017	30.06.2016	30.06.2015
Share Capital	151,263,500	151,263,500	151,263,500	137,512,280	125,011,170
Share Money Deposit	-	-	-	-	-
Revaluation reserve	4,927,446,858	4,927,446,858	4,927,446,858	4,927,446,858	6,979,743,710
Retained earnings	17,427,178	(46,002,269)	(76,789,058)	(91,604,092)	932,561
Total	5,096,137,536	5,032,708,089	5,001,921,300	4,973,355,046	7,105,687,441

Statement of Cash Flows:

Particulars	30.06.2019	30.06.2018	30.06.2017	30.06.2016	30.06.2015
Cash flows from operating activities (A)					
Receipts from customers	1,890,499,083	1,558,203,608	1,484,093,932	1,543,763,241	1,058,225,938
Payment to suppliers, payables & other expenses	(1,646,739,913)	(1,295,749,268)	(1,040,522,943)	(1,337,461,519)	(752,816,932)
Paid for administrative expenses	(67,724,242)	(66,225,869)	(58,005,768)	(58,061,990)	(58,671,453)
Paid for selling expenses	(13,276,092)	(13,514,593)	(16,423,403)	(20,692,508)	(17,178,346)
Advance, deposit & prepayment	2,477,670	(55,497,457)	(2,404,566)	(1,378,703)	(220,161)
VAT paid	(139,283,900)	(140,243,299)	(131,092,400)	(116,956,400)	(90,867,000)
Income taxes paid	(12,579,756)	(10,403,218)	(11,960,836)	(7,874,416)	(6,716,793)
Net cash (used in)/ generated by operating activities	13,372,850	(23,430,096)	223,684,016	1,337,705	131,755,253
Cash flows from investing activities (B)					
Payments for property, plant and equipment	(65,115,964)	(59,041,024)	(54,086,623)	(62,145,598)	(58,604,389)
Bank Interest Income	139,009	128,493	398,949	-	-
Net cash (used in)/ generated by investing activities	(64,976,955)	(58,912,531)	(53,687,674)	(62,145,598)	(58,604,389)
Cash flows from financing activities (C)					
Received/ (repayment) of short term borrowings	169,502,534	200,254,235	(103,620,091)	204,167,989	(41,902,857)
Payments of Bank interest and other charges	(73,541,349)	(64,106,634)	(45,855,987)	(60,076,227)	(62,401,344)
Received/ (repayment) of Intercompany debt	-	-	-	-	-
Received/ (repayment) for Share money deposit	-	-	-	-	-
Received/ (repayment) of long term borrowings	(52,864,439)	(43,308,099)	(41,962,469)	(45,014,467)	-
Net cash (used in)/ generated by financing activities	43,096,746	92,839,502	(191,438,547)	99,077,295	(104,304,201)
Net increase in cash and cashequivalents (D)=(A+B+C)	(8,507,359)	10,496,877	(21,442,203)	38,269,402	(31,153,337)
Cash and cash equivalents at the beginning of the year (E)	45,224,744	34,727,867	56,170,070	17,900,667	49,054,005
Cash and cash equivalents at the end of theyear (F)= (D+E)	36,717,385	45,224,744	34,727,867	56,170,070	17,900,668

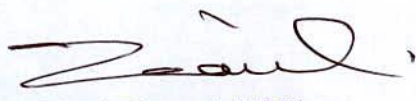
Point to be noted:

1. Dividend Declared:

Dividend Type	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
Stock (%)	10%	N/A	N/A	10%	10%
Cash (%)	N/A	N/A	N/A	N/A	N/A

- The company was incorporated on September 6, 1977.
- The Statement of Assets and Liabilities (Statement of Financial Position) as of June 30, 2019, of the company, has been duly certified by us.
- The statements of operating results (Statements of Comprehensive Income) for the month from July 1, 2018 to June 30, 2019 has been duly certified by us
- The statement of cash flow for the month from July 1, 2018 to June 30, 2019 has been duly certified by us.
- Figures related to previous years have been re-arranged wherever considered necessary.

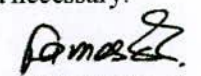
Dated: Dhaka
October 20, 2019



Chief Financial Officer
Sonal Paper & Board Mills Limited




Company Secretary
Sonal Paper & Board Mills Ltd.


FAMES & R
Chartered Accountants


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.

Vetted


Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd



e) **Calculation of Earnings Per share with Fully Diluted basis (With the total existing number of shares)**

I) Calculation of Earnings Per share:

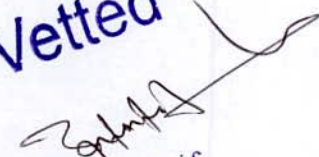
Net Profit after Tax	63,429,447
No. of Shares	15,126,350
Earnings per Share (EPS)	4.19

II) Calculation of Earnings Per share with fully Diluted basis:

The company did not issue any right or bonus shares for the year ended June 30, 2019.
So we have no scope to calculate earnings per share with fully diluted basis.

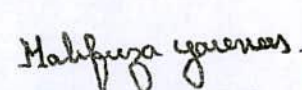
- f) All extra-ordinary income or non-recurring income coming from other than core operations should be shown separately while showing the Net Profit as well as the Earnings Per Share in Information Document:
Not Applicable
- g) Quarterly or Half-yearly EPS should not be annualized while calculating the EPS for the purpose of presenting in Information Document:
Not Applicable
- h) Any issuer who has revalued its asset within 24 months preceding direct listing/re-listing application shall show the Net Asset Value (NAV) with revaluation reserve and without revaluation reserve:
Not Applicable

Vetted


Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD

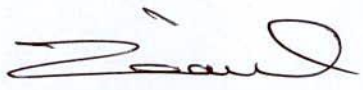
Mohammed Younus
Chairman
Sonali Paper & Board Mills Ltd.

Sheet - 1

SI #	Name of the Company	Position
1	Sobhan Ice & Cold Storage Ltd.	Managing Director
2	Younus Specialized Cold Storage Ltd.	Managing Director
3	Younus Filament Industries Ltd.	Managing Director
4	Younus Plastic Industries Ltd.	Managing Director
5	Younus Cold Storage Ltd.	Managing Director
6	Quality Accessories Ltd.	Managing Director
7	Wadud & Aysha Cold Storage Ltd.	Managing Director
8	Ananta Paper Mills Ltd.	Managing Director
9	Younus Paper Mills Ltd.	Managing Director
10	Younus Fine Paper Mills Ltd.	Managing Director
11	Younus Offset Paper Mills Ltd.	Managing Director
12	Younus Newsprint Mills Ltd.	Managing Director
13	Sharif Cold Storage Ltd.	Managing Director
14	Five Star Ice & Cold Storage Pvt. Ltd.	Managing Director
15	Nowpara Cold Storage (Pvt) Ltd.	Managing Director
16	Garib-E-Newaz Cold Storage Ltd.	Managing Director
17	Siddheswari Cold Storage Ltd.	Managing Director
18	Younus Spinning Mills Ltd.	Managing Director
19	Europa Cold Storage Ltd.	Managing Director
20	Akco Industries & Cold Storage Ltd.	Managing Director
21	Sonali Abason Limited	Managing Director
22	Sonali Dredger Limited	Managing Director
23	Air Bangla Airways Ltd.	Managing Director
24	Galaxy Flying Academy Ltd	Managing Director
25	Long lasting Coating	Proprietor
26	Meghna Pipe Factory	Proprietor
27	United Traders	Proprietor
28	Shahjalal Islami Bank Ltd.	Director
29	NRB Telecom Limited	Managing Director
30	A.Kader & Sons Himage Ltd	Managing Director
31	Combined Food & Cold Storage Ltd	Managing Director
32	Lakhi Preserves Pvt. Limited	Managing Director

Vetted

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept
Dhaka Stock Exchange Ltd


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.

Mohammed Younus
MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD

Mahfuza Younus
Managing Director
Sonali Paper & Board Mills Ltd.

Sheet - 2

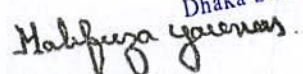
SI #	Name of the Company	Position
1	Sobhan Ice & Cold Storage Ltd.	Director
2	Younus Specialized Cold Storage Ltd.	Director
3	Younus Filament Industries Ltd.	Director
4	Younus Plastic Industries Ltd.	Director
5	Younus Cold Storage Ltd.	Director
6	Quality Accessories Ltd.	Director
7	Universal Paper & Board Mills Ltd.	Director
8	Ananta Paper Mills Ltd.	Director
9	Younus Paper Mills Ltd.	Director
10	Younus Fine Paper Mills Ltd.	Director
11	Younus Offset Paper Mills Ltd.	Director
12	Younus Newsprint Mills Ltd.	Director
13	Sharif Cold Storage Ltd.	Director
14	Five Star Ice & Cold Storage Pvt. Ltd.	Director
15	Nowpara Cold Storage (Pvt) Ltd.	Director
16	Garib-E-Newas Cold Storage Ltd.	Director
17	Siddheswari Cold Storage Ltd.	Director
18	Younus Spinning Mills Ltd.	Director
19	Europa Cold Storage Ltd.	Director
20	Akco Industries & Cold Storage Ltd.	Director
21	Bikrampur Potato Flakes Industries. Ltd.	Director
22	Sonali Abason Limited	Director
23	Sonali Dredger Limited	Director
24	Air Bangla Airways Ltd.	Director
25	Galaxy Flying Academy Ltd	Director
26	Express Insurance Ltd.	Director
27	A.Kader & Sons Himageer Ltd	Director
28	Combined Food & Cold Storage Ltd	Director
29	Lakhi Preserves Pvt. Limited	Director
30	Wadud & Aysha Cold Storage Ltd.	Director

Vetted

Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.



MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD

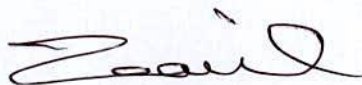
Mohammed Javed Noman
Director
Sonali Paper & Board Mills Ltd.

Sheet - 3

Sl #	Name of the Company	Position
01	Bikrampur Potato Flakes Ind. Ltd.	Managing Director
02	YSR Logistics Limited	Chairman
03	Sonali Paper & Board Mills Ltd.	Director
04	Younus Newsprint Mills Ltd.	Director
05	Ananta Paper Mills Ltd.	Director
06	Sobhan Ice & Cold Storage Ltd.	Director
07	Younus Cold Storage Ltd.	Director
08	YSR International	Proprietor

Wetted


Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd



Chief Financial Officer
Sonali Paper & Board Mills Limited



Company Secretary
Sonali Paper & Board Mills Ltd.



MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.

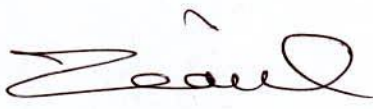
A.K.M. Nurul Fazal Bulbul
Independent Director
Sonali Paper & Board Mills Ltd.

Sheet - 4

SI #	Name of the Company	Position
01	Export-Import(Exim) Bank of Bangladesh Ltd.	Founder Director & Member Shariah Committee
02	Infrastructure Development Company Ltd. (IDCOL)	Director
03	Sunlife Insurance Co. Ltd.	Founder Director
04	Central Depository Bangladesh Ltd. (CDBL)	Vice Chairman
05	Infrastructure Investment Facilitation Company (Govt. Owned PPP Service Provider Company	Director
06	Sonali Paper & Board Mills Ltd.	Independent Director

Vetted


Md. Abdul Latif
Assistant General Manager
Head of Listing Affairs Dept.
Dhaka Stock Exchange Ltd


Chief Financial Officer
Sonali Paper & Board Mills Limited


Company Secretary
Sonali Paper & Board Mills Ltd.


MANAGING DIRECTOR
SONALI PAPER & BOARD MILLS LTD.